



# Content strategies for digital subscriptions in German and Nordic media outlets

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Europäische Journalisten Fellowship program at Freie Universität Berlin 2019/20



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## 1. Introduction

Digital subscriptions have been a hot topic in the media industry for many years. The digital transformation has been around even longer, but after noticing that digital advertising can not cover or replace the loss of revenue that the declining print market causes – especially when the digital media and advertising landscape has been massively affected by platform giants such as Google and Facebook – media outlets have been forced to think about other sources of revenue.

Selling the media product not only to advertisers but also to consumers is not something new for media companies. Morning papers and magazines have always sold subscriptions, and tabloids have sold single copies. However, the environment has changed. Even though many printed products are still profitable, maybe even an important source of revenue, the focus is now on finding a sustainable business model in the digital environment, where the majority of the audience are. This digital environment is very much different compared to what the media outlets had got used to for decades.

In this digital environment media outlets are not competing just against each other but with many other products and services. Some are available for free, some request a payment, but they are all fighting for the attention and time of consumers – and many also for the money.

This makes it much harder for the media outlets to be successful compared to the time when the consumer preference and habit for journalism was print. The content the media outlets produce, and the reward the consumer gets in return for the money, must be more meaningful and attractive than ever before. Simply delivering the news is not enough anymore, since basic news can be found free of charge in the digital world. In general, people are unwilling to pay for media content when there are substitutes available for free, even though those substitutes may be of lower quality.<sup>1</sup>

What is the kind of content that different media outlets think will be successful in growing their number of digital subscribers and how do they produce it in practice? These questions are very important, since they play a big role in what kind of future the media industry will have.

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<sup>1</sup> (Ha, 2018)

## 1.1. Acknowledgements

This research project is part of my Europäische Journalisten Fellowship (EJF) program at the Freie Universität Berlin. I took part in the program for the academic year of 2019-20 after receiving a scholarship from the Helsingin Sanomat Foundation in Finland. I want to express my gratitude for making this project possible to the Helsingin Sanomat Foundation and the Institute of Journalism and Communication Studies at the Freie Universität Berlin, especially to Prof. Dr. Alexander Görke, who is the leader of the EJF program, and to the other fellows who also commented on my project along the way.

I work as a publishing editor at Iltalehti, one of the largest media outlets in Finland. I want to thank my editor-in-chiefs Erja Yläjärvi and Perttu Kauppinen for their understanding and supportive attitude when I asked for a study-leave to join the program in Berlin.

Biggest thanks obviously go to the media outlets who participated in the research and especially the interviewees in chronological order: Felix Hooß, Jochen Wegner, Beate Koren, Kaisa Aalto, Ulrich Schäfer, Johanna Odlander, Sune Odér and Thorsten Dörting. This research would not have been possible without your time and contribution.

## 2. Aims and methods of the research

I had two main questions in mind when doing this research. My aim is to find out:

- 1) What kind of content the chosen media believe can be successful as paid content in a freemium model?
- 2) How do they implement this content strategy to the editorial team and execute it day in, day out?

I wanted to do an interview-based research, because I think that is the best way to get under the surface, to dig deeper on how media outlets actually make decisions and operate in the newsroom in their everyday life. Just by analyzing the paid content services from outside would not bring same kind of knowledge.

As for the interviewees, I wanted them to be preferably from the editorial department, so that they would have the best possible knowledge of both the strategic approach to content and the daily hands-on operations in the newsroom.

Through these interviews I was able to produce the case studies presented in this paper in chapter 4. The key questions and talking points that form chapter 5 were covered and discussed during the interviews. Together these (chapters 4 and 5) make it possible for me to draw conclusions in chapter 6 – and find answers to the two main research questions presented above.

### 2.1. Choosing the media outlets involved

Since I was based in Berlin, it felt natural to study and interview German media outlets that I would also otherwise get to know better during my stay. In addition to that, I decided to include outlets from different Nordic countries to the research. This is partly because Nordic countries are front-runners when it comes to the percentage of people who pay online for news, and because coming from a Nordic country myself, I knew already beforehand that Nordic media outlets would provide successful and different case studies, to which a deeper dive would be fruitful. It is also interesting to see if operating on a smaller market and language area makes a difference.

The media outlets who gave interviews and contributed to the research are:

- Frankfurter Allgemeine Zeitung (Germany)
- Die Zeit/Zeit Online (Germany)

- Süddeutsche Zeitung (Germany)
- Der Spiegel (Germany)
- Helsingin Sanomat (Finland)
- Expressen (Sweden)
- VG (Norway)
- Ekstra Bladet (Denmark)

When I started thinking about media outlets that would fit to this research, couple of things were vital. Firstly, instead of a hard paywall or the metered model, I wanted the media outlets to have a freemium model, where only a certain amount of content is behind the paywall. Why? Because with a hard paywall or the metered model, there would not be decision-making about which kind of content is regarded as something for which the readers would have willingness to pay. The trend has also recently been more towards freemium/premium models with international and nationwide media outlets.

It must be noted that Süddeutsche Zeitung has simultaneously a metered model along with the freemium model. They don't communicate how many articles one must click on before hitting the paywall, but the freemium model is primary and metered model secondary also in their case.

Secondly, I didn't want to choose regional or local newspapers, because for them the scope is naturally different: they focus on local issues, which are obviously also the subscription drivers. I find the nationwide media outlets much more interesting, varied and maybe also challenging in terms of determining the content strategy. They also have different kind of competition than local or regional newspapers.

Thirdly, I wanted the media outlets to be not only nationwide but also as general news outlets as possible, not being too specified on a certain subject like economy, or with political allegiance. The media outlets are among the biggest in their respective countries and they represent different publishers.

Finally, I wanted to get both tabloids and morning papers to be included in the research, as I was very interested to find out if there are differences not only topic-wise in the content strategy, but also in how they operate in the newsroom. With Germany I also chose to include a weekly newspaper and a weekly magazine, since they are among the biggest digital news sites and the largest journalistic digital subscription services.

It is also noteworthy to mention that the scholarship I received from the Helsingin Sanomat Foundation had no influence at the selections I made regarding the chosen media outlets or the content of this research report. Helsingin Sanomat was chosen purely because they are the market leader and the most suitable case study in Finland for the approach of this research.

## 2.2. How were the interviews conducted

I approached first media outlets in November 2019 and then some other outlets in January 2020.

Interviews were semi-structured with a set of questions that were similar to each media outlet, along with some specific questions for each. I wanted the interviews to be as free-flowing as possible, so I didn't stick to the order of questions, if the interview naturally progressed in a different way.

The interviews lasted between 40 and 70 minutes and took place between December 2019 and March 2020. They were conducted partly in person and partly via Skype or phone. Full list of the interviewees and interview dates can be found at the end of this paper.

Because this research paper was published several months after the interviews were conducted, it is possible that some strategies or practices have changed since.

### 3. Digital subscriptions – the story so far

Digital subscriptions in general are not a new phenomena. They have been around for a relatively long time, more than a decade. At the beginning, digital subscription usually meant that one could read the e-paper, an electronic replica version of the printed paper, online. This was usually sold together with a print subscription.

The stories that were actually published on the websites, not just as a pdf-replica from the print, were generally content that was available free of charge. The business model with the digital side – in many cases more or less separate from the print operations – was built around digital advertising. A large reach and lots of page views generated new advertising income.

When digital subscriptions are discussed, different kind of paywalls and models are frequently mentioned. This research does not focus on models, but instead on content selections and editorial operations in a freemium model, which means that some content is free to all users and some premium content is accessible only to subscribers. Freemium is the most popular model at the moment in nationwide media outlets. According to a research conducted in February and March 2020 by Grzegorz Piechota, INMA's researcher-in-residence, 39% of 569 national media outlets in 33 countries charged for online news. He found that 47% of brands charging for online news seemed to follow the freemium model, 12% a metered model, 12% asked for donations or offered memberships, 6% had a hard paywall and 5% a hybrid model.<sup>2</sup>

However, to understand the current environment, a short recap of the history of digital subscriptions, which includes different models, is beneficial.

The Wall Street Journal had a hard paywall, which means all content is behind a paywall, already in 1996.<sup>3</sup> Nowadays they operate with a so-called dynamic paywall, which uses artificial intelligence to decide when the user is ready to subscribe – and after that point, the user can only continue reading the content by subscribing.<sup>4</sup> Generally it can be said that hard paywalls work better with media outlets that are specified in certain topics, like economics and business.

The Times from London introduced a hard paywall in July 2010. Many people in the media field thought that it was a strange decision, because unlike The Wall Street Journal, The Times is a

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<sup>2</sup> <https://twitter.com/INMAorg/status/1266188787266322435/photo/1>

<sup>3</sup> [https://books.google.de/books?id=XnORAgAAQBAJ&pg=PA136&redir\\_esc=y#v=onepage&q&f=false](https://books.google.de/books?id=XnORAgAAQBAJ&pg=PA136&redir_esc=y#v=onepage&q&f=false)

<sup>4</sup> <https://whatsnewinpublishing.com/wsj-creates-ai-paywall-decides-readers-ready-subscribe/>



general news medium which faces huge competition from other newspapers and the broadcasters, who offer their content mostly or completely for free. When choosing a hard paywall, the medium takes a huge risk of losing a lot of reach and traffic, which then affects the advertising revenue. The Times initially lost more than 90 percent of their online readership, but that does not mean the decision was wrong in the long run or from the financial point of view.<sup>5</sup> The hard paywall is still there after a decade, and in January 2020 The Times announced that the amount of digital-only subscribers to The Times and Sunday Times had surpassed 300 000 for the first time in the summer of 2019, with a 19 percent rise in the last year, their best yearly rise ever after launching the paywall.<sup>6</sup>

The most famous success story of digital subscriptions is The New York Times, who introduced a paywall in March 2011. They chose initially a metered model, where the user could read 20 articles per month before hitting the paywall and being able to continue reading only by subscribing. Since then, the amount of free articles has gradually become lower, currently being five. The paywall has become harder also because coming via social media or search engine counts nowadays, unlike when the wall was introduced.<sup>7</sup>

What has been encouraging to see, from a journalistic point of view, is the progress of how The New York Times have been able to grow the amount of subscribers, which means that people are ready and willing to pay for digital journalism. Just a couple of months after the launch, they had more than 200 000 digital subscribers and after a year more than 300 000.<sup>8</sup> One million subscribers were reached in the summer of 2015<sup>9</sup> and the pace hasn't slowed down – on the contrary. In the first quarter of 2019 they had already 3,3 million digital-only subscribers, according to Reuters Institute Digital News Report 2019.<sup>10</sup> In February 2020 The New York Times announced that they had added more than one million digital-only subscribers in the year of 2019, taking the total amount of digital-only subscriptions to 4,4 million.<sup>11</sup> In the first quarter of 2020,

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<sup>5</sup> <https://www.theguardian.com/media/2010/jul/20/times-paywall-readership>

<sup>6</sup> <https://www.thetimes.co.uk/article/times-online-subscribers-rise-5kkpk2fj0>

<sup>7</sup> <https://www.mediavillage.com/article/historys-moments-in-media-the-new-york-times-surprisingly-profitable-paywall/>

<sup>8</sup> <https://www.mediavillage.com/article/historys-moments-in-media-the-new-york-times-surprisingly-profitable-paywall/>

<sup>9</sup> <https://de.statista.com/infografik/3746/digitale-abonnenten-der-new-york-times/>

<sup>10</sup> [https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR\\_2019\\_FINAL\\_0.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR_2019_FINAL_0.pdf)

<sup>11</sup> <https://www.niemanlab.org/2020/02/readers-reign-supreme-and-other-takeaways-from-the-new-york-times-end-of-year-earnings-report/>

boosted partly by the so called "COVID-19 bump", they acquired 587 000 new digital subscriptions, taking the total over five million.<sup>12</sup>

The New York Times is an exception. It is a world-wide brand with enormous resources and a world-wide audience. Along with The Washington Post (1,5 million digital subscribers in Q1 of 2019), The Wall Street Journal (2,0 million in Q1 of 2020) and The Financial Times (796 000 in Q3 of 2019), they have a huge potential pool of subscribers, which is not possible for non-English media.<sup>13</sup> The digital subscription success of these brands is encouraging, but not something that can be easily transmitted to other countries and smaller media outlets – for example the ones from Germany and the Nordic countries that this research project focuses on.

In Germany, there were less than 10 newspaper websites that required paying in 2010; fast forward to 2013 and the amount had grown to 70, and in 2014 a quarter of all German morning papers had paid content via a metered model, freemium model or a hard paywall.<sup>14</sup>

The German media outlets, like others around the world, were afraid of how promoting paid content on the website would affect the reach and the traffic, which are essential for the advertising revenue. Many started quite carefully and noticed that paid content does not immediately destroy them. It was, and still is, a continuing balancing act: how to keep and possibly grow the reach while at the same time building a new pillar of consumer revenue by growing the amount of digital subscribers. This is one of the key questions of this research paper.

Even though the amount digital subscriptions is growing with many media outlets, significant challenges still arise. Even in the case of The New York Times, with all their journalistic resources, almost 40 percent of new subscriptions in 2019 were done for the cooking app and crosswords.

*"The proportion paying for news (subscriptions, memberships, donations, and other one-off payments) has remained stable at 11% in nine countries (averaged) that we have been following since 2013. Most people are not prepared to pay for online news today and on current trends look unlikely to pay in the future, at least for the kind of news they currently access for free", Reuters Institute Digital News Report 2019 stated.*<sup>15</sup>

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<sup>12</sup> <https://www.subscriptioninsider.com/financial-performance-reporting/the-new-york-times-added-a-record-587000-new-digital-subscribers-in-first-quarter>

<sup>13</sup> [https://fipp.s3.amazonaws.com/media/documents/GDS\\_Snapshot\\_2020\\_Q2\\_Final\\_V3.pdf](https://fipp.s3.amazonaws.com/media/documents/GDS_Snapshot_2020_Q2_Final_V3.pdf)

<sup>14</sup> Kansky, 2015

<sup>15</sup> [https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR\\_2019\\_FINAL\\_0.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR_2019_FINAL_0.pdf)

The report added that in the past year of their research (from 2017 to 2018) the growth was limited to a handful of countries mainly in the Nordic region. Nordic countries are even more ahead of others when focus is on digital-only subscriptions, not counting those with digital access from a print subscription. In the Nordics also tabloids can sell paid content, which makes them interesting for this research. It must be noted, however, that also in Germany the ruling tabloid Bild is by far the market leader when the amount of digital subscriptions is concerned.

What is also a noteworthy observation from the Reuters Institute's report of 2019, is the fact that in Germany 70 percent of those who paid money to news organisations only paid for one, 20 percent for two. This indicates that the competition is very hard: very few people subscribe to several media outlets, so the mentality is 'winner takes the most'. The 2020 Reuters Institute Digital News Report showed that only 10 percent of Germans pay for online news.<sup>16</sup> In the Nordic countries the percentage of readers who pay for online news is bigger (Norway 42%, Sweden 27%, Finland 19%, Denmark 17%), but the markets are of course smaller than Germany.

A threat to news organisations is also a thing called 'subscription fatigue'. Even though people have generally been accustomed to paying for digital services, such as Spotify or Netflix, it is possible that when more and more digital subscriptions are on the credit card bill, some will be omitted. According to the Reuters Institute Digital News Report 2019, if people could only have one digital subscription, only 12 percent would choose news. Video and music streaming services would be much safer – especially with younger generations. From under 45-year-olds only 7% would keep news, whereas with over 45-year-olds the amount is 15%.<sup>17</sup> This is a serious challenge and also mirrors the environment in which media outlets now compete.

The coronavirus pandemic spread around the world after most of the interviews for this research were conducted and is therefore only mentioned a couple of times. It has hit the media outlets hard, especially with the huge drop in advertising revenue, but the one positive thing is that many outlets have identified a significant bump in subscriptions, which indicates that many people still value trustworthy journalism and are willing to pay for it, at least in times of crisis. Whether the rise in subscription numbers is lasting after the pandemic is over, when a lot of people might have lost their jobs and need to be very selective in what they can afford, remains to be seen.

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<sup>16</sup> [https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2020-06/DNR\\_2020\\_FINAL.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2020-06/DNR_2020_FINAL.pdf)

<sup>17</sup> [https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR\\_2019\\_FINAL\\_0.pdf](https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2019-06/DNR_2019_FINAL_0.pdf)

## 4. Case by case individually

In this section I will go through each of the media outlets in chapters dedicated to them. I will make an overview of the media outlet in general and their digital subscription offering, along with a market overview in their respective countries, focusing especially on the digital subscription market. The chapters are based on my own observations and the conducted interviews.

### 4.1. Frankfurter Allgemeine Zeitung and F+

Frankfurter Allgemeine Zeitung is a traditional and one of the most famous newspapers in Germany. Based in Frankfurt, the newspaper was founded in 1949. Print circulation of the daily newspaper was in the first quarter of 2020 over 200 000 copies<sup>18</sup> and on their website, F.A.Z. got 59 million visits in December 2019.<sup>19</sup>

Many consider F.A.Z. to be a conservative, centre-right newspaper which is mainly focusing on politics and economy. The newspaper is foundation-owned.

Felix Hooß is an editor and audience manager at F.A.Z., who is responsible for the paid content. He says that paywall was first introduced in F.A.Z. back in 2015. Initially it was basically just the e-paper. If one came across the paywall, one would automatically be offered the subscription of the multimedia edition.

*“Then we felt we needed a lower-level entrance offering for a cheaper price – also for the target group that was accustomed to the price points of Netflix, Spotify and such. We introduced that in October 2018. We’ve added a lot of subscribers this year (2019) and are still developing and fine-tuning this kind of offering, while introducing other parts of subscription packages”,* Hooß explains.

At the time of our interview in December 2019, Hooß said that they had – depending on if one counts also the trial subscriptions – between 80 000 and 90 000 digital subscribers.

When I ask Hooß what kind of articles and journalism are the cornerstones of the digital subscription strategy at F.A.Z., he says that since they try to manage both reach and subscriptions, there is hardly any content they exclude from all readers and say it’s subscription only. But there are couple of guidelines.

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<sup>18</sup> <https://www.ivw.eu/aw/print/ga/titel/1056>

<sup>19</sup> <https://meedia.de/2020/01/09/ivw-news-top-50-stern-waechst-gegen-den-trend-auf-neuen-rekord-rheinmain-extratipp-ueberwindet-mit-775-plus-die-herbst-delle/>

*"The most obvious one are exclusives. If we have an interview with chancellor Merkel, it will probably be locked. Then it's stuff that is really opulent or difficult to create: long-reads, reportages, certain multimedia formats... and also stories that have a high 'nutzwert', 'news to use', if it gives you immediate return of investment, especially the finance pieces, we would usually lock those", Hooß lists.*

*"That being said, it doesn't mean we automatically lock that content. It will always be part of the premium product, but of course we have to show these to our non-paying readers in order to potentially turn them into subscribers."*

Hooß says that one indicator for the decision to put an article behind the paywall might be the amount of work put into a certain story.

*"Today we had a big reportage from Syria. The way this was crafted makes it an obvious premium piece, since it has a certain value to us and we have to show the readers that this is something special that you don't get every day."*

Hooß talks passionately that the reward the paid content is giving to the customer is the '100 percent dna of F.A.Z., purely what the essence of F.A.Z. journalism is'.

*"It has always been great journalism, going into the details, explaining how the world works without forcing a certain opinion on you. It's hard to transport that into the 21st century and on a website where everybody is just scanning and browsing the headlines. Our promise is still to give you these insights and to understand the world in a better way. If that means that you as a 35-year-old understand if it's better to take a credit from your bank and buy a house in the countryside or to live in a rented flat in the city, that's perfectly fine and it will always be 100 percent serious F.A.Z. journalism and not a cheap clickbaity piece."*

**Name one very good example of an article that has been successful as paid content.**

*"One that comes to my mind immediately and is by one female colleague of mine, who wrote about 'Do I want children or happy life or both' and it was directed at 30-year-old women who want to make important decisions about their lives."*

*"Not only was it a highly successful article that obviously struck a nerve in our audience, it also led to a lot of discussion in social media, emails, letters. She made a sequel to that article, the readers reacted to that second article, and we even published some readers' letters to that discussion. We*

*were able to steer a debate about what our today's society asks from young women and how it puts them under pressure."*

*"That was really, really valuable. It was not something you would have considered highly successful in the old F.A.Z. audience, but it really worked and had an impact. It made us happy and still look at numbers and say 'wow, that was magic', a moment that you can't recreate every day, but you have these moments as a benchmark in your memory when you try to put good content on the site. By now, the initial article should be around thousand conversions."*

#### 4.2. Die Zeit / Zeit Online and Z+

Die Zeit is a Hamburg-based nationwide weekly newspaper in Germany, known for long articles. Founded in 1946 and owned by Zeitverlag, the circulation of the print weekly is around 500 000 copies.<sup>20</sup> On the website zeit.de more than 72 million visits were made in December 2019<sup>21</sup>, and according to Reuters Digital News Report, Die Zeit had more than 100 000 digital only subscriptions of Z+ service in 2018.

Jochen Wegner is the editor-in-chief of Zeit Online. He says that in Berlin about 200 journalists are working for the online edition, whereas in Hamburg there are 300 people working mainly for the print. The print newspaper content is also at Zeit Online's disposal.

Wegner says that the first discussion about paid digital content at Die Zeit took place in 2013, when he started. Wegner consulted other publishers and media outlets at a time when a metered model was preferred. In the end, the publisher decided against a paid content model at the time.

*"They said that we are not sure if we should first grow a little bit more reach of our digital business before we close (articles). They feared we were too small",* Wegner recalls.

In 2017 Die Zeit then launched the Z+, a digital subscription service based on a freemium model.

*"We started super late with our own brand freemium which was sheer luck in a way, but it was a perfect time. All the people had learned that there is something called paywall, people were trained and used to it, so we got no shitstorm or whatsoever."*

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<sup>20</sup> <https://www.ivw.eu/aw/print/ga/titel/967>

<sup>21</sup> <https://meedia.de/2020/01/09/ivw-news-top-50-stern-waechst-gegen-den-trend-auf-neuen-rekord-rheinmain-extratipp-ueberwindet-mit-775-plus-die-herbst-delle/>

Wegner says that the model was very successful from the start. The readership on the website is younger than the print edition, but the social demographic is similar. Zeit Online is offering not only free and paid content, but also content in between – things you can only read if you log in.

*"I had the fear that if you only offer freemium paid content model and you have to buy it or we ignore you, we would lose the young readers."*

The log-in stories are important for the newspaper, because that gives them e-mail addresses of the readers – the possible future subscribers.

*"It's super successful. It's another funnel for marketing to get subscribers, but also for other things. Our publishers are very successful in converting e-mail addresses, that's the main business. They tell me they are the best in Germany when it comes to e-mail marketing. They have quantum physics there, it's amazing stuff",* Wegner smiles.

There are some general rules of paid content in Z+. First of all, practically all print content is behind the paywall. Also the 'big stories' of different editorial departments are usually locked.

*"It's a signal, protecting our legacy. It's irrational but we do it like that. The rest is open for playing around."*

Die Zeit is different from the daily newspapers in the sense that the print edition is a weekly. Online they cover daily news similarly, but what's the significance of being a printed weekly instead of printed daily in the digital paid content market? Wegner says that 15 years ago he thought media like Die Zeit would be the first to die, because it's totally useless in the digital age to have a weekly newspaper.

*"It's super slow, clumsy, complicated. Turned out the opposite is truth. As far as I know, we are one of the super successful media outlets in Europe. We are growing in print, we are growing in the newsstands. There's something going on with the brand that I can't explain."*

After talking to many readers, Wegner believes the longer, relaxed storytelling is something that can be better sold and be more attractive content for subscribers than daily news – both in print and in digital channels. He says many newsrooms are discussing about closing down the printed editions on weekdays and just having digital offering and a printed Sunday edition.

*"We are there already. Strategic-wise I think it's a great position we are in. Maybe that's half of the explanation of the success. Also Die Zeit is famous for being rather solution-orientated; Der Spiegel is famous for destroying the government, and we are famous for rebuilding it. What's the solution, what should we do... it helps, the positioning of the brand and the spirit here, I think."*

**Name one very good example of an article that has been successful as paid content.**

*"For more than a year, the top selling story – something like two or three thousand subscribers from a single story – was a rant on Waldorfs-Kindergärten. It's a very German kind of kindergarten and a young mother wrote, anonymously of course, that her sister's kids are not well in the kindergarten. This story went viral, despite the fact that it was closed."*

*"The best selling story currently (in January 2020) – it's really strange, we don't really understand why people subscribe especially to this story – is a profile of a guy who had an ad in Zeit Magazin, the print magazine. The ad said 'hey I'm sixty-years old, I'm in a happy marriage, but we do not have sex. I'm looking for a woman to have sex with'. We saw that ad and one of our reporters said 'I want to meet this guy'. A woman met him and she wrote a ten-page piece about this guy, why he does that, how it works, what the women say. It's very strange. Our brand is more like serious, political thing. These stories seem to be really interesting, but also if we have an interview with Erdogan or Merkel, it's also good. But that's the best thing: society, love, psychology, stuff like that."*

#### 4.3. Süddeutsche Zeitung and SZ Plus

Süddeutsche Zeitung is a Munich-based nationwide daily newspaper that was founded in 1945 and is owned by Süddeutscher Verlag, part of Südwestdeutsche Medien Holding. Süddeutsche Zeitung is known as a quality newspaper with a relatively liberal approach. The newspaper has a daily circulation of more than 300 000 copies<sup>22</sup> and on their website Süddeutsche Zeitung had 64,8 million visits in December 2019.<sup>23</sup>

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<sup>22</sup> <https://www.ivw.eu/aw/print/ga/titel/1221>

<sup>23</sup> <https://meedia.de/2020/01/09/ivw-news-top-50-stern-waechst-gegen-den-trend-auf-neuen-rekord-rheinmain-extratipp-ueberwindet-mit-775-plus-die-herbst-delle/>



Ulrich Schäfer, news editor and chief editor of sz.de, says that Süddeutsche Zeitung had a digital subscription model already back in 2011, but that was just an app where one could download the complete newspaper. Four or five years later they started to step-by-step include paid content also to the website.

*"Basically we introduced what we called an interactive editorial, which you can see on our website in place six or seven, a special box with the best from the newspaper or now the SZ Plus content", Schäfer recalls.*

Süddeutsche also introduced a metered model, which is still in use.

*"We don't publish the numbers, but, in the beginning it was quite high what you could read per week, then we lowered it a little bit in the last year, and are still working on that. We visited the Washington Post in June (2019) and they told that they now had three free articles in 40 or 45 days. That's almost nothing. And they don't have a freemium model, they don't have Plus. They get all those subscribers through the paywall. To lower the metering limit will be an important instrument in the future", Schäfer predicts.*

But despite the prediction, the metered model is not the core in bringing readers to the paywall at Süddeutsche Zeitung at the moment – the special content labelled as SZ Plus is.

*"We had a strategy which was based on large reach. We were hesitating to change it, because we had fear that we could lose reach. But we changed the strategy in the last year, and now we have a digital subscription first strategy and we've introduced more paid content on our website."*

*"We still try to have and increase our reach, but the main goal is to attract more subscribers."*

Süddeutsche introduced a new subscription structure last November. That includes the cheapest model with all online content, also the SZ Plus, then a so-called weekend-model and a so-called complete model.

*"At the beginning we had a high-price strategy. Many newspapers had a low-price strategy from the beginning like Die Welt, below 10 euros (per month). We had 30 euros in the beginning, and now it's about 37 euros (per month), if you want to read the complete newspaper."*

Schäfer says they learned after some years of constant growth that it became more and more difficult to get readers directly to the high-price subscription and get a large number of new readers.

Süddeutsche doesn't communicate how many digital-only subscribers they have in total, but they had around 80 000 digital subscribers in November 2019 and at the time of the interview in early March 2020, they had reached 100 000 and were growing. In May, after a boost during the corona crisis, Süddeutsche Zeitung was close to 130 000 digital subscribers.

How does Süddeutsche Zeitung then try to attract and convince new digital subscribers? What are the cornerstones of the content strategy? According to Schäfer, the key is a broad variety of content.

*"The top sellers in the past were usually not politics or economics or the stories around hard news topics. That changed during the corona crisis. For us it is necessary to show our readers the complete variety of our content so they get the impression that they get everything that is interesting. Of course we could shift more to culture, health, psychology, human interest stories, but if we do that, we endanger our image as a political newspaper. The basis of all what we publish is that we are a newspaper, source of news. On top of that our readers get that other content. Readers know that we are a reliable source of news, so they also know that we are a reliable source for those stories",* Schäfer explains.

An example of those other stories away from the hard news stuff, is a newsletter called 'Einfach Leben' which translates freely to 'Smart living' – exactly the section that the New York Times has been successful with. Süddeutsche Zeitung creates stories just for this newsletter and publishes it every Monday at 6am.

*"It gives some advice for the week. For example how to start the day. We asked from some prominent people, how do they start their day and how to make it perfect."*

Schäfer names also opinion pieces as something really successful behind the paywall.

*"We don't do it only because we want to get new subscribers, but also that our new subscribers stay with us, that they see that I subscribed Süddeutsche Zeitung and now I get special content, which I wouldn't get if I didn't pay for it."*

Schäfer is happy that there is a lot of competition in Germany in the paid content market, because almost wherever readers go, they learn that they have to pay for content. As main competitors for SZ Plus Schäfer names Die Zeit, Der Spiegel and Frankfurter Allgemeine Zeitung.

*"They are interesting for the same groups in our society. We are not really in competition with Bild, that's a different audience. We are competing with Die Welt to some extent, but the readers of Die Welt are much more conservative than our readers. Of course we are competing with Die Zeit and Der Spiegel not just because their readers are also liberal, but because we have the special weekend edition, if you are a complete subscriber", Schäfer says.*

When asked, he also compares Süddeutsche to these main competitors in order to identify the competitive edge they might have.

*"Let's start with Frankfurter Allgemeine, that's the easiest. They are more conservative than we are. They have a very business-oriented audience and are used to produce content for this audience. We have a much broader audience and therefore much broader content."*

*"If you compare ourselves to Die Zeit, our biggest advantage is that we are a daily newspaper. Die Zeit is focusing more on long stories, they are not so competitive if you think about breaking news, about push news and this stuff. We are probably stronger in that."*

*"If I compare ourselves to Der Spiegel, that is really hard, because they have a much bigger online team. They are the market leader among the serious news websites. They are really good. We are maybe a little bit ahead of them in the Plus strategy. Now they are catching up, relaunched their website, try to do the same as we did, because our former chief editor of SZ.de is working there again. He did a really good job, introducing our premium model and now he's back at Der Spiegel."*

**Name one very good example of an article that has been successful as paid content.**

*"One good example is maybe the tracking of an iPhone. How different apps track the data on your iPhone in a way you don't see. This was really good research and the story was produced with an idea of an investigative article, but also to attract a lot of subscribers. Other example could be stories that we produce with the Einfach Leben newsletter. There are several stories and for example a colleague wrote a story about 10 lessons concerning losing weight and how difficult it is. That was to give our readers some advice and also at the same time it was an interesting and in*

*some parts funny story. The readers could say 'oh, that's partly like myself, I read about my problems'. And at the same time they learned how to do it better."*

#### 4.4. Der Spiegel and Spiegel+

Der Spiegel is a Hamburg-based weekly news magazine, founded in 1947 and published by Spiegel-Verlag. Famous especially for its investigative journalism, it is the largest news magazine in Europe with a circulation of almost 700 000 copies in the first quarter of 2020.<sup>24</sup>

Spiegel is big also digitally. In Germany, it's the second-biggest media after Bild, with almost 250 million monthly visits in December 2019.<sup>25</sup> Until January 2020 the digital side was known as Spiegel Online, but a relaunch merged the two brands – the Spiegel magazine and Spiegel Online – to just one Spiegel.

Thorsten Dörting is a managing editor, in German called 'blattmacher', at Spiegel. He says the history of digital paid content in Spiegel started in 2016, when it was already called Spiegel+.

*"The name was the same, but the system was different. It was a pay-as-you-go system, meaning you paid for individual articles. We experimented with that for about two years. Before that we obviously had the e-paper of the magazine, which we tried to sell via the website. We had about 50 000 digital subscribers before 2016 already", Dörting recalls.*

The reason to change from micropayments to a subscription-based system in 2018 was clear: money.

*"We had quite a success with individual articles, but we noticed we wouldn't generate the income we'd like to generate and we'd have to generate, if we wanted to keep up the editorial staff more or less where it is now, the amount of reporters and editors. And we couldn't guarantee the output we have in five or ten years time", Dörting says.*

He gives a clear example: when an average subscriber reads four or five articles per week and the users are willing to pay 20 euros per month for the subscription, Spiegel gets five euros per week

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<sup>24</sup> <https://www.ivw.eu/aw/print/ga/titel/122>

<sup>25</sup> <https://meedia.de/2020/01/09/ivw-news-top-50-stern-waechst-gegen-den-trend-auf-neuen-rekord-rheinmain-extratipp-ueberwindet-mit-775-plus-die-herbst-delle/>

per customer. If the articles would be sold individually and each would cost 40 cents, they would get 1,60 euros per customer per week.

*"That's the math. If you sell articles on an individual basis, you have a good quantity of articles to sell, but the amount which is coming in is pretty low compared to a decent subscriber base."*

Dörting says that the IVW lists Spiegel to have around 115 000 digital subscribers, from which around 65 000 to 70 000 are digital-only. But that's not the whole truth. There are in-app subscribers via Google and Apple too, which adds roughly another 15 000 digital-only subscribers.

*"So all in all I think the number 80 000 would probably be correct for digital-only subscribers."*

Dörting defines the digital paid content at Spiegel+ to be well-researched, well-written and pretty long, magazine-style articles.

*"There will always be an exception to the rule and there is a certain focus on service-articles as well, service-journalism. It's not news usually. We are always looking for some special perspective on contemporary things",* he describes.

As specific content areas, where Spiegel puts more emphasis on when it comes to digital subscriptions, Dörting names 'softer' themes. Economics work well when they are about readers' own finances, for example about property and estate issues. Spiegel also formed a new section called 'Leben' ('Life'), which is a digital-only department that was founded purely for Spiegel+.

*"They report on everything between travel and health, especially psychology. Substantial interviews with psychologists about relationship guidance and that kind of things",* he explains.

*"These are things Spiegel hasn't traditionally done that much or at all. We introduced that with Spiegel Online, which was founded 25 years ago, because Spiegel Online is much broader than what Spiegel (magazine) used to be. And now we have this own section for it."*

In the digital paid content market in Germany there are many players. Differentiation is not easy.

*"We are all kind of newbies compared to the American market. The competition is quite tough and market is being divided right now. We try to get the most of it",* Dörting begins.

*"The differentiation is on a couple of levels. It's on a political level and although I said we don't usually take news stories, we try to make sure that we get exclusive stories, which are very well researched. Not only well-written and with a good idea, but also which you can't read anywhere*

*else. That's the Spiegel dna: research, research, research. All of the articles are fact-checked. Compared to our competitors, you won't find that many mistakes in our Plus articles."*

Politically Dörting sees Spiegel, Die Zeit and Süddeutsche Zeitung to be not far from each other, all of them being more or less liberal and 'middle-ish, left-leaning a bit'. Die Welt and Frankfurter Allgemeine Zeitung are then on the conservative side.

*"We still don't know whether the market is big enough. It works for print and there isn't a reason to believe that it wouldn't work for digital as well. Here in Germany we have just more or less started, Spiegel especially is a latecomer to the party."*

Signs are pretty good, also now in the time of the corona crisis. Dörting says that both the site and the subscriptions are 'exploding'. Surprisingly the subscribers don't come via articles, like normally, but via special banners which Spiegel uses to transmit the message that if people want to follow the corona crisis, they should try the subscription.

*"We can only deliver the news to you, if people support us. That's more like a Guardian-ish approach to get the message across. It's fine if you read us and like us, but that's not enough to keep us alive, you have to do more. We'll see."*

Spiegel+ uses a slogan 'Gutes lesen, mehr verstehen' – freely translated to English as 'good to read, understanding more'. As for the reward what a Spiegel+ subscription would give to the customer, Dörting says the slogan encapsulates everything they do.

*"As I said, usually it's got to be well-written. Some level of entertainment should be involved for the reader reading an article, not because of the subject, but because it's very well crafted. Also you would usually learn something new from the world. So you know more after you read an article labelled under the Spiegel+. That's probably the two things I would still stress."*

**Name one very good example of an article that has been successful as paid content.**

*"We just had recently a major success, interview with Jens Söring, a German diplomat-son. He was convicted for murder in the USA and when he was released, just a couple of months ago, we were the first outlet with an extensive interview with him. That was huge. It's exceptional. It was exclusive, it was very entertaining to read, very well conducted and you learned a lot about how life in prison is in the United States. You really learned a lot and it converted like hell! You didn't find it anywhere else, so that would be my perfect example. Everything that is should be."*

#### 4.5. Helsingin Sanomat and diamond articles

Helsingin Sanomat is the biggest daily newspaper in Finland. Owned by Sanoma Corporation, it is based in Helsinki, but can be counted as nationwide medium. According to Media Audit Finland, the daily print newspaper reached 674 000 Finns in 2019, the amount of digital readers per week being 1,25 million.<sup>26</sup>

Helsingin Sanomat started to sell digital-only subscriptions already in 2005, but back then, it included only the digital version of the daily paper. Shortly afterwards they started to sell combo-subscriptions, upselling the digital part into the paper subscription. From then on, they've converted some of the old print-only subscribers to combos and the new sales have included the combo-component. At the moment around 70 percent of all subscribers pay for digital.

In terms of digital paid content, Helsingin Sanomat moved to the metered model in 2012. Readers were able to read five articles per week before hitting the paywall.

*"It was a so-called porous model so coming from social media or deleting your cookies allowed you to read any article for free. That model was valid from 2012 until 2016. In the fall of 2016 we started to put some of the most premium articles behind what we call a 'diamond wall', a hard paywall you can't pass coming from social media or search, or by deleting your cookies", says Kaisa Aalto, subscription business owner at Helsingin Sanomat.*

*"That model has so far worked pretty well. We call it a freemium or premium model."*

At the end of 2019 Helsingin Sanomat announced that they had passed the mark of 100 000 digital-only subscribers. Numbers updated in mid-May 2020 show that the amount of digital-only subscribers would have risen to almost 136 000.<sup>27</sup>

Unlike other media outlets interviewed, Helsingin Sanomat doesn't have a name for the subscription service such as Plus or Premium. The diamond figure is the indicator that these articles are only to digital subscribers, who get all the digital content with one subscription.

What are then these diamond articles? According to Aalto, content strategy has defined four key areas that have more emphasis: society, science, well-being and culture.

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<sup>26</sup> <https://mediaauditfinland.fi/wp-content/uploads/2020/03/Lukijamaarat2019.pdf>

<sup>27</sup> <https://mediaauditfinland.fi/wp-content/uploads/2020/05/LT-tilasto-2019.pdf>

*“Those are the areas we analyzed before the content strategy: what is read by non-subscribers, what is valued with subscribers, what are the areas that generate interest, but also willingness to pay. In some type of content people are interested and read them a lot, but they don’t generate willingness to pay. And of course the competition also affects: if something is available for free, it’s difficult to try to charge for it yourself”, Aalto explains.*

There are of course diamond articles from other categories too, but Aalto stresses that the articles need to be more unique than normal news. They have to be investigative journalism or features.

Aalto mentioned the competition aspect. In Finland there is not a clear direct rival for what Helsingin Sanomat produces – no other nationwide daily or a true challenger in the capital area, nobody close to HS in digital subscriptions. But that doesn’t mean that there isn’t competition.

*“There are competitors like the tabloid papers. You can get quality journalism for free, they follow the ethics of journalism, don’t publish fake news and are impartial, so they are rivals. Then there is of course the national broadcaster, who is growing online and putting lot of resources in online journalism as well, not only in traditional tv and radio. That is always free and you don’t even need to watch the ads if you don’t like them.”*

*“So there is competition but it’s true that we don’t have a national daily that would try to divide or compete for the money. If a person is likely to pay for online journalism, then we are in a good position. That is the key: are we relevant enough for people to pay at all.”*

The tabloids Ilta-Sanomat and Iltalehti are bigger than Helsingin Sanomat in terms of digital reach. So far their content strategy is very much based on ad-funded journalism, which is free to read, but that can change one day.

*“We are monitoring of course. If you look at Sweden for example, the tabloids try to charge for some online content behind the paywall. Usually it’s cheaper.”*

Aalto makes a comparison to Sweden, where Dagens Nyheter and Svenska Dagbladet – pretty similar newspapers to Helsingin Sanomat – try to charge close to twenty euros, whereas the tabloids Expressen and Aftonbladet charge much less.

*“They (tabloids) have pretty big numbers, but I don’t think it has affected the strategy of Dagens Nyheter, for example, that much, and I would imagine that if Iltalehti or Ilta-Sanomat would start*



*doing that type of things in Finland, we would probably try to even clearer say that 'this is what you pay for, this is the kind of journalism you get if you pay', try to differentiate our journalism."*

What is then the reward that Helsingin Sanomat is giving to the subscriber with the paid content? One aspect is the unlimited access and the daily paper, which according to Aalto is still a big value driver for many.

*"But basically what you get is our quality journalism and 200 journalists working for your knowledge every day. Quality is the key word. We have to explain that you get these well-written, thoroughly thought stories that help you understand the phenomena that is going on in the society and in the world, and it helps you create your own opinions, make an impact in society."*

*"Maybe inspiration is something that we say too. It's not only heavy political stuff, it's also inspiring stories of people or something else that maybe makes you feel better."*

**Name one very good example of an article that has been successful as paid content.**

*"One of the biggest hits last year was 'what happened the year you were born?'. When you put your year of birth there, the story told what were the music hits that year, how was the political situation or whatever, lots of information. That was also a big investment because there's a huge amount of data behind it, and it was then programmed so that it changes based on the input of the reader. We also had 'how the value of real estate is developing in different parts of Finland'. You could enter your zip code and it would change, that was also pretty well received. We had one about your health or how long a life you could expect, based on your age, where you live and so on. That type of things usually work, but you can't do them too many, because it's huge work."*

*"Then of course those huge hits have been really long, investigative processes, like last spring (2019) we had a case of human trafficking of Nepalese restaurants that the journalists investigated for a long time and then published it. Another big scoop was last autumn the sexual taking advantage of young girls of this really well-known culture person. That was also an investigative piece, where the whole process could take months or a year. Those are huge efforts, but of course they are long processes, because people collect the information and the story evolves."*

#### 4.6. VG and VG+

Verdens Gang, known as VG, is the largest newspaper in Norway. Based in Oslo and owned by Schibsted, a major media company in the Nordic countries, VG was founded in 1945. VG is a tabloid newspaper whose print paper is only sold as single copies. The circulation of the printed paper was at around 55 000 in 2019, massively down from the peak of nearly 400 000 in 2002<sup>28</sup>, but the website and its digital subscription service VG+ are hugely popular. VG+ reached 200 000 subscribers in December 2019.<sup>2930</sup>

Beate Koren, editorial head of VG+, tells that the history of paid content at VG started with a launch in December 2010.

*"We put together people from different parts of the newsroom to make a good editorial team. The plan was to make an iPad version of our premium content, because we were expecting the iPads and thought it would be a huge thing. That was the start."*

The growth was relatively slow in the beginning. 100 000 paid subscribers were reached in early 2017. Since then the amount of subscribers has more than doubled.

*"We had the sports rights to the Club World Cup in football with Liverpool as a main player. That gave us a lot at the end of the year (2019)",* Koren reveals.

She says that sports has always been a big part of the product in a project that has been evolving step by step. Sports have a perfect fit with the print product, where they have a sports supplement every day. But there are other drivers too.

*"I can't remember the exact year, but I think it was five years ago, when we started with documentaries and had a huge success with our own production about Magnus Carlsen, Norwegian chess player, several thousands of subscribers buying that particular one. We launch two documentaries weekly now and put them on the front page in the same way as articles."*

Articles have always been the main product, Koren says. It has always been a variety of subjects and topics. Right now they focus on two main areas. The first one is called 'relevant for you': stories regarding health, mental health, food consumption, training and weight-loss.

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<sup>28</sup> <http://medienorge.uib.no/english/?cat=statistikk&medium=avis&queryID=190&aspekt=oppdatering>

<sup>29</sup> <http://medienorge.uib.no/english/?cat=statistikk&medium=avis&queryID=190&aspekt=oppdatering>

<sup>30</sup> <https://www.vg.no/nyheter/i/b5JO33/vg-i-200-000>

*"And actually we have one reporter working on car industry, electrical cars, tests and guides. We also do a lot of relationships and sex life. Those are the main parts of the 'relevant for you.'"*

The other key area is what they call digital stories, digital storytelling. That started because all of the content from the premium Saturday magazine always went to VG+ platform.

*"They were early on part of what the project was all about: that being well-written interviews with famous people, also very moving and touching stories about everything."*

As an example Koren gives a little girl whose family know she is going to die, telling the story of her development and their fight against the system to get their rights. There are also more stories about defence; for instance they went with the NATO forces to Poland last year.

*"These stories work very well because they sell subscriptions, but they also get a lot of page views and the reading time is very high."*

Koren says that one important part of the success of VG+ is that they've had dedicated people looking at the numbers, tweaking the front page, thinking how articles could sell and reach the subscribers.

Now when the subscriber base has grown to be very big – Norway has around five million people – churn-preventive activities are getting even more important than before.

*"Making stories that are exclusive, that at least weekly get our subscribers to see 'oh my God, I got to read this and I don't get it from anywhere else'", Koren says.*

The target for the amount of subscribers this year is 225 000. Koren says growing the number is becoming harder, so sports-rights are becoming more important – but they are a challenge too.

*"That will bring us income and more subscribers, but they are not as loyal, because they come mostly for the sports-rights and are not staying in the same way as people coming for journalism."*

If Koren would have to split the importance of different products – sports-rights, documentaries and written articles – in the content strategy in percentages, she says that articles would be 70 percent, sports-rights this year 20-25 and documentaries the rest.

*"The documentaries, even though they don't sell extremely much or have enormous views, are an important part of our portfolio. I think we have to move forwards in making the navigation better. If you compare to Netflix or other services, we are far behind."*

In Norway there is not same kind of rivalry in the tabloid market as in Sweden and Finland since Dagbladet and Nettavisen are much smaller than VG. The main competitor for VG is Dagbladet, because their product is closest to VG's own.

*"They have almost always some kind of campaign and they are very aggressive. I myself had a subscription and when just I wanted to see what happened when I gave it up, they called until you said you will subscribe again. We don't want to go that road, because we think it de-values our product, but it makes it more difficult to grow, because as long as they still do that, it could at least for some be more attractive. We still have more resources and we put more premium content to our brand, but it affects our numbers. They are at 100 000 now, because they have grown immensely this year. We are curious what their revenue possibly could be."*

Norway has the highest percentage of people paying for online news, according to Reuters Institute Digital News Report. Koren thinks the reasons for that are multi-factored. One thing is of course the average income, which is fairly high: people have more money.

*"I think also during the course of years, we are used to paying and always had a very high number of people subscribing for streaming services. And I think we were quite early out experimenting putting content behind a paywall. We (VG) are freemium, so only like 16 percent of what you see on our front page is premium content. But for our many local and regional newspapers, a lot more of their content is behind the paywall. The willingness to pay for relevant, local news is high. Then they would maybe have VG+ on top of that."*

**Name one very good example of an article that has been successful as paid content.**

*"On top of my head, this winter 15 years from the tsunami, we had a story about a father and a boy, who lost their wife and mother, and daughter and sister. Quite a few know about them so they were sort of established, and the tsunami is a well-known tragedy. It was very good storytelling in terms of videos, getting in to the drama, you got very close to the people, what happened back then, how are they now, how do they reflect on the loss they had, the relationship between the father and the son. That was one example from the storytelling. Then we could also have as another example the risks of the drinking of diet coke, a completely new research. That could be just because people are colcaholics and curious about it."*

#### 4.7. Expressen and Expressen Premium

Expressen is a Swedish tabloid newspaper, based in Stockholm and owned by Bonnier. Founded in 1944, Expressen is a fierce competitor to Aftonbladet, the other big tabloid in Sweden. Expressen's daily print circulation was in 2018 at 120 000 copies. Digitally they had in March 2020 over 190 million page views and over 50 million visits, mainly from mobile. Expressen reaches around eight million unique browsers weekly and over 10 million monthly, which is a huge number in Sweden, which has around 10 million inhabitants.<sup>31</sup>

Until December 2018, Expressen didn't have paid content on their digital channels. But with the launch of Expressen Premium, they moved to the subscription business too. Johanna Odlander, head of editorial at Expressen Premium, says the reason why they didn't have anything before was that for Expressen the main objective has always been to become number one in the Nordics in reach, beat Aftonbladet, their main competitor.

*"There had been talks about starting a paywall, but then they stopped it at the last minute, because they were so afraid that it would destroy the reach."*

When talking about Expressen, one can't avoid talking about Aftonbladet too. Aftonbladet started to sell paid content on their website already in 2003 and reached 250 000 subscribers in 2018. With the main competitor having a 15-year headstart, how did that affect the entry of Expressen? Should they try to differentiate or just try to do a better job? So far Expressen had got 70 000 subscribers in more than a year at the time of our interview and later on in June 2020 they announced having 90 000 digital subscribers.<sup>32</sup>

*"The strategy was that it would be the best content, because we looked at them and thought it wasn't their strategy. Then after a couple of months we could see that they changed their minds and put more of the really fancy material from their best journalists behind the paywall from start. I don't think I'm objective in this, but that is our picture of it. The thing we said from the beginning was that if we are consistent with always putting the best things behind the paywall, that's the best strategy for us",* Odlander says

Expressen wanted to call the service Premium instead of Plus, which is not a coincidence.

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<sup>31</sup> [https://gujims.com/uploads/onepager/505/ims/EXPRESSEN\\_xmedia\\_Onepager\\_ims.pdf](https://gujims.com/uploads/onepager/505/ims/EXPRESSEN_xmedia_Onepager_ims.pdf)

<sup>32</sup> <https://www.expressen.se/om-expressen/expressen-premium-vinner-mediavarldens-oscar/>

*"It was a good thing to put a finger on that it should really be premium content, really good content, a signal for us here in the newsroom but also towards readers."*

At the launch, the main driver was a serie from a prized journalist Magda Gad, called Under the Burkha. That was partly a coincidence, since they didn't actually plan that as Premium. They wanted her to do it anyway, because she'd just moved to Afghanistan to spend a year there.

*"Since the Under the Burkha became ready for publishing almost in the same time period when we were launching the premium, our editor-in-chief said it will be so strange to have this high-quality material and launch high-quality service at the same time, and not use that material."*

*"We also have this rhetoric in the newsroom that what would Dagens Nyheter (Sweden's largest morning paper, also part of Bonnier) have done. They would have never given this kind of material for free. We had to rethink everything because we always thought, 'ok, how do we get the largest reach with this material.'"*

Odlander has already stressed that the cornerstone of the Premium content is the quality, but what kind of articles and themes does it cover? The answer is the whole range what Expressen is: entertainment, sport, investigative journalism, crime, features and so on.

*"Unique content is really big thing for us. It could be like Magda Gad in Afghanistan or Iraq, and we have been to El Salvador and Bangladesh. But it could also be unique content from Sweden, like we did a series with 10 parts where our investigative team went really deep into the richest area in Sweden, Djursholm. They digged into that, looked at the crime, if the men beat up the women, how much money there was, what cars they owned, the most expensive houses, how the school worked", Odlander explains.*

*"We also did a behind the scenes on Hillsong, which is a big free church internationally, but also the only church that has been growing and can attract young people in Sweden. So we sent a reporter to do a story about what it is with Hillsong, when everybody else just loses people."*

**Is the idea that this content is even better than the previous best content of Expressen since you are now charging for it?**

*"Before Premium we did really qualified journalism both in Sweden and abroad. So I think the answer is no, but it has been a positive side effect that has pushed us to be a little bit better."*

Odlander says they have what they call the 'dna of Premium'. Perhaps the most important word is 'ungooglable'.

*"That means unique content that you can't get from anywhere else, because if you can google it and read it somewhere else, you won't pay for it. For example we did a story on Swedish 'incels' (people living in involuntary celibacy). We got to talk with the first Swedish incel and he was in the newspaper with his name and a picture, talking about why he chooses this kind of lifestyle. That's obviously really unique, really good content and not googlable."*

Another key factor is taking the reader behind the scenes.

*"For normal people it could be like a strip club or it could be much more normal, but you just don't have the access. We also have a part with lots of guides, where the whole feature stuff comes in: health, relationships, economics, sex, that's really big thing for us. Everything from 'how to lose 10 pounds in x weeks' to 'this is how you should spend your first 10k crowns in stocks'."*

Sports plays an important role in the Premium content too.

*"That's something that works for all Swedish newspapers, to write really expertly on your teams or sports, telling you that this hockey club should buy these kind of players, they should get rid of these ones, they should let this one play in the next game and so on."*

Lastly Odlander names an angle that's called 'what happened then'. This works if you have for example a really good reality tv show, where people get engaged in the characters.

*"In Sweden we have lot of shows where people try to find love and the partner to marry. Then you follow up a year after what happened with these couples. It has to be the normal people, because then people wouldn't know what happened. They don't have this big Instagram."*

Odlander has already mentioned the incels, the investigative piece on Djursholm and the Under the Burkha, but I still ask the same question as I ask all the interviewees.

**Name one very good example of an article that has been successful as paid content.**

*"We did a piece on mental health or mental illness, problem within the Sami people with reindeer employment in Sweden. The risk of suicide with those young men is x-times higher than in the population as a whole, because they feel so much pressure that they must carry on their fathers or ancestors traditions, but it's really hard because they are pushed aside by the society and also the*

*climate change makes it really difficult now. We had cases with three different families where in one family the mother had lost two sons on suicide and now she was afraid that she would lose her third son as well. That was a really strong story and one of our good examples.”*

*“We did also a similar story, three investigative pieces of a school in Stockholm, called Enskilda Gymnasiet, where the richest people in Sweden put their kids. We knew that there were some problems in that school. The school is ruled by parents, a board consisting of parents and the principal basically. The parents are pushing the teachers to higher up the grades for their kids, and the teachers are leaving the school. The other piece was that the demands for getting good grades and being as successful as your parents were affecting people so that there was a higher level of eating disorders in the school and pupils were calling in sick for longer periods of time just to manage exams. It was kind of systematic that you didn’t go for school for three weeks before the tests because you were at home studying for 24 hours and then after that you just fell apart. That was a really big converter.”*

#### 4.8. Ekstra Bladet and Ekstra Bladet+

Ekstra Bladet is a tabloid newspaper from Denmark. Founded in 1904 and based in Copenhagen, it’s owned by the JP/Politikens Hus. Their daily print newspaper reach is around 86 000 daily<sup>33</sup>, weekly close to 300 000.<sup>34</sup> Digitally they have more than 10 million different browsers, nearly 100 million visits and over 400 million pageviews monthly.<sup>35</sup>

Ekstra Bladet started with digital paid content in 2013. They have always had the freemium model. For the first years the service was called Ekstra Bladet EKSTRA, but since then it has been Ekstra Bladet+.

*“It’s been really about integrating the paid content more to the main brand, whereas at the time it was called EKSTRA, it was something that wasn’t Ekstra Bladet but was on the side”, Sune Odér, who is the head of the editorial side of Ekstra Bladet+, explains.*

The content strategy of Ekstra Bladet+ is based on the so-called Super Topics, which were introduced in 2018 after identifying what kind of stories were something their users were very

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<sup>33</sup> <https://salg.ekstrabladet.dk/en/stats/ekstra-bladet-mandag-lordag-6618>

<sup>34</sup> <https://webtest.kantargallup.dk/storage/reports/March2020/jfKvYVhssO4SZuYHyH0r.pdf>

<sup>35</sup> <https://salg.ekstrabladet.dk/en/stats/ekstrabladet-dk-6620>



interested in and what the editorial staff could produce more than once or twice a week. They saw that people would build up more loyalty if they received more of the content they bought into.

*"Before that we could do articles that would sell a lot, but because we couldn't make number two or three of that kind of article, people would leave by the end of the month. It's like Netflix or having membership to a fitness gym: if you don't use it, you don't see value in it. If you know there will be more of this content that I'm really interested in, you can see the point in having the subscription."*

From every department they tried to find suitable topics for the Super Topics. From the sports department they chose the Danish Superliga, Denmark's main football league, and from Formula One the Danish driver Kevin Magnussen.

*"In Superliga we have some of the best reporters and people also follow them on Twitter, because they know they have the stories on that certain club and want to be close to that. What we can see at the moment with Formula One is that because Kevin Magnussen isn't racing for one of the biggest teams and competing in the top, the interest is slowly fading, whereas the Superliga is something that the fans are devoted to their entire lives."*

In the entertainment desk, which is called Flash in Ekstra Bladet, a Super Topic has been famous people and their economy. Right now focus is very much in the reality programs and following up people who appeared in the shows, because it's hitting a younger audience which the digital Ekstra Bladet has.

Like in many tabloids, crime has always been one of Ekstra Bladet's biggest sellers, also in the paper days. A bit different kind of Super Topic within the crime department has been the motorcycle gangs and other gangs, like criminals coming from Turkey or Balkan controlling the drug market and shooting each other.

*"When someone's been killed here in Denmark, people turn to Ekstra Bladet to know what happened. They expect us to have all the good stuff. It's hard to say it's a Super Topic, because you can't really plan. It's something where we have to be good, but it's not something where we could say 'remember to tune in on Monday, when we have latest on this weekends biggest homicides'."*

A broad Super Topic that according to Odér goes across all the desk is personal stories: people who have something on their mind, something to tell, something they experienced.

*"It could be 'my partner got killed 10 years ago, this is my life today' or 'I got cancer, this is how I'm fighting it' – it can go across from sports persons to famous people to normal people."*

*"Then there's health, both the big diseases like cancer, blood pressure, cholesterol – the ones where most of the population will have some relation, maybe they have it themselves or they know someone who has this disease. But also personal everyday diseases, like 'I have itchy hip'."*

One interesting paid content product is the daily Page 9 girl, which features topless women. Odér says it sells subscriptions and is very unique for Ekstra Bladet.

*"Couple of years ago we moved it up to the premium package instead of the basic, where you get all the articles, but you have to pay double to get the Page 9 girl. It does sell, but of course it's a bit fewer people that we are trying to go that way. It's not for everybody. But it's a target group that is very dedicated to Ekstra Bladet in general. That is also part of our strategy."*

According to Odér, Ekstra Bladet has around a million visitors daily. Some of their heavy users visit more than 20 times a day. It's them they are interested in converting to paying customers.

*"I think we've identified that that group is around 200 000 to 250 000. That's where we see the potential. Obviously we haven't fulfilled that potential yet, but that's a group we try to hit."*

Ekstra Bladet offers some live football on their web tv to digital subscribers, but Odér says it is not exactly a part of the Super Topics strategy. But live sports can sell well, like the boxing that they started with.

*"One of the oldest promoters here in Denmark had trouble selling his fights to the classic networks. We've always been covering boxing, that's close to our strategy in the sports department. We sat down and talked, could we make a deal and try and broadcast this. Then it was an instant success", Odér recalls.*

Afterwards they tried different things, but some have been too far away from their strategy.

*"If we want to do sports-rights, it has to be something that we and our readers can identify with, and something that is available of course. It's not a Super Topic strategy, but it's something where we can see that we have a business, so why not, let's try and see what we can get hold of."*

Ekstra Bladet is doing close co-operation with their partners in Scandinavia, VG in Norway and Aftonbladet in Sweden. Sometimes they've bought event-rights together.

*"We exchange knowledge and content and meet up once or twice or more a year, and just talk."*

In the Danish digital paid content market Ekstra Bladet doesn't have an exact identified competitor. Historically their main competitor has always been BT, the other big tabloid in Denmark, but they don't have any paid digital content. The classic morning papers – Politiken, Berlingske and Jyllands-Posten – do, but their target group is completely different, Odér says.

Odér sees BT's strategy of focusing purely on free content as a challenge to Ekstra Bladet when it comes to overall reach and page views.

*"Of course it's a huge advantage that you don't have anything on your site than free content, if you want to be the biggest. That's something we've been challenged upon, because we want to maintain that position. But still we want to have paid content – and how do we convince our own users that with all the free content we give away, there's a value in having paid content as well. That's what we are facing right now."*

Odér says that with paid content they are looking at the market more broadly, to the likes of Viaplay and Netflix and the usage experience they can offer.

*"If we want to take money for content, shouldn't we move that way because this is what they get if they pay elsewhere? Right now we don't have the solution, but isn't that what they would expect from us as well as the biggest tabloid in Denmark? How we select and show them content? It's more like can we measure with the best in the usage experience, and then identify the content we think is something that we can produce within the Super Topic mindset."*

**Name one very good example of an article that has been successful as paid content.**

*"We did one, which was like a mix of two or three Super Topics. It was a revealing story. Football club Brøndby was playing in the cup final. Before that game all their fans, maybe 10 000, would meet up in the middle of Copenhagen for a march, because the game was played at Parken. Obviously we had photos of this march and in front of this march, you would have two of the most known hooligans and gang members who were like controlling this fan march. So that was a story that was like the center of Ekstra Bladet. We were hitting the Super Topics in Superliga, with one of the biggest clubs in Denmark, it was the crime department, it was the perfect pictures – and of course our readers were loving it."*

## 5. Key questions and talking points

In this chapter I have collected together answers and views from all the interviews under specific themes. I will go through key questions and talking points which are relevant and common for all outlets. Instead of being outlet-lead, this chapter is theme-lead. Under different sub-categories I present views from the interviewees which are sometimes common, at other times contradictory. A summary and analysis from the answers and viewpoints is in the next Conclusions-chapter, but this chapter provides a wider in-depth view to how the interviewees see different digital subscription aspects in their respective newsrooms.

### 5.1. Deciding the content strategy

Editorial teams in the newsroom are the ones, who execute the content strategy and produce the content. But were editorial teams also responsible for choosing the strategy? While they have the best insight regarding content and journalistic work, are they the best when it comes to planning a business strategy or at least a very core part of a business strategy?

Journalists often think that the business and marketing people of media outlets don't understand how journalism is done – which is probably true in many cases when I reflect also what I have personally learned in the industry. So if the business and marketing people intervene too much in deciding what the content strategy should be, does it produce a threat for the editorial independence of the newsroom?

Felix Hooß from **Frankfurter Allgemeine Zeitung** says that in their case the content strategy was 100 percent editorial decision, which he thinks is very important, even though in their daily business they work closely together with the business side and try to work more in cross-functional teams.

Jochen Wegner from **Die Zeit** says the 'core thing' was invented in the editorial team, which is helpful, because then it's their own project.

*"It's different if business people show up and say 'we have to do that now'."*

Ulrich Schäfer from **Süddeutsche Zeitung** also stresses that the content strategy was and is decided by the editorial team.

*“Nevertheless, we are in close contact with our marketing team and we discuss the numbers, and together we develop new strategies: for example a newsletter like Einfach Leben is a combined approach from the editorial team and the marketing team. But what we are going to publish, when we are going to publish, those decisions are made by the editorial team.”*

Thorsten Dörting from **Der Spiegel** stresses that every individual article is decided by the editorial team, whether it's Plus or not. But for instance when they founded a new department called Life just for Spiegel+, talks with business people took place.

*“You need money for it, to make structural changes in the newsroom, so you've got to talk to business people. They obviously tend to be more willing to give you money when they expect something in return. But on the ground, on everyday stuff, it's only editorial decisions”, he says.*

According to Kaisa Aalto, at **Helsingin Sanomat** the strategy was a combined effort.

*“Usually the business side or strategy people make the analysis. Then together it was elaborated that this was the situation, this is how it looks like – and then the decision was made together.”*

At **VG**, Beate Koren says that content strategy in terms of articles is fully down to the editorial department. Live coverages, which are part of the VG+ service, are more of a combined effort.

*“The responsible person is part of the commercial team, consumer business, and she works very tightly with the sub-editor in the sports division. They assess the potential, work with how to distribute and make editorial content around the live rights to make it a good combination. The documentary strategy is also sort of a mix, because it is fully editorial, but also a business developed within the consumer business team.”*

Koren says they are looking to widening the premium product and look at possible add-ons, but they need to have an editorial fit to the brand.

*“Sports make sense, because that is something we cover very well and are known for it. We know the wish to pay for exclusive content for die-hard fans is very high. We don't have the muscles to buy the largest rights, but we know that going to a more niche product, we hit a very dedicated audience with willingness to pay.”*

At **Expressen**, the analytics team play a big role in the content strategy with the editorial team.

*"We work a lot with data. From day one we set up dashboards and we have goals for every department: like sports should have 40 conversions per week or politics should have 50 conversions per week. The newsroom has been working really closely with the analytics team to learn. I guess this premium dna, and what would come the content strategy, has evolved along the way",* Johanna Odlander describes.

At **Ekstra Bladet** the analyst department was also a key group that took a deep dive to the database and measured different things from which the editorial team could learn some lessons.

*"It started with the content, but then the data guys looked into it and made us clever – as they always do – that we had to produce this regular content, because when we did that, we were creating loyalty with the users. The more we created loyalty, the more content they were using, the longer they were staying with us",* Sune Odér explains.

After the analyst department had looked into the past and showed him some topics that could be interesting, Odér took this knowledge to each editorial department. He explained why this was important and how they wanted to work with Plus in the future. But instead of giving ready-made instructions and guidelines, he asked content suggestions from them.

*"Then I took all this input back and threw it at the data guys again. A lot of the Super Topics that we started with were obviously some of the things they had seen we were good at already and the departments could see that it made sense."*

*"It was back and forth between the journalists and the data guys with me in the middle, trying to solve the puzzle. Then we defined the Super Topics that we wanted to start up with."*

## 5.2. Target groups

One would assume that the digital subscribers are not exactly the same people who have been subscribing or buying a printed newspaper. Young people are generally more digitally savvy than older generations, who on the other hand have more money at their disposal. So where should media outlets aim when choosing target groups – or should the content be just general to create the widest possible funnel?

Felix Hooß from **Frankfurter Allgemeine Zeitung** tells that they had a specific kind of reader in mind regarding their digital paid content: a classic F.A.Z. reader, someone who is well educated

and has a certain income, who reads the content because he or she wants to make well-informed decisions. They also thought the reader would belong to a younger audience, be a non-print subscriber, someone who never subscribed to a print newspaper and who maybe doesn't even care about the concept of a newspaper as a closed entity, closed edition.

When they made some research about who their subscribers are, they were a lot older than they had thought, and there was also a heavy bias towards the male side, which then again is pretty typical for F.A.Z. readers and especially subscribers in general.

*"Are we happy about this? Well, we are happy they are there, but we still want the younger and more female, and of course that influences what kind of content we put on the site", Hooß says.*

*"Good thing is we can measure these things, and we see they are there, the thirty-year-olds, even twenty-year-olds. There can always be more of those and that will be the main task to get these young people, who are already used to pay for their Spotify, to pay for digital journalism."*

**Süddeutsche Zeitung** is also hungry for a younger readership, for example students. They haven't focused more on specific target groups yet, but Ulrich Schäfer believes that will become more important in the coming years. Already the SZ is focusing partly geographically too.

*"Of course it's interesting for us to get readership with higher income, but that is traditional with the SZ that we have readers with a higher income. We are also thinking how to attract German-speaking readers outside Germany. We started an Austria newsletter about one year ago."*

Jochen Wegner from **Die Zeit** thinks that they are lucky about their positioning and in a 'sweet spot', where they can simply sell what they are already doing.

According to Thorsten Dörting, **Der Spiegel** didn't define any specific target groups for the subscription service, but that doesn't mean they wouldn't produce content to certain groups. They can, for example, write articles about grilling and aim them to a male audience of 45+.

*"In terms of the position of the customers, Spiegel has always been a magazine for an academic audience, which usually tends to earn a little bit more money than the average."*

**Helsingin Sanomat** is an interesting case, because they are part of Sanoma corporation, who also publish a tabloid called Ilta-Sanomat. Kaisa Aalto explains that inside Sanoma they have customer segmentation which results in certain selected key target segments for Helsingin Sanomat.

*"A key segment is what we call 'quality-conscious information-seekers'. That is a really big subscriber group for us and we try to take care of them."*

When it comes to acquiring new subscribers, Helsingin Sanomat is targeting younger segments.

*"Basically anybody who is younger than 45 is our target – of course you have to be a little bit interested in news and current affairs, because if you are not at all, you are probably not very likely to buy or even visit 'Hesari'. You could say that the more educated or more interested people on society are more likely subscribers for us."*

At **VG** one of the main ambitions in 2020 is to reach the younger audience better. VG+ will be part of this effort, Beate Koren says.

*"For us, our average (subscriber) age is about 45, a bit more men than women. We don't know exactly how that reflects our readership, because we know people share subscriptions. But we see that we can do quite niche stories, because we know the willingness to pay is higher if you are really dedicated in an exact disease for example. We do mix with very niche (content) and also topics like the consumption of diet soda and the health risks, that interests many people."*

At **Expressen** the target is also at a younger audience, but in women too. They measure every week, how many women and youngsters they reached. According to Johanna Odlander, they can see that it is hard to get young people to sign up, because they don't have so much money.

*"It's easier to get the ones between 40-50 than between 30-40, or 20-30. We have really focused work on women, because it's a demographic that is not represented in the news as much; if you look at the front page of Expressen or Aftonbladet, it's mostly men. We can see that when we reach out to a bigger percentage of women, we get a bigger reach in total. It's both a demographic and commercial question for us. The other focus group is young people between 18 and 35."*

Sune Odér from **Ekstra Bladet** says that because their reach is so big, they are reaching basically the entire country and different age groups. Women are a special target for them too.

*"We can see that the age group is 10 to 20 years younger than the people still buying our paper. Ekstra Bladet has historically had a turn to being interesting mostly for men. It's an overweight of men in the group, but that is something we want to change a little in a strategy shift, reaching more women and younger women, to be able to grow."*



### 5.3. Balancing act between large free reach and paid content

For many media outlets that are currently thinking of entering the digital paid content market, the biggest worry is probably the effect it would have on the reach. Would the readers and visitors go away to other free sites even if just a part of the content goes behind the paywall?

As it turned out in the interviews, this was – and is – a massive question also to media outlets who have already entered the digital subscription business.

The key question is how to optimize the situation between two goals: on one hand growing or at least maintaining the reach, which is important for advertising, and on the other hand growing the pool of subscribers and thereby increasing the income from content sales.

*“That would be the recipe for the magic sauce that I think everybody in the business can be honest about: that we’re still trying to figure that out”, Felix Hooß from **Frankfurter Allgemeine Zeitung** says.*

According to him, F.A.Z. tries to do both and so far with success. The reach is important not only ad-wise, but also as a funnel for future subscription sales.

*“There is no guarantee that you will convince all of them. There will probably be a certain amount of people who will always prefer to get their media diet for free and we still have to offer them their F.A.Z. meal and make it nutritious enough.”*

Hooß believes the subscription pillar is getting more and more important when media outlets think about their sources of income. Ulrich Schäfer from **Süddeutsche Zeitung** shares the opinion: the main pillar of their business model is the subscription model.

*“High reach can bring you high revenue from ads, but we learned, also from other websites, that the revenue from ads is not increasing. The future of the news websites to get a viable business model is to attract subscribers.”*

Schäfer admits that at the beginning of their paid content endeavour there was a big fear they would lose the reach. By testing with different amounts of SZ Plus pieces on the front page, they learned that the effect on the reach was not significant, because people are coming to the newspaper in so many ways.

*“On the other hand, we learned a very interesting lesson: our subscribers visit our home page much more than other readers. Also a lesson from *The Washington Post*: they have articles read by the*

*subscribers multiplied by seven compared to articles read by non-subscribers, because subscribers stay much longer. So our hope is that we get more and more subscribers. We probably lose some people who come and go. Those people who are really close with our newspaper and our brand, will read more. It's fine."*

At **Die Zeit**, Jochen Wegner thought initially that the goal of growing reach and increasing subscription sales simultaneously was impossible. Turned out it wasn't.

*"What we learned is if you try to be a little balanced about it and not too radical, it works. I expected a much stronger effect on our reach, but we didn't see any effect. It's very strange."*

Wegner says the stories that generate a lot of reach are most of the time not the stories that do well for subscribing.

*"The big news stories, the political comments, it's not for subscribers, it's for reach. It's not a secret, but a fact in the news market."*

Thorsten Dörting from **Der Spiegel** says they are still in a honeymoon-phase, when it comes to balancing between reach and subscribers. When they introduced Spiegel+ and had more paid content on the site, they didn't lose any reach, but built a substantial base of subscribers.

*"I don't know when this will end. Then we have to look at numbers each month and each week again and see what happens. What comes in via advertising and do we damage the reach if we increase the articles behind the paywall?"*

Kaisa Aalto from **Helsingin Sanomat** says they have made a clear strategic choice that in the digital era, the subscription business is the one at which they are aiming. Therefore they are not thinking that much about the advertising income. Reach is still important for them, but as a funnel.

*"We believe we need to have a large enough non-subscriber reach and usage to be able to engage them and at some point convert them to pay. If we would only be subscriber media online, then it would be more difficult to get new subscribers."*

Another reason for aiming to get more digital subscribers is to be independent of the print revenue which is still quite large at Helsingin Sanomat.

*“Especially the advertising revenue from print is dropping like a rock, but still there’s a lot of money, and in this what we call transformation or hybrid era, we need to get more digital subscribers in order to sustain the level of content creation that we have.”*

For the Nordic tabloids interviewed for this research, the large digital reach is still the number one goal, the basis and springboard for every other success. For example Beate Koren from **VG** says that their model is based on being the largest news site in Norway.

*“That position gives us so much, in terms of traffic volume and income. That is also the reason why we have been able to turn so many readers into our paying customers. Although I would like more spaces of the front page (for paid content), I can see very clearly that the strategy is breaking news. The open content is the most important if you have to choose”, she says.*

She thinks, however, that the number of paid content on the front page should be higher, because it’s a very big part of their revenue – and will be more important. Koren has seen that if the amount of paid content articles people see on the front page goes down, it affects the sales.

At **Ekstra Bladet** the amount of paid content on their front page is not that critical.

*“It’s not like we’ve tried to have 50 or 75 percent of paid content on our front page and people then buy a lot of subscriptions. It would cost us a huge amount of traffic, which is still our biggest thing in the market, that we are market leaders on that. We’ve tried to have more (paid) content and putting it high up on our front page, but it’s not the recipe for us. 25 percent of the content is selling 75 percent of subscriptions, so it’s about producing the right content”, Sune Odér says.*

Odér wants to convince those readers that ‘really love Ekstra Bladet’ and are addicted to them, to become subscribers.

*“How do we convince these people that they are not getting the full Ekstra Bladet experience; that they might as well pay this little amount, because then they have all the access that fills their needs when they come to us to be enlightened, to be entertained.”*

At **Expressen**, they haven’t seen a negative effect on their reach since starting with the paid content in December 2018, Johanna Odlander says.

*“That was a big fear for everybody, because the Premium slots on the front page push away the open content. But the effect has been that we’ve been growing in digital reach. During this year*

*we've made a record. I don't know how it's possible, but it is. We're following it really carefully and we've been elaborating the positions and how many Premium slots we can take from the front page without any effect on the reach and so on. It's a balancing act all the time."*

#### 5.4. Structural changes

When media outlets take on a new challenge and try to establish themselves in the digital subscription business, can they be organised in the same way as before or does the paid content market require specific structure of the newsroom? This is a question where there doesn't seem to be just one answer. Some have changed practically nothing, some have hired new people, some have specific teams.

In **Frankfurter Allgemeine Zeitung** the organisational changes were minimal.

*"The biggest change was that there was one person in charge of the content, that being me. That's all when it comes to organisational questions", Felix Hooß explains.*

**Die Zeit** started with the same people running the website managing the subscription business.

*"That was a rather intuitive decision. We didn't really have lots of discussions that 'I'm a journalist, I don't sell stuff, I don't want to see the numbers.' Then it worked so well that we never asked it again", Jochen Wegner says.*

This year they are hiring editors to be only looking at the subscription business, but that will not change the principle: the boss of the whole newsroom will be in charge of the subscriptions too.

Wegner doesn't think it creates any problems or different approaches that different people are in charge of the paid content production and delivery at different times, because they are trained.

*"It's a tiny team, just four or five people for the 24/7 thing. They have different styles, but when it comes to numbers they are all the same. After a while you realise what works and what doesn't and you know also how to see super fast what is a good conversion at 3pm on a Friday."*

At **Süddeutsche Zeitung**, a major restructuring of the newsroom took place a year ago in April to get a better focus on the website and all the digital channels, Ulrich Schäfer says.

*"Part of the newsroom right from the beginning was SZ Plus and we had two persons who only worked for SZ Plus. In the last few months we hired two new team members to this SZ Plus team.*

*They are working on all the paid content to present it in the perfect way and to discuss with the editorial team.”*

At **Der Spiegel**, a new department called Life was founded purely to produce Plus content. Around 15 people work there. No-one was hired from outside the newspaper so they had to reshift.

*“Also in couple of other topic areas we transferred people internally to report more on financial issues, more consumer-driven. This is not in the Spiegel dna: usually Spiegel reporting on economics was about companies and economic policy and not about ‘how do I earn my money from stock exchange’. These kind of articles are quite popular among our subscribers so we made sure that we have some resources there as well”, Thorsten Dörting explains.*

They also founded a specific editorial Plus team, whose job is both to reproduce the printed magazine with new digitally-functioning headlines and perhaps also new photos, and to make sure Spiegel produces the right content which is demanded by their consumers, cover possibly lacking categories, build up a right mix and always have couple of best-sellers, big converters, in hand.

*“That’s something between four and six people, depending on how you count. Basically the team is lead by the editorial board. I was the project leader and editorial-wise the head when we introduced the new Plus version, and I still keep my eye on it – not in an official capacity but in my general work as a blattmacher, managing editor”, Dörting says.*

Kaisa Aalto from **Helsingin Sanomat** says that in their newspaper it was more about creating a different mindset than actual structural reorganising. One department whose role has been emphasized in the digital paid content strategy of Helsingin Sanomat, is the so-called data-desk.

*“It’s a department that basically concentrates on doing the enriched online content, different types of digital graphics and digital data-based journalism, so you can check what is the most popular dog type in your zip code area or these type of things. They also make dynamic articles that are totally html-based and the layout is more freely created for an article.”*

**Expressen** started their digital subscription endeavour by creating a specific team for paid content.

*“We had the same amount of people in total, so we didn’t recruit new people, but we changed organisation so that we got a Premium team. That’s five reporters, a separate editorial team working solely on Premium, two editors and me. Then we have a marketing person and an analytics person, who works fulltime on this”, Johanna Odlander says*

At **VG**, the start happened without a dedicated editorial team, but that was to follow.

*"People making VG+ every day had to sort of shop around in the newsroom. Then we became bigger and bigger, so we needed to have dedicated people", Beate Koren explains.*

The VG+ team was working as one editorial team with the feature department, who focused more on the text than the visual part, partly because they were still very focused on the print. That eventually led to another development.

*"I was leading one project this winter. The mandate was that the feature journalism in VG must be more visually driven, it has to be digital first – end of story. That project ended up being bigger than the mandate initially was, because we saw it made sense to gather the forces making premium content to one organisation. From those two heads of organisation I got the job."*

Koren is now in charge of a team of 16 journalists. Some of them contribute to breaking news too, working in shifts, also during weekends.

*"We have several sub-editors, responsible for 'relevant for you' and stories in the news, making them more 'behind the news' in the right way."*

Whereas VG has formed a paid content team, **Ekstra Bladet** has gone in the other direction. They had a separate Plus department of seven or eight reporters, but didn't find it the best solution. The journalists from the paid content department were divided to other departments.

*"This is the core content on which we want to be absolutely sharp and produce the best. We don't want a separate group doing this, we want the best journalists doing it. In sports the best journalists are in the sports department and the best crime reporters are in the crime department, so it didn't make sense having a group with different backgrounds sitting and doing different kind of stories", Sune Odér explains.*

*"We divided the team when we started with Super Topics and also because we wanted to integrate Plus in the organisation even more. Before it was little on the side and called Ekstra: it had its own department, it was making its own content, they were working Monday to Friday, when everybody else is working evenings and weekends. It was becoming this little sanctuary of peace. We wanted to change the culture."*

## 5.5. Implementing and communicating strategy to the editorial team

After a new strategy is launched – possibly with some organisational changes too – the next step is to get everybody on board. Old habits don't die easily and culture eats strategy for breakfast, so it would be naïve to assume that new strategy is accepted, understood and supported instantly.

Therefore the question to all media outlets taking part in this research was: how did they communicate and then implement the strategy to the editorial staff in the newsroom?

At **Frankfurter Allgemeine Zeitung**, Felix Hooß says it's about evolution, trying to explain it while doing it. They went to the meetings and explained exactly what they were doing.

*"In former times, as a print journalist maybe you would be sceptical why the online guys were putting so much valuable content to the website for free and who out there would pay for our newspapers again. Since we could provide not only clicks, visits and engage times, but also solid subscriptions, that kind of discourse changed pretty immediately."*

*"While there were still journalists who would be a bit sad that they couldn't share their wisdom with all their followers, people understood they were with certain articles converting free readers into subscribers and that has a really high value. Everybody gets that metric immediately. If you show reports, this article brought us X subscriptions yesterday, that has a highly positive and motivating effect on journalists."*

Hooß himself had to take an active role with the help of an analyst, but 'translators' are also essential.

*"If you have a certain sports person responsible for online, he or she would be good to translate and configure this information (about subscriptions) for their colleagues."*

Leading from the front was a recipe also at **Die Zeit**, Jochen Wegner says.

*"If you are relaxed all the time as an editor about stories being closed and go and say, 'hey, did you see you made one thousand subscriptions, that's really great, do you know much money that is?'"*

Wegner thinks that the data helps too – and when the CEO is coming in and smiling.

*"We are hiring new editors, people see that. Why do we have the money to hire? Hey, we had a great year with the subscriptions – and it's true. It's the fastest growing business for us."*

A culture change was needed, because people were trained for years to have big reach.

*"Now it's not that important anymore. Everybody has realised that this is the foundation for our future."*

At **Süddeutsche Zeitung** Ulrich Schäfer describes the process as an on-going combined effort with the SZ Plus team, the editor-in-chief, head of the newsroom and head of sueddeutsche.de all taking part. They communicate more and more directly to the reporters, saying for example that 'your story attracted more than 100 new subscribers – great!'

*"We do it to motivate people to write stories and that they are then happy if the article is behind the paywall. It's still a learning process, but that's a culture change you have to achieve."*

When the decision was made to publish more SZ Plus articles on the website, there was a discussion that it leaves less room on the site for other stories. Schäfer says that SZ Plus articles are not separated anymore.

*"We have different types of stories, some are labelled with SZ Plus and some not. A change of mindset was necessary. Now everybody has understood."*

At **Der Spiegel**, Thorsten Dörting recalls that a lot of communicating was necessary. At the time Spiegel introduced Plus, they still had two separate editorial teams, one for the print magazine and the other for the digital Spiegel Online.

*"They worked together, but people had different editor-in-chiefs and different sections. So there was a big challenge, because the digital online people were on average younger and grown up to the reach-world, and the print team grew up to the pay-world of the print. There was a clash of philosophies and mentalities between these two editorial teams. That was quite hard to manage."*

Dörting and couple of his colleagues tried to communicate and moderate the process, explain to each individual and each editor what they were doing. They showed some numbers from the past, some from the present, and some projections.

*"I would say that communicating the paradigm shift within the organisation is one of the key challenges to make it a success."*

Dörting thinks it's also very important that the people who implement and communicate strategies in the newsroom are journalists themselves, because they speak the same language.



*“That’s one reason why we still keep this specific Plus team, because their job is also to motivate individual editors, show them the numbers in detail, and it’s better if they do it than the analytics people. When we set up this team, the editor-in-chief was quite clear that they are a special force.”*

The main message of the preaching was that the goals are different now and the old reach-logic doesn’t work for them anymore.

*“Then again, Spiegel never had a hardcore reach-logic, we’re not Bild. We didn’t have to depart editorially that far. For a lot of articles there wasn’t any need to produce them differently.”*

**Helsingin Sanomat** started with experiments, not big statements, putting articles behind hard paywalls and offering two-week sample subscriptions that automatically ended. Those generated leads to subscriber sales, for example telemarketing.

*“We started to get good results and moved forward. I think it formed that ‘this is the direction’. Of course the editorial management had an important role, all the editorial chiefs and managing editors, that they rode the strategy onwards to the departments”, Kaisa Aalto explains.*

According to Aalto, the strategy went down well.

*“I think it’s very easy to adapt that ‘ok, this content is not free anymore, it has value in it and people are willing to pay for it’. We started from the beginning to measure and monitor how many subscriptions each of these diamond stories generate. It clearly demonstrates the value of the online stories in a more clearer way than only the page views.”*

In the tabloids subscriptions were a new thing. Selling is nothing new to them, because the print paper has to be sold daily, but on the digital side, the tradition was to look at the reach. To some it still is the main metric. Beate Koren from **VG** says there are conflicting goals in the newsroom.

*“Every journalist wants high reach, of course. It could be difficult, but it is important to have different departments fighting for their area. We have to have dialogue and have those discussions on my level in the smoothest way.”*

Especially the people normally working for the open content could have some resistance when Koren says a story should be VG+, even if their own sub-editor says the same.

*“People working for VG+ are proud of their product and they never ask, should this go open, unless it’s a clear news article. They would rather say why can’t the rest of the newsroom contribute more*

*to us, to our premium content. But on the other hand, if the (Plus) story is right in the sense that it will attract readers, it's quite cool to be part of that, because it'd get a good position on the front page and will stay up for much longer than an ordinary news story, because they just fall down."*

Koren says the best paid content articles can stay quite high on the front page for several days and reach six-figure page views.

*"The reading time is also on average much higher, because we have more loyal readers, and when you click on that (paid content) article, you need to be more interested in that subject."*

**Expressen** is still a new player in the paid content market, so it's understandable when Johanna Odlander says they are still in the middle of the process of getting everyone on board.

*"We have been so good in growing digitally that it has become the aim over everything else. We are working so data-driven and the editorial team really loves the numbers and competing against each other."*

Odlander says this has been a recipe for success to Expressen, but the success of reaching main rival Aftonbladet in the mobile market with open content has been a problem for the paid side. The editor-in-chief had to go out and say that the paid content is very important and explain why.

*"Then from the beginning we decided that all departments must contribute. In the first weeks we said they have to leave two or three articles every week, but we realised really quickly that it didn't work, because they left the worst things for the Premium, things they produced for the print just because they had to. The things they really believed in for traffic they kept open."*

The strategy changed fast to conversion targets for every week, which has worked much better.

*"Then we just visualised those goals on dashboards in the newsroom. I also send out a newsletter every week where I evaluate how did it go for everybody, lifting good examples and also telling people if we had a week where, for example, only 4 out of 12 departments delivered on they're conversion targets and explain that we will never reach our overall target if this is the case."*

Odlander and her team also had meetings with every department to explain what kind of content within their area they believed in as paid content and had workshops where they tried to find new ideas that the departments could do for the paid content. Expressen also has Slack message groups for all departments like Premium sports and Premium politics, where they give feedback.

*"You just have to work with them, attend every meeting and nag about Premium all the time."*

At **Ekstra Bladet** both the digital boss and the editor-in-chief were involved in communicating the importance of paid content. Sune Odér says it was very different from department to department how they went about it and received the message. A certain reporter might have protested that he can't produce three revealing stories about a chosen topic every week, that this is not how journalism works, but on the other hand a sports editor might have started planning with an expert column to be produced for each Monday and thinking about utilising the Fantasy League.

*"For some departments it was the most frightening thing in the world they had ever heard, that they had to work systematically with one area of their knowledge, because journalists find stories from all kinds of places and sometimes what they feel is important they want to write about."*

#### 5.6. Decision-making on which articles go behind paywall

When the new strategy and structure are in place, communicated and implemented, it's time to operate and execute. The most important practical question is which articles go behind the paywall. Somebody has to make that decision – but who is the one calling the shots?

Structures are different in every media outlet, so practices also vary. At **Frankfurter Allgemeine Zeitung** most of the articles are discussed beforehand with online editors. Sometimes an article can first be open and then locked after it has gathered reach, Felix Hooß says.

*"By now, the online editors are well informed and can make their decisions. They propose certain content as paid content based on our experiences. There's mostly short discussion about the strategy, but we are more or less on the same page about what potential paid articles could be"*.

At **Die Zeit** there is little working group with a GoogleDoc where the new print edition and all stories are pre-filled with colours.

*"It's a short communication, once per week, 10 minutes. Then it's all handed to the dirigents, people running the website. They do the live tracking and re-deciding all the time, like you would run a normal news website. They do the same with the subscription business now. If a story is not converting, sometimes they open it up. Or they close stories that are super popular but not important for the news business",* Jochen Wegner explains.

The dirigents have the power, but Wegner emphasizes that Die Zeit is famous for a lot of talking.

*"It's not like the army, the opposite. I try to convince you, you oppose, we talk more next week."*

At **Süddeutsche Zeitung** the decision is made by the SZ Plus team together with the editors of the section and the homepage editor, Ulrich Schäfer says.

*"So it's a mixture, a joint decision, but the main decision is made by SZ Plus team. They decide which stories they select, produce the headline and the teaser, the photo on the website and discuss together with the homepage editor what is the right time to publish the story."*

**Der Spiegel** has a fairly straight-forward decision structure, as Thorsten Dörting explains.

*"The editorial departments make suggestions to the Plus team and usually 80 or 90 percent of the time they're happy with it. When things explode, then it's me and two colleagues who decide."*

At **Helsingin Sanomat** the decision-making isn't very coordinated or centered. The online desk is taking care of the headlines, makes headline testing and 'flywalling', which means an article is not behind the paywall but is generating a lot of traffic, and is then put behind the paywall 'on the fly'. Basically the departments decide themselves which is a diamond article.

**Expressen** supports the idea that every department should decide themselves, because they have to take responsibility and look at the data from last week, try to experiment and make their own decisions, Johanna Odlander says. Sometimes she goes in and says an article should be locked.

*"Then it's a discussion between me and the chief of that department, and sometimes we will take in some more people on our level to discuss it. We can also have articles open one hour, two hours, some maybe for 24 hours, then we lock it. So we are experimenting with it and that is a good way to get along internally."*

At **VG** Beate Koren says they work to get the workflow with the rest of the newsroom better. She thinks too few stories are going behind the paywall because the need for breaking news is so big.

*"How you define stories is not always very obvious. For instance if a very famous person speaks about something for the first time, we'd say it's an exclusive interview, we'll have it. It makes sense to give it to subscribers and show that it is actually exclusivity and premium for paying customers."*

At **Ekstra Bladet** the Super Topics make it slightly more straightforward to define what should be behind the paywall – but to have the big reach they must produce content from the popular Super Topics also to the free side.

*"It's a give and take every day and the editors of each department have goals for both free and paid content", Sune Odér says*

Ultimately it's him or the editor-in-chief who makes the decision, if needed.

*"When making a bigger story, it became easier for the reporters to say it's within the Super Topic, of course it has to be Plus. But still it's an on-going debate every day, is it paid content or not."*

## 5.7. Planning

Decision-making on which content goes behind the paywall is essential, but so is the planning of paid content too. Do the best paid content pieces arise when they are pre-planned to be paid content or should the paid content just be cherry-picking from the overall pool of content, picking the best ones when the articles are finished?

Media outlets have different sources of content at their disposal, so that obviously affects the planning too. For example **Frankfurter Allgemeine Zeitung** has the daily newspaper, the Sunday newspaper, a weekly, a magazine and a quarterly – so a big pool of print content plus all the online pieces they can turn to paid content. At the moment they are not producing content just or mainly for the subscription service, partly because it's also a question of resources, Felix Hooß says.

*"In the end it's a decision of each section. We would discuss this somewhere central in meetings in order to get enough good paid content while not neglecting the free content on the site."*

**Die Zeit**, or in this case more specifically Zeit Online, sometimes tries to invent articles purely for the digital subscription side. But according to Jochen Wegner, usually it's the other way around.

*"Really late in the process we say 'hey, this should be closed, I have the feeling that it will work, we should close it'. It's different because you have the print newsroom and the digital newsroom and they are obviously working a little differently. The dirigent can't tell every editor what to do. They are responsible that we look cool today, tomorrow, this week, but the long-term planning or big specials are planned by the editors of each department. It's an on-going discussion."*

At **Süddeutsche Zeitung** the planning is helped by Deskmatch, a web-based planning tool.

*"We have a special section SZ Plus, so we can see this is now our SZ Plus content, or we are thinking of labelling this article as SZ Plus, and people can pitch for SZ Plus content", Ulrich Schäfer explains.*

According to Thorsten Dörting, at **Der Spiegel** the planning is based on a quota for each department, which determines how many articles they should produce to go behind the paywall.

*"Which articles, that they decide themselves. If the Plus team is not happy with that, they talk to us and we talk with the department. That's how it works."*

At **Helsingin Sanomat**, each department has paywall goals: how many sample subscriptions or subscriptions they should generate from their articles on a weekly basis. That leads to a practice that the department heads and editors themselves usually decide already when they start making an article, that this is going to be a paid article, for example with some big features or interviews.

**Expressen** wants the departments themselves to be proactive too, but they do have a 'master plan' for the Premium that they do always one week ahead, sometimes for an even longer period.

*"We try to collect from everybody what they have for this week, but that's in theory: in reality it could be like 'what do you have for tomorrow?'. We have also this own Premium team that can always deliver and save the day", Johanna Odlander reminds.*

**VG**, who also have a dedicated team for paid content, use a planning tool called Trello. According to Beate Koren, the sub-editors are very hands on.

*"They plan every week and have every day planned quite specifically, and they move stories around depending on if they are ready and if the mix is good. They along with me decide what stories we are going for or saying yes to reporters or freelancers, or saying we need a story on that subject."*

At **Ekstra Bladet**, the departments do their own planning, but then the eventual output is decided centrally. Sune Odér says they have a planning tool, where a lot of people have access to.

*"Some of my guys who are close to me are doing the plan for the weekend or the entire week to make sure we don't have 15 stories on Monday and one on Tuesday. We are planning what kind of stories we have coming in, and because we have the insight, we ask if we can help departments developing stories and making sure we have something for everybody over the entire week."*

## 5.8. Requirements of the paid content in terms of length or style

It is obvious that in a freemium model, paid content must differ from the free content. Otherwise it doesn't make sense why some content is free of charge and some other isn't.

Paid content must offer extra value to the subscriber. But what does this extra value mean in practice? Is it only about the topics and the use-value of the paid content articles, or should they also look and 'feel' different than regular articles? Do the media outlets have some length, style or other requirements for their paid content?

Felix Hooß from **Frankfurter Allgemeine Zeitung** says that length-wise there are no certain limits. According to their analysis, really short articles don't work as well as medium or long articles. Therefore some articles are sorted out just because of their sheer shortness.

Hooß says they don't train anybody to write specifically paid content articles, since every article should be a well-crafted article, but they do try to optimize every paid content article to online readers. That means headlines, teasers, maybe photos too, but without promising anything they couldn't then provide behind the paywall, because the reader would get that and feel betrayed.

Feedback from the subscribers is important knowledge to them.

*"Especially if it was an article with which somebody became a subscriber, they'll let us know if they are disappointed. We do a lot of user research, even to people who cancel their subscription: what was the reason and how happy were they with the quality of the articles. We find that very few people quit because they were unhappy with the articles. That's a good sign for us editorial-wise."*

Jochen Wegner from **Die Zeit** says that a paid content article shouldn't be a 500 character story, because that could irritate people that bought a subscription because of it, but other than that they don't have any general guidelines about how their paid content should look like.

Ulrich Schäfer from **Süddeutsche Zeitung** lists more specific requirements for a SZ Plus article.

*"Good research, very good writing, length of at least 100 to 140 lines. And that the reader can learn something from the story. The final decision is normally done after reading the story."*

At **Der Spiegel** the requirements haven't got that much to do with length or style – they have actually more freedom and experimenting than in the magazine – but they have strict requirements when it comes to fact-checking, Thorsten Dörting says.

*"People writing for Spiegel+ got to give an annotated manuscript, where they write down which sources they use, which people they talked to for the article, and then the fact-checker might call the sources or check them, just to make sure that everything is fine and right."*

Kaisa Aalto from **Helsingin Sanomat** says there is an unspoken idea that paid content articles should be rather longer than shorter, but sometimes they put also the editorials behind the paywall, even though they are relatively short – not to generate new subscriptions but to show the existing ones that this is one kind of valued content only subscribers get.

Aalto admits the topic is the most important thing, but good writing and editing have value too.

*“It doesn’t help if it’s very well written, if nobody clicks it. But of course we try to put emphasis to the stories that are from the beginning selected as paid articles, on the editing part for example, so it should be also better written and better edited and thus a pleasure to read.”*

At **VG**, the visual experience of paid content articles is very important. Beate Koren tells that two designers from their print magazine joined her department last summer.

*“They, together with a brilliant photo editor and also the sub-editor, are working every day to optimize the great stories that have good pictures, video perhaps, graphics and stuff that would make the user experience better. We try now every week to experiment how we tell stories. We tend to have long texts and need people to hang in there. We try to make it more visual and more experimental, because we see people are consuming such articles in a different way.”*

Contrast to the morning papers, **Expressen** and **Ekstra Bladet** are finding their paid content articles too long for the subscribers. They are now planning to reduce the length of the articles, in order to match the customer needs better.

Johanna Odlander from Expressen says they slipped to a mood where they thought an article has to be really long if one pays for it, and then wrote longer, longer and even longer articles.

*“Now when we have been studying the reasons for churn, a lot of it is ‘I don’t have the time’. There could be a lot of things in ‘I don’t have time’, but it could be that we are writing so long and people get a bad conscience, because they can never finish a Premium article they are paying for. We are in the middle of starting a project for Expressen as a whole to shorten our texts a bit so that people can get through more texts. Right now it’s like it has to be at least 4500 characters.”*

Sune Odér from Ekstra Bladet tells that they noticed the last thing their users did before leaving was reading a Plus article.

*“Why was it like that? Basically it was because the articles were way too long”* he says.



*“There was this philosophy that we are taking peoples money for it, so it has to be really good and long and high quality. That was what we thought, but the users were like ‘come on guys, I have like seven minutes with you, don’t give me 1000 words, I don’t have time to read that much’.”*

Odér believes that if users get a bad feeling because they feel they don’t get to use their subscriptions or perhaps don’t feel ‘good enough’ to read the long articles, they don’t want to give money for that.

*“So we’ve been trying to have a lot of focus cutting it (the length) down but we’re still not there. When the same story has to go to the paper, they have to have some length, so it’s a battle.”*

### 5.9. Data versus gut feeling

In the end, which factors drive the decisions that certain content goes behind the paywall? Is it purely down to data that certain topics work better? Is it down to a so-called gut feeling that this piece might convert? Or is it about journalistic ideals and principles that some pieces just ‘should’ be behind the paywall, because it is seen as special and has perhaps required a lot of effort to produce, even if the gut feeling or data-based experience says it probably won’t be a big seller?

Answers to this question vary, but obvious is that multiple factors are considered. All of the interviewees say, however, that algorithm doesn’t dictate these decisions.

*“Ideally, we find the sweet spot to base our decision more on data and to make it more solid without trading away our editorial responsibility”, Felix Hooß from **Frankfurter Allgemeine Zeitung** describes.*

The F.A.Z. wants to become smarter about data in order to help converting to subscriptions, but this doesn’t mean the editorial decisions are too heavily influenced by data. Some articles could be behind the paywall just because the newspaper thinks they belong there.

*“If the algorithm helps to give the user more of the stuff he or she finds valuable, that’s absolutely cool and something we have to use to keep the readers happy and on our site. We’ll try to take into account these learnings without letting an algorithm rule editorial decisions. Gut feeling decision will always be super biased and we want to take out some of the bias without then eventually having the reader being caught up in his or her filter bubble which serves more and more the articles he or she prefers – then there’s another artificial bias”, Hooß explains.*

At **Süddeutsche Zeitung** the decision is a mixture between guts and data, Ulrich Schäfer says. They have a lot of experience, so with many stories they know before publishing, whether they are going to be successful or not. Sometimes they are still surprised – happy or disappointed.

*“It depends on what is going on. If there are a lot of breaking news, people stay with the breaking news. A sunny day is different than a rainy day. Sometimes the topic is good and the headline bad.”*

At **Der Spiegel** some articles are driven mainly by the prospect of converting, but not the majority, according to Thorsten Dörting.

*“If we talk about the section Life, this was founded for Plus. It’s not like every article which comes out of that section we wouldn’t have done without Plus – maybe half of it. If we look at bigger picture, maybe 10-15 percent of the topics we do, because we know that they function.”*

Jochen Wegner from **Die Zeit** says it’s hard to predict what will work.

*“We have two data scientists, two mathematicians here in the newsroom, looking at the data all the time, to give you an example how hard it is for us to predict which story is going to be really successful. We tried everything. Every statistical method was applied to predict which story will do well. We feeded something like forty to fifty signals, neuro networks and whatever, and we couldn’t predict anything.”*

*“We have a general feeling, but in the end it’s very much experimentation. A story that works today, maybe the same topic, same kind of headline, not necessarily works half a year later, because people get bored and you have to be new again.”*

Wegner says that what did work was establishing a print-online working group of editors who they thought would be creative about the content that could work.

*“So we said ‘ok, we can’t exactly predict it with statistics, not with AI, just let’s try to invent something’. Now it’s a monthly working group. We think about stories. The cool thing is that it’s not about what’s the news, what’s important at the moment, it’s what you would think your friends would buy as a story. Just let’s invent and publish stories.”*

Kaisa Aalto from **Helsingin Sanomat** says the journalistic ideals and responsibilities of what is considered important and what they must cover are more important with the free content.

*“When we select that this will be behind a diamond wall, then it’s based on editorial judgement of course, but they really closely follow the analytics and the data as well, so every day they gain more knowledge of what works. Sometimes, but quite rarely, there are surprises that we thought this story would be a magnet but it’s not, or the other way around.”*

Beate Koren says **VG** has a lot of history with paid content, many people working on that for years.

*“We’ve developed a sort of gut feeling, but we are also following the numbers, like ‘oh, this was performing very well, should we do more of this’.”*

Johanna Odlander from **Expressen** says some decisions are totally unproblematic, but when it comes to investigative stories of how things are working in Sweden, there can be hot discussions.

*“Sometimes you have a really good piece of investigative journalism you really want to be spread and maybe other medias should bring it up, talk about it in radio and tv. How will you handle it and is it possible if it’s behind the paywall – that’s a discussion where we see differently depending on who you’re asking. From my point of view I’d always ask what would Dagens Nyheter have done? They have almost everything behind the paywall and are almost all the time agenda-setting in the society. So we have to have the confidence we can also be agenda-setting behind the paywall.”*

The coronavirus crisis was heating up at the time of our interview so that was something they were obviously talking about in Expressen’s newsroom too.

*“We’ve landed that our main thing now is to be a place where you can come and get an answer to your questions and the information. Our aim and why we exist, is that we give people correct and good information, especially in a time of crisis. That’s the thing that should really be the ground for every decision around the corona coverage. But we still have to be able to have some articles behind the paywall, just be really careful about which ones”, she says.*

#### 5.10. Ideal amount of paid content articles

The amount of paid content articles is very important in at least two aspects. The more content is behind the paywall, the less free content there is available and usually also visible to the reader. Everybody wants to protect and possibly grow their overall reach and traffic, so the amount of paid content is a significant question.

Another aspect is of course what should be considered paid content.

Should it be just the absolute best of the best that can always be regarded as undeniable premium content or should the paid content be considered as a service, where one gets more broadly value for money compared to a non-paying customer?

The biggest amount and percentage of paid content in this research belongs to the **Frankfurter Allgemeine Zeitung**, who publish around 20 to 22 pieces per day. Felix Hooß says they started initially with seven, then doubled to fourteen, and now added another seven to make it over 20 per day. According to Hooß they publish around 100 articles on the front page on workdays, so the percentage of paid content is about 20.

*"It's an amount that feels good to us and which we have seen doesn't influence the traffic on the site too heavily. If we put more articles on the paid side, it doesn't necessarily mean that people bring us more conversions and subscriptions", Hooß tells.*

The F.A.Z. looked also what happened if they put 25 to 27 paid content articles on the site daily. The impact wasn't big, but there might have been certain implications for the traffic.

*"The reader needs to see and almost feel a certain urge to try our paid content. They have to see that it's there. There are competitors who have like four pieces and you basically don't notice it while browsing on the site. It needs to be there, but it shouldn't interfere with your behaviour on the site and annoy you so much that you decide not to return to that page."*

**Süddeutsche Zeitung** has around eight to ten paid content articles per day. According to Ulrich Schäfer, the goal is to step by step raise the number of paid content on the website. At **Die Zeit**, Jochen Wegner estimates the number of paid articles to be no more than ten per day.

*"We learned that the number is not so important, you need the right stories", Wegner states.*

**Der Spiegel** hasn't defined a minimum daily number, but Thorsten Dörting believes the normal amount to be 'probably between 10 and 15, but closer to 15 than 10'.

*"It's about 50 articles coming from the magazine and about the same number produced specifically for Plus, so we're in about 12 to 14 (per day). But that doesn't mean all of them are on the top of the homepage, there's also smaller stuff which is just on the Spiegel+ page and in the sections."*

The Nordic newspapers have on average slightly smaller numbers than their German counterparts.

**VG** publishes about five new stories every day, **Expressen** also about four or five.

*"We don't have a strategy that we should grow it, because we really want to have the balance with the reach, but I think we have to grow it a bit, because we have to be able to change during the day and then you have to have more material", Johanna Odlander says.*

For **Helsingin Sanomat**, the number is normally between four and six. **Ekstra Bladet** has seven to ten articles per day. Nobody has an exact fixed number – and the number itself doesn't seem to be the main thing.

*"The goal is more the result than the number of articles", says Kaisa Aalto from Helsingin Sanomat.*

They are monitoring the balance closely and want to grow among the free users and usage. The upper side of the front page can't look only like paid content, because that would push away users that are not yet willing to pay. Paywall hits are also an important number.

*"If we would see a downward curve in the free usage we would know that we are stringing the beginning of our funnel", Aalto says.*

#### 5.11. Best days and hours for publishing paid content

When publishing paid content articles, it's not just about which and how many. The content strategy is also about when – at what time and on which days.

The **Frankfurter Allgemeine Zeitung** publishes the most, so not surprisingly they also publish gradually throughout the day, of course taking into account the breaking news situation and the general traffic on the site, Felix Hooß says.

*"If we have good pieces on the site that work well and convert well, we might not over-do it. If we see none of our precious pieces works, we might change them quicker. If you play one piece per hour, you should probably do fine."*

Topic-wise Hooß doesn't see a pattern that certain topics would work on certain days or hours. Sunday is usually better than Saturday for F.A.Z. which means that in the weekend planning Sunday has a special role. Overall, certain peaks of conversions can be seen.

*"Interestingly, although it's not a really strong time traffic-wise, people convert around 8 or 9 in the evening, when they are on the couch and surf our site. Having that knowledge, we would probably like to offer good pieces and not too newsworthy pieces on the site in the evening."*

Jochen Wegner from **Die Zeit** finds just a correlation between the number of users on the website and sold subscriptions, so they distribute their paid content evenly between different days. At **Süddeutsche Zeitung**, according to Ulrich Schäfer, the weekend is quite good in converting, because then readers have more time to read. The SZ Plus stories which are linked with on-going news stories they logically try to publish as soon as possible.

Thorsten Dörting from **Der Spiegel** says the weekend is very important, especially Sunday.

*"On Sunday's it's the – I wouldn't say more lighter stuff – but more narrative-oriented stuff that works well. Longer pieces, long interviews, real stories about people. It also depends on what happens in the world. You've got to go with the flow. If you look at the moment, it's corona all over the place. If you come with three articles about pension systems, you wouldn't have much success."*

Dörting also reveals that Spiegel has success in the early weekday mornings with politics, business and economics, which convert well especially at the beginning of the week on Mondays and Tuesdays. Friday is also important, because that's the day when the new magazine comes out.

At **Helsingin Sanomat** the paid content articles are usually published in the morning to have more time to generate traffic. Weekends are usually really good online sales days, Kaisa Aalto says.

*"People have time, and it can also be that we publish then long feature stories that are good diamond stories. When Kuukausiliite (a monthly) comes, there are interesting, good, big stories that we also publish online and those are good selling days. Evenings are maybe better in converting than working hours or the mornings."*

At **VG** the first paid content article is published at 6am in the morning. The rest are published with a three-hour interval at 9am, 12am, 3pm and they aim to be content-wise a mix of everything.

At **Ekstra Bladet** different kind of paid content publishing models – like one every second hour – have been tried, but according to Sune Odér, they don't make that big of a difference. At the moment they are putting some out in the morning, around noon, and in the evening.

Odér sees some differences in what kind of content works at different times.

*"The main thing we can see is that in the morning people are more into, let's say hard news, whereas in the evening when people are tired and just resting on the couch, watching Netflix, you should be a little bit more entertained so there's more what you call soft stories, entertainment."*

In terms of different days, Saturday is a difficult day for selling at Ekstra Bladet, but otherwise the day is irrelevant.

*"It's more like content is king, so whenever good content is there, people will buy it."*

For **Expressen** Sundays are the strongest days digitally, the best converting day of the week and best for traffic too. According to Johanna Odlander, Friday and Saturday nights are really hard overall, so one should go with a lighter material, like entertainment or human touch stories.

*"There's a really strong thing about starting your life again on Sunday and Monday. You want to get new habits to health or losing weight. Or on Sundays people tend to not want to go to their jobs, so you could have like '10 jobs that you can get a quick education for, get a high salary and you could change to right now'",* Odlander says.

The standard thing for Expressen is to publish the paid content in the morning, because they see that paid articles need a certain amount of time to get conversion.

*"It's not like traffic that can boom in one hour. It has to be there for a while. We're trying to update during the day, but we could do it more, I would say."*

#### 5.12. Customization

Artificial intelligence and machine-learning are hot topics in the media business, but when it comes to customization in the paid content services, they play a very small role. In terms of identifying possible customers, usage data does play a bigger role. **Die Zeit** is perhaps the best example in this case.

Editor-in-chief Jochen Wegner says they have found a secret recipe for predicting subscriptions. He claims that when they track their users for 21 days, they have found such usage patterns that a certain group of users will subscribe with a 'super high probability'. So how do they do it?

*"Our data scientists found first a statistical model and now we are implementing it as AI. We do live tracking with about 60 factors. We can narrow down to about 1000 users per day, and we hit almost almost all subscribers in this group – and we have almost two million people on the website every day."*

With this group, they make different experiments, which other users don't see on the website.

*“The great thing is you can’t do super nasty stuff with that 1000 people. Let’s assume we know that in this group there will be 200 subscribers anyway, that we know for sure. What about the other 800? They seem to be similar in terms of the model, so let’s play with the 1000 with the things we show, on a sliding scale. We started with trivial stuff like for example a footer bar: if you are interested in the red content, we have something for you. If you are a super hot subscriber, we just close the website for you. It’s like selling airline tickets.”*

For existing customers, all the media outlets communicate that there is not much, mainly not at all, personalised views depending on reader profile or already read articles.

Practically every newspaper interviewed for this research said they are planning or experimenting customization, but so far the subscribers and non-subscribers see almost or totally identical front pages and article views. But an educated guess would be that in couple of years, different AI practices are in use for customization to subscribers.

### 5.13. KPIs and data sharing to the newsroom

It’s obvious that in the digital subscription business, the main KPI (Key Performance Index) is the amount of subscriptions an article sells. What else do the newspapers measure and what kind of data is shared with the whole editorial staff in the newsroom – and how?

At **Frankfurter Allgemeine Zeitung** there is a dashboard that is accessible to everyone. It gives information about the subscriber base, shows conversions, visits and conversion rates on paid articles. In addition there are dashboards and reporting for each section that shows the numbers of the current day or the previous day, which articles converted in the section and in general.

*“At times we do the opposite and list the articles that received zero conversions. If we see that in our feuilleton/culture section theater articles perform badly and there are a number of zero conversions, we might figure that this might not be the ideal paid content”, Felix Hooß explains.*

**Süddeutsche Zeitung** also uses a special dashboard that has the subscriptions, click-through rate, conversion rate, and shows how many existing subscribers read the story, which they consider a very important thing.

*“If you only decide on the base of new subscriptions, you would get a different homepage compared to thinking also what the existing subscribers want to read. In this dashboard you can*



*read numbers of every story, numbers of different sections. It's a very important tool. We developed this tool in-house and we are still working on getting that better", Ulrich Schäfer says.*

**Der Spiegel** has built an index, where they try to factor all relevant data into one number.

*"This index is used by our news editors to build the page, steer the site and have a look if the article is performing well. Within this index factors are weighed. It's pretty new, so we are experimenting with that. The idea was to have just one number that is valid", Thorsten Dörting explains.*

**Die Zeit** has the main focus in conversions, but also acknowledge the importance of engagement.

*"It's important to make the subscribers happy, so we are looking at the usage of closed content more and more, but because we are rather fresh, we are still in the business for getting more subscribers", Jochen Wegner admits.*

Kaisa Aalto from **Helsingin Sanomat** says that one of their KPIs is the online activity of the existing subscribers, because they know it correlates very well to the churn. With the whole editorial staff data is shared from visits, sample subscriptions and automatically continuing subscriptions. There is an automatic report that is coming via email every morning from last days visits and diamonds. There are also dashboards all over the editorial departments that constantly show the status for today, last week and real-time. Everyone can still dive deeper into the numbers, if interested.

*"The online desk is monitoring the real-time situation closely all the time, what is the order of stories on the front page and what are the headlines."*

At **Ekstra Bladet** access to numbers is also available and nothing is kept a secret, Sune Odér says.

*"If you want, you can get smarter by looking at the numbers. If that's not what turns you on, we will always look at the numbers and tell you if you're on the wrong path. So if you're curious, you have access to dashboard telling how is my article performing right now, how did my story from last week perform in terms of customer page views, non-customer page views, how many did buy subscription because of my article, reading time, click-through percentage and so on."*

Beate Koren from **VG** goes through the whole previous week every Monday and presents stories that converted or sold most, page views on every article and a selection of different stories.

*"We also measure loyalty, being how big percentage of our subscribers have been reading articles during a week. We are looking now at the completion rate, if we can see how many people read through the whole thing. We also want to measure more demography", Koren lists.*

At **Expressen** a weekly report is also in use. From the conversion data the shift is more to the retention numbers, Johanna Odlander thinks.

*"We should have a reading target. We see that it's so important that they really consume the content if they are going to stay as customers, and also because it would be a good thing for the newsroom that the departments that do not produce the converting content, could produce reading content and it could be considered equally important, because now everybody tends to be really focused on just conversions."*

#### 5.14. The biggest converters

Retaining existing customers and preventing churn is very important. Probably even more important is to have content that converts. If one can't convert, then there's no customer-base to preserve and retain. Individual examples are great, but I also wanted to know if the newspapers had identified certain topics or style of articles that would generally be effective in converting.

German newspapers list some softer themes among the most converting. It's also about how one does it. Jochen Wegner from **Die Zeit** says the newspaper is famous for having their own view, an angle and perhaps also a strong opinion.

*"If it's about society, like gender issues, education, partnership, love and also sex, people really subscribe if they see that we write something about these issues."*

Softer themes also work well with **Frankfurter Allgemeine Zeitung**, even though they're not what the F.A.Z. journalism has traditionally been about. Felix Hooß lists relationships, parenthood, health and nutrition as topics that convert 'extraordinary' well. The key is personal relevance.

*"Does that article help me in my current situation in my life right now? If you take the 35-year-old, they will all probably have these questions in mind: should I be a parent, how can I be a good parent, how do I make my relationship work, do I buy a house, how do I take care of myself? That doesn't sound like Pulitzer-prize winning material but super-relevant topics for readers. That's why people are more willing to subscribe to these articles."*

Ulrich Schäfer from **Süddeutsche Zeitung** highlights softer themes too, but stresses that it would be a mistake to focus only on one. A mixture is best.

*"Our investigative stories are quite important. We have to do both: investigative work and softer stories. It's good journalism, good research and you have to present it in a way which is typical for Süddeutsche Zeitung. It can also be a political story."*

At **Der Spiegel**, Thorsten Dörting mentions health and economics from a service angle.

*"Everything from how to invest money is very successful, especially property: where to buy, where to sell. Whatever you put on the page, it sells, more or less. Then there's the exclusive stuff. Really exclusive stuff about big topics is running very well. It doesn't depend on whether it's politics, economics or whatever. That's the general picture."*

Kaisa Aalto from **Helsingin Sanomat** says that when looking at the editorial departments level, the biggest converters are lifestyle and feature. In feature, many of their stories are about the society.

*"So it's not like societal issues are not bringing conversion, it's the way how you write the stories."*

In addition to long, well-written feature stories, Aalto lists as successful types exclusive interviews with interesting persons and the so-called 'adapting stories', data-based journalism, where the story adapts when the reader puts his or her own info to the article.

In the Nordic tabloids, trends are similar with the morning papers, but with certain differences. Sune Odér from **Ekstra Bladet** names some of their Super Topics, like motorcycle gangs and gangs in general, along with Danish football's Superliga, as best converters. Investigative stories have been hard for them as paid content. Ekstra Bladet therefore uses them more as free content, where they see them working well and being a great brand building tool.

Beate Koren from **VG** names stories that are about working out and weight-loss as the main drivers that convert the most. She also says that converting well are articles that offer an easy way out or inspiration for a new life, things that give people hope of other solutions or an opportunity to dream a little bit. An example could be a career article: 'if you want out of the classical 8-16 life, these are the things you could do instead.'

At **Expressen**, Johanna Odlander lists as successful converting categories expert things within sports and guiding material in health, relationships and sex, and economics.

Odlander says also that the key is to go at least a little bit behind the scenes, with a touch of investigative journalism. As examples she offers a piece they made about secret pictures within a criminal gang dominating one of the suburbs in Stockholm and investigative pieces on the financial truth of the largest influencer in Sweden, Isabella Löwengrip.

#### 5.15. Differences between retaining and converting articles

When a reader has converted to be a new digital subscriber, it is vital to keep him or her as a subscriber. Only then does the subscriber create value in the long run. If churn is huge and disappointed customers drop out, growth is impossible to achieve.

The converting articles are hugely important, but are they the same which are read by existing subscribers? If not, which articles are then good at retaining subscribers?

Both **Frankfurter Allgemeine Zeitung** and **Süddeutsche Zeitung** communicate that when the softer themes of lifestyle and society are big converters, the "harder" stuff works as retaining.

*"The retaining sections might be the classic F.A.Z. fields like politics and economy. People might come on a juicy article on how you lead a good relationship and then stay for the good old politics analysis", Felix Hooß says.*

Ulrich Schäfer from Süddeutsche Zeitung believes the number of existing subscribers reading an article will get more and more important.

*"If you put a lot of effort and energy in attracting new subscribers and after a few weeks they are gone, then they are gone."*

Jochen Wegner from **Die Zeit** finds a strong correlation with converting and retaining articles.

*"But sometimes we are irritated because actual subscribers read stories where we do not convert. That's happening, but they are exceptions."*

Thorsten Dörting from **Der Spiegel** thinks the difference in their case 'doesn't seem to be that big than what our competitors might have expected'. Stuff from art and history section are better at retaining than converting, he says.

Kaisa Aalto from **Helsingin Sanomat** says one can categorize that society is good in retaining and well-being is good at converting.

But she also points out that converting lifestyle articles are read a lot by existing subscribers too and biggest hits are usually hits for both.

At **VG** the importance on retaining has grown since the amount of subscribers has grown. Before, when they had fewer subscribers, the ones that were selling most were the most-read too.

*"Now we could have stories, like an interview with a quite well-known tv profile and his wife, and it only sold like 50 subscriptions but was incredibly well-read, 130 000 page views. It told us that we also have to make content for our subscribers. From my point of view, moving towards the loyalty game, I appreciate super high reading numbers more than sales", Beate Koren says.*

**Expressen** started their own paid content service only in December 2018, but they are now also focusing more at retention after the quick growth of the first year, says Johanna Odlander.

*"The first months, we just added on every month. Now this year we've been standing still a lot. We are taking in many new people, but churn is a real challenge for us now. In the first year we would only concentrate on converting and to get as many as possible to try Premium. That was even more important than the revenues. This year we have focus on retention and the money."*

Odlander sees in their churn answers that many people try to clean up their digital expenses.

*"We are competing in where you spend your time and money on. It's not necessarily Aftonbladet or Dagens Nyheter, it could be Netflix or HBO or whatever. People don't just come to a digital service and stay there forever like you might have done with a print subscription."*

Often the converting and retaining articles at Expressen are the same, since the front page is same for existing and non-customers, and a converting article is at the top. Guiding material for health and personal economy might more likely be a converter for motivated people than a huge reach success, whereas really good human-touch stories might not be converting but can be read a lot.

*"People might not convert about reading something really sad about a kid dying and a mother crying, but if you're a customer, you would really read that. So we see some differences."*

At **Ekstra Bladet** some differences are also seen. They try to approach the loyalty game with a department-focused customer-base stats, Sune Odér explains.

*"We tried to divide it so that they could follow how many have been buying Superliga through the years, are we growing that base or declining – are we doing the right or wrong content."*

## 6. Conclusions

In the previous chapter the interviewees commented on different key questions and themes regarding digital subscriptions. In this chapter I try to sum up the core findings of the previous chapters, also the individual case by case presentations. What kind of a picture can we draw from the German and Nordic market, the differences between tabloids, morning papers and weeklys, and overall learnings and experiences in the digital subscription business?

It is obvious that by interviewing eight people and eight outlets one can't claim to have found the perfect formula for being successful in the paid content market, but I hope that this research can present options, compare and analyze different approaches, find solutions that have been successful in many places, and therefore work as a kind of a playbook for actors involved in this business. When one knows more about how things are done outside one's own newsroom, there is a better chance to learn and get new ideas. Even though media professionals of course follow competitors and foreign benchmarks also without reading research reports, I feel that this kind of research is a service to the whole business, especially in Germany and the Nordic countries.

When one thinks about digital subscriptions, there are lots of aspects to cover. Which model is used, what kind of different subscription packages and prices are available, how is the paid content marketed, what kind of payment options do the customers have, how does the newspaper keep in contact with the existing subscribers and possible subscribers and so on. When talking about a complete digital subscription strategy, all these aspects must be noted and taken into account.

Grzegorz Piechota found out in his 2020 research that publishers listed different various product features, such as apps, e-replicas and newsletters, as benefits of digital subscriptions more often than actual content benefits.<sup>36</sup> Despite this statistic, I see content as the most important thing for the media outlets, especially in a freemium model. If the content is not good enough, even low prices, easy payment, different product features and good marketing don't help in the long run to attract and retain subscribers. Content strategies and production are also therefore the focus points in this research.

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<sup>36</sup> <https://twitter.com/INMAorg/status/1280941031744307200/photo/1>

### 6.1. What can be learned from the findings

When one looks at the answers and learnings from the interviews, there are some clear trends that are strong within the digital subscription business. But in many cases the opinions and strategies are divided. Examples could be the amount of paid content, the need to have a specific dedicated team or not, how well one can predict the success of different paid content, should the paid content articles be long or not, who makes the call which content is behind the paywall, how important is the large reach and ad money and so on.

What are the conclusions one can draw from this research? I would personally pick the following:

**End the week on a high.** It doesn't matter if you're a morning paper, a weekly or a tabloid – Sunday is probably the best day to convert and bring in sales. Saturdays, especially Saturday evenings can be tricky because people are occupied with different things, but on a Sunday a good story or a good interview, well-crafted with an interesting topic and a human touch, can very well be a hit. Different media outlets have their individual attributes, but generally in the digital subscription business Sunday seems to be a big day.

**Convert with softer topics.** It's perhaps not a big surprise that tabloids sell well with issues regarding health, relationships and sex. But would you have believed that this applies also to German morning papers and weeklys, which have traditionally been known for their coverage in politics and economics? No matter if you are Der Spiegel, Frankfurter Allgemeine Zeitung, Verdens Gang or Expressen – more or less same, softer themes seem to be the biggest drivers when it comes to converting. Of course there are differences between media outlets and their articles, but this trend with lifestyle topics, health-related themes and personal economics is obvious. There are sections, newsletters and departments founded just to be strong in these.

**Personal relevance is key.** During the interviews concepts such as 'relevant for you', 'service-journalism', 'guiding material' and 'personal relevance' came across frequently. Whether it's about how to invest money, buying a house or not, what to eat, when to sleep, who to date, how to lose weight and so on, the key is the content is something the user can find useful. Softer themes don't mean just human interest stories to read – it means also being useful and thereby value for money. People paying for digital journalism are not only looking for great stories and exclusive interviews, but also more practical stuff.

**Preserve editorial independence.** When a content strategy for digital paid content is determined, it's important that editorial independence is not compromised. Editors should be in contact with marketing people to discuss potential target groups and content areas, and analytics should play a big role in providing data and a basis from which to operate, but editorial decisions must be kept in the newsroom within the editorial staff.

**Lead from the front and the top.** Many interviewees mentioned that the editor-in-chief was active and visible when strategy for paid content was introduced. That is necessary. Managing editors, news editors and digital and editorial chiefs need to have the backing from the top. When the biggest bosses emphasize the importance of paid content, that helps penetrating the approach through the editorial team.

**Communicate, explain and implement with care and patience.** I have worked for a relatively long time in the media industry, way over a decade in a tabloid. I know from personal experiences that new things and initiatives are not usually instantly approved or even understood. It takes time and effort to implement a new strategic approach properly. A lot of communicating and explaining is necessary. This was evident also in this research, where several of the interviewees openly said that different cultures, backgrounds and goals make it sometimes hard and slow to change things.

**Motivate with examples, share the data.** Some journalists feel that their articles, and the reach they would get, are 'lost' if they go behind the paywall. Some journalists don't think they should be selling anything, they just write. There can be plenty of resistance or uncertainty among journalists. The best way to tackle that is by presenting examples – and the value of these examples. I'm sure every journalist feels flattered when he notices that a reader has paid actual money to read his article. Would I value more 100 000 page views or 100 subscriptions for my article? The latter of course. Page views and reach are of course not irrelevant and they have value too. An article with a good reach is always worth doing, but paying for content shows so much more value from the customer compared to a click. But conversions are not the only data that is important. Also other kind of encouraging examples, like retaining articles that are well-read by existing customers, can be good motivating tools. Sharing this data in the newsroom is vital. I personally don't believe accessible dashboards are enough. Email reports which clearly highlight good examples are also necessary as are face-to-face feedbacks and praises.



**Show the value to the customer in order to retain.** Churn is a word that everybody in the business knows. To prevent churn and retain the subscribers the media outlet has been able to acquire, is essential. But how to show the value of being a subscriber to the customer? Digital subscribers are not as loyal as print subscribers so they must be convinced about the value of the subscription over and over again. That can't be done by concentrating only in the converting material, but by also making the customer see and feel the value of being a subscriber. Show what he or she gets and non-subscribers don't – and make him or her feeling regularly that the content provided is worth paying for. It's easier said than done, but with content that the existing subscribers read (and really read, not only click), that can be achieved.

**Don't forget the free content and the reach – but don't be scared either.** Even if digital subscriptions are the spearhead of strategy for certain media outlets and the basis for their business model, focusing only on that would be dangerous. With many big nationwide media outlets who have a freemium model, like all the media outlets interviewed in this research, the amount of people who visit the site is many times higher than the amount of subscribers. That is important in two ways: as a source of advertising money and as a funnel where the future subscribers are coming from. It's clearly a balancing act to try to serve the non-paying and paying customers in the best possible way. Paying customers must get value for their money, but that can't mean the possible future subscribers and regular visitors don't get enough stuff to motivate future visits. My interviews didn't provide a magical solution to this, but work as a reminder that this balancing is something that one shouldn't forget. Good news is that many outlets have been able to grow or maintain their reach after introducing paid content, so there is no reason to assume that the reach would collapse, if some part of the content goes behind paywall.

## 6.2. Comparison between Germany and Nordics

Comparing the German media outlets and the Nordic ones is difficult, because the German outlets included two morning papers, one weekly newspaper and one weekly magazine, whereas in the Nordic market I interviewed three tabloids and one morning paper. If I find some differences, are they more likely to be because of the nature of the publication rather than the location?

It's hard to see a lot of cultural, topical or technical differences between the Nordic and German media outlets and their approach to digital paid content. One is perhaps how strongly the German media outlets recognize and stress the political standpoint and liberal or conservative views of

their competitors and themselves. This was evident in the interviews. In the interviews with Nordic outlets the 'left/right' or 'liberal/conservative' debate was not an issue at all. It can partly be down to the nature of the publications, but I do think in Germany it plays a bigger role and splits the readership more than in the Nordics.

The other difference is with the market and the competition. For example Helsingin Sanomat operates in a completely different market situation than the German morning papers. In Germany, a many times bigger market than the Nordic markets, there are lots of players trying to win the same subscribers. A significant difference are the weeklys, who are strong also in digital channels. In the Nordic countries the weeklys are a market of their own, also digitally, whereas in Germany Die Zeit, Der Spiegel, Focus and Stern are all big digital media outlets who also produce a strong daily news service. The weeklys and the dailys are much closer to each other than in the Nordics.

### 6.3. Comparison between morning papers, weeklys and tabloids

Like I already presented in the beginning of these conclusions, the softer themes and topics with personal relevance are big for everybody. One could perhaps say that the morning papers and weeklys have moved more in the direction of the tabloids, who have been focusing on softer, personalized angles maybe longer. In general I would say these different media outlets are not really far from each other. Everybody has real-time live blogs and lifestyle topics.

But there are differences too. Tabloids have a big focus on sports, which the morning papers and weeklys didn't highlight at any point in the interviews. Entertainment, especially reality tv, and celebrities are also a tabloid area, where the more serious outlets haven't gone that much. The tabloids are receiving feedback that the articles are too long, which is something the morning papers and weeklys didn't mention – and partly emphasized length as an important factor.

One thing, which wasn't the focus of this research but is a valid point here because it came up in the interviews, is the price of the subscription. The weeklys and morning papers are aiming to receive a higher price for the subscription compared to the tabloids. But actually they have been forced to offer also cheaper alternatives to subscribers. The price points are partly effected by Netflix, Spotify and other digital services. Can the more serious media outlets charge the higher prices they would like and can the tabloids make the business model good enough with the lower prices? Those are questions to which the answers remain to be seen.

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