

How traditional media business models are evolving

Paywall

A **paywall** is a method of restricting access to content via a paid subscription. Beginning in the mid-2010s, newspapers started implementing paywalls on their websites as a way to increase revenue after years of decline in paid print readership and advertising revenue.

Paywalls have also been used as a way of increasing the number of print subscribers; for example, some newspapers offer access to online content plus delivery of a Sunday print edition at a lower price than online access alone. Newspaper websites such as that of *The Boston Globe* and *The New York Times* use this tactic because it increases both their online revenue and their print circulation (which in turn provides more ad revenue).

In 1996, *The Wall Street Journal* set up and has continued to maintain a "hard" paywall. It continued to be widely read, acquiring over one million users by mid-2007 and 15 million visitors in March 2008.

Types

Three high level models of paywall have emerged: *hard paywalls* that allow no free content and prompt the user straight away to pay in order to read, listen or watch the content, *soft paywalls* that allow some free content, such as an abstract or summary, and *metered paywalls* that allow a set number of free articles that a reader can access over a specific period of time, allowing more flexibility in what users can view without subscribing.

"Hard" paywalls

The "hard" paywall, as used by *The Times*, requires paid subscription before any of their online content can be accessed. A paywall of this design is considered the riskiest option for the content provider. It is estimated that a website will lose 90% of its online audience and ad revenue only to gain it back through its ability to produce online content appealing enough to attract subscribers. News sites with "hard" paywalls can succeed if they:

- Provide added value to their content
- Target a niche audience
- Already dominate their own market

Many experts denounce the "hard" paywall because of its inflexibility, believing it acts as a major deterrent for users.

"Soft" paywalls

The "soft" paywall is best embodied by the metered model. The metered paywall allows users to view a specific number of articles before requiring paid subscription. In contrast to sites allowing access to select content outside the paywall, the metered paywall allows access to any article as long as the user has not surpassed the set limit. The *Financial Times* allows users to access 10 articles before becoming paid subscribers.

Combination

A "softer" paywall strategy includes allowing free access to select content, while keeping premium content behind a paywall. Such a strategy has been said to lead to "the creation of two categories: cheap fodder available for free (often created by junior staffers), and more 'noble' content." This type of separation brings into question the egalitarianism of the online news medium. According to political and media theorist Robert A Hackett, "the commercial press of the 1800s, the modern world's first mass medium, was born with a profound democratic promise: to present information without fear or favour, to make it accessible to everyone, and to foster public rationality based on equal access to relevant facts."

The Boston Globe implemented a version of this strategy in September 2011 by launching a second website, BostonGlobe.com, to solely offer content from the paper behind a hard paywall, aside from most sports content, which was kept open to compete against other local sports websites. BostonGlobe.com operates alongside a second, pre-existing news website Boston.com, which now only contains a limited amount of content from the subscription website on a delay, but carries a larger focus on community-oriented news.

In April 2013 the Newspaper Association of America released its industry revenue profile for 2012, which reported that circulation revenue grew by 5 percent for dailies, making it the first year of circulation growth in ten years. Digital-only circulation revenue reportedly grew 275%; print and digital bundled circulation revenue grew 499%. Along with the shift towards bundling print and online into combined access subscriptions, print-only circulation revenue declined 14%. This news corroborates a growing belief that digital subscriptions will be the key to securing the long-term survival of newspapers.

In May 2019, research by the Reuters Institute for the Study of Journalism at the University of Oxford showed that despite the controversies surrounding paywalls, these were on the rise across Europe and the United States. According to the study by Felix Simon and Lucas Graves, more than two-thirds of leading newspapers (69%) across the EU and US were operating some kind of online paywall as of 2019, a trend that has increased since 2017 according to the researchers, with the US seeing an increase from 60% to 76%.

Ethical implications

In the past, the internet has been an ideal location for the general public to gather and discuss relevant news issues— an activity made accessible first through free access to online news content, and subsequently the ability to comment on the content, creating a forum. Erecting a paywall restricts the public's open communication with one another by restricting the ability to both read and share online news.

- 1- The obvious way in which a paywall restricts equal access to the online public sphere is through requiring payment, deterring those who do not want to pay, and barring those who cannot from joining the online discussion. The restriction of equal access was taken to a new extreme when the UK's *The Independent* in October 2011 placed a paywall on foreign readers only.
- 2- Online news media have the proven ability to create global connection beyond the typical reach of a public sphere. In *Democratizing Global Media*, a new "wave of media democratization arises in the era of the internet which has facilitated transnational civil society networks of and for democratic communication." By placing a paywall on their international readers, *The Independent* hinders the growth and democratic quality of the public sphere created by the internet.
- 3- The use of paywalls has also received many complaints from online news readers regarding an online subscriptions' inability to be shared like a traditional printed paper. While a printed paper can be shared among friends and family, the ethics behind sharing an online subscription are less clear because there is no physical object involved.
- 4- Paying to stay informed

Niche marketing

the business of promoting and selling a product or service to a specialized segment of a market. "niche marketing can be extremely cost effective".

Niche marketing is an advertising strategy that focuses on a unique target market. Instead of marketing to everyone who could benefit from a product or service, this strategy focuses exclusively on one group—a niche market—or demographic of potential customers who would most benefit from the offerings.

A niche market could stand apart from others because of:

- Geographic area
- Lifestyle
- Occasion
- Profession
- Style
- Culture
- Activity or habits
- Behavior
- Demographic
- Need
- Feature reduction or addition

The benefit of niche marketing is that it allows brands to differentiate themselves, appear as a unique authority, and resonate more deeply with a distinct set of customers. Rather than blend in with the many other brands that offer the same type of product or service, a brand can use niche marketing to stand out, appear more valuable, reach its [growth potential](#), and build a stronger, longer-lasting connection with its ideal audience.

Niche Marketing Strategy

With a niche strategy, you leverage your expertise in one area to stand out from your competition. You may provide other products or services, and you may serve a broader audience, but specializing in one area helps you to distinguish your business.

The size of a business's niche relative to its target audience can vary. Some niches make up the entire target audience, while others make up a small percentage. Depending upon the size of the niche, a niche strategy may consist of any of the following:

- Marketing only to your niche
- Marketing to both your niche and your larger target audience, refining your content slightly more for the niche
- Marketing to your target audience from the standpoint of your niche

How to Find a Niche Market

To find and flush out an idea for a niche market in your vertical, go through the following 4-step process.

1. Identify your strengths and interests.

Start by considering what you offer and what you're good at. The best niche marketing strategies play into your brand's unique strengths and perspectives. So reflect on the special and exceptional qualities of your brand, team, and offerings.

Niche marketing is an opportunity to drill down and focus on the sector of people you most want to connect with, so decide who you are most eager to serve.

- What specific problems do you solve?
- What problems can you solve better than your competitors?
- Where do you especially excel?
- What do you know a lot about?
- Who do you and your team like to serve?

2. Do industry research.

Once you have an idea about the type of niche marketing you want to do, validate that it is a reasonable idea. Do a competitive analysis to see if there are competitors in this space and if there are, what those brands are already doing.

3. Get to know your ideal customer.

Another way to gain insight and spark inspiration for niche marketing is to look closely at your target audience and identify what they really want and need. Getting to know your ideal customer can help you offer them a better product, service, or message.

7 Benefits of Niche Marketing

Every business has a target audience, but within that target audience are smaller subgroups of people. They share certain characteristics, and have specific wants, needs, and preferences. These smaller subgroups are called niches, and are a rich source of marketing opportunities.

Niche marketing isn't for every business, but if you have the opportunity to cater your business toward a niche, there are many benefits to be had.

1. Enhanced Customer Relationships

Niche marketing targets a very specific kind of customer, so depending on what you're promoting, your niche market may be very small.

2. Reduced Competition

When you have a highly specific product or service, there will be less companies out there with the exact same offering.

3. Increased Visibility

Increased visibility is a benefit of niche marketing that not only leads to more customers but can also improve your [online presence](#).

4. Word of Mouth Growth

Another benefit of niche marketing is that it is very word-of-mouth-friendly. People in a niche tend to be in frequent contact with others in that niche, which means more opportunities to [get the word out](#) about your business.

5. Honed Expertise

Niche marketing requires more concentrated practice in one area, so it can really fine tune your expertise in a shorter time period. The benefit of niche marketing is that it enables you to become an expert or thought leader in your niche.

6. Less Resources

One important part of effective digital marketing is identifying and [understanding your audience](#), which requires an investment of time and money on data and analytics tools. The benefit of niche marketing is that because you are confined to a specific person and a specific need, less focus is required on digging into your data to understand and keep up with their needs. You will also be doing less trial and error with your methods, which also can be resource-heavy.

Another cost effective benefit of niche marketing comes from audience segmentation. Businesses with a broad audience will have various segments within that audience. Successful content, ads, and communication channels will look different for each segment, and catering your methods to each segment requires more effort and bandwidth. When you serve just one demographic, you have less work to do. You can also operate more seamlessly and give your undivided attention to this one area.

7. More Fun

Businesses don't always pick their niche and pursue it. Oftentimes, they accidentally [find their niche](#) in the process of serving their target audience. A photographer whose target audience is people (as opposed to landscapes or animals) may find that she is especially good at capturing candid of children. A landscaper might find that he particularly enjoys jobs in senior citizen communities.