



New Study: Which Consumers Will Pay For Content, And When

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The big question looming over the newspaper and publishing business, is how to get consumers to pay for content online. As we look ahead to media company earnings over the coming weeks, Wall Street is looking for a sign that the likes of the New York Times and Washington Post will be able to build digital subscription revenues to compensate for the decline in traditional ads and paper subscriptions. Today we're getting some insight into the issue from a new study co-authored by PHD Media, a division of media and ad giant Omnicom Group, and Ipsos Mendelsohn, part of a media, content and technology research company.

The bottom line: consumers are reading more print content online, but the only way they'll pay for it, is if they perceive a real value and when comparable free content isn't readily available. That takeaway may not be a huge shocker, but the data behind it is surprising. For one thing, reading a print version doesn't mean you'll read an online version: just small a fraction of the 2,400 adults polled, read both the print and online versions of the same publication. And nearly a quarter of online readers **only** read the online version of a publication.

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Another surprising factoid: consumers don't care about the brand, they care about the content. I would have thought that people would click straight to NYTimes.com or WSJ.com — I do — but in fact many readers stumble upon content. A full 44 percent of the study accessed a publication website via a search engine. The big exception is sports, where readers are brand loyal. And I would have thought that online readers read **more**, but in fact the opposite is the case: the report says online readers are "info snacking" and spend just half the time reading than old-fashioned print readers.

The bad news from this survey is the fact that over half the respondents say they would be "very or extremely unlikely" to pay for content in the future. It all comes down to the problem that there are too many free content alternatives online. But the opportunity lies in the fact that digital versions attract different readers than print versions, so publications can target and customize web content.

Two options: either top publications will all need to start charging for content at the same time, to build a solid dual revenue stream and avoid a flight to other top websites. Or, content needs to take advantage of all that click-through history to become so customized and targeted that consumers won't mind paying.

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