CUSTOMIZING CONTENT TO FIND THE

RIGHT PRICE FOR ONLINE NEWS

_____

A Thesis

presented to

the Faculty of the Graduate School

at the University of Missouri-Columbia

_____

In Partial Fulfillment

of the Requirements for the Degree

Master of Arts

_____

by

MICHAEL J. GOOT

Dr. Esther Thorson, Thesis Chair

December 2016

The undersigned, appointed by the Dean of the Graduate School, have examined the thesis

titled: CUSTOMIZING CONTENT TO FIND

THE RIGHT PRICE FOR ONLINE NEWS

Presented by Michael J. Goot

A candidate for the degree of Master of Arts

And hereby certify that in their opinion it is worthy of acceptance.

_____
Professor Esther Thorson

_____
Professor Daryl Moen

_____
Professor Randy Smith

_____
Associate Professor Jeanne Abbott

_____
Assistant Professor Dezhi Yin

Acknowledgments

Thank you to my parents and my wife Katie, who have supported my six-year effort to obtain my master's degree in journalism. Thank you to all the professors at the University of Missouri-Columbia who have helped me throughout this process. It has not always been easy being an online student because I am separated from the main campus and balancing full-time work and other commitments. However, it has been a fulfilling process in which a learned a lot about the business side of journalism.

And also many thanks to my thesis committee chairwoman, Professor Esther Thorson, whose research and insights have been invaluable throughout this process. A special thank you goes out to doctoral student Samuel M. Tham, who crunched some of the numbers for a deeper analysis.

Table of Contents

Abstract

CUSTOMIZING CONTENT TO FIND
THE RIGHT PRICE FOR ONLINE NEWS

By MICHAEL GOOT

Professor Esther Thorson, Thesis Chair

Customization of local online news content based upon users' preferences could be a way that newspaper companies would attract more people to their websites. A survey of 384 people done using Amazon M-Turk in May 2015 found that people were more likely to visit and spend more time a customized local news website. However, this did not translate into more people willing to pay more for this customization. About 93 percent of those surveyed said they were paying nothing for online news content. Indeed, research has shown getting people to pay for something they had been getting for free is very difficult. Predictors of who would be willing to pay for a customized news site were whether they were currently subscribing to a paid website and were already heavy customers of news.

Chapter One: Introduction

More consumers are getting their news on the Internet and are abandoning traditional media sources such as print newspapers and magazines. Newspaper circulation dropped by 3 percent from 2013 to 2014. Newspaper companies occupy only three spots on a top 10 list of the most digital users as of January 2015. *USA Today* had 78,804 unique digital users to come in sixth place. *The New York Times* had 57,132 digital users and the UK *Daily Mail* had 51,181. The other spots on the list were occupied by the website platform of the broadcast news operations and the cable news channels. The Huffington Post website came in fourth with 100,000 unique visitors. Thirty-nine out of the top 50 news sites get more traffic from mobile devices than the desktop versions (Pew Research Center State of the News Media 2015).

The news is bleak for newspapers. Weekday circulation in 2015 fell by 7 percent and Sunday circulation by 4 percent. Advertising revenue dropped 8 percent – the biggest decline since The Great Recession in 2009. Newspaper revenues are more difficult to track as the Newspaper Association of America stopped releasing industry-wide data. The Pew Research Center tracked data from publicly traded companies and found that the revenue from non-digital advertising decreased by nearly 10 percent and digital advertising dropped by 1.77 percent (State of the News Media 2016).

More people are consuming news on mobile devices. Forty-three of the 50 top newspapers in the country received more traffic on their online websites through mobile devices than desktop computers (State of the News Media 2016)

Newspapers' revenue is shrinking further. Digital advertising spending decreased from $20.7 billion to $19.9 billion, according to the Pew Research Center. Digital advertising is becoming a larger share of the revenue pie – increasing from $3.4 billion to $3.5 billion but not enough to make up for the overall revenue decline (Pew Research Center State of the Media 2015). Digital advertising is very diffuse. Facebook has almost one-quarter of the digital ad revenue. This is taking away from newspaper companies.

"With each new pathway or platform, the old ones continue to be used, posing a nearly unattainable challenge to an industry in financial difficulty. And if news in the social space is more incidental and driven to a large degree by friends and algorithms, then gaining a foothold there may be even more elusive – or at least less in the industry's own hands – than a secure financial model (Pew Research Center State of the News Media 2015).

Ken Doctor (2015) says that the newspaper industry is in a $1.4 billion revenue hole. In 2014, it took in about $26 billion less than it did a decade ago. Total revenue was down about $1 billion from the previous year to $37.5 billion.

Newspapers have put their content online in the hopes of drawing an audience. However, revenue from online advertising is nowhere near the money newspapers receive from print ads. People can easily skip advertisements on the

Internet. Clemons (2009) believes that Internet advertising will not support newspapers' current business model and that people are resistant to unsolicited advertising on the web. The beauty of the Internet is people can seek out the information they choose and click away from unsolicited advertisements.

"We will see the information we want, when we want it, from sources that we trust more than paid advertising. We will find out what we need to know, when we want to make a commercial transaction of any kind" (Clemons, 2009, p.18).

There are both economic and psychological factors at work in why much content is free on the Internet. In his book, *Free: The Future of A Radical Price*, Anderson (2009) says that the Internet has reduced the production cost of distributing content to near zero. Anderson cites the Bertrand Competition, which price falls to the marginal cost in a competitive market, in his belief that most Internet content will be free. "If 'the price falls to the marginal cost,' is the law, then free is not just an option, it's the inevitable end point, it's the force of economic gravity, and you can only fight it for so long," (p. 173).

Anderson also argues that because you can't compete with free, companies have to sell certain value-added features. For example, a consultant who gives his books away for free, but charges for private sessions. He said the "Google Generation" is not used to paying for content. The fact that free content is on the Internet is hard-wired into their thinking and efforts to charge face an uphill battle. Anderson claims that some people are predisposed not to want to pay – regardless of how low the cost. Writing a check or charging a credit is an

act of volition. "So charging a price – any price – creates a mental barrier that most people won't bother crossing. Free, in contrast, speeds past that decision, increasing the number of people who will try something" (p.61).

While the Internet has opened up the range of media sources and device that people can access, it has also hurt media. The free classified ad service Craigslist has cut into newspaper revenues. Seamans (2014) found that Craiglist's entry into a marketplace has led to $5 billion worth of savings to classified ad buyers from 2000 to 2007. Because Craigslist allows users to post their ads for free, it undercuts newspapers' prices. Newspapers are forced to reduce their prices to compete, which leads to a drop in revenues. There was a drop of nearly 21 percent in classified advertising rates, a 3.3 percent increase in subscription prices and a 3.1 percent increase in ad rates.

Also, Anderson said the ad market is more fragmented. Companies can seek more targeted marketing on the Internet. Google can tailor ads based on a person's recent search history. Google relies on traditional media such as newspapers to produce its content. However, newspaper revenues have declined and they have had to reduce staff, close bureaus and decrease coverage. This could hurt Google in the long run.

"That means there is less local news for Google to index. There may be more local information, but it can no longer use the fact that it came from a professional news organization as an indicator of quality. Instead, it has to figure out what's reliable and what's not itself," (p.132-133).

When the newspaper industry decided to put all its content for free online, it was economic suicide. As Andrew Rosenthal writes:

"I think the newspaper industry joined hands and took a collective leap off a cliff for no discernible reason when we decided to announce to the world that what we do has no value at al. And we should have been charging for our website from day one. Subscription has been part of this forever" (quoted in Free, p. 216).

In *Free Ride: How digital parasites are destroying the culture business and how the culture business can fight back*, Levine (2011) described putting all content for free on the Internet as a race to the bottom. "By making it essentially optional to pay for content, piracy has set the price of digital goods at zero. The result is a race to the bottom, and the inevitable response of media companies has been cuts in staff, then in ambition and finally in quality" (p.3)

Levine argues that the Internet is an important information-gathering tool for journalists, but computers alone cannot replace the need for critical thinking. That comes at a cost. "Reporters can access online databases and interview sources by Skype, but they still have to read documents and ask the right questions. In cases like this 'information wants to be expensive'" (p. 6).

Other forms of content have been affected by the rise of the Internet. Compact discs used to be sold for $20, so record companies are collecting a fraction of what they once did. The prices have to be very low to entice people to pay. However, it is wrecking media companies' business models. "It's the new media Catch-22: you have to give away content to attract an audience that turns

out to be worth less than you thought because they're attracted to free content" (Levine, 2011, p.78).

People originally were able to purchase songs on iTunes for 99 cents per song. However, in 2009, Apple introduced variable pricing. There were three tiers of 69 cents, 99 cents and $1.29. Albums could be sold for $8.99. Apple reached an accord with music companies by agreeing to drop the anti-piracy protection known as DRM that limits how many times a song could be copied, in exchange for the introduction of the pricing tiers (Fritz, 2009).

However, when the price increased, Apple's iTunes growth slowed to 8 percent in the last quarter, compared with 20 percent. The CEO of Time Warner said that maybe it was not a good idea to raise prices by 30 percent in a recession (Warner, 2010).

Levine argues that newspapers have followed a flawed strategy by trying to add as many bells and whistles as possible to their websites. "They've poured resources into free sites full of extra blogs, video reports and data -driven presentations. By improving their online offerings, and often raising the price of the print edition to fund them, newspapers essentially encouraged readers to stop buying printed copies" (p. 113).

Much of the news content on the Internet is generated by newspapers and other so-called "old media" companies. Without *The Washington Post* and *The New York Times*, aggregation websites such as The Huffington Post and The Daily Skim would have nothing to collect. One problem, according to Levine, is

that the newspaper companies are competing for online ad dollars against the very same companies that are taking their content.

"Right now, companies can make as much money aggregating content as they can creating it. Since aggregators spend less, they can sell ads at prices that producers of original content can't match. Inevitably, this will lead more companies to aggregate and fewer to invest in original reporting. Eventually, when there aren't as many stories to summarize, even the aggregators will suffer"
(p. 127).

The Huffington Post has beefed up its original reporting and is not just an aggregator anymore. After being acquired by AOL in 2011, it hired six reporters – including from *The New York Times* and *The New York Daily News* and *The Daily Caller* – to beef up its original reporting (Entertainment Newsweekly, 2011).

There are also news aggregators such as Reddit, which launched in 2005. Nearly eight in 10 regular Reddit users get their news from the site. About 45 percent said they got news about the 2016 presidential election from the site, compared with 52 percent for Facebook at 52 percent and 43 percent for Twitter. People can participate in subgroups on the website devoted to niche topics and discussions about the news (Barthel, Feb. 25, 2016).

One suggestion offered by Levine is to have some sort of blanket license. For example, people subscribe to a cable provider and receive a whole batch of channels. Perhaps, newspapers could join together in sort of collective venture, where there content could be licensed to a site and individual papers would

receive a cut of the total revenue – based on the site traffic. However, this is not an ideal solution as sometimes stories that journalists consider important don't always generate the most clicks.

Because they believe that their content is valuable, some newspaper editors have put their online content behind a paywall. Readers must pay a subscription fee to continue reading stories online. Charging for content online is a tricky proposition as people have been conditioned to expect that news content on the Internet is free. Lopes (2006) noted instances of where people will pay for content including ConsumerReports.com, where information helps inform their decision of whether to buy the item. His study found that people were willing to pay if they derived a clear benefit from the item.

Media writer Paul Farhi said newspapers should focus on what they do best – produce solid reporting and not give away their content free online. As Farhi writes:

"If there were truly no other place on the Web for readers to get the valuable information that daily newspapers provide exclusively every day – local news and photos, enterprise reporting, columnists, ads from local businesses, etc. – advertising dollars would have to follow" (Farhi, 2009, p. 25).

After some initial skepticism from newspaper experts, the paywall appears to be gaining traction. From 2009 to 2011, nearly 90 newspapers implemented some version of a paywall, according to the Newspaper Association of America. The discussion of paywalls hit a critical mass in 2011 as *The New York Times*, perhaps the most high-profile newspaper in the country, unveiled a plan to allow

people to view up to 20 articles per month on the site for free and then they would charge them $15 a month for a subscription (Kinsman, 2011).

The number of free articles was dropped to 10 in per month in April 2012. As of July 2012, *The New York Times* had 532,000 digital-only subscribers, which was an increase of 13 percent. Myllylati (2014) calculated that amounted to about $68 million – or a little more than 7 percent of the newspaper's total revenue. In April 2013, The *Times* said it was going to switch its online pricing policies. In February 2013, the paper announced a partnership with Starbucks, where loyal customers could get discounts on subscriptions.

Cook (2012) found that people were reluctant to purchase a digital subscription and pay for what was once free. Only 7 percent planned to buy a digital subscription or had one already. A total of 12 percent already had a print subscription and 65 percent planned not to pay. Of those surveyed, 60 percent said they planned to stay within the monthly free article limit to avoid paying, 44 percent said they planned to switch to other free news sources and 39 percent said they would use loopholes or other workarounds to access the articles through the paywall.

The study found that people reduced their visits to the website from once a day or several times a week to about once a week or less. The study also found that people were more willing to pay when the researchers provided a justification that the newspaper could go bankrupt without an increased revenue source. When the question was framed in terms of the free online news hurting *The New York*

Times' bottom line, those surveyed were less willing to pay. They said they would use loopholes or workarounds to access the articles.

Some people just do not want to pay for online content. Hussman (2012) found in a survey of about 300 visitors to the website of a mid-sized southern newspaper that 47 percent said the price of less than $20 per month for on online subscription was too high. Thirty-eight percent said it was a fair price and 15 percent said they would not pay under any circumstances. When the nonsubscribers were asked why they did not subscribe, 38 percent cited cost and 36 percent cited the fact that there were other ways to get content.

Newspapers are experimenting more with paywalls. Jenner (2014) surveyed 416 publishers to determine whether they had a paywall or were likely to deploy one in the future. In 2011**,** 41 percent of papers had implemented them. That grew to 47 percent in 2012 and jumped to 70 percent in 2013. Newspapers in smaller markets that emphasized local content were leading the way. The most common types of pricing plans were ones based on the amount of articles consumed, micropayments for individual articles and subscriptions. The papers made money from online subscriptions, but not enough to offset the loss from advertising revenue. Media organizations were also making an important point. "Their organization's news content had value – regardless of platform" (p.7).

Because the concept of paywalls is catching on, there has been more research about the idea. While people were initially hesitant to pay for online content, there have been some studies that have shown they are more receptive, depending on the type of content and the price point. The area is ripe for further

study because as newspapers try to grow revenue online, it is crucial that they know what type of content to offer and what price to charge.

Many newspapers were reluctant to adopt paywalls at first because they were afraid that their web traffic would shrink and the audience would seek out free news sources. When *The Times* of London went behind a paywall, it lost about 90 percent of its online readers (Kramer, 2010). Chiou (2013) found that web traffic drops sharply 50 percent when paywalls are introduced but then gradually increases, although not to a level seen before the wall went in place. When Gannett introduced paywalls at *The Spectrum* in Utah, *The Greenville News* in South Carolina and *The Tallahassee Democrat* in Florida, overall visits to the website fell by 50 percent. However, traffic from 18-24 year-olds fell by 99 percent.

The Newspaper Association of America has done a couple of case studies studying what happened when newspapers put up paywalls. *The Daily Gazette* of Schenectady, N.Y. has a hard paywall. The *Gazette* only allows people to read a line or two of the story before they have to log in with their password. The newspaper launched a free website in late 2007 after previously having an online presence limited to just an electronic edition of the paper available to subscribers. The advertising revenue fell short of the levels the paper's managers expected. An unexpected side effect was a loss of print subscribers. Managing Editor Judy Patrick said readers told her they could access all they content they wanted for free online.

The paper put up a paywall in August 2009. Selected breaking stories are still free of charge, but all other content including obituaries requires a subscription of $3.15 per week. Subscribers to the print edition could receive online access for a penny more a week. Readers were initially upset about the loss of the free site and web traffic dropped 40 percent but it gradually increased during the year. It grew to 1 million monthly page views compared with 1.2 million before the paper started charging for content. About two-thirds of print subscribers have signed onto the website and it had 800 online-only users as of 2010. Average time spent on the site per month has increased by a minute to nearly 3 minutes. Also, another benefit is the demographic makeup of readers is more local and therefore more valuable to advertisers, according to General Manager Dan Beck.

The Lima News in Ohio also walled off most of its content except for obituaries. Later, it made selected sports stories free because of interest in Ohio State University football (Levitz, 2011). Web traffic dropped 28 percent and page views down almost 30 percent in 2009. However, as in the case with *The Gazette*, it rebounded slightly and it had about 1,000 subscribers. The web traffic went up 16 percent but is still down nearly 13 percent from its peak.

The Lima News is also testing a new revenue model with Google that allows readers to pay to view stories by answering questions about their interests. The paper receives 5 cents per completed survey. Paid content is less likely to be picked up by Google during search results, which limits web traffic to the newspaper's website. Some newspapers say 30 percent or more of traffic comes

to their websites through search engines, according to the Newspaper Association of America (Berger, 2009).

Google unveiled Google Consumer Surveys in 2012 in an effort to help publishers of online content, which have said that the search engine company is stealing their content. Google product manager Paul McDonald said this approach is a way to "monetize digital content without a paywall." "It's important to Google that there is high-quality content on the Internet (Shields, 2012).

Some publishers seem to be having success with using the Google Consumer Surveys. John Paton, chief executive officer of Digital First Media, anticipated that his company would earn about $10 million over two years through these surveys. About 75 daily papers generated an average of $67,000 each through the surveys, while income from digital subscriptions remains flat. Another executive, Christian Ramirez of Wick Communications, said the revenue from the surveys is four times what the paywalls produced but with no significant drop in circulation (Juliano, 2013).

Newspapers are reluctant to release revenue figures, but there have been other anecdotal examples of media companies bringing in significant revenue from Google Consumer Surveys. The management at *The Columbia Missourian* said the revenue from these surveys is equivalent to what one additional advertising representative would bring in each month. *The Erie Times-News* reported around $200,000 annual revenue through the surveys and the Lorain County Printing and Publishing firm estimated that it brought in $10,000 to $14,000 every month (Williams, 2016).

Blogger Presh Talwalker said the Google Consumer Surveys might be a preferable option than a paywall because readers are hesitant to take out their wallet. "The surveywall is an intriguing idea. It would allow a publisher to get paid and it would be relatively simple for readers to support a website and keep getting instant access to articles, (Talwalker, 2013).

Carson (2015) contrasted the paywalls of different Australian newspaper websites and found that paid circulation fell significantly after the introduction of the paywall – even with the inclusion of bundled subscriptions. She found that the best format seemed to be a metered paywall that allowed a certain number of stories to be viewed for free before the charge kicked in. "Publishers want readers to pay for journalism but also need to allow enough website traffic to serve digital advertisers' needs regarding audience demographics and value" (p. 1032).

The *Arkansas Democrat and Chronicle* was able to grow circulation by 3.2 percent from 2000 to 2010 using its paywall strategy. *The Dallas Morning News* has obtained 50,000 digital-only subscriptions (Pickard, 2014)

So many news organizations are implementing paywalls that business is booming for a company called Press+, formerly Journalism Online, which provides the technical support for the websites (Doctor, 2013). The company had just a dozen clients in April 2009 and four years later, it had 450 with another 200 more in the pipeline.

While their focus remains the print product, the money from online subscriptions is becoming an important part of newspaper companies' revenue picture. However, Doctor believes media companies may have already tapped out

the number of customers who were willing to convert to online subscriptions or sign up for all-access plans. Online circulation revenue grew by 3.7 percent in 2013 to $10.87 billion. However, he said revenue would have needed to grow by 28 times that amount to make up for revenue losses elsewhere (Doctor, 2015).

In addition, about 24 percent of the growth in digital advertising growth is from digital ads alone, according to Doctor. The rest is bundled with print subscriptions. Companies such as Google and Facebook dominate the digital advertising market and produce no original content of their own. Newspaper companies make money providing marketing and other printing services in addition to the printed product. He had a pessimistic observation for the newspaper industry.

"The industry as a whole is far away from getting to any new stability. Growth that matches inflation would be very difficult; growth that matches the growth of the overall economy, even tougher. In fact, in the areas the industry has looked to for recent growth – the trend lines are the opposite of what we'd hope" (Doctor, 2015).

Newsroom consultant Matt DeRienzo, who is a former editor and publisher with Digital First Media, is pessimistic about the viability of paywalls because he said the online subscriptions are entirely bundled with print. "Few companies talk about how many readers have purchased purely online subscriptions because the numbers are staggeringly low. Nor would they like to

publicize the percentage of print subscribers who bother to activate the online portion of their bundle" (2016).

DeRienzo suggested a membership model similar to public television, where online news organizations would be funded by members. The media companies would have a ready database of potential contacts for future stories and a better sense of what type of journalism their readers would like to see.

The firm eMarketer's 2014 mid-year forecast predicted that total ad spending would grow by more than 5 percent in 2014 for the first time in ten years and advertising on mobile devices would jump 83 percent. However, mobile revenue still accounts for less than 1 percent of total revenue for newspaper online sites as compared with 59 percent for Facebook (Edmonds, 2014).

Facebook drives up to 20 percent of traffic to newspaper websites, according to the analytics company SimpleReach (Somaiya, 2014). An estimated 30 percent of adults are getting their news from Facebook and how well a news website does can be dependent on how it shows up in Facebook news feeds. The company has algorithms that can affect what shows up in people's news feed based on the material they have clicked previously.

Herman (2015) predicted that some publications, especially magazines, would cease publication and instead what is being called "fully distributed," which means that their content will be distributed via Facebook, Twitter, Pinterest, Vine or Instagram. He predicted that stand-alone news websites would face an uphill battle, but new jobs would be created in the new media.

As they come into more widespread use, paywalls are ripe for further study. The purpose of this research is to determine whether customized online news would prompt consumers to pay a higher price for accessing that content. Given the news consumers shift to digital content, newspapers are not going to be able to survive under the traditional economic model. News organizations need to explore their options when it comes to monetizing their online presence, and to do that, they need to research the price their audience is willing to pay for certain types of news content.

A survey of news consumers is essential to gauge if they would be willing to pay more to access news online if it is customized to their liking. Armed with information, newspaper managers can draw up pricing plans that fit the public's needs, increase the number of subscribers and provide essential revenue for the paper.

Chapter Two: Literature Review

Journalism needs a new approach. The traditional business model is failing and newspapers are trying to find something to take its place. Some newspapers have put their online content behind a paywall. There has been some research in this area, which is explored in the literature review. Then, the paper will demonstrate why a new approach is needed in this area.

This research will be guided partially by a framework called identity-based journalism postulated by Rachel Davis Mersey, currently an associate professor at the Medill School of Journalism, Media, Integrated Marketing Communications at Northwestern University. After working in the journalism industry for a few years, including a stint at *The Arizona Republic*, Mersey returned to graduate school in 2004 to earn a doctorate at the University of North Carolina at Chapel Hill. Her field of interest was bringing young adults back to reading newspapers. She concluded that journalists could not keep doing the same old techniques and expect a different result. They needed to adapt to a new media world, because people can seek out the content that interests them on the Internet (Mersey, 2010).

This research would test a theory that if newspapers offered more online content tailored to readers' interests, the public would be more likely to read that content and the media organizations would be able to charge a higher price for it.

The old media also operated under the agenda-setting model, in which a group of elite journalists and reputable newspapers determined what was

newsworthy. The media helped drive what people considered to be important issues by featuring them frequently and prominently (Wu, 2005). Those stories that got more coverage lead the audience to perceive them as more important.

The old media paradigm also has been thought of as gatekeeping, a concept that was created by psychologist Kurt Lewin. David Manning White was the first to apply it in a journalism context in a study of wire service editors, who selected certain stories to transmit to member newspapers, while leaving others out. Lasorsa (2008) said newspapers and television newscasts have finite space and time, as well as resources, to devote to the news. Only a few things will make the cut. Selected stories can appear prominently in the newspaper and on the evening news and dominate the political agenda. For example, during the 1980s, there was much coverage of drugs and crime, which led to people believing it was a significant societal problem. In fact, crime and drug use actually was going down during that same time period, which shows how the media can shape public perception.

Communications scholars also referred to this as the influence model. It postulated that a select group of elite media organizations, including newspapers such *as The New York Times* and *The Washington Post* and network newscasts such as *The CBS Evening News,* shaped people's views of the most important stories of the day by their inclusion and prominence in the paper or broadcast. Other media followed their lead.

Another popular model of communication theory that has come back into vogue in the Internet age is uses and gratifications, which essentially means that

people will choose the media source from which they derive the most gratification. Haridakis (2006) summarized the work of a pioneer in this field Alan M. Rubin. The five main factors in uses-and-gratifications theory was it was goal directed; people took the initiative in selecting the content; there were a host of social and psychological factors at work; the media was competing with other communication tools and people are more influential than the media in most cases. Many scholars have looked to uses and gratifications for their work, so a fresh approach is needed in studying the use of online news sites.

Another popular theory in journalism was the social responsibility theory, which argued that the media had a moral obligation to inform citizens about the news. This theory first came into vogue with the U.S. Commission on the Freedom of the Press in 1947. Chairman Robert Hutchins stated that the press had an obligation to give an accurate and truthful accounting of the day's news, put it in the context of society's goals and give it meaning (Yun, 2008).

This theory has come under criticism, particularly with the proliferation of media platforms. Lloyd (1991) suggested that it needs revision. He argued that since the U.S. Constitution's Bill of Rights spells out freedom of the press as a specific right, journalists believe they had a moral duty to inform the public. Lloyd argued that it is not the media's job to tell people what they need to know, but rather to give them as much information as possible so they can make their own choices. However, journalists' perceived moral obligation in providing coverage to citizens is being threatened in an era of shrinking news hole and news staff and less coverage.

The abundance of media choices is why Brock (2013) believes the traditional newspaper circulation model is broken. "Mass readership and audiences are coalitions and these coalitions fragmented as new choices for news and information became available, whether they were magazines, multiplying radio stations or new television platforms" (p.73).

Adams-Bloom and Johanna Cleary (2009) have called for a dual responsibility model, where the moral duty of journalists to inform citizens is also balanced with the need to make a profit. They argue that the press is ill-equipped to live up to its high ideals of serving as a watchdog on government in an environment where five multinational corporations control most of the media.

Leo Bogart (1991) said newspapers provided a social conscience of sorts. "No medium, not even the more ubiquitous and time-eating medium of television, touched so many people in so many different aspects of their lives. Newspapers embodied and articulated the spirit of the community in thousands of American cities and towns, raising issues for public discussion, and providing leadership and direction on myriad subjects of local, regional and national significance" (p.2).

However, newspapers no longer have that kind of clout. In 1961, an estimated 80 percent of Americans read a paper on a typical weekday, according to Bogart. In *Preserving the Press*, Bogart explains how newspapers got together to try to stem the decline of readership. The project involved contributions from roughly 600 newspapers and a survey of their readers. Until then, the prevailing wisdom among editors was that they knew best what to put into their newspapers.

The input of the reader was less important and in their mind, irrelevant to whether the paper succeeded or not.

"The inevitable conclusion seemed to be that the forces that made a paper lose circulation were largely independent of its content. Success or failure had more to do with pricing, distribution and population changes in the cities where papers published than with the character of the editorial mix or the operating practices or theories of individual editors" (Bogart, 1991, p.108).

Bogart cites a survey of readers by Ruth Clark, which concluded that they wanted newspapers to: (1) serve us and help us to cope, (2) don't just tell us about the world – help us to understand it, (3), cover our lives, our communities, our towns. We are just as important as Washington, London, Paris or Peking, (4) be our surrogate, (5) remember we are hungry for good news, not just bad news" (Bogart, 1991, p.140).

Bogart's research aimed to make changes to the paper to address issues such as the lack of interest by young people, women's issues, a decline in reading skills, the lack of minorities in coverage and out-of-touch reporters. His readership program was successful at that time in stemming the decline in circulation. Circulation went from 60.7 million in 1975 to 63.1 million in 1973. It dipped slightly to 62.8 million in 1990.

The younger generation is not following the news – or at least traditional newspapers – as their elders did. Mindich (2005) blames the rise of the Internet and social media for fracturing civil discourse. People no longer share a common

knowledge of civics and government. Instead, they gravitate to their

own interests.

"While the Internet has allowed many to develop expertise in their

own narrow interests, fewer are willing or able to develop a generalist's gaze.

Knowledge of sports and celebrities continues to rise, but local and

national political literacy has plummeted (Mindich, 2005, p.4).

Mindich cites a 1990 survey by Times Mirror found that only 31.5

percent of adults between the age of 18 and 24 surveyed said they need to get the

news every day. That rose to nearly 39 percent for ages 25-34 and 46 percent for

those between the ages of 35 and 44. Younger readers are not picking up the

habit to pick up a newspaper or to visit a website. Instead, they forage for their

own news by visiting several different sites that interest them. "When your age

peers do not follow the news, there is less incentive for you to do so too,"

(Mindich, 2005, p.64)

Mindich said the news has become more infotainment. Local television

newscasts have attempted to pander to what they think people want – more crime

and sensationalism. Combined with a disengaged public, the end result is what

Mindich called a "vicious triangulation." "Civic decline, tuned-out young people

and facile, ratings-driven local news outlets each contribute to the decline of

local news (p. 78).

Local newspapers are places to get the type of in-depth reporting for civic

engagement, according to Mindich. However, that type of journalism is labor

intensive and expensive.

"Good journalism requires money and fewer people are paying. Somebody needs to pay for the reporters who dig for corruption and incompetence at the statehouses and courthouses around the country. … Because you and I cannot go around the country and around the world looking for malfeasance, somebody else needs to pay someone to dig. And somebody needs to pay well because reliable, intelligent, and interpretative journalists do not come cheaply (Mindich, 2005, p.101).

Mindich's recommendations to get people to tune back in were to require more public interest programming on television; make civics knowledge a requirement in college admissions; make political advertising more transparent by putting party affiliation on ads; and to create quality journalism that goes beyond the surface and is accessible to the mass audience.

This theory is good, but does not go far enough. Traditional newspaper circulation has been declining for decades. Mersey (2010) claims that the social responsibility theory of the press, which says that the media should decide what people should know is outmoded in this age of the Internet, where people have a vast array of choices. "The real change is that the audience is no longer t he powerless receptor of news. The audience is now calling for innovative tools, ease of access to information, and opportunities for participation (p.79).

News organizations have been losing readers for decades and newsroom managers have been taking the wrong approach, according to Mersey. Rather sitting around and trying to figure out how to get more people to read the paper or online news site by doing what they have always done, Mersey said journalists instead should be trying to figure out how they can best serve readers.

However, the problem is that many journalists see that approach as pandering. They are still clinging to the social responsibility model of the press,

thinking that they are doing noble work and the audience "needs" to read it in order to be informed citizens. However, Mersey says if they are not engaging with readers, it will not matter how in depth or good the journalism is. People will not be reading it if they do not see it as relevant to their lives. "Journalists' work should be driven by attracting readers to their products, whether they be print or multimedia, and ultimately getting those readers to connect with the work, its author, and one another" (p.17).

Mersey postulated the theory that media, identity and community are all linked. Because of the Internet, people are no longer limited by geography, but can literally seek out news sources from around the planet. They can identify with their own sense of community. People who identify themselves as politically conservative can seek out like-minded news sources such as Breitbart.com. Liberals can visit The Daily Kos website for their information.

Journalists have not been nimble in adapting to the changing needs of the public. They have clung to the same business model of advertising-supported journalism because it has yielded the most profits. The vast majority of newspaper organizations' revenues still come from the print product. The business model is not working and efforts to make online subscriptions pay for the full cost of news gathering are futile. As George Brock writes in *Out of Print*, subscriptions never paid the full cost of news gathering, as it was heavily supported by advertising. "So much investment, habit and vested interest was locked into the advertising business model that those operating it were reluctant to

even acknowledge that much was wrong until the evidence was inescapable" (Brock, 2013, p.138).

However, journalists need to adapt to a variety of formats – whether it be print, online or a combination of both. If people believe they cannot get what they need from traditional journalism sources, they will seek out others. The media should be nimble to adapt. This approach would put the audience front and center. It will not pander and give them fluff content, but tailor the news to make it more relevant to their lives. Mersey likened the relationship between a journalist and the audience to that of a college professor and the students. "It is still my job to decide what is important and what should be in my course's syllabus, but it is also my job to engage students with the material" (p.132).

Mersey also used the dinner table analogy. Giving people what they want does not mean a meal of all sweets. However, she said it is all about how the news is prepared and presented. It may require adapting and repurposing content. For example, civic-minded people might want to read an in-depth story about a big city construction project to find how much it is going to cost in tax dollars or how many jobs it will create. Busy, on-the-go professionals might just want to know how it is going to affect their daily commute. News organizations should adapt their approaches.

This approach also means respecting your audience. That is why some youth-targeted urban publications have failed, she said. A lot of these papers served up a steady diet of arts and entertainment and food news and that was not fulfilling. *The New York Times*-owned *Gainesville Sun* came up with a specialty

publication that was targeted at college students. However, students gravitated toward their own college newspaper, because it covered the topics that were important to them and had relevant opinion and advertising.

Mersey said that too often, newspapers have tried to be all things to all people, and that is just impossible. They cannot provide a high level of coverage to all facets of the community and socioeconomic groups. News organizations are failing, according to Mersey, not because of a lack of good journalism, but rather a lack of engagement with their audience. As she writes:

"The audience is not wrong. They are never wrong. If an audience member does not value the work of a journalist or a journalist's organization, it is not because he or she is not smart, engaged or a good citizen. It means the journalism missed the mark. The problem facing American journalism is that it fails to engage its audience" (p.126).

Brock said the Internet can improve journalism by helping to tailor it to the audience. "The internet's ability to identify who is consuming what, for how long, and from where, allows content of all kinds to be tailored to specific segments chosen by mutual interests, demographic characteristics, or any other criteria" (p.88).

Because there is so much information available online, people such as digital strategist Nic Newman said they are looking for tools to filter out the noise (Bartlett, 2013). People are still looking to the media to provide the old "gatekeeping" function, which is to provide an assessment of the important news of the day.

This research would attempt to use Mersey's theory to see if people would be more willing to pay a higher price for online news content if it were tailored to

their specific interests. There has been more research about paywalls, but not a lot that combines both the efforts to pinpoint price and to customize content.

Salwen (2005) found in a survey of online news users that 95 percent said they like the fact they could access the news at any time. Coming in second at 91 percent was the fact that people can jump directly to news that interests them. This was followed by 88 percent who said that online news was a quick and easy way to access information, 84 percent who cited convenience, 82 percent cited breaking news and 71 percent said it was easier to obtain information. Other factors for why people chose online news was they can come across news by chance, could get more depth of information and could get a variety of different viewpoints. Price was not included as a variable in this poll.

Nyguen (2005) surveyed 790 Australians and 218 said they used the Internet for news. The top reasons people cited for why they accessed news online were the ability to have 24/7 updates, more choices and more depth of information. Not as high was the fact there was no cost. The ability to seek out different viewpoints with different online news sources was the next most important. The fact that there was no cost and because online news allows people to multitask by doing other things while they are being informed ranked tied for fifth.

Cost is not the primary reason why people seek online news sources, but the fact that it is widely available when they turn on the computer. However, whether they would pay for news that had previously been free has not been widely studied because it had not been an issue in the past. Nguyen believes that

more niche publications might be more successful at charging for content. As she writes: "people might have integrated online news into their life partly because it involves no financial cost, and, therefore there is a high possibility that they would not be willing to pay for it in the future" (p.235-236).

Obtaining news is more of a snap decision, rather than something that people actively plan. They click on a link or picture that interests them or has been referred to them by others, assess the source's reputation and assess the value of the content in that particular context (Constantiou, 2012). The customers are passive in this case and just randomly stumbling onto news online. Newspapers, particularly local ones, want to attract a base of subscribers that are interested in news. In order to do that, they have to grow interest in the product.

News content is a different type of good than buying shoes or clothes. Some people do not wish to pay to access any news articles online. Graybeal (2012) found that 65 percent of college graduate students surveyed said they definitely would not be willing to pay anything for news content online and 24.5 percent said they were somewhat unwilling to pay. None said they were very willing to pay for news content online and only 7.6 percent were somewhat willing to pay. Of those surveyed, 2.7 percent said they were neutral on the issue. He also found that people are more likely to pay for online news content if they are already subscribers to the print edition of a newspaper.

Graybeal acknowledged that the study may have been skewed because it just focused on people in their 20s and the sample was overwhelmingly female. In a real-life application of this study, the consumer would be presented with a

variety of payment options including per article or per week and that is likely to affect results, according to Graybeal.

There is a gap in the literature. Mersey's theory is still relatively new, so it has not been put to the test. The question needs to be asked if people would be more willing to pay for online news content if it were customized to their interests.

H1: People will report they are more likely to access a newspaper's website if the news was customized to their news topic interests.

H2: People will report they spend more minutes per week accessing online news sources if they were customized to their specific news interests.

There is much literature about personalization in online sites. Thurman (2011) defined two types of website personalization– implicit and explicit. Explicit personalization included having users to fill out a survey of their interests or sign up for an email newsletter. Implicit personalization customized the website based on the user's interaction. For example, when a customer returns to Amazon.com after making a purchase, they will often be encountered by information about other items that they might want to buy or what other customers purchased.

Newspapers have made efforts to include personalized contents into their online sites. In 2012, *The Washington Post* tested out something called "Personal Post," where readers can log in and see a vast array of content. They can submit information about their interest or simply click on some stories. The website can track what stories they are reading and then the next time they log on to the site,

there can receive a more customized feed with headlines tailored to their interests. *The Wall Street Journal* also has been experimenting with such a system (Ha, 2012).

Thurman (2012) noted that these papers have also put up a paywall because they offer a type of specialized content that the editors believe has value. However, Thurman noted a 50-percent decline in the use of explicit personalization among newspapers from 2009 to 2010, as readers did not like to be bothered with filling out questionnaires.

However, the types of implicit personalization such as Amazon's recommendations feature may not work for news sites, as the content may already have gotten outdated by the time there are enough favorable recommendations. However, personalization may help to build interest in the news trend and stem the tide of declining circulation. As Thurman writes:

> "Personalization may help slow, if not reverse, this trend, firstly, if, as this study suggests, there is a correlation between above-average deployment of personalization and site's ability to charge a subscription; and, secondly, if personalization allows traditional news providers to acquire and – crucially – control a range of data about their audience. Being in control of such data will be vital as online advertising continues to become more dynamic, targeted and data - driven" (p.787).

Norwegian papers are experimenting with paywalls and customization. Jan Hellin, the publisher of the Schibsted Media Group-owned *Aftonbladet*, said in 2014 that the company is working to create personalized news networks. "We need data on reading habits, so that we can package content and present it to those readers we know are interested. We need to distribute a lot of it through social

media and adapt it for sharing. If we collect data and are able to match them with readers' behavior, we will be able to do what it is basically all about: Getting the right content to the right reader at the right time" (Sjøvaag, 2015, p.3).

Sjøvaag analyzed the website home pages of newspapers from three different companies that were implementing some form of a paid content strategy and contrasted them with the home pages from before the paywalls were introduced. She found that the political, social issues and economic news coverage was more often behind the paywall, while sports coverage was free to access. Political coverage is more labor intensive and expensive. Also, papers are hoping that people will be lured to the websites with some of the softer coverage that is outside the paywall.

However, there are pitfalls with trying to personalize news content. Lavie et. al (2010) found that people read news for a variety of different reasons. Sometimes, they want to be informed and sometimes entertained. There is also difficult in filtering news to meet interests. Users' tastes may change or they might be interested in particular story on a topic that normally doesn't interest them. Also, efforts to create the profiles may require too much effort from the users and the personalization cannot be too specific or too broad.

Lavie's survey of 117 people found that 90 percent said they had read personalized online content in the past and 65 percent said they would it in the future. About two-thirds said they wanted their news personalized on specific topics, but only 10 percent wanted personalized news on subtopics. In a follow-up

survey of 23 students, 91 percent said they were familiar with personalized content and 74 percent would be interested in receiving online news. However, the topics that interested the users were not clear cut. For example, although the interest in science and technology and health was relatively low, they still found certain topics intriguing. Trying to customize online news content appears to be a balancing act, according to Lavoie.

"A news service that is too personalized will present users with a narrow range of information that may not support all of their needs. On the other hand, if the news is not personalized enough, users may receive information they are not interested in" (p.492).

In a survey of 74 people between the ages of 18 and 24, Chen et al. (2011) found that the subjects were more likely to use online news sources if they were customized to their liking in the area of local news, shopping, interactivity and automobile advertisements. However, the subjects in this study were told that the content was customized, when it was not.

Chyi (2005) researched willingness to pay among roughly 850 Hong Kong residents and found that only 10, or 2.5 percent, currently subscribed to a paid online news site. Of those who subscribed, two of them said their employer paid for the subscription. About 78 percent said it was "very unlikely" or "unlikely" that they would pay for online news. Among the reasons given are: 40 percent said that free alternatives existed, 17 percent said they didn't need it and 17 percent said price was a factor. About 21 percent said they would consider

subscribing if they felt they had a need, and 15 percent said they would consider it if the price were reasonable. Younger users were more likely to consider paying.

There have been other studies showing that people perceive online news as inferior. Chyi (2009) found that as a person's income rose, they were less likely to use online news. Only 24 percent of the roughly 3,000 people surveyed said they had gotten news online the previous day. Twenty-one percent said they had accessed online news within 10 days. Nearly 50 percent said they had accessed news between 10 and 30 days.

Another problem is studies have shown that people do not spend a lot of time reading newspaper sites. For example, the average visitor to WashingtonPost.com in May 2009, spent a little less than 11 minutes on the site for the whole site (Farhi, 2009).

Ho (2011) conducted a survey of 236 people who were using online book and music recommendation services. He concluded that "quality improves over the course of an online session but the probability of considering and accepting a given recommendation diminishes over the course of the session" (p.660). Put another way, people will continue to search for what they are looking for online until the added benefit is no longer worth the additional time invested.

Ho (2014) conducted a study of 379 people using a personalized website for book recommendations. He found that when the personalized recommendations were prominently featured on the website, the user was more likely to click on them. A study of 205 users of an online music site had a similar outcome. Ho concluded:

"Personalization could offer a basis for generating revenue because users are generally willing to sample and select personalized items as their final choice, but the amount of personalized sampling diminishes with attitude confidence, while selection of a personalized item depends on it" (p. 518).

In a review of other literature on the subject of personalization, Christoph (2010) found five common techniques that e-commerce businesses use to develop customer profiles. They include tracking the following: interaction and clicks on the website, transactions, preferences, ratings of items and data such as the time and place. Another common theme found in 42 scholarly articles reviewed was the business had to build customers' trust through the website and then they would be more accepting of the personalized websites. In the case of the online news, newspapers already have a familiar brand that, hopefully, is trusted by the community.

Tam (2005) conducted a study of 3,267 users of a website to download ring tones for cell phones. Users filled out a questionnaire to provide demographic information and then were offered choices of 72 ring tones from 18 singers. There were four per singer and divided into fast and slow songs. About 31 percent of the ringtones listed under personalized recommendations were downloaded compared with 20 percent of those that were grouped in the random category.

When there was a larger group from which to choose, the percentage of people who clicked on the personalized recommendations first was almost 60 percent compared with only 29 percent who did so when there was a smaller set

from which to choose. Tam concluded that a larger group may attract more people to click on it, but there may be a point where the group is too large and it would not be helpful to some people.

Tam (2006) did a study of the impact of personalized messages such as "Dear John. Welcome back to giftshop.com," on the customer experience. Banners that addressed the subject by name were clicked on more often than those with just a generic greeting. "Users generally perceive personalized messages to be more useful and are more willing to explore the personalized content further. Moreover, personalized communications have the potential to reduce information overload and provide aids to decision making" (p.887).

H3: People would be willing to pay a higher price for online content if it were customized to their specific interests.

There has been some research showing the price people would be willing to pay to access online news content. Collins (2013) found that nearly 23 percent of people surveyed said they would be willing to pay $5 for an app to read a newspaper on an iPad. Another 20 percent said they would pay $3 for one copy of a digital magazine and 27 percent said they would pay $15 for a magazine subscription.

Chyi (2012) did an online survey of 767 people and found that the average price point that users were willing to pay for news was $7.70 per month for the print edition, $3.10 per month for web access and $1.50 for a mobile app. About 64 percent of those surveyed favored the print format. "How much users are

charged does not make a difference in paying intent. What seems more important is whether they're charged or not" (p.242). However, Chyi noted that this study did not take account people who would like to read their news on tablet, which were just starting to come into more widespread use

People are reading news on a variety of platforms. A survey on newspaper penetration found that 56 percent of people exclusively read the print edition. Eleven percent also read it on a desktop or laptop, 5 percent read it on a mobile device and 11 percent read it on all three platforms. Five percent read it exclusive on a mobile device (Barthel 2015).

Thorson et. al (2013) did an online survey of 4,000 subscribers of a newspaper in the southwest United States and asked them to determine what news topics interested them the most. The study found that the readers wanted the newspaper to be comprised of 30 percent hard news, 40 percent features, 10 sports and 20 percent advertising.

Based on the results of the survey, the paper's editors decided to add a six-page section in the Sunday edition devoted to local and state news, which rated first in terms of news people wanted to read. The pages also contained editorial commentary, some feature stories and one big issue story. In addition, the paper's editor purchased the Bloomberg business news service for business information. The paper boosted its editorial staff to pay for this extra coverage. At the same time, the paper significantly increased its print and online subscription prices. A consulting firm said there would be a corresponding 12 to 15 percent decrease in subscription renewals. Instead, there was only a 3 percent drop.

Jenner and Thorson found that larger newspapers that are part of publicly traded companies conducted more research; including holding focus groups with their audience about the content it would like to see, before implementing the paywalls. They also devoted more resources to improving the content that is behind the wall.

More people can be persuaded to pay for online news content if it is customized to their liking. Beam (2014) found that people who consumed more news via personalized online portals also used offline news sources as well, and are not narrowing their choices or categories of news. As Beam concluded:

"Personalized news systems allow users to skip the time-consuming step of searching for compelling news stories to view by offering users personally relevant headlines. These results contribute to a growing body of selective exposure research indicating that Internet access may foster increased news engagement" (p.72).

Beam added that the limitation of this study was he and his colleague were analyzing research done by others. This research study would use primary data through a survey to get people's opinions about paying for customized online content. The hypothesis is that people would be more receptive to the idea of paying for online news content, if they knew the revenues were being used to fund quality journalism and if the news is customized to their specific interests.

Koegel (2013) found in a survey of about 300 college students that 16 percent were willing to pay for online news content. Their preferred price varied with the degree of their use. The average number of articles read per month was 43, and the mean price that they were willing to pay was $2.25 per month. The

study also found that people had a high degree of trust in news websites as being preferable to blogs and they liked that they had the ability to "try out" these news websites.

Stephens (2014) found that timeliness and accuracy were among the most important criteria rated by users of online newspaper websites, according to a survey of about 550 people. She presented a package of potential choices for an online news subscription and found that those surveyed were not willing to pay a lot for online content. The highest average amount was $2.50 for a subscription that was packaged with a rewards program. Another conclusion was those people who are frequent consumers of news were more willing to pay for a subscription. Those who expressed the highest willingness to pay were men, as well as frequent users of news websites and social media. Stephens added that there might be potential for further research into the question of customization as an added value.

Research conducted by content marketers and compiled by Captora (Singh, 2014) shows that 61 percent of consumers prefer companies that have custom online content. In addition, 80 percent of decision makers prefer content to advertising and 50 percent of online consumer time is spent engaging with custom content.

There is some encouraging news on whether people would pay for content. An October 2009 study by the Boston Consulting Group of 5,000 people around the world found that 48 percent of Americans would pay to access online news content, including on their mobile devices. However, that was tied for the lowest percentage with Great Britain. It was much higher in Western Europe,

which was in the 60 percent range. The average price that Americans were willing to pay was $3 per month, which was tied for the lowest with Australia. Others were much higher, for example $7 per month for Italians. Experts said that the wide availability of free sources in America contributes to the low willingness to pay (Pena, 2009).

People could be persuaded to pay for online news if they had a compelling motivation. Andrew Odlyzko (2012) wrote that news sites should appeal to people's intrinsic motivations, which are intangible. People want to read online news sites because they want to be informed and are not seeking any kind of material benefit. They understand the fact news organizations have to charge something to produce this high-quality content. He said "mechanisms stimulating and satisfying social motivations in particular may help increase positive behaviours beyond those indicated by tangible benefits" (p.920)

Bodenbenner (2012) did an experiment with providing personalized recommendations to a group of people who visited an unload news site. He found 4.7 percent of users of the personalized website clicked on at least one recommended article compared with 3.5 percent for the control group. The average visits per user was higher for the people who had the recommended items. He concluded that there could be some benefits to personalization. "Most users visit news websites with the attitude of 'show me something interesting' rather than having any specific information goals" (p.6)

The three hypotheses were tested in an online survey.

Chapter Three: Methodology

An online survey was used for this research. It asked what types of news content people are interested in reading online and various ranges of prices that they would be willing to pay. People were asked whether they would pay by the article, for a certain number of articles, a monthly subscription or other pricing plans. The target market of participants is those aged 25 to 49, which is a demographic heavily favored by advertisers and who are also more likely to get their news online.

An M-Turk sample was obtained through Amazon.com. M-Turk stands for Mechanical Turk and it is an online labor market in which participants are recruited for completing certain tasks. People were asked to take part in a short survey and they received $1 for a completed survey. The program Qualtrics was used to format the survey and archive its results. Qualtrics is used by about 1,300 colleges and universities worldwide, according to its website.

While not perfect, M-Turk studies have been shown to be able to get a more diverse sample of responses, and the survey can be set up in such a way that people are excluded. As Paolacci (2014) writes: "researchers can use M-Turk for virtually any study that is feasible to conduct online. Workers are diligent because of their intrinsic motivations and the incentive structure of M-Turk. Requesters are not forced to approve submissions and can screen workers on the basis of past approval rates" (p.186).

The survey ran for about one week in May 2015 until it received nearly 400 responses.

The goal of the survey was to find price point people would be willing to pay for online local news and whether they would be willing to pay more for a customized edition of the paper. People were also asked whether they would be more interested in getting a package of a customized online/traditional print edition of the paper instead of just the online edition and the price point that people would be willing to pay.

Another question was whether people would be more willing to receive news articles through this customized edition of the newspaper, even if it is not one of their initial top interests – much like people refer articles to other people through Facebook.

Chapter Four: Results

A total of 388 people were surveyed. The sample size was about 53 percent male and 47 percent female.

Age distribution of the sample

#	Answer		Response	%
1	18-24		30	8%
2	25-34		167	43%
3	35-49		137	35%
4	50-64		47	12%
5	65+		7	2%
	Total		388	100%

Income distribution of the sample

#	Answer		Response	%
1	Less than $20,000		64	17%
2	$20,000-$39,999		126	33%
3	$40,000-$59,999		90	23%
4	$60,000-$79,999		54	14%
5	$80,000-$99,999		26	7%
6	$100,000+		26	7%
	Total		386	100%

After three questions seeking demographic information, participants were asked a series of questions about how they access online news media.

People are reading local news online, but are not spending much time doing so. A total of 32 percent said they went online to read about local news once or twice a week and 25 percent said daily. A plurality of 32 percent of respondents said they spent less than 10 minutes per day reading local news

online. This was followed by 29 percent who said they spent 11 -15 minutes per day and 25 percent who spent 16-30 minutes.

Frequency of going online to read local news

#	Answer			Response	%
1	Never			14	4%
2	Once or twice a week			110	32%
3	3-5 times per week			100	29%
4	More than 5 times per week			34	10%
5	Daily			84	25%
	Total			342	100%
Mean					3.19
Standard Deviation					1.24

Distribution of the mean time spent online every day to read about local news

#	Answer			Response	%
1	Less than 10 minutes			115	34%
2	11-15 minutes			99	29%
3	16-30 minutes			86	25%
4	31-45 minutes			30	9%
5	46-60 minutes			6	2%
6	More than 60 minutes			6	2%
	Total			342	100%
Mean					2.21
Standard Deviation					1.16
Total Responses					342

Somewhat surprisingly, online newspaper websites ranked first in terms of where they get their news. The second-highest rate source for local news was television. This was followed by online sources, which seems to confirm what

researchers have said that people, especially younger ones, hunt and gather their news. Reddit was among those mentioned.

Facebook came in fourth. People are reading articles and links recommended by their friends. People surveyed said on average that they would be "somewhat more likely" to read an article that had been recommended to them by a friend. The mean value was 4.76, which puts it closer to 5, which is the "somewhat more likely" choice for that question.

Radio and print newspapers finished fifth and sixth, respectively. Twitter has become a popular resource for journalists to send out breaking news alerts and scan for news from other media sources. However, this survey would seem to suggest it has not caught among the general public as a news source as of 2015.

The top answer given in the "Other" category was people getting their news via word of mouth from friends and family with 84 people citing that as a source. This was followed by magazines with 10 people, Reddit with eight, news apps with six and various scattered responses including search engines, blogs, and podcasts.

Mean use of local news media

"Rank the following in terms of where you get most of your local news with 1 being the source you get most of your news and 8 being the least. Use each number only once."

Statistic	Newspapers	Newspaper websites	TV	Radio	Facebook	Twitter	Other online	Other
Mean	4.85	2.79	3.13	4.69	4.40	5.64	3.48	7.00
Standard Deviation	2.03	1.75	1.72	1.85	1.89	1.76	2.19	1.89

Despite ranking first in terms of where they get their news, people are not visiting newspaper websites frequently. Only 10 percent said they went on one of these sites every day. Eighteen percent said they went on less than once a month and 5 percent said never. Of the people who said they never visited a local newspaper's website 14 said they did not visit the local newspaper's website because the content did not interest them. Three people said they could get the content elsewhere. Two people gave the choice of "other." One person was not sure the newspaper had a website and the other person said it was badly designed. This could mean that newspapers are not doing a good enough job with marketing.

Distribution of how often people visited the website of their local newspaper

Table Options				
#	Answer		Response	%
1	Never		16	5%
2	Less than Once a Month		63	18%
3	Once a Month7		28	8%
4	2-3 Times a Month		54	16%
5	Once a Week		48	14%
6	2-3 Times a Week		71	21%
7	4-5 Times a week		29	8%
8	Daily		33	10%
	Total		342	100%
Mean				4.61
Variance				4.16
Standard Deviation				2.04

Distribution of answers to

"What is the primary reason why you don't visit the website of a local newspaper?"

1	Content does not interest me		11	69%
2	Too busy/not enough time		0	0%
3	Can get content elsewhere		3	19%
4	Don't want to pay		0	0%
5	Other*		2	13%
	Total		16	100%

*The other answers were: badly made websites and not sure if there was a website.

Only 26 percent of those surveyed said they were paying some type of fee to access local news one. A total of 22 percent of people said they had a subscription plan that gave them access to an unlimited number of articles, 3 percent said they were paying for a set number of articles and 1 percent said they paid per article. However, 74 percent said they were getting news for free online, using free sites or refusing to go on any pay sites. Two people said they used the limited number of free articles before the paywall kicked in. Two people said they got a free digital access by subscribing to the print. One person said they were required to answer a survey question to read the article.

Distribution of responses to the question

"If you are paying for local news online, which of the following most closely represents how you are paying to access that content?"

#	Answer		Response	%
1	Paying for an unlimited number of articles		52	22%
2	Paying for a set number of articles		6	3%
3	Pay per article		3	1%
4	Not paying/Other		174	74%
	Total		235	100%

A total of 93 percent of respondents said they paid nothing to access local news online. The average value for the question of what people were paying for online content was 1.19. The value 1 represented getting news content for free. That means they are either getting their news from Facebook recommendations through friends, other free media websites such as television news station websites or they live in a market that does not have any newspaper website paywalls. Or, they simply are not interested in local news. Sixty-nine percent of respondents said the content did not interest them. Other reasons cited were badly made online news websites or they were not sure if the newspaper had a website. Of the smaller number people who were paying to access local news online, 54 were paying for unlimited access, six for a set number of articles and three per article.

Distribution of answers to the question

"If you are paying for local news online, which of the following most closely represents how you are paying to access that content?"

#	Answer		Response	%
1	Nothing		303	93%
2	Less than $1 per week		6	2%
3	$1 -$1.49 per week		8	2%
4	$1.50-$1.99 per week		5	2%
5	$2-$2.49 per week		1	0%
6	$2.50-$2.99 per week		1	0%
7	$3+ per week		2	1%
	Total		326	100%
Mean				1.18
Variance				0.57
Standard Deviation				0.76

While people may not be subscribing to the print edition of a newspaper, they are using newspaper's online websites. They may be checking out websites

of reputable newspapers such as *The New York Times* or *The Washington Post*, as they go online and search for news.

When asked to customize a subscription plan, 90 percent wanted unlimited access for a flat fee. Twenty-nine percent wanted mobile device access and 17 percent wanted tablet access. Only 14 percent wanted a print edition seven days a week and 13 percent wanted one 13 days a week. Increasing numbers of people are consuming their news on the go.

Thirteen percent of people said they would enjoy getting a 2-day –a-week print edition and 14 percent said they would enjoy getting a 7 -day-a-week print edition. That is important information for media companies because more money can be made from print-edition advertisements than online advertisements.

Distribution of answers to

"Describe the type of subscription plan you would choose to access local news content? (Check all that apply.)"

#	Answer			Response	%
1	Unlimited access to online news website			270	90%
2	Print edition 2 days a week			38	13%
3	Print edition 7 days a week			41	14%
4	Mobile device access			87	29%
5	Unlimited tablet access			49	16%

People were asked to rank the top three news items that they would be interested in receiving more information about in a customized news website.

Mean and standard deviation of responses to

"Think about the online news site you visit the most often. If you were to create one tailored to your preferences, describe what percentage out of 100 you would devote to the following topics?"

Rank	Answer	Average Value	Standard Deviation
1	National news	24.11	18.42
2	Local arts and entertainment	14.98	14.08
3	Local government	12.86	14.88
4	International news	10.32	11.15
5	Local education	9.26	8.94
6	Local business	8.59	9.75
7	Local sports	8.47	10.55
8	Real estate/job listings/classified	7.14	10.08
9	Other	4.38	12.26

The item they were most interested was national news with an average value of 24.13. That means that those surveyed would on average devote almost one-quarter of the website to national news. Most local newspapers get their national news from wire services such as the Associated Press or Reuters. Other

online sites such as Yahoo feature these stories, so people would not need to seek out a local news site just to get that kind of news.

National and international news is not the purview of a local newspaper website. National news can be obtained from a variety of free sites such as CNN.com or news aggregators such as The Drudge Report.

The next highest rated item was local arts and entertainment news with an average value of 15.18. Some local newspapers have special sections devoted to arts and weekend events coverage. This survey may indicate that these readers would be interested in receiving some additional arts coverage, perhaps through customized email blasts or calendar of events.

Local government news ranked third with 12.67, which indicates that people are still interested in finding out what their government is doing and how taxpayer funds are being used. However, municipal reporting can be expensive because it is very labor intensive.

This was followed by international news, local education news, local business, sports, real estate/classified listings and "other."

Customization did appear to have an effect on how much time people would spend on a local news website. Seventy-four percent of those surveyed said they would spend more time on a customized news website. About 34 percent of respondents said it was "somewhat likely" that they would visit a newspaper's website more frequently if it were customized to provide them with news about their top three favorite subjects. About 24 percent said "likely" and 6 percent said "very likely."

About 10 percent of people said it was either "very unlikely" or "somewhat unlikely," or "unlikely" that they would visit the website more frequently. About 27 percent said there was no change.

Distribution of responses to

"If you received more news about the top three subjects that you said were interested in, how likely is that you would visit the newspaper's website more frequently for local news?"

1	Very Unlikely		8	2%
2	Unlikely		12	4%
3	Somewhat Unlikely		11	3%
4	No change		88	26%
5	Somewhat Likely		115	34%
6	Likely		83	25%
7	Very Likely		18	5%
	Total		335	100 %
Mean				4.82
Standard Deviation				1.24

About 64 percent of respondents said they would spend between 10 to 30 minutes per day reading about local news on customized website compared with only 54 percent who said they spent online every day reading about local news.

Distribution of response to

"If you received more news about the top three subjects that you said were interested in, then how much time would you spend reading local news on the website?"

#	Answer		Response	%
1	Less than 10 minutes a day		67	20%
2	10-20 minutes per day		131	39%
3	21-30 minutes per day		85	25%
4	31-45 minutes per day		37	11%
5	46-60 minutes per day		14	4%
6	More than 60 minutes per day		5	1%
	Total		339	100%
Mean				2.45
Variance				1.29
Standard Deviation				1.14

Distribution of responses to

"If you received more news about the top three subjects that you said were interested in, how likely is that you would be willing to pay more to access the newspaper's website for local news?"

#	Answer		Response	%
1	Very Unlikely		64	19%
2	Unlikely		57	17%
3	Somewhat Unlikely		31	9%
4	No change		91	27%
5	Somewhat Likely		73	21%
6	Likely		19	6%
7	Very Likely		5	1%
	Total		340	100%

Mean	3.38
Variance	2.65
Standard Deviation	1.63

When asked if they would visit a news website more often if it was customized to their favorite topics, 64 percent said it would make them visit the website more frequently. Six percent said it was "very likely," 25 percent said it was "likely" and 34 percent said "somewhat likely." Thirty-three percent said customization was not likely to make them visit the website more frequently, with 2 percent saying "very unlikely," 4 percent "unlikely," and 3 percent "somewhat unlikely." There was 26 percent that said there was no change. These answers provide support for H1.

People said they would be willing to increase the amount of time spent on a customized website. Sixty-four percent of those surveyed would spend between 10 and 30 minutes per day on a customized website. Eleven percent said they would spend 31 to 45 minutes per day, 4 percent said 46 to 60 minutes a day and 1 percent said more than an hour. When the questioned was asked earlier about

how much time they spend reading local news online, only 54 percent of those surveyed said they spent between 11 and 30 minutes reading about local news online. The number of people who said they would spend less than 10 minutes online went down from 33 percent on a noncustomized website to 20 percent on a customized website. The 31-45 minutes category went up from 9 percent to 11 percent. The heavy news consumers also went up from 2 percent to 4 percent who said they would spend 46-60 minutes reading local news online. The percentage of people surveyed who said they read online news for more than 60 minutes stayed the same at 1 percent. These answers provide support for H2.

Unfortunately, this willingness to visit a customized website more frequently did not translate into their willingness to pay for online news. Only 21 percent of those surveyed said it was "somewhat likely" that they would pay more to access a customized newspaper's website. About 5 percent said it was likely and 1 percent said it was very likely. This compares with the 35 percent of respondents that said it was "very unlikely" or "unlikely" that they would be willing to pay more, 9 percent who said it was "somewhat unlikely." Twenty-seven percent said there would be no change in how much they would be willing to pay. About 56 percent said they would pay nothing for a customized website and 19 percent said they would pay less than a dollar per week.

However, when it came to paying a higher price for online content, the results did not support that people would pay a higher price for online content if it were customized to their specific interests. A total of 45 percent said they would be unlikely to pay more to access a customized website, with 19 percent saying
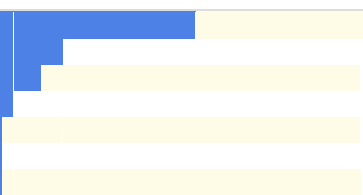
"very unlikely," 17 percent saying "unlikely" and 9 percent said "somewhat unlikely." This contrasts with 28 percent who said they would be willing to pay more – 6 percent said "likely" and 22 percent "somewhat likely." There was no change for 27 percent.

About 56 percent said they would pay nothing to access a customized website and 19 percent said they would pay less than one dollar per week. Fourteen percent said they would pay between $1 and $1.49 per week, 7 percent said they would pay between $1.50 and $1.99 per week; 3 percent said they would pay between $2 and $2.49 per week; and 1 percent between $2.50 and $2.99 and 1 percent $3 or more.

However, people were not willing to pay for that customization. The mean value for the question of what people would pay for a customized website was 1.89, which puts it closer to choice 2. The vast majority of people would pay less than $1 per day for a customized news website. There was not support for H3.

Distribution of responses to

"How much you would be willing to pay per week for a customized news website?"

1	Nothing		190	56%
2	Less than $1 per week		65	19%
3	$1 -$1.49 per week		47	14%
4	$1.50-$1.99 per week		22	6%
5	$2-$2.49 per week		10	3%
6	$2.50-$2.99 per week		5	1%
7	$3+ per week		2	1%
	Total		341	100%
Mean				1.89
Standard Deviation				1.26

A small number of people – 10 percent in the survey – are doing their own version of customization by setting up RSS feeds, which alert them when websites have new content. When asked about the number of news sources people had in their RSS feeds, the number ranged from a low of two sources to a high of 117. The median number of sources was six. The mean of just over 17 was skewed by a two large outliers.

Distribution of creating RSS feeds to read about local news online

#	Answer			Response	%
1	Yes			33	10%
2	No			282	82%
3	Don't know what RSS feeds are.			27	8%
	Total			342	100%

The survey results show the influence of social media as 71 percent of people said it was either "somewhat likely," "likely" or "very likely" that they would read a local news article that had been recommended to them by a friend – even if it was about topic on which they do not seek out information.

These survey results showed that people were slightly more willing to read an article that had been sent to them through a customized website. The mean value was 4.35, which puts it slightly higher than 4 – the choice that represents "no change" for that question. The research showed the influence that social media and a network of friends have on the content people read online.

Distribution of responses to

"How much more likely would you read a local news article that had been recommended to you by a friend – even if it is on a topic that you normally do not seek out information?"

1	Very Unlikely			12	4%
2	Unlikely			15	4%
3	Somewhat Unlikely			16	5%
4	No change			54	16%
5	Somewhat Likely			159	47%
6	Likely			65	19%
7	Very Likely			17	5%
	Total			338	100%

Mean	4.76
Variance	1.66
Standard Deviation	1.29

Surprisingly, 45 percent of the participants would still pay nothing even if they were told that the newspapers would invest the revenues from online subscriptions to provide high-quality journalism about their community. The mean value was 2.23, which corresponds to about less than $1 per week..

Distribution of response to

"If you were told that newspapers would invest the revenues from online subscriptions to provide high-quality journalism about their community, how much would you be willing to pay?"

1	Nothing			153	45%
2	Less than $1 per week			76	22%
3	$1 -$1.49 per week			54	16%
4	$1.50-$1.99 per week			27	8%
5	$2-$2.49 per week			15	4%
6	$2.50-$2.99 per week			6	2%
7	$3+ per week			11	3%
	Total			342	100%

Mean	2.23
Variance	2.35
Standard Deviation	1.53

This is not good news for media companies. It is going to take a long educational campaign to convince people to pay for online journalism, as they are accustomed to getting news online for free. Even when people were asked to consider the needs to produce high-quality journalism, a little less than half would still pay nothing. That is not a sustainable business model.

Chapter Five: Discussion

Based on this survey, it appears that the culture of everything should be free on the web is still prevalent and it is difficult to change people's attitudes. This research shows that there is potential for customizing websites to attract new readers. It would be impractical for the media company to put out customized print editions for every subscriber. Perhaps readers would be satisfied with having a customized website that allowed them to access more content – articles, videos and slide shows – of the subject they said most interested them and settle for a more general traditional newspaper that gives them a little bit of everything.

Some newspapers are already doing that. However, translating that into people paying a higher price – or anything at all – for their online news content is a tougher sell. There is some potential of converting those "somewhat unlikely" or "no change" people over to paying customers with a sustained effort.

There is a big difference between willingness to visit and spend time on a website that has customized news and willingness to pay for that content. When people are used to getting news for free, it is difficult to compete with that. People do not seem to have as much interest in local news, as they do in subscribing to Netflix or Amazon.com. Those surveyed said they were not spending enough time reading about local news.

The average person does not feel as passionate about journalism as people in the industry. It was particularly disappointing that 45 percent of those surveyed said they would still pay nothing, even when presented with the scenario that the newspaper would invest the money into providing high-quality journalism about

their communities. Quality journalism is more of an abstract concept – unlike subscribing to Amazon Prime to get discounts on shipping or Netflix to stream entire seasons of television shows.

How long people spending reading the news seemed to be a good predictor as to whether they would pay for a customized website. There was a weak positive correlation for females. The regression value was 0.339 for the answers to the question of how long they spend online every day to read local news. That means that females that spend more time online reading local news were slightly more willing to pay for a customized news site. When females who have customized news feeds (RSS feeds) are added to the mix, the likelihood that they would pay for a customized news website increases slightly. It has a regression value of 0.348. The regression value has to be more than -0.50 or 0.50, to show a stronger correlation.

The strongest indicator of whether people would be willing to pay more for customized online news is if they had created RSS feeds. In this case, these people have already attempted to curate and customize their own news by subscribing to different website's feeds. People who have created RSS feeds are somewhat more likely to be subscribing to news feeds.

Limitations

There was a problem with question 12 in that it was a duplicate of question 11: "If you are currently getting local news online, what do you pay to access that content?" A total of 333 people answered the question 11 and 93

percent of them said they paid nothing to access local news online. Only 24 people answered the identical question 12, so those results can be discarded.

There also was an issue with some people starting the survey, but not completing it. A total of 388 people filled out a response to the question about their gender. However, the total number of responses to the other questions was around 340. Maybe 22 questions was too long or they got frustrated with the duplicated question or loss interest in the topic.

Fifty percent of those who responded to the survey were between the ages of 18 and 34, which include the millennial generation that has grown up with the Internet. The results may be skewed toward that demographic. Another factor to consider is it is an online survey with a self-selecting group of people who are participating in this M-Turk program.

Suggestions for future research

Most of the people surveyed were not paying anything in access local news content online. It would be interesting to do a survey of people who already subscribe to a paper and a news website to see what content they would choose in a customized edition and how much they would be willing to pay for their customization. It would also be interesting to track news interests by region of the country and by large and small cities and towns.

Also, more people are now reading news on their phones and mobile devices instead of desktop and laptop computers. A possible survey could be done regarding just mobile news consumers. It would also be interesting to conduct

follow-up interviews with managers in the news media to get their take on the

changing business model.

Chapter Six: Conclusion

The Internet disrupted the newspaper's traditional business model by giving people a vast array of choices for information. People can seek out the content that interests them and avoid information that doesn't. The newspaper's traditional approach was to give consumers a smorgasbord of information – a little local news, a little international news, features, entertainment, sports and advertising– all wrapped up in one package. Since there is finite space in the paper, editors had to decide what they considered the most important information that their readers should know. When the Internet came along, a lot of newspapers just simple dumped their content online and expected readers to follow.

That was a miscalculation. Since the Internet essentially has no limitation on space, a variety of news sources dedicated to every sort of niche topic, whether it be gadgets or Steampunk role playing, have sprung up online. People are essentially their own editors and can decide what they want to put in their version of the newspaper. However, not many of these sites make money. For a while, everyone was putting content online for free and hoped that advertising would cover the bill. However, Internet advertising does not make that much money. Since there is no limit on space on the web, space on the website is worth relatively little – as opposed to a full-page ad in today's *New York Times*, in which a finite number of copies will be produced and distributed and timely for one day. Despite newspapers' increasing their online presence, the bulk of their revenues come from the print product.

More newspapers have been trying to monetize their online content through paywalls or other subscription-based services. This revenue will not pay for the full cost of news gathering, but media organizations hope it will produce a reliable revenue stream. However, some consumers have been reluctant to pay for online content. They have been conditioned to getting everything they want online for free.

News organizations have to do a better job of marketing their product and underscoring the importance and value of their work. People have to understand that without support – including financial support – from their readers, news organizations will not survive. Large media corporations such as *The New York Times* may be able to last for several decades more, but local newspapers are going to have a tough time surviving if advertising revenues continue to shrink and circulation continues to drop. It creates a vicious death spiral from which the industry will not be able to recover.

This notion that everything has to be free is especially prevalent with the millennial generation. Singer Taylor Swift caused a minor stir in 2015 when she threatened to pull her music from Apple's new streaming app because people were not going to be charged for three months as part of introductory offer. Apple prompted changed course, by agreeing to pay royalties. However, the singer was criticized in some social media circles, saying that she was being greedy and unfairly withholding her music. (Lev-Ram, 2015). This generation has to be weaned off of this attitude of "everything on the Internet must be free," or all content producers – not just newspapers – will suffer.

References

Adams-Bloom, T. & Cleary, J. (2009). Staking a claim for social responsibility: an argument for the dual responsibility model. *The International Journal of Media Management*, 11 (1), 1-8. doi:10.1080/14241270802518356

Anderson, C. (2009). *Free: the future of a radical price*, New York: Hyperion.

Barthel, M. (2016, Jan. 6). Around half of newspaper readers rely only on print edition. *Pew Research Center*, Retrieved from http://www.pewresearch.org/fact-tank/2016/01/06/around-half-of-newspaper-readers-rely-only-on-print-edition/

Barthel, M. & Stocking, G. & Holcomb, J. & Mitchell, Amy. (25 Feb. 2016). Nearly Eight-in-Ten Reddit Users Get News on the Site. Pew Research Center, http://www.journalism.org/2016/02/25/nearly-eight-in-ten-reddit-users-get-news- on-the-site/

Bartlett, R. (2013, Oct. 23). How news sites are boosting 'stickiness' with personalization: A look at how and why news outlets are offering personalisation across digital platforms, as well as some of the lessons and challenges to consider. Retrieved from https://www.journalism.co.uk/news/how-news-sites-are-boosting-stickiness- with-personalisation/s2/a554513/

Beam, M. A. & and Kosicki, G. M. (2014). Personalized news portals: filtering systems and increased news exposure. *Journalism & Mass Communication Quarterly*, 91(1), 59-77, doi:10.1177/1077699013514411

Berger, P. & Eng, D. & LaFontaine, D. & Siegel, D.J. (2009). The free v. paid online content debate. *Newspaper Association of America*, 1-22.

Bodenbenner, P. & Neumann, D. (2012). Are personalized recommendations the savior for online content providers? Veröffentlicht in: Multikonferenz Wirtschaftsinformatik 2012 Tagungsband der MKWI 2012 Hrsg.: Dirk Christian Mattfeld; Susanne Robra-Bissantz. Retrieved from http://docplayer.net/15017580- Are-personalized-recommendations-the-savior-for-online-content-providers.html

Bogart, L. (1991). *Preserving the press: how daily newspapers mobilized to keep their readers*. New York: Columbia University Press.

Brock, G. (2013). *Out of print: journalism and the business of news in the digital age*, London: Kogan Page Limited.

Carson, A. (2015). Behind the newspaper paywall – lessons in charging for online content: a comparative analysis of why Australian newspapers are stuck in the purgatorial space between digital and print. *Media Culture & Society*, 37(7), 1022-1041. doi:10.1177/0163443715591669

Chen, G. M. & Chock, T. M. & Gozigian, H. & et.al (2011). Personalizing news websites attract young readers. *Newspaper Research Journal*, 32(4), 22-38.

Chiou, L. & Tucker, C. (2013). Paywalls & the demand for news. *Information Economics & Policy*, 25(2), 61-69. doi:10.1016/j.infoecopol.2013.03.001

Christoph, A. & Winkelmann, A. (2010). Personalization research in e-commerce: a state of the art review (2000-2008). *Journal of Electronic Commerce Research*, 11(4), 326-341.

Chyi, H. I. (2005). Willingness to pay for online news: an empirical study on the viability of the subscription model. *Journal of Media Economics*, 18 (2), 131-142. doi:10.1207/s15327736me1802_4

Chyi, H. I. (2009). Is online news an inferior good? Examining the economic nature of online news among users. *Journalism & Mass Communication Quarterly*, 86(3), 594-612. doi:10.1177/107769900908600309

Chyi, H. I. (2012). Paying for what? How much? And why (not) predictors of paying intent for multiplatform newspapers. *International Journal of Media Management*, 14(3), 226-250. doi:10.1080/14241277.2012.657284

Clemons, E. K. (2009). Business models for monetizing internet applications and web sites: experience, theory, and predictions. *Journal of Management Information Systems*, 26(2), 15-41. doi:10.2753/MIS0742-1222260202

Collins, S. & Rabby, M. & Brown, T. (2013). Few students willing to pay for tablet news content. *Newspaper Research Journal*, 34(1), 62.

Constantiou, I. & Hoebel, N. & Zicari, R V. (2012). How do framing strategies influence the user's choice of content on the Web? *Concurrency and Computation: Practice and Experience*, 24(17), 2207-2220. doi:10.1002/cpe.1794

Cook, J. E.& Attari, S. Z. (2012). Paying for what was free: lessons from the New York Times paywall. *Cyberpsychology, Behavior and Social Networking*, 15(12), 682-687, doi: 10.1089/cyber.2012.0251

DeRienzo, M. (2016). A Shared Mission. *Editor & Publisher*, 149(3), 24.

Doctor, K. (2010). *Newsonomics: Twelve new trends that will shape the news you get*. New York: St. Martin's Press.

Doctor, K. (2013, Nov. 6). The newsonomics of the shopping of Press+ and the coming of paywalls 2.0. Retrieved from http://www.niemanlab.org/2013/11/the-newsonomics-of-the-shopping-of-press-and-the-coming-of-paywalls-2-0/

Doctor, K. (2015, Jan. 23). Newsonomics: the U.S. newspaper industry's $1.4 billion money hole. Retrieved from http://newsonomics.com/newsonomics-the-u-s- newspaper-industrys-1-4-billion-money-hole/

Edmonds, R. (2014, July 2). As mobile ad revenue continues to soar, newspapers still struggle to catch the wave. Retrieved from http://www.poynter.org/news/media- innovation/257611/as-mobile-ad-revenue-continues-to-soar-newspapers-still- struggle-to-catch-the-wave/

Farhi, P. (2009). Build that pay wall high. *American Journalism Review*, 31(4) 22-27.

Fritz, B., & Gallo, P. (2009). iTunes meets labels' price. *Daily Variety*, *302*(4), 1.

Graybeal, G. & Sindik, A. & Qing, Q. (2012). Current print subscribers more likely to pay for online. *Newspaper Research Journal*, 33(3), 21.

Ha, A. (2012, Feb. 23). Washington Post tests personalized news program. Retrieved from http://techcrunch.com/2012/02/23/washington-post-personal-post/

Haridakis, P. M. & and Whitmore, E. (2006). Understanding electronic media audiences: the pioneer research of Alan M. Rubin. *Journal of Broadcasting & Electronic Media*, 50(4), 766-774. doi:10.1207/s15506878jobem5004_13

Herman, J. (2015, Jan. 5). Some 2015 predictions. Retrieved from http://www.theawl.com/2015/01/some-2015-predictions.

Ho, S. Y.; Bodoff, D. (2014). The effects of web personalization on user attitude and behavior: an integration of the elaboration likelihood model and consumer search theory. Management Information Systems, 38(2), 497-520.

Ho, S. Y. & Bodoff, D. & Tam, K. Y. (2011). Timing of adaptive web personalization and its effects on online consumer behavior. *Information Systems Research*, 22(3), 660-679.

Hussman, M. E. (2012). *Valuing newspaper website content: What people are willing to pay for and why*.

Jenner, M. & Thorson, E. & Kim, A. (2014). How U.S daily newspapers decide to design and implement paywalls. University of Missouri School of Journalism. Paper submitted to the 2014 AEJMC National Meeting.

Juliano, John. (2013, 29 Nov.) In the USA, Google Customer Surveys are paying better than paywalls. *GXPress Magazine*. http://www.gxpress.net/john-juliano-the-next- thing-cms-2770.

Kinsman, M. (2011). Paywalls versus advertising? why not both? *Folio: The Magazine for Magazine Management*, 40(6), 50.

Koegel, J. (2013). Use, but pay? Factors affecting the adoption of news websites among young adults. (Master's thesis). Rochester Institute of Technology. Retrieved from ProQuest Dissertations Publishing.

Kramer, L. (2010). Navigating the future. *American Journalism Review*, 32(4), 44-49.

Lasorsa, D. (2008). Agenda setting. *Encyclopedia of political communication.* Thousand Oaks: Sage Publications, Inc.

Lavie, T. & Sela, M. & Oppenheim, I. & Inbar, O. & Meyer, J. (2010). User attitudes towards news content personalization. *International Journal of Human-Computer Studies*, 68 (8), 483-495. doi:10.1016/j.ijhcs.2009.09.011

Lev-Ram, M. (14 July 2015). Taylor Swift and Apple: The back story. What really happened ahead of the pop star's "open letter" to Apple criticizing its new streaming music service. *Fortune*, Retrieved from http://fortune.com/2015/07/14/taylor-swift-apple-backstory/

Levine, R. (2011). *Free ride: how digital parasites are destroying the culture business, and how the culture business can fight back*. New York: Doubleday.

Levitz, D. (2010). The Daily Gazette case study. The Newspaper Association of America, http://www.naa.org/Topics-and-Tools/Digital-Media/Paid-Content/2010/Daily- Gazette-Case-Study.aspx

Levitz, D. (2011). The Lima News case study. The Newspaper Association of America, http://www.naa.org/Topics-and-Tools/Digital-Media/Paid-Content/2011/Lima- News-Case-Study.aspx

Lloyd, S. (1991). A criticism of social responsibility theory: an ethical perspective. *Journal of Mass Media Ethics*, 6(4), 199-209. doi:10.1207/s15327728jmme0604_1

Lopes, A. B. & and Gallet, D. F. (2006). Consumer perceptions and willingness to pay for intrinsically motivated online content. *Journal of Management Information Systems*, 23(2), 203-231. doi:10.2753/MIS0742-1222230209

Mersey, R. D. (2010). *Can journalism be saved?: rediscovering America's appetite for news*. Santa Barbara, Calif: Praeger.

Mindich, D. T.Z.. (2005). *Tuned out: why Americans under 40 don't follow the news*. New York: Oxford University Press.

Myllylahti, M. (2014). Newspaper paywalls – the hype and the reality: a study of how paid news content impacts on media corporation revenues. *Digital Journalism*, 2(2), 179-191. doi:10.1080/21670811.2013.813214

Nguyen, A. (2010). Harnessing the potential of online news :suggestions from a study on the relationship between online news advantages and its post-adoption consequences. *Journalism*, 11(2), 223-241. doi:10.1177/1464884909355910

Odlyzko, A. (2012). The volume and value of information. *International Journal of Communication* (Online) 6(1), 920-935.

Paolacci, G. & and Chandler, J. (2014). Inside the Turk: understanding Mechanical Turk as a participant poll. *Current Directions in Psychological Science*, 23(3), 184-188. doi:10.1177/0963721414531598

Pena, R. P. (2009, Nov. 16). About half in U.S. would pay for online news, study finds. *New York Times*, pp. B6.

Pickard, V. (2014). Salvation or folly?: the promises and perils of digital paywalls. Digital journalism, 2 (2), 195-123. doi:10.1080/21670811.2013.865967

Salwen, M. B. & Garrison, B. & Driscoll, P. D. (2005). *Online news and the public*, Mahwah, N.J.: Lawrence Erlbaum.

Seamans, R. & Zhu, F. (2014) Responses to Entry in Multi-Sided Markets: The Impact of Craigslist on Local Newspapers. Management Science 60(2), 476-493. http://dx.doi.org/10.1287/mnsc.2013.1785

Shields, M. (2012, March 29). Google unveils new revenue option for web publishers. Adweek, http://www.adweek.com/news/advertising-branding/google-unveils-new-revenue-option-web-publishers-139261

Singh, K. (2014) Sixty-one percent of consumers prefer companies with custom online content, *Mashable*. Retrieved from mashable.com/2014/08/11/content-marketing-roi-data/

Sjøvaag, H. (2016). Introducing the paywall, *Journalism Practice*, 10(3), 304-19. doi:10.1080/17512786.2015.1017595

Somaiya, R. (2014, Oct. 26). How Facebook is changing the way its users consume journalism. *The New York Times*, http://www.nytimes.com/2014/10/27/business/media/how-facebook-is-changing-the-way-its-users-consume-journalism.html

State of the News Media 2015. (2015, April 29) Pew Research Center, Retrieved from http://www.journalism.org/2015/04/29/state-of-the-news-media-2015/

State of the News Media. (2016, June 15). Pew Research Center, Retrieved from http://www.journalism.org/2016/06/15/state-of-the-news-media-2016/

Stephens, E. C. (2014). Paying for online news. (Master's thesis). University of Missouri - Columbia.

Talwalker, P. (2013). Would you answer a 1-2 question survey to read an article on the web for free? Retrieved from http://mindyourdecisions.com/blog/2013/06/26/would-you-answer-a-1-2-question-survey-to-read-an-article-on-the-web/

Tam, K. Y. & and Ho, S.Y. (2006). Understanding the impact of web personalization on user information processing and decision outcomes. *MIS Quarterly*, 30(4), 865-890.

Tam, Kar Yan& and Ho, Shuk Ying. (2005). Web personalization as a persuasion strategy: an elaboration likelihood model perspective. *Information Systems Research*, 16(3) 271-291. doi:10.1287/isre.1050.0058

The Huffington Post media group names six additions to expanding reporting team (2011). Entertainment Newsweekly, NewsRX LLC, 130.

Thorson, E. L. et. al., (2013). Identification of news reader preferences with conjoint analysis, unpublished research.

Thurman, N. (2012). Making 'The Daily Me': Technology, economics and habit in the mainstream assimilation of personalized news. *Journalism*, 12(4), 395-415. doi:10.1177/1464884910388228

Thurman, N. & Schifferes, S. (2012). The future of personalization at news websites. *Journalism Studies*, 13(5-6), 775-790, doi:10.1080/1461670X.2012.664341.

Trying out paywalls. (2011). Newspaper Association of America, http://www.naa.org/Topics-and-Tools/Digital-Media/Paid-Content/2010/Trying-Out-Paywalls.aspx.

Warner CEO: ITunes price increase led to lower sales, recession might also factor in (2010). New York: Newstex

Williams, A. T. (2016, 29 Feb.). Experiments and future models for digital news subscriptions. *American Press Institute*, ww.americanpressinstitute.org/publications/reports/digital-subscriptions-future

Wu, H. D. & and Coleman R. (2009). Advancing agenda-setting theory: the comparative strength and new contingent conditions of the two levels of agenda -setting effects. *Journalism & Mass Communication Quarterly*, 86(4), 775-789. doi:10.1177/107769900908600404

Yun, H. J. (2008) Social responsibility theory. *Encyclopedia of political communication*, Thousand Oaks: Sage Publications, Inc.