

# Digital subscriptions: the major focus for news brands in 2020

[Reuter's 2020 Trends and Predictions report](#) highlight subscriptions as the main focus for publishers, revealing the seismic shift that has occurred within news brands.

The annual report on the state of the media industry is based on a survey of 233 senior executives across 32 countries.

Key findings of the report include:

- 73 per cent of executives surveyed say they feel confident or very confident about their company's prospects in 2020
- 43 per cent are confident in journalism as a whole
- 50 per cent say that reader revenue will be their main income stream going forward, and 35 per cent think that both advertising and reader revenue will be equally important

This last finding points to the increasing relevance of revenue streams such as digital subscriptions and membership programs in the current industry landscape.

## **Benefits of a subscription model**

The first benefit is obvious: digital subscriptions secure revenue for news brands.

A sign-up process by subscribers also gives news brands the ability to collect first-party data from their audience. This benefit is of particular significance in light of [major changes coming to cookies support](#) from major browsers such as Google Chrome, as well as increased privacy regulations across the world, including in the EU, USA and [proposed changes in Australia as part of the ACCC's Digital Platforms Inquiry](#).

## **The challenges of creating a sustainable subscription revenue stream**

Nic Newman, author of the Reuters report emphasises the main obstacle facing news brands: reaching critical mass in a crowded market.

***“Publishers trying to shift to reader revenue models in 2020 have to realise that only those with a relentless focus on their customers will succeed.”***

“How can a reader make an informed decision about a site’s content if they can’t access it without entering a subscription right away?”

Some news brands have addressed this through metered paywalls or offering a period of free membership for new subscribers. In this process, articulating value is essential:

“A subscription is not a one-time sale but a long-term proposition. Building a strong relationship with your audience is essential to succeed,” says [Eduardo Suárez](#), Head of Communications at the Reuters Institute for the Study of Journalism.

To ensure success, Suárez advocates involving the entire news organisation, not just the marketing team, in the implementation of a subscription program. In addition, he says brands must be willing to make significant investment into their digital infrastructure and offering.

“Reader revenue models are full of promise for those who do journalism worth paying for as long as they are willing to change their approach to editorial, marketing, and product.”

**[Related: News brands increasing the value of subscriptions through rewards programs](#)**

### **Four steps to success**

Mather Economics’ Matt Lindsay, [writing for INMA](#), proposes a four-step process

for the implementation of a successful subscriber program.

1. Create content people want
2. Maximise sales attempts (through email offers, voluntary “subscribe now” buttons and paywalls)
3. Remove friction in the purchase transaction (make it as easy as possible to subscribe)
4. Retain customers once you have them. Lindsay says, “If you have insight into why a customer subscribed, using that knowledge in the on-boarding and messaging process improves retention.”

Naturally, the model and its implementation will differ significantly across news brands, but the basics of gaining and retaining subscribers remains the same.

### **News brands in Australia find success**

News Corp Australia, which publishes mastheads including *The Australian* and *The Daily Telegraph*, has significantly increased its digital subscription programs over the last few years. News Corp has also tightened its metered paywalls and increased the production of subscriber-only content.

[Damian Eales](#), COO of News Corp Australia, says the onus is on news brands to ensure they are creating content that is worth paying for: “The journalism of our future will increasingly be consumer-funded, and that is why trust has never been more important.”

News Corp Australia passed 500,000 paid digital subscribers in mid-2019, [reaching 566,600 at the end of the year.](#)

*The Australian Financial Review* achieved [double-digit subscriber growth in 2019](#). It measured a total reach of 2.647 million Australians in November 2019 across print and digital. Other Nine-owned publications also achieved subscription goals: *The Sydney Morning Herald* increased its overall print and digital audience by 4.1 per cent to 4.3 million over 2019, and *The Age* [increased its cross-platform audience](#) by 1.2 per cent to 2.85 million readers.

Guardian Australia has undergone significant transformation as it pivots to a greater focus on reader revenue: “We wanted to give people the opportunity to

contribute financially, in ways that worked for them, meaning that we could provide our readers - regardless of where they live, how much they earn or how they like to get their news," Guardian Australia's marketing director Margy Vary told NewsMediaWorks.

"Our supporters are engaged with our mission to deliver quality, independent journalism that speaks truth to power, and the base has grown significantly year on year.

Related: [How to make a great podcast that makes money: a lesson from news brands](#)