
New media: The online evolution of newspapers



In September, the New York Times did an about-face of sorts. It ended its paid-for online subscription model, under which it had been charging for access to premium content by columnists and commentators such as economist Paul Krugman and writer Thomas Friedman.

In its explanation to readers, the newspaper said the online landscape had changed significantly as news had become easily and freely available. So allowing free and "unfettered access" best serves the interests of its readers and itself, the newspaper added.

Now, another major newspaper is set to scrap paid-for access. Rupert Murdoch, who is taking control of the Dow Jones group which includes the Wall Street Journal, has confirmed the Journal will also provide free access. That will provide a quandary for the Financial Times, which has just started offering different levels of access: should it continue with a mixed model of some free access and some paid-for access, or should it also open up its content to all?

Len Apcar, deputy managing editor of the International Herald Tribune and a former editor-in-chief of NYTimes.com, says enabling free and unfettered access to the online paper has "proven to be a very successful advertising model by itself."

'Little overlap'

Although cannibalisation of print newspaper sales by the online paper had "happened around the edges", the paper's online presence has helped boost online readership growth and, consequently, online advertising. Indeed, the online paper, now in its 12th year, complements the print newspaper as there is "very little overlap" among the readers of the online and print newspaper, Apcar says.

He adds that's because the readers of the online paper "want a different experience" and tend to use the "search-and-obtain" function of the internet to scan the headlines or get a quick overview of the news. By comparison, he argues, print edition readers are accustomed to a "lean back, open the paper and read" sensibility.

Because of that, "you can make up the difference of the subscription route by advertisements on the web, as readers come in greater volume," "More and more ads can be sold to those readers and you can generate more growth than if you put a paid ad on the side," Apcar adds.

Indeed, newspaper executives are coming to believe that online advertising sales could potentially be more lucrative than subscription sales, hence the FT's recent move to allow readers to view up to 30 articles a month for free. The initiative is seen as a pre-emptive move ahead of Murdoch offering free access to the Journal's online content.

Is a shake-up on the way?

Asked by INSEAD Knowledge whether Murdoch's acquisition of America's leading business daily and its parent Dow Jones could lead to a shake-up of the media industry, Apcar says it "very well could", given the Journal's "tremendous journalistic reach and power". However, he reckons that Murdoch faces strong competition from newspapers such as the Financial Times, the International Herald Tribune and the New York Times. "Nobody will be easily pushed over. And he has to pick a spot," Apcar says. "I don't

think he can take us all on in every different way, "

"Nobody's going to run away. It's a competitive playing field and we'll have to wait and see what his first moves will be".

Unquestionably, the playing field is fast evolving, says Apcar, as newsrooms around the world are "becoming truly platform-agnostic". By that, he means that newspapers are seeking to publish not just print editions but also via various distribution channels and forms of media including video and the internet. He also says that journalists will have to employ much more diverse methods of reporting. "I always used to say when I was web editor 'we've got to tell stories in ways the paper cannot tell them.'"

"So a New York Times reporter, for instance, now is called upon to think about the story in terms of web elements, interactive graphics, video-storytelling, additional photography, perhaps putting more documents up and supporting the story".

Citizen journalists

Part of the evolution of online journalism in recent years has been the advent of bloggers or, as some call themselves, 'citizen journalists'. Apcar says blogs have added a lot to journalism, but says he thinks that they will be "succeeded by something else."

For instance, he believes the popularity of video blogs will continue to grow, as evidenced by YouTube. As for NYTimes.com, it has been trying to cater to people's interest in video blogs by providing supplementary video reports to its reporters' main stories, says Apcar, who recalls asking a correspondent to film a report of his visit to North Korea.

"We thought people want to see what that's like so we video-blogged that," Apcar says. "So I can see more and more of that happening to find this kind of material supplemental to the principal news report which is what people want. We always have to remember that we are in the business of giving people information. And we're going to give it to them the way they want to get it. And if they want it on a particular device, we'll be there."

Len Apcar was a guest speaker at the INSEAD Business Journalists Seminar held at the Asia campus in Singapore in October. To find out more about the upcoming Business Journalists Seminar at the Europe campus in Fontainebleau in April 2008, [click here](#).

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