

Does relaxing paywall access help or hurt digital news subscriptions?

August 4 2023



Credit: Unsplash/CC0 Public Domain

A new study has revealed that when news sites temporarily relax or suspend restrictions tied to paywall access, they eventually see an increase in subscribers. This reinforces the power and value of sampling

as a marketing strategy. But there's more.

The study, "Paywall Suspensions and Digital News Subscriptions," is published in *Marketing Science*, and authored by Inyoung Chae of Sungkyunkwan University in Seoul and Jihyeon Ha and David Schweidel, both of Emory University in Atlanta.

The researchers found that when some news organizations temporarily suspended [paywall](#) restrictions on certain stories of [public interest](#), such as the COVID-19 pandemic or U.S. presidential election, or when they provided [free access](#) up to a certain number of articles, those new visitors were more likely to become subscribers when the restrictions were reimposed.

"Our analyses revealed that the temporary paywall suspensions not only increased the amount of traffic during the suspension period, but also increased the likelihood that those visitors would become paid subscribers," says Chae. "We further found that the variety of content consumed during their period of 'free' access increased the likelihood that visitors would actually choose to subscribe."

The researchers used clickstream data from a major news organization centered on paywall suspension activity and analyzed how those paywall suspensions influenced subsequent subscription decisions among users. The research more closely examined the impact of relaxed paywall subscriptions on major stories that included: a 2016 mid-Atlantic blizzard and the 2016 U.S. [presidential election](#) and inauguration.

"One of the business concerns within news organizations is that relaxing the paywall for major events will cannibalize paid consumption," says Ha. "But this dynamic is effectively counteracted by an expansion where consumers who weren't willing to pay before have now gotten a taste of the content. That exposure lets them experience its value, relieving the

consumer's uncertainty and helping to build a stronger relationship with that site visitor."

"One of the underlying factors that may also contribute to the positive effects of relaxed paywall subscription during certain times of important news is the public service aspect of the gesture, which helps to build trust with the public and the news consumer," adds Schweidel. "So, not only is the temporary suspension of paywall restrictions good business, but it also fulfills a societal obligation that [news organizations](#) have to keep the public informed."

More information: Inyoung Chae et al, Paywall Suspensions and Digital News Subscriptions, *Marketing Science* (2022). [DOI: 10.1287/mksc.2022.1400](#)

Provided by Institute for Operations Research and the Management Sciences

Citation: Does relaxing paywall access help or hurt digital news subscriptions? (2023, August 4) retrieved 11 May 2024 from <https://techxplore.com/news/2023-08-paywall-access-digital-news-subscriptions.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--