Subscribe Now: On the Effectiveness of Advertising Messages in Promoting Newspapers’ Online Subscriptions

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Previous literature has suggested that newspaper publishers should optimize how they advertise their online subscriptions. However, empirical findings on the effectiveness of advertising messages in increasing people’s willingness to pay for such online subscriptions are still rare. Therefore, this study conducted an online experiment with U.K. participants (N = 815) to investigate the effects of different advertising messages on people’s willingness to pay for online news. These so-called subscription pitches included digital-specific, social, normative, and price transparency appeals. The findings show that a subscription pitch that includes both a normative appeal and a price transparency appeal significantly increases people’s willingness to pay. This indicates that informing audiences that their subscription will support independent, inclusive, and watchdog journalism and that a subscription model was implemented due to the news industry’s critical financial situation is particularly effective. Thereby, the study expands research on people’s willingness to pay for online news.

Keywords: advertising, newspapers, online experiment, online journalism, online subscriptions, paywalls

In 2009, media tycoon Rupert Murdoch proclaimed the death of newspapers’ heavily advertising-based business model, declaring that in the future, good journalism will depend on the ability of a news organization to attract customers by providing news and information they are willing to pay for (Murdoch, 2009). His pronouncement was symptomatic of a growing realization among newspapers in many mature economies that their survival depended on attracting revenue from sources other than advertising, particularly from readers (Franklin, 2011).

Profound social and technological transformations, prompted in part by the Internet, had led to severe declines in newspapers’ print circulations and, consequently, print advertising revenues. Against many expectations, income from online advertising has not been able to make up the revenue shortfall...
(Brock, 2013; Goyanes, Demeter, & de Grado, 2022; Kaye & Quinn, 2010; Picard, 2016). In addition, the global financial crisis that started in 2007 increased the economic pressure on the news industry (Kaye & Quinn, 2010). Inadequate funding harms the quality of journalism by making it difficult for newspapers to supply well-researched news and report independently of political or corporate interests. Therefore, the question of how to secure newspapers’ economic viability has attracted much attention in the industry, in academia, and in policy circles for several years now.

Since realizing that income from online advertising was not going to reach the expected levels, numerous newspaper publishers have tried to generate reader revenue by charging for access to their online content (Arrese, 2016; Kaye & Quinn, 2010; O’Brien, 2022). In 2019, 69% of large European and U.S. newspapers operated a paywall (Simon & Graves, 2019), although, in the United Kingdom, more than half of the newspapers studied were still giving their content away for free, perhaps fearing that a paywall would encourage readers to desert to other newspapers or to the publicly financed BBC. This fear may be well founded considering that so far, the general public has shown little willingness to pay for online news, causing many experiments with paywalls to fail (Fletcher & Nielsen, 2017; Newman, Fletcher, Schulz, Andi, & Nielsen, 2020). In response, a number of scholars have attempted to develop a better understanding of what drives consumers’ willingness to pay for online news and how newspaper publishers can successfully implement paywalls (Chyi, 2005, 2012; Fletcher & Nielsen, 2017; O’Brien, Wellbrock, & Kleer, 2020; Olsen, 2020; Riemann, von Rimscha, Wellbrock, & Buschow, 2020). However, the question of how newspaper publishers can better advertise their online subscriptions to incentivize people to pay for online news has been the subject of little attention so far (Cook & Attari, 2012; Kim, Collier, & Stroud, 2021).

Therefore, this study conducted an online experiment with U.K. participants (N = 815) to investigate the effects of different advertising messages on people’s willingness to pay for online news. These so-called subscription pitches included digital-specific (i.e., promoting personalization, online-first delivery, and online-only offers), social (i.e., promoting off- and online events and being a member of a community), normative (i.e., information on how subscription supports independent, inclusive, and watchdog journalism), and price transparency (i.e., information on the news industry’s critical financial situation) appeals. The study thereby expands research on people’s willingness to pay for online news and provides newspaper publishers with insights into how to advertise online subscriptions.

**People’s (Un)willingness to Pay for Online News**

Previous research on paying for news has focused on intentions or willingness to pay, particularly for online news (Groot Kormelink, 2022). Paying intent refers to whether people would pay, whereas willingness to pay refers to how much people would pay (O’Brien et al., 2020). In one of the first studies, conducted in Hong Kong in 2002 (Chyi, 2005), only 2.5% of respondents had paid for online news, and 78% did not see themselves paying for online news in the future. Not much has changed since then, with the proportions of people declaring themselves to be at least somewhat open to spending money on online news fluctuating at around 10% (Fletcher & Nielsen, 2017).

Moreover, the proportions of people who actually pay have also remained low, although there has been growth in some countries, such as the United States. The 2015 Digital News Report found 6.3% of
U.K. respondents and 11% of those from the United States had paid for online news in the year preceding the survey (Fletcher & Nielsen, 2017). These figures rose to 9% and 19%, respectively, over the following years (Newman, Fletcher, Robertson, Eddy, & Nielsen, 2022). The notion that people are reluctant to buy access to online news is further strengthened by findings showing that the amount of money they are willing to pay does not match the actual fees charged for online subscriptions, which range from around £10 to £15 per month (Chyi, 2012; Donatello, 2013; Simon & Graves, 2019).

Why are people reluctant to spend money on online news? First of all, most people have never been particularly willing to pay for news (Picard, 2008). It is therefore no surprise that the huge increase in free-to-consume media and news content on the Internet has not increased their willingness. With numerous sites offering news for free, most users do not see a reason to spend money on journalism (AP-NORC Center & API, 2017; Goyanes et al., 2022; Newman, Fletcher, Kalogeropoulos, Levy, & Nielsen, 2017). Moreover, Internet users have grown accustomed to consuming digital content gratis (Fletcher & Nielsen, 2017; Goyanes et al., 2022). In fact, based on a user survey in Germany, O’Brien (2022) has shown that consumers’ free mentality—that is, their aversion to accepting any price point other than zero—is negatively associated with their intent to pay for online news.

Other reasons why people are averse to paying for online news include low levels of interest in the content (indicating that they have little intrinsic interest in news) and perceived lack of value, which could be due to the content being too general (and therefore not worth paying for) or to consumers preferring news in print (AP-NORC Center & API, 2017; Newman et al., 2017). Olsen and Solvoll (2018) confirm these findings with regard to local newspapers in Norway. Based on in-depth interviews with news managers and a national survey of newspaper audiences, the scholars conclude that local media’s offerings are misaligned with lower-income audiences and audiences that have lower news interest. As a consequence, “when these groups hit a paywall, they most likely bounce off” (Olsen & Solvoll, 2018, p. 174).

Whereas some studies have looked at reasons why people are reluctant to pay for online news, others have examined factors that increase their willingness to pay, such as people’s personal characteristics and attributes related to the offer or product, as the literature review of O’Brien and colleagues (2020) shows. Previous research suggests that people who pay for online news, or who exhibit a higher willingness to do so, tend to be younger, male, well educated, and in a higher income bracket (AP-NORC Center & API, 2018; Chyi & Lee, 2013; Fletcher & Nielsen, 2017). Furthermore, interest in news and motives for news use, as well as previous consumption of news and previous payment for news, have also been found to positively influence people’s attitudes toward paying for online news (Chyi, 2012; Fletcher & Nielsen, 2017; Goyanes, 2015; Riemann et al., 2020).

In terms of product-related factors, studies and industry reports have shown that readers are less willing to pay for general news they can easily get anywhere than for content that is unique and valuable specifically to them (Goyanes, Artero, & Zapata, 2021; Groot Kormelink, 2022; Herbert & Thurman, 2007). Moreover, John, Lee, and Park (2022) have shown, based on an online survey of news consumers in Australia, that perceptions of sufficient and fair coverage of their gender affect women’s willingness to pay, but not men’s. In addition to these content attributes, further factors such as the media brand, delivery format, ease of use, or payment method also affect consumers’ attitudes toward paying for online news.
These findings show that although the general public's willingness to pay is still relatively low, people are not entirely averse to spending money on online news provided they see value in it. Given the urgent need for newspaper publishers to develop new revenue streams, it is vital to better understand people's willingness to pay for online news. So far, however, the question of how newspaper publishers can advertise their online subscriptions in a way that incentivizes people to pay has been the subject of scant attention.

A first exception is the study by Cook and Attari (2012), which showed that readers' support for the paywall introduced by the New York Times in 2011, and their willingness to subscribe, both increased when they were told that the paywall had been introduced to avert the risk of the New York Times going bankrupt. These results suggest that people's attitudes toward paying for online news depend not only on their personal characteristics and the characteristics of the product they are offered but also on how paywalls are justified and promoted. Consequently, providing users with arguments about why they should spend money on online news might prove beneficial to newspapers. At this time, however, not much is known about what those arguments should be.

Kim and colleagues (2021) conducted experiments in cooperation with three U.S. newsrooms to investigate the effectiveness of gain- and loss-framed messages in eliciting clicks on subscription appeals. The gain-framed message suggested that a subscription would help people to be informed, whereas the loss-framed message suggested subscribing to avoid missing out on news. The authors concluded that loss-framed messages prompted fewer clicks on subscription appeals compared with gain and control messages. However, the study did not investigate effects of the subscription appeals on people's actual willingness to subscribe and pay (rather than simply click).

Factors Driving the Effectiveness of Subscription Pitches

Nechushtai and Zalmanson (2021) were the first researchers to systematically examine advertising messages promoting online news subscriptions, that is, so-called subscription pitches. More specifically, using the organizational commitment framework of Meyer and Allen (1991), which examines relationships between media organizations and their audiences, they conducted a content analysis of 55 large U.S. newspapers' subscription pitches. The authors concluded that they contained three core types of appeal: informational, social, and normative. These appeals reflect what news publishers believe their audiences value in their offering and what the news publishers are able to deliver (Olsen & Solvoll, 2018).

First, Nechushtai and Zalmanson (2021) showed that all the U.S. newspapers they investigated included in their subscription pitches informational appeals that addressed newspapers' primary task, namely the provision of news. However, as they further showed, newspapers typically used the same informational appeals for their online subscriptions as for their print subscriptions; that is, most appeals did not refer to any specific benefits associated with an online subscription. Given that many news consumers seem to (still) prefer newspapers' print editions (Chyi, 2012; Chyi & Lee, 2013), subscription pitches might not be very effective at convincing people to purchase an online subscription if they do not state its specific
benefits—that is, if the subscription pitches do not use a digital-specific appeal. For instance, such digital-specific appeals might promote personalized content, online-first delivery, and online-only offers.

Second, according to Nechushtai and Zalmanson (2021), two-thirds of U.S. newspapers’ subscription pitches deployed a social appeal that suggested “buying a subscription is a way to create/intensify social ties” (p. 2040). For instance, readers were encouraged to subscribe with messages saying that a subscription would allow them to build new relationships with like-minded people on the news website or at events, or to strengthen their existing relationships through sharing the subscription with friends. In fact, Donatello (2013) found social benefits, such as getting to know others or feeling part of a community, to be important factors explaining the use of news websites. Moreover, previous research has shown that paying for online news is positively correlated with being motivated to use online news to fit into, or enhance one’s standing in, a social group (Chen & Thorson, 2021). Accordingly, social appeals might promote offline and online events and being a member of a community.

Third, according to Nechushtai and Zalmanson (2021), one-third of U.S. newspapers’ subscription pitches contained a normative appeal, emphasizing that paying for a subscription would bring benefits related to societal values and norms, such as supporting a free press. Regarding normative benefits, recent survey findings show that news consumers are inclined to pay for news to support journalism in general or a specific news organization (AP-NORC Center & API, 2018). The 2017 Digital News Report showed that 29% of U.S. respondents—and 13% of all respondents—who had paid for online news in the last year were paying to “help fund journalism” (Newman et al., 2017, p. 24). These findings suggest that people value the contributions journalism makes to society, which is why normative appeals might be expected to enhance their willingness to pay for online news. Accordingly, such normative appeals might provide information on how online news subscriptions support independent, inclusive, and watchdog journalism.

Moreover, previous research has shown that price transparency increases people’s perceptions of price fairness, which in turn positively affects their purchase intentions (Campbell, 1999; Ferguson, 2014). Price transparency concerns the extent to which a company discloses how the price of a product or service came about or what caused a price increase (Ferguson, 2014). Research has shown that when a company raises the price of a product or service, people will typically make assumptions about the reasons behind such a decision (Campbell, 1999).

More specifically, research has shown that people perceive a price increase as unfair when they assume the company has negative motives, such as taking advantage of consumers to increase profit margins (Campbell, 1999). However, if a company gives a reasonable justification for a price increase, people may not make such negative inferences. In fact, according to Vaidyanathan and Aggarwal (2003), higher prices are especially likely to be considered fair if they are caused by factors outside a company’s control. Accordingly, we might assume that if a newspaper discloses information about the industry’s critical financial situation (caused by factors outside its control) and argues that this prompted the decision to implement a paywall, thereby providing price transparency, then people will be more inclined to pay for online news.

In fact, as indicated above, previous research has shown that readers’ willingness to subscribe to the website of the New York Times increased when they were told the paywall had been introduced to avert the risk
of the New York Times going bankrupt (Cook & Attari, 2012). Moreover, the 2018 Digital News Report (Newman, Fletcher, Kalogeropoulos, Levy, & Nielsen, 2018) found evidence that people’s awareness of the problems facing the news industry is positively related to their intention to pay for online news, although this awareness is not (yet) widespread. Furthermore, drawing on a representative survey by the Pew Research Center, Goyanes (2020) concluded that readers who perceive that the financial situation of local media is weak are more likely to pay for, subscribe to, donate to, or become a member of a local news service.

Overall, this leads to our first research question:

**RQ1:** Which single advertising message (i.e., digital-specific, social, normative, or price transparency appeal) is most effective in increasing people’s willingness to pay for online news?

Finally, as the findings of Nechushtai and Zalmanson (2021) further show, 67% of the U.S. newspapers they investigated included not just one appeal in their subscription pitches but different combinations of appeals. More specifically, these U.S. newspapers combined an informational appeal with a social appeal, a normative appeal, or both.

This leads to our second research question:

**RQ2:** Which combination of advertising messages (i.e., digital-specific, social, normative, and/or price transparency appeals) is most effective in increasing people’s willingness to pay for online news?

### Methods

#### Data

To examine the effectiveness of different subscription pitches, we conducted, between December 13, 2019, and January 11, 2020, a 2 × 2 × 2 × 2 between-subjects online experiment with U.K. respondents recruited from Prolific’s online panel. Respondents who sped through the survey or had missing values were excluded from the analysis. This resulted in a final sample of \( N = 815 \) participants: 67% female and with a mean age of 36.77 years. Accordingly, because female participants are overrepresented, our sample is not (fully) representative of the U.K. population.

#### Procedure

The online experiment was hosted on the SoSci Survey platform (Leiner, 2019), where participants were randomly assigned to one of 16 experimental conditions, that is, to view one of 16 subscription pitches.

More specifically, one subscription pitch contained a digital-specific appeal (i.e., promoting personalization, online-first delivery, and online-only offers), one subscription pitch contained a social appeal (i.e., promoting off- and online events and being a member of a community), one subscription pitch contained a normative appeal (i.e., information on how subscription supports independent, inclusive, and watchdog journalism), and one subscription pitch contained a price transparency appeal (i.e., information
about the news industry’s critical financial situation). The other 11 subscription pitches contained specific combinations of appeals (e.g., digital-specific plus social). The subscription pitch without any appeals was used as control. As an example, Figure 1 shows the subscription pitch that contains all the appeals investigated (i.e., digital-specific, social, normative, and price transparency appeals).

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Subscribe

Why are we charging for our online content?

"On the internet, news is free", has held true for a long time but, unfortunately, it didn’t turn out to be an economically viable model for most news organizations. Creating quality journalism involves expenses – even online – including for technology and the many people who work hard on the stories that matter to you.

While in the past we were able to fund our work through sales of our print edition along with advertising revenue, decreasing print circulation plus insufficient advertising income have led to financial challenges. Therefore, we have established a digital subscription model, hoping you, our much-valued readers, will understand and support our undertaking.

Figure 1. Example of a stimulus used in the experiment.

As previous research has indicated (O’Brien et al., 2020), people’s media brand image is related to their paying behavior. Therefore, this study focuses on people’s willingness to pay for online news from newspapers in which they are already interested. Accordingly, before exposure to a subscription pitch,
participants were instructed to imagine they had come across the subscription pitch while browsing the website of a newspaper they like. Consequently, the subscription pitches themselves were designed to be brand neutral—an approach that has been used in previous research on people’s willingness to pay for news (Chyi, 2005). However, with regard to wording and layout, the subscription pitches were written in the style of real advertising messages published by news websites.

The survey itself consisted of several parts. The first part contained questions regarding participants’ use of news. In the second part, participants were presented with the stimulus material. The third part contained the attention check. In the fourth part, participants’ willingness to pay was queried. The survey closed with questions regarding participants’ sociodemographic characteristics. The attention check (“Please indicate whether the following statements about the text you just read are false or true”) consisted of four statements that had to be assessed as true (= 1) or false (= 0): “The text mentioned the newspaper’s financial situation”; “The text mentioned that one of the benefits of a digital subscription is a personalized news offering”; “The text mentioned that subscribers are given the possibility to connect with other people”; “According to the text, independent journalism is important for a democratic society.” On average, participants answered 2.95 (SD = 0.971) questions correctly.

Measurement

Independent Variables

For each of the advertising messages (i.e., digital-specific, social, normative, and price transparency appeals), we created a dummy variable (1 = yes, 0 = no).

Dependent Variable

Drawing on previous research regarding people’s willingness to pay in general (Miller, Hofstetter, Krohmer, & Zhang, 2012) and people’s willingness to pay for news specifically (Chyi, 2012), we used the established measurement of how much money people are willing to pay (O’Brien et al., 2020). More specifically, we measured participants’ willingness to pay based on the monetary value in British pounds per month of the online subscription (“How much would you be willing to pay for the digital subscription described in the text [assuming it is offered by a source you like]?”; M = 3.52, SD = 3.706).

Control Variables

Because various consumer characteristics have been found to impact the willingness to pay for online news, we controlled for two sets of factors.

First, we controlled for participants’ sociodemographic characteristics (Chyi & Lee, 2013; Fletcher & Nielsen, 2017; O’Brien et al., 2020): gender (“What is your gender?”; 1 = female, 0 = male; 67% female, M = 0.67, SD = 0.471), age (“How old are you?”; metric scale; M = 36.77, SD = 13.028), education (“What is your highest educational qualification to date?”; 1 = not completed secondary school, 6 = doctorate; M
Second, previous research has shown that people’s media use influences their attitudes toward paying for online news (Goyanes, 2015; O’Brien et al., 2020; Olsen & Solvoll, 2018). Accordingly, we controlled for how often participants access news via the following outlets (“Typically, how often do you access news via each of these platforms?”; 1 = never/rarely, 2 = once a week, 5 = several times a day): online via desktop ($M = 3.03, SD = 1.559$) and online via mobile ($M = 3.96, SD = 1.323$).

The descriptive statistics for the whole sample ($N = 815$) are presented in Table 1.

<table>
<thead>
<tr>
<th></th>
<th>$M$</th>
<th>$SD$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender (1 = female, 0 = male)</td>
<td>0.67</td>
<td>0.471</td>
<td>67.00</td>
</tr>
<tr>
<td>Age (years; metric scale)</td>
<td>36.77</td>
<td>13.028</td>
<td></td>
</tr>
<tr>
<td>Education (1 = not completed secondary school, 6 = doctorate)</td>
<td>3.45</td>
<td>1.203</td>
<td></td>
</tr>
<tr>
<td>Monthly income (1 = no personal income, 9 = £7,000 or more)</td>
<td>3.27</td>
<td>1.679</td>
<td></td>
</tr>
<tr>
<td>Frequency of news use: online (desktop; 1 = never/rarely, 5 = several times a day)</td>
<td>3.03</td>
<td>1.559</td>
<td></td>
</tr>
<tr>
<td>Frequency of news use: online (mobile; 1 = never/rarely, 5 = several times a day)</td>
<td>3.96</td>
<td>1.323</td>
<td></td>
</tr>
<tr>
<td>Willingness to pay (£ per month; metric scale)</td>
<td>3.52</td>
<td>3.706</td>
<td></td>
</tr>
</tbody>
</table>

$N = 815$.

**Data Analysis**

To investigate RQ1 and RQ2, we conducted an analysis of covariance (ANCOVA) with SPSS. Levene’s test revealed a nonsignificant result, $F(15, 799) = 0.920, p = .541$, which indicates sufficient homogeneity of variance in the sample.

**Findings**

Regarding RQ1, the findings show that no advertising message that contains just a single type of subscription appeal is sufficiently convincing by itself to increase people’s willingness to pay for online news (see Table 2). The main effects of the digital-specific, social, normative, and price transparency appeals are not significant.

Moreover, regarding RQ2, the findings show that two combinations of advertising messages are sufficiently convincing to increase people’s willingness to pay for online news (see Table 2): the combination of the normative appeal with the price transparency appeal ($F(1, 793) = 4.930, p = .027$), as well as the combination of the digital-specific appeal, the social appeal, and the price transparency appeal ($F(1, 793) = 4.551, p = .033$). However, the combination of the normative appeal with the price transparency appeal is more convincing. All other combinations of advertising messages have no significant effects on people’s willingness to pay for online news.
Finally, as Table 2 further shows, gender, education, monthly income, and frequency of access of online news via desktop are not significantly associated with people’s willingness to pay. However, the older ($F(1, 793) = 6.153, p = .013$) people are, and the more frequently they access online news via mobile ($F(1, 793) = 4.273, p = .039$), the greater their willingness to pay for online news.

### Table 2. Findings of the Analysis of Covariance Between Different Subscription Pitches and Willingness to Pay for Online News.

<table>
<thead>
<tr>
<th></th>
<th>Type III sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>$F$</th>
<th>$p$</th>
<th>Partial eta squared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrected model</td>
<td>505.998</td>
<td>21</td>
<td>24.095</td>
<td>1.790</td>
<td>.016*</td>
<td>0.045</td>
</tr>
<tr>
<td>Intercept</td>
<td>2.581</td>
<td>1</td>
<td>2.581</td>
<td>0.192</td>
<td>.662</td>
<td>0.000</td>
</tr>
<tr>
<td>Gender</td>
<td>29.749</td>
<td>1</td>
<td>29.749</td>
<td>2.210</td>
<td>.137</td>
<td>0.003</td>
</tr>
<tr>
<td>Age</td>
<td>82.820</td>
<td>1</td>
<td>82.820</td>
<td>6.153</td>
<td>.013*</td>
<td>0.008</td>
</tr>
<tr>
<td>Education</td>
<td>36.574</td>
<td>1</td>
<td>36.574</td>
<td>2.717</td>
<td>.100</td>
<td>0.003</td>
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<tr>
<td>Monthly income</td>
<td>0.091</td>
<td>1</td>
<td>0.091</td>
<td>0.007</td>
<td>.934</td>
<td>0.000</td>
</tr>
<tr>
<td>Frequency of news use: online (desktop)</td>
<td>40.080</td>
<td>1</td>
<td>40.080</td>
<td>2.978</td>
<td>.085</td>
<td>0.004</td>
</tr>
<tr>
<td>Frequency of news use: online (mobile)</td>
<td>57.516</td>
<td>1</td>
<td>57.516</td>
<td>4.273</td>
<td>.039*</td>
<td>0.005</td>
</tr>
<tr>
<td>D</td>
<td>2.122</td>
<td>1</td>
<td>2.122</td>
<td>0.158</td>
<td>.691</td>
<td>0.000</td>
</tr>
<tr>
<td>S</td>
<td>10.321</td>
<td>1</td>
<td>10.321</td>
<td>0.767</td>
<td>.381</td>
<td>0.001</td>
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<tr>
<td>N</td>
<td>15.433</td>
<td>1</td>
<td>15.433</td>
<td>1.147</td>
<td>.285</td>
<td>0.001</td>
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<tr>
<td>P</td>
<td>20.472</td>
<td>1</td>
<td>20.472</td>
<td>1.521</td>
<td>.218</td>
<td>0.002</td>
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<tr>
<td>D + S</td>
<td>2.655</td>
<td>1</td>
<td>2.655</td>
<td>0.197</td>
<td>.657</td>
<td>0.000</td>
</tr>
<tr>
<td>D + N</td>
<td>11.909</td>
<td>1</td>
<td>11.909</td>
<td>0.885</td>
<td>.347</td>
<td>0.001</td>
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<tr>
<td>D + P</td>
<td>24.229</td>
<td>1</td>
<td>24.229</td>
<td>1.800</td>
<td>.180</td>
<td>0.002</td>
</tr>
<tr>
<td>S + N</td>
<td>6.542</td>
<td>1</td>
<td>6.542</td>
<td>0.486</td>
<td>.486</td>
<td>0.001</td>
</tr>
<tr>
<td>S + P</td>
<td>0.334</td>
<td>1</td>
<td>0.334</td>
<td>0.025</td>
<td>.875</td>
<td>0.000</td>
</tr>
<tr>
<td>N + P</td>
<td>66.355</td>
<td>1</td>
<td>66.355</td>
<td>4.930</td>
<td>.027*</td>
<td>0.006</td>
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<tr>
<td>D + S + N</td>
<td>7.354</td>
<td>1</td>
<td>7.354</td>
<td>0.546</td>
<td>.460</td>
<td>0.001</td>
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<tr>
<td>D + S + P</td>
<td>61.256</td>
<td>1</td>
<td>61.256</td>
<td>4.551</td>
<td>.033*</td>
<td>0.006</td>
</tr>
<tr>
<td>D + N + P</td>
<td>0.481</td>
<td>1</td>
<td>0.481</td>
<td>0.036</td>
<td>.850</td>
<td>0.000</td>
</tr>
<tr>
<td>S + N + P</td>
<td>0.423</td>
<td>1</td>
<td>0.423</td>
<td>0.031</td>
<td>.859</td>
<td>0.000</td>
</tr>
<tr>
<td>D + S + N + P</td>
<td>7.004</td>
<td>1</td>
<td>7.004</td>
<td>0.520</td>
<td>.471</td>
<td>0.001</td>
</tr>
</tbody>
</table>

$R^2 = .045.$

$N = 815.$

*Note. D = digital-specific appeal, S = social appeal, N = normative appeal, P = price transparency appeal; *$p < .05.
Discussion

The findings show that a subscription pitch that includes both a normative appeal and a price transparency appeal significantly increases people’s willingness to pay.

Therefore, the findings indicate that—in combination with a normative appeal that informs audiences that their subscription will support independent, inclusive, and watchdog journalism of a newspaper they like—price transparency is a particularly powerful argument in a subscription pitch.

Interestingly, Nechushtai and Zalmanson’s (2021) study of U.S. newspapers found that the normative appeal was the appeal least often included in subscription pitches. With regard to price transparency, however, our study confirms previous research. After all, our findings suggest that if newspaper publishers disclose information about the news industry’s critical financial situation (caused by factors outside their control) and explain that this situation prompted their decisions to implement paywalls, then people are more inclined to pay for online news.

As mentioned earlier, Cook and Attari (2012) showed that readers’ willingness to subscribe to the website of the New York Times increased when they were told that the paywall had been introduced to avert the risk of the New York Times going bankrupt. Moreover, Newman et al. (2018) found evidence that people who are aware of the problems facing the news industry are more likely to pay for online news. Furthermore, Goyanes (2020) showed that readers who perceive that the financial situation of local media is weak are more inclined to pay for a local news service.

However, the findings of this study suggest that neither the normative appeal nor the price transparency appeal are sufficiently convincing by themselves. Only in combination are they effective in increasing audiences’ willingness to pay for online news. Moreover, the findings of this study suggest that adding a digital-specific or social appeal to a subscription pitch that includes both a normative appeal and a price transparency appeal may be not effective either. One explanation for this could be that the more appeals a subscription pitch contains, the longer and more complex it becomes— which might decrease its effectiveness. This suggests that the effectiveness of a subscription pitch depends less on the quantity and more on the quality of arguments and how well they work together.

Finally, the findings of this study suggest that subscription pitches that address specific audience benefits—that is, digital-specific benefits such as personalization, online-first delivery, and online-only offers, or social benefits such as off- and online events and being a member of a community (Donatello, 2013)—are not effective in increasing audiences’ willingness to pay for online news by themselves. Only the combination of a digital-specific appeal, a social appeal, and a price transparency appeal has a significant effect on people’s willingness to pay. However, such a subscription pitch is less effective than a subscription pitch that includes a normative appeal and a price transparency appeal.

A possible explanation is that audiences are already aware of such benefits provided by a newspaper they like and therefore are not prompted by corresponding advertising messages to pay for online news. Other possible explanations are that these propositions do not address the specific needs
people attempt to satisfy by using online news, or alternatively that people encounter sufficient free options that offer similar benefits, either from other news providers or, in particular with regard to social benefits, from social media platforms.

Conclusions

This study conducted an online experiment with U.K. participants (N = 815) to investigate the effects of different advertising messages on people's willingness to pay for online news. These so-called subscription pitches included digital-specific (i.e., promoting personalization, online-first delivery, and online-only offers), social (i.e., promoting off- and online events and being a member of a community), normative (i.e., information on how subscription supports independent, inclusive, and watchdog journalism), and price transparency (i.e., information on the news industry's critical financial situation) appeals.

The findings show that a subscription pitch that includes both a normative appeal and a price transparency appeal significantly increases people's willingness to pay for online news. This indicates that the most effective pitch involves informing audiences that their subscription will support independent, inclusive, and watchdog journalism of a newspaper they like, and that a subscription model was implemented due to the news industry's critical financial situation.

While newspapers are increasingly charging for online content, relatively low proportions of consumers actually pay for online news. Previous literature has suggested newspaper publishers should optimize how they advertise their online subscriptions to increase people's willingness to pay for online news. However, empirical findings on the effectiveness of such advertising messages are still rare (Cook & Attari, 2012; Kim et al., 2021). This study contributes to journalism research by revealing which advertising messages might be most effective in increasing people's willingness to pay for online news.

Overall, as stated earlier, the findings suggest that a subscription pitch that includes both a normative appeal and a price transparency appeal is most likely to increase people's willingness to pay for online news. However, newspaper publishers are advised to closely examine what their target audience expects from them and what kind of benefits it is willing to pay for, as well as what they can offer their readers that is not readily available elsewhere for free. Subscription pitches should then highlight these benefits to create value for the readers and convince them that the subscription is worth their money.

Several limitations of this study need to be addressed. First, the findings are limited by the stimulus material. This study focused on increasing people's willingness to pay for an online subscription of a newspaper they like. Accordingly, the subscription pitches were designed to be brand neutral. A promising path for future research would therefore be to investigate subscription pitches of specific newspapers and compare their effectiveness depending on their market position (e.g., broadsheet vs. tabloid). Moreover, the digital-specific, social, normative, and price transparency appeals may take various forms. Future research might also examine the effects of subscription pitches that vary in terms of their specific arguments. Furthermore, this study focused on the content of subscription pitches, but future research should take further factors, such as the pitches' placement on newspaper websites and their design, into account.
Second, the findings are limited also by the measurement method. Drawing on previous research (Chyi, 2012; O’Brien et al., 2020), we used the established measurement of how much money people are willing to pay for the online subscription. Nevertheless, a promising path for future research would be to explore the effectiveness of subscription pitches based on further measurements, such as paying intent (O’Brien, 2022).

Third, further limitations relate to the design of the study, one being that the findings are based on a single exposure to a subscription pitch. As people may encounter a newspaper’s subscription pitch(es) more than once on its website, it would be useful to investigate how such repeated exposure affects their willingness to pay for online news.

Finally, the findings of this study are not (fully) representative of the U.K. population, because female participants are overrepresented in our sample. However, we controlled for participants’ characteristics not only by randomly assigning participants to experimental conditions (Diekmann, 2018) but also by including participants’ characteristics as control variables in the statistical analysis. Nevertheless, this study draws only on participants from the United Kingdom. Therefore, we suggest that future research should also investigate the effectiveness of subscription pitches in different media markets (Fletcher & Nielsen, 2017; Olsen, 2020; Riemann et al., 2020).

To conclude, this study provides further answers to the question, “What makes newspapers’ subscription pitches effective?” Further research is needed to gain more insights that can help newspaper publishers effectively monetize their online content. Any such research should consider that there may not be a “one size fits all” solution, meaning that a subscription pitch that works well for one newspaper may not work for others. Therefore, it is important that newspaper publishers dedicate resources to carefully constructing and testing subscription pitches. This approach has clearly paid off for The Guardian, which has put much work into the development of its donation appeals (Pickthall, McCabe, Mellor, & Evans, 2019).

References


