

Data, not journalism, the key to a successful paywall

By  Danette Breitenbach

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Despite the adoption of the paywall model by many publications across the globe, the success has been varied.



Source: © Stafford Ondegö [Standard](#) The Standard Group's converged, modern, digital-first newsroom during its official launch in November 2021

The most popular paid subscription news website is the New York Times with 7.50 million paid subscribers, but this is still only a penetration rate of 1.5% with 4.5 million customers out of an addressable market of 298.7 million. Even Amazon Prime only has a penetration rate of 6.8% (with a customer base of 200 million out of a 2.934 billion addressable market over 22 countries).

With the possibility of 10m paid subscribers existing on the continent, an International News Media Association (INMA) webinar explored paywalls as an option for African publishers as a source of reader revenue. Dr Anderson Uvie-Emegbo, global business coach, China Europe International Business School, and Carol Kimutai, digital editor, The Standard Group Plc, in Kenya explored the topic.

The customer journey

For Uvie-Emegbo the answer lies not in journalism or technology, but in the customer journey. "It does not matter that you are producing the best original content, if your customer experience of your service is bad, they will leave. It is about sociology and psychology, and how consumers behave and interact with publishers' services," he says.

It needs to be as easy as possible for the customer at each stage of the customer journey, from selecting the service to visiting the service, then registering, but not subscribing, to subscribing but not using, not sharing with friends, or not returning.

"If this is addressed, then you have to give your customers reasons to come back and to stay and stay for longer," he says.

A challenge he did find was payment across borders. "I could not subscribe to a publication in Kenya and in Ghana because they only allow for payment with mPesa and mobile money, which I don't have because I am not living in those counties," he explains.

Kimutai says that the payment issue is a problem. "While in our market, mPesa is the most used form of payment, it does not allow for auto renew. We are working on solving that."



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Data at the core

The [Standard Group](#) made a strategic decision in 2019 to transform into digital-first multimedia operations when the 120-year-old business, comprising two newspapers, four television and radio stations (three digital), three websites, and 10 YouTube channels, realised the traditional advertising business model was no longer working.

The crux of the matter was reader revenue. "We borrowed from brands such as the New York Times and visited the newsroom of Tiso Blackstar (now Arena). But also found our own way," says Kimutai.

The group made content sit at the centre of their business, but data became the core of their operations.

"All our meetings start with data presentations. "Data dashboards are displayed in the newsroom and stories can be tracked in real-time as well as revenue, average revenue per reader, article and category. All of this is tied to KPIs," she says.

Data scientists analyse the data from registrations to tracking numbers, who is buying content and how often and regularly. "This is the link between the editorial teams so we know what is doing well and where and then we can produce more of that," she explains.

Customer insight also works closely with editorial to understand their customer behaviours and this informs their content and brand strategy, while the reader revenue manager understands how to make revenue from content, and works closely with the digital tech team, who also understand and solve the technical issues customers might have.

Newsroom staff have been trained to understand analytics, and audience behaviour and upskilled legacy journalists, upskilled.

"Data informs our business and allows us to change it over time," says Kimutai.

They started in 2020 with a login requirement for the entire website to access free and premium content. "From here we introduced a soft paywall asking readers to pay after reading 15 articles, then reducing this 10 articles, to today to get to our current model," she adds.

“We are coming from a space where people are used to getting content for free. Gaining your customers' trust is key to longer-term subscriptions and data is how you achieve this,” she says.

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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