READING AND PAYING FOR DIGITAL NEWS:
OPPORTUNITIES AND CHALLENGES OF THE SUBSCRIPTION MODEL IN LATIN AMERICA

Building stronger societies   Founded by The Omidyar Group

Why this research

- The research was commissioned by **Luminate**, a global philanthropic organization that supports organizations and entrepreneurs around the world working to change across four impact areas: Civic Empowerment, Data & Digital Rights, Financial Transparency, and Independent Media.

- The goal of this research is to provide news organizations with insights based on consumer feedback as they build out their digital offerings and look to increase revenue from subscriptions.

- This work is builds on our work with **Velocidad**, an accelerator program led by ICFJ and SembraMedia and funded by Luminate in 2019, that provides funding and consulting for news startups operating in Latin America.

Our partners

- **Provokers** is an international market research and strategic marketing firm, specializing in idea generation and organizational transformation.

- Founded in 2009, the firm helps develop new products, business models and strategic positioning based on consumer insights.

- It has a presence in Argentina, Brazil, Colombia, Chile, Mexico, Uruguay and Central America and the Caribbean, with more than 250 employees and more than 200 clients of large multinationals.

Objectives and methodology

Objectives

- To explore whether digital news consumers in Argentina, Brazil, Colombia and Mexico are interested in paying for digital news access.

- To understand the drivers that may contribute to a successful subscription model.

Qualitative stage

Information on interviews

- **80 In-depth interviews** (20 per country) **with individuals who read online news** at least twice a week.

  - 10 interviews with readers without subscriptions.

  - 10 interviews with readers who have some type of subscription.

- Mix of men and women in each segment.

- Mix of socioeconomic levels (SEL) in each segment: 5 Middle/High SEL and 5 Middle/Low SEL interviewees

- Mix of ages: 5 interviewees 18 to 25 years old and 5 interviewees 35 to 55 years old*

- **9 in-depth interviews** (2-3 per country) **with experts** in digital media and online news.

Qualitative stage

Experts

- **Chani Guyot:** Former Editor-in-Chief of the La Nación newspaper. Current founder and CEO of the digital media company, Redacción
- **Eugenia Mitchelstein:** Director of Undergraduate Communication Studies at the San Andrés University

- **Renata Rizzi:** Co-founder and Director of Strategy and Business of NEXO JORNAL
- **Paula Miraglia:** Co-founder, CEO and Publisher of NEXO JORNAL
- **Pedro Burgos:** Founder of Impacto.jor and an ICFJ Knight Fellow

- **Alejandro Gomez Dugand:** Director of Cerosetenta magazine
- **Manuel Azuero Figueroa:** Founder and consultant to the news website, La Silla Vacía

- **Adriana Peña Johansson:** Director of Advernativa
- **Mely Arellano**: Founding Director of the online newspaper Lado B

Quantitative stage

Information on interviews

- **8,570 interviews through an online survey.**

- Men and women 18 to 65 years old, **who read digital news** at least once a week. High, Middle-high and Middle-low SEL

  - ARGENTINA: 2,037 interviews
  - BRAZIL: 2,047 interviews
  - COLOMBIA: 2,033 interviews
  - MEXICO: 2,453 interviews*.

- Fieldwork date: June-July 2020

- Survey tool: 20-minute-long semi-structured questionnaire

*The probabilistic sample was completed with a booster sample of subscribers to exceed the minimum of +200 cases.
Argentina: AMBA, Rosario, Córdoba, Mendoza and other cities
Brazil: São Paulo and the SE region. Main regions identified as Pará and the North region, Bahía and the NE region, Rio Grande Do Sul and the South region and Goias and the West Center region
Colombia: Bogotá. Barranquilla, Medellín, Cali, Bucaramanga and other cities
Mexico: Greater metropolitan zone of Valle de Mexico, Metropolitan zones of Guadalajara, Monterrey, Puebla-Taxcala and other cities

Main findings

During the COVID-19 pandemic, 57% of readers of digital media in Argentina, Brazil, Colombia and Mexico have increased their consumption of news.

90% of consumers are accessing digital news at least twice a week, with 78% accessing at least once every day.

Digital news platforms now account for over half (57%) of all news content accessed, highlighting the increasing dominance of digital platforms as the primary sources of news and information.

Consumers are willing to pay for digital content, with 13% of respondents paying for at least one news subscription or service.

While relatively modest, these figures show that willingness to pay for digital news amongst consumers in Latin America is higher than in some other countries, including established markets such as the UK (8%) and Germany (10%) and is not far behind the US (20%).*

For consumers who are currently paying for news, two of the most important factors are the ability to provide high-quality content (36%) closely followed by the credibility of the media organization as a source of serious and reliable information (34%).

In addition to these factors, the MaxDiff methodology* found that across all survey respondents, including those who are not currently paying for news, the independence of news media from political or other vested interests was also important.
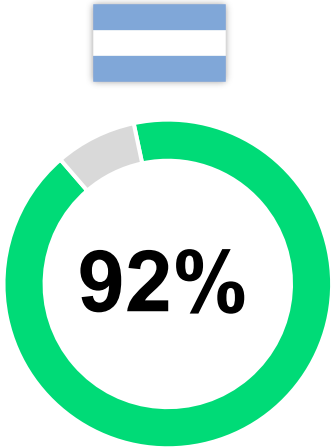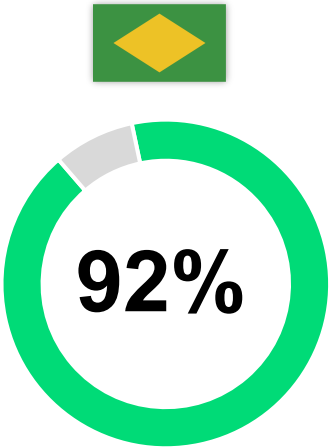
Media consumption

High consumption: 9 out of 10 consumers read the news on a weekly basis

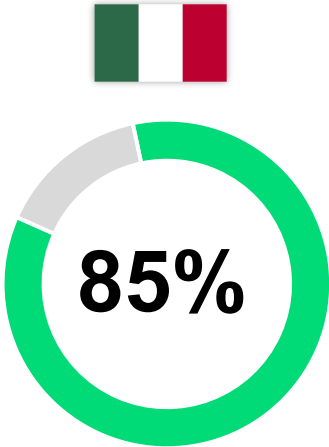**Percentage who read digital news at least twice a week**

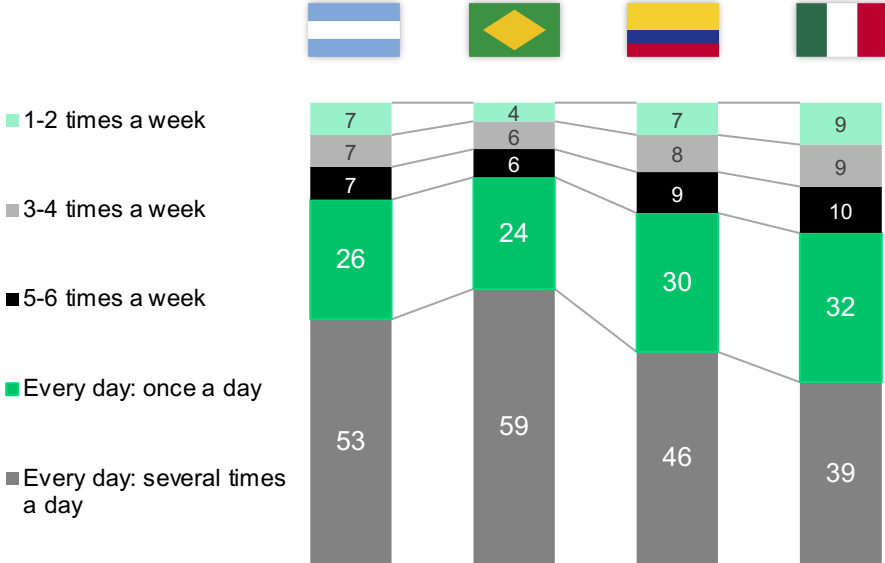|			
92%	**92%**	**91%**	**85%**
Base: Total Argentina sample (2208 cases)	Base: Total Brazil sample (2209 cases)	Base: Total Colombia sample (2238 cases)	Base: Total Mexico sample (2405 cases)
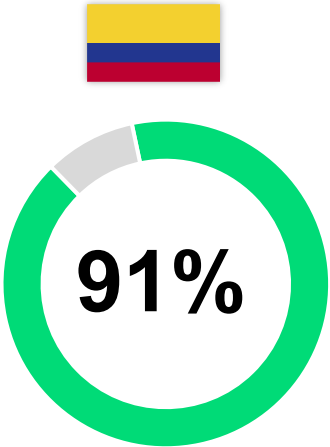
# More than half read the digital news several times a day

Frequency of news consumption through digital media

	Argentina	Brazil	Colombia	Mexico
1-2 times a week	7	4	7	9
3-4 times a week	7	6	8	9
5-6 times a week	7	6	9	10
Every day: once a day	26	24	30	32
Every day: several times a day	53	59	46	39

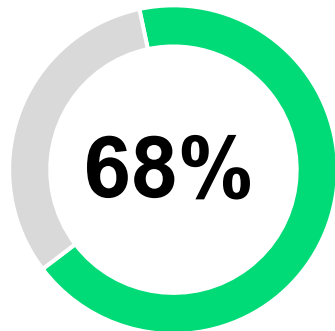# Over half the consumers of digital media have increased consumption during Covid-19

Percentage who consume digital media more or somewhat more than before Covid-19
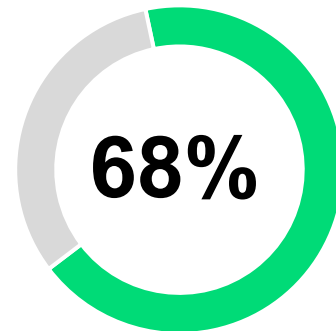
55%
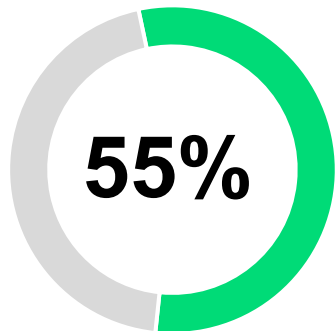
Base: Readers of digital media.
Argentina (2037 cases)

65%
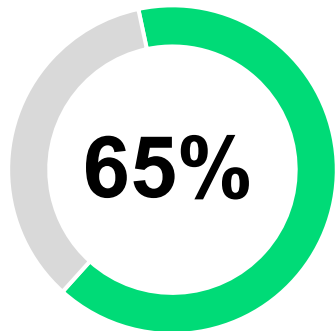
Readers of digital media.
Brazil (2047 cases)
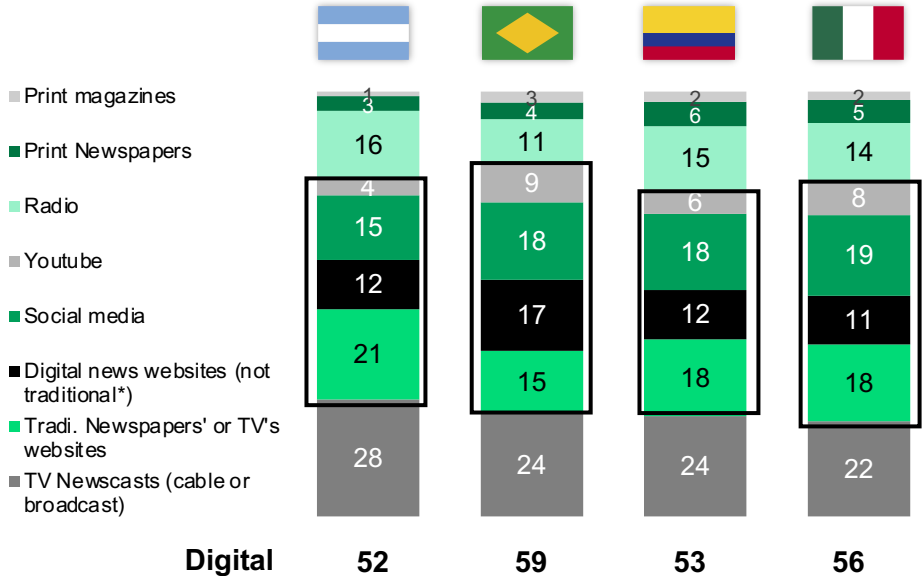
68%

Readers of digital media.
Colombia (2033 cases)

68%

Readers of digital media.
México (2048 cases)

Q23. Are you reading or informing yourself through digital media/internet more than before? SA

Digital platforms now account for over half of all news content accessed

Media through which people stay informed - % of time consumed

	Argentina	Brazil	Colombia	Mexico
Print magazines	1	3	2	2
Print Newspapers	3	4	6	5
Radio	16	11	15	14
Youtube	4	9	6	8
Social media	15	18	18	19
Digital news websites (not traditional*)	12	17	12	11
Tradi. Newspapers' or TV's websites	21	15	18	18
TV Newscasts (cable or broadcast)	28	24	24	22
Digital	**52**	**59**	**53**	**56**

Traditional media are confronted with new challenges

TV

- **TV news programs account for a large part of** news consumption time.

- However, they are increasingly deemed as **yellow press and biased**, a source of **opinion** rather than one of information.

- **Youth** see TV as less practical and **outdated**

Radio

- Even though it's not consumed as much as other media, radio garners **higher levels of trustworthiness.**

- In **Brazil and Mexico** its value comes from being **informative**; those in **Argentina and Colombia** see the media as more entertaining

- Its consumption is, at times, **limited to certain spaces**, like in the car, for instance**.**

Print newspapers

- Tradition that is becoming **obsolete due to the frenzied pace of news, as well as its cost and environmental issues.**

- More **reliable** than TV, the **editor's support and in-depth analysis of news** is much appreciated.

- More **consumed by older people**, some of whom like reading them as a **"ritual"**.

Consumers read majority of their digital news on mobile devices

Percentage who access from a smartphone

87	90	90	87
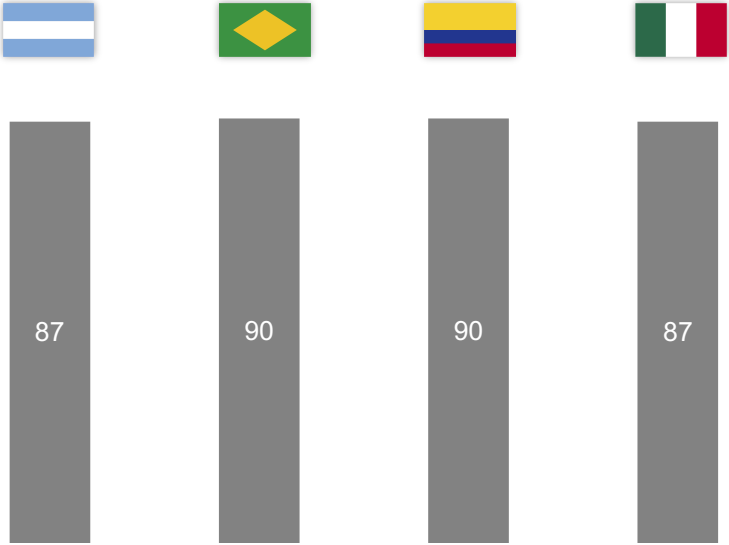
> " In the past 5 or 6 years I am practically exclusively informed through my mobile phone."
>
> (AR. M. 35-55 Does not pay)

> " Internet is like a tool that allows you to look for information; I think you can have information, literally in the palm of your hands, with a mobile phone, a computer."
>
> (BR. W. 18-25 Does not Pay)

> " Before, you had to wait for the news broadcasting, or have time to read the news, now you can get informed whenever you want
>
> (AR. H. 35-55. Does not pay)

Base: Readers of digital media. Argentina (2037), Brazil (2047) , Colombia (2033) , Mexico (2048)

Q13. What device/s do you use to access or read news on digital media? Please select all options that apply. MA – ROTATE OPTIONS

Generally speaking, readers find information less reliable than in the past

" It's a lot easier to access information yet not all information is true or factual. For instance, fake news is a current concern."
(M, 18-25, Does Not Pay, ML)

" As far as reading, I read everything and look for differences between one and the other. I do not take anything for granted, it's information and you don't know to what extent it's true."
(AR. M. 35-55 MH Does Not Pay)

" Online media is more practical, generally speaking, but print is more trustworthy; they have had more time to verify the information."
(CO. W. 35-55 ML Pays)

" Perhaps it's information that looks reliable and little by little I get closer to the source of that information, some look terribly fake."
(W. 18-24 ML Does Not Pay)

" There are a lot of lies in the midst of it all, so people need to look carefully, too much fake news, and that does get in the way."
(M, 35-55 ML, Pays)

Digital media are facing two major challenges

Credibility

Digital media have inherited the credibility problems of traditional media platforms.

This is further exacerbated by the **proliferation of diverse sources of information,** which demand greater rigor and professional ethics.
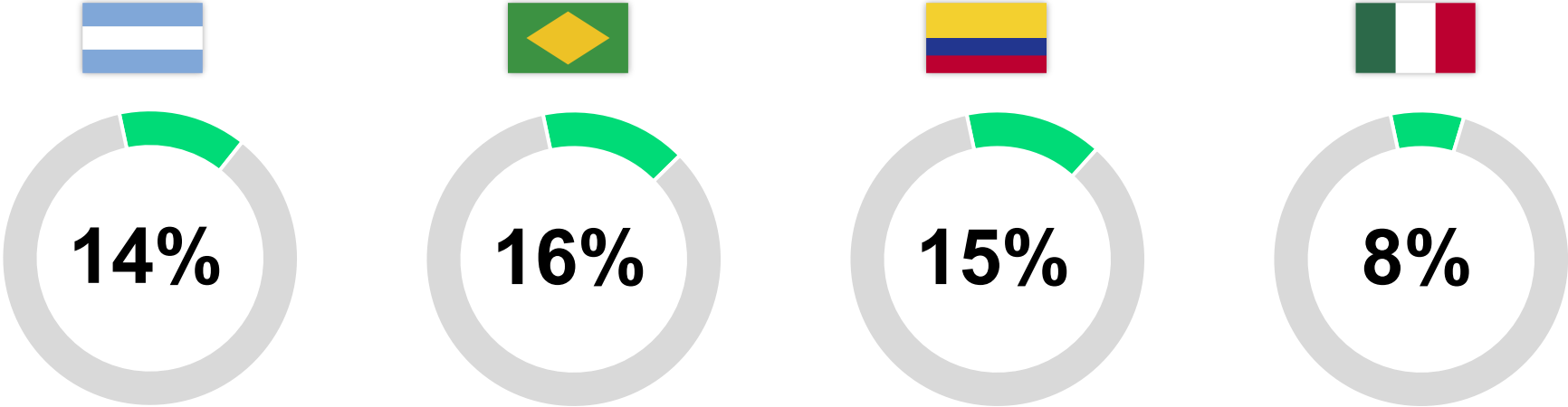
Sustainability

Digital media, like its traditional counterparts, has seen a **decline in advertising revenue** amidst economic recession and retraction.

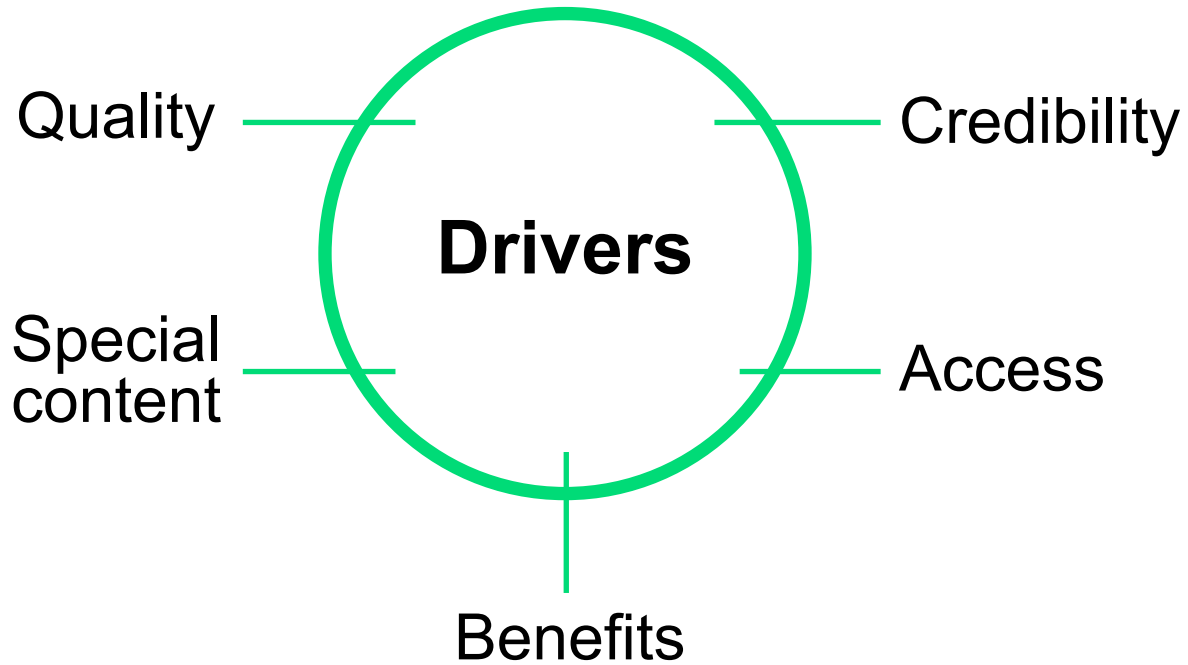# How to increase the number of subscribers? Understanding barriers and drivers

There are major areas of opportunity to increase the number of digital media subscribers

Percentage subscribed to at least one digital media

Argentina	Brazil	Colombia	Mexico
14%	**16%**	**15%**	**8%**

Quality

Credibility

Special content

Access

Drivers

Benefits

Quality: One of the main subscription drivers

Percentage that spontaneously mention "because of the quality of its content"
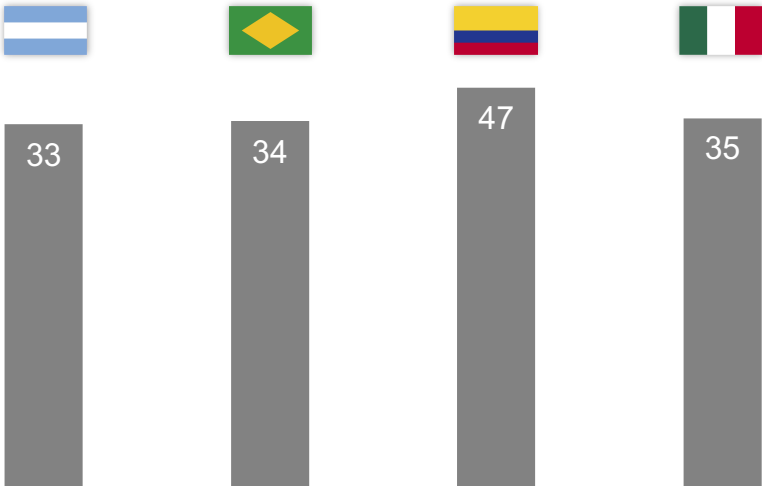
Credibility: Offering serious and reliable information

Percentage that spontaneously mention "because it has serious and reliable information"
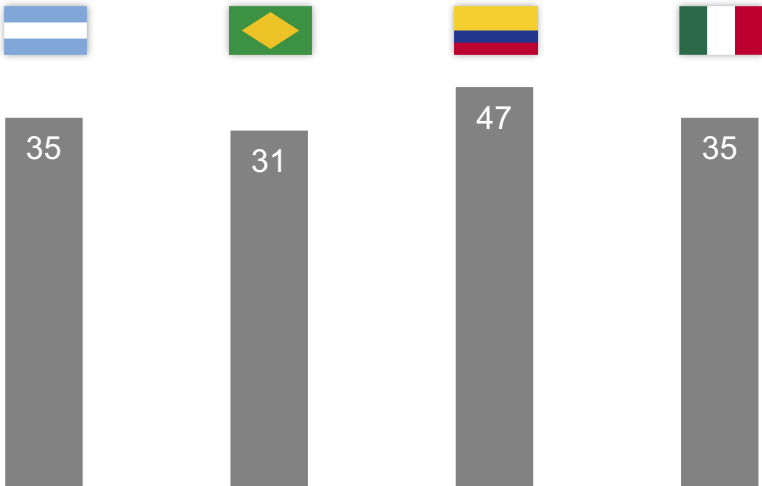
Base: Those who have a paid subscription (multiple bases on evaluated media) Argentina (404 cases), Brazil (543 cases), Colombia (482 cases), Mexico (258 cases).
Q12. TO THOSE WHO ARE SUBSCRIBED (Q9) Why are you subscribed to FILL IN MENTIONED MEDIA? Please select all the applicable options. MA. ROTATE OPTIONS

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Quality and credibility are also based on journalists' reputations

Percentage that spontaneously mention "because it features journalists that are renowned or have good track records"

Access: Content without restrictions

Percentage that spontaneously mention "to be able to access content through internet / online without any restrictions"
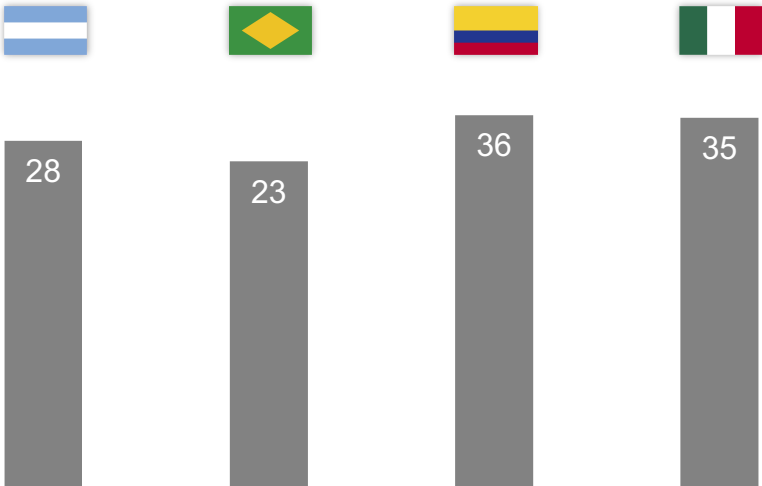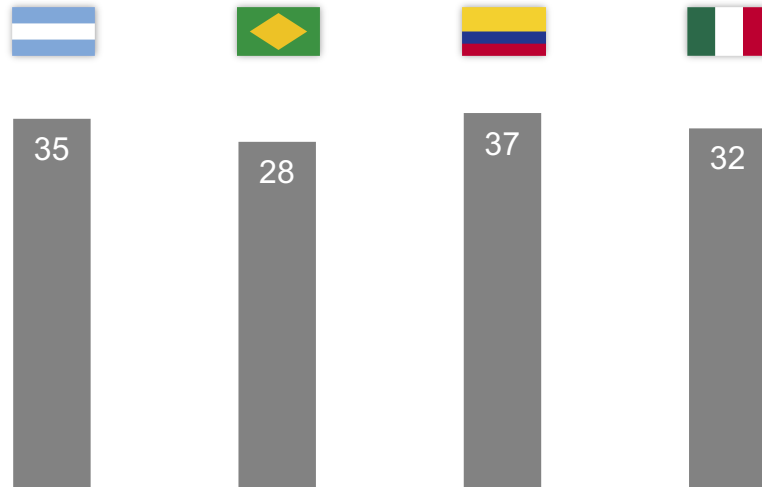
Base: Those who have a paid subscription (multiple bases on evaluated media) Argentina (404 cases), Brazil (543 cases), Colombia (482 cases), Mexico (258 cases).

Q12. TO THOSE WHO ARE SUBSCRIBED (Q9) Why are you subscribed to FILL IN MENTIONED MEDIA? Please select all the applicable options. MA. ROTATE OPTIONS

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Special content: More interest among young adults

Percentage that spontaneously mention "because it offers special content to its subscribers"
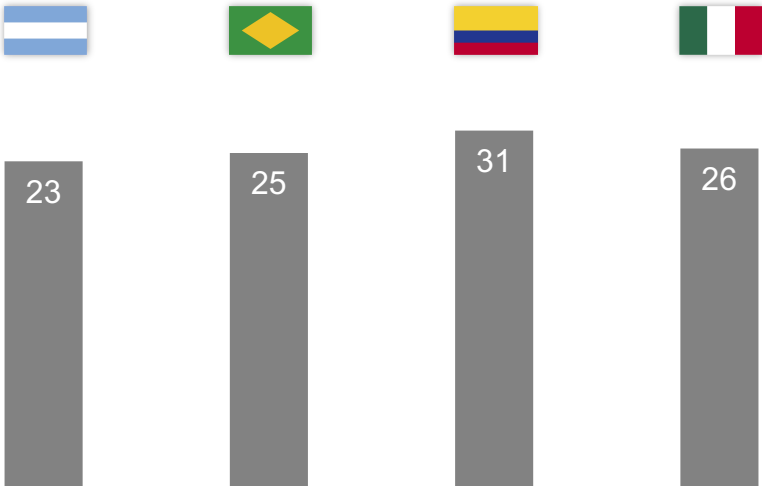
Argentina	Brazil	Colombia	Mexico
23	25	31	26

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Benefits and discounts: particularly relevant in Argentina

Percentage that spontaneously mention "because of the benefits and discounts card"
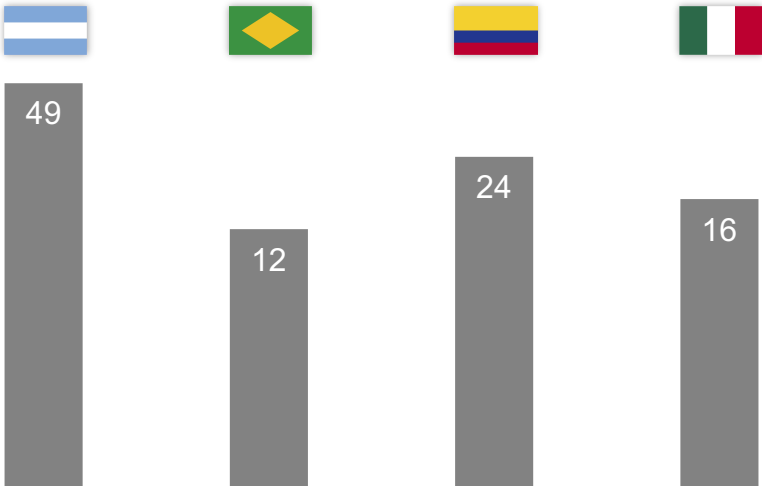
Consumers keep subscriptions for over a year before canceling

Months of subscription before cancelation
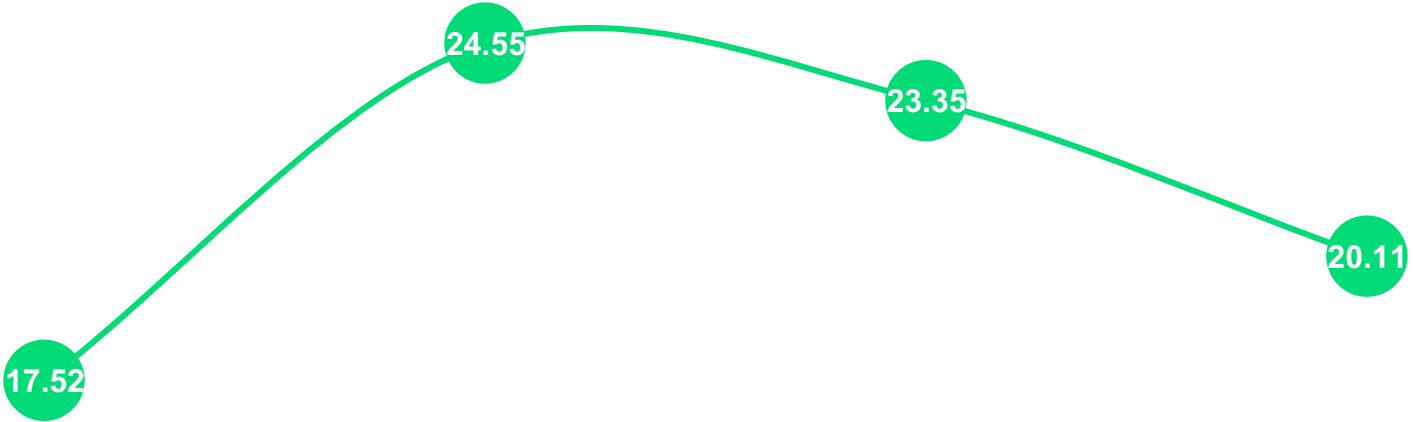
17.52   24.55   23.35   20.11

Savings and boredom: the main reasons to cancel a subscription

	Base	🇦🇷 319	🇧🇷 450	🇨🇴 398	🇮🇹 308
I had economic problems and had to save money		**39**	**54**	**37**	**40**
I was bored, I didn't access frequently, and it was not worth it		31	21	**37**	**34**
I wasn't getting anything special that would justify paying		28	22	27	28
I subscribed because I was getting an additional benefit (discounts, tickets, etc.) and once the benefit expired, I unsubscribed		28	19	19	14
It was slow, hard to read, etc.		4	8	5	8
The news media shut down		1	2	3	2
Other		5	5	5	5

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Unique value proposition

With an **abundance of accessible and free information**, digital media **fail to show** the audience its **differentiating factors and relevance.**
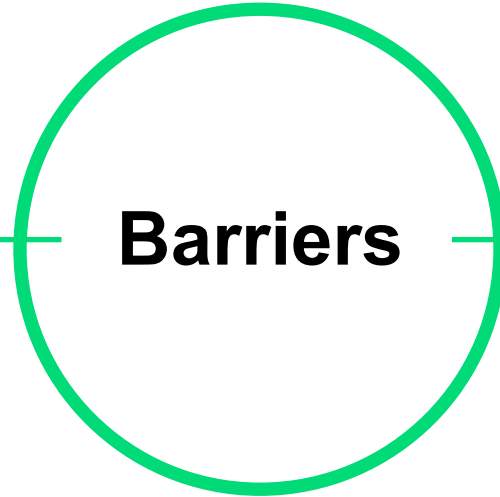
Barriers

Cost

Being **free-of-charge** is viewed as an implicit benefit of digital content, and has come to be seen as a **right**.

Relevance: 9 out 10 consumers think it's not worth paying for

Percentage that mentions that it is not worth paying for

🇦🇷	🇧🇷	🇨🇴	🇲🇽
92	90	94	93
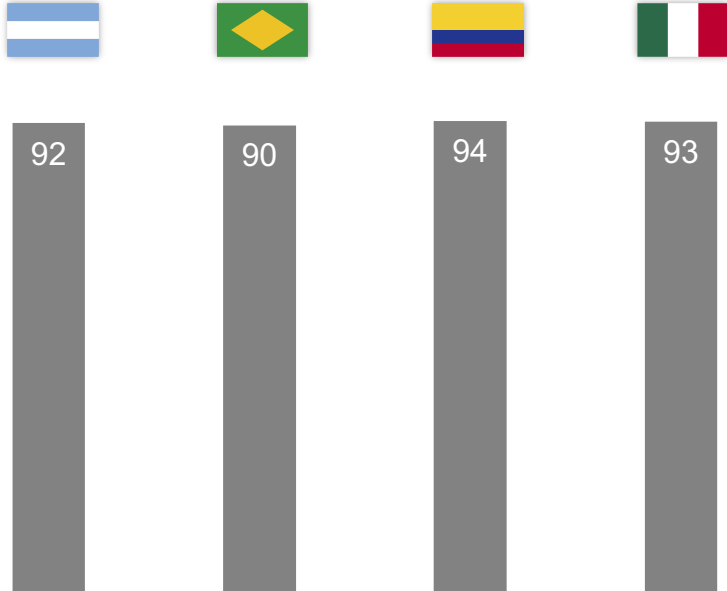
" One way or the other, you get the information, and I feel it's the same, unless they add some significant details."
(COL. W. 18-25 Does not pay)

" Actually, you don't spend money on things that don't last or don't have enough relevance. I think that's the question, it didn't call my attention, I didn't find it attractive enough to subscribe. I didn't think it was worth paying for or spending that money on it."
(MX. W. 18-24 Does not pay)

" Even if I could afford it, I wouldn't be interested in subscribing to a news portal, I'd rather spend that money on something else."
(BR. M. 35-55 Does not pay)

" Nowadays , in our head there's free access to media. Actually, I never thought there'd be restrictions or that you had to subscribe."
(AR. W. 35-55 Does not pay)

Base: People with no paid subscription

Q25. What's the reason why you're not subscribed to digital media? Please select all the applicable options

34

Easy access to free content and lack of exclusivity, the main barriers associated with relevance

Percentage that mentions factors grouped as "not worth paying for"
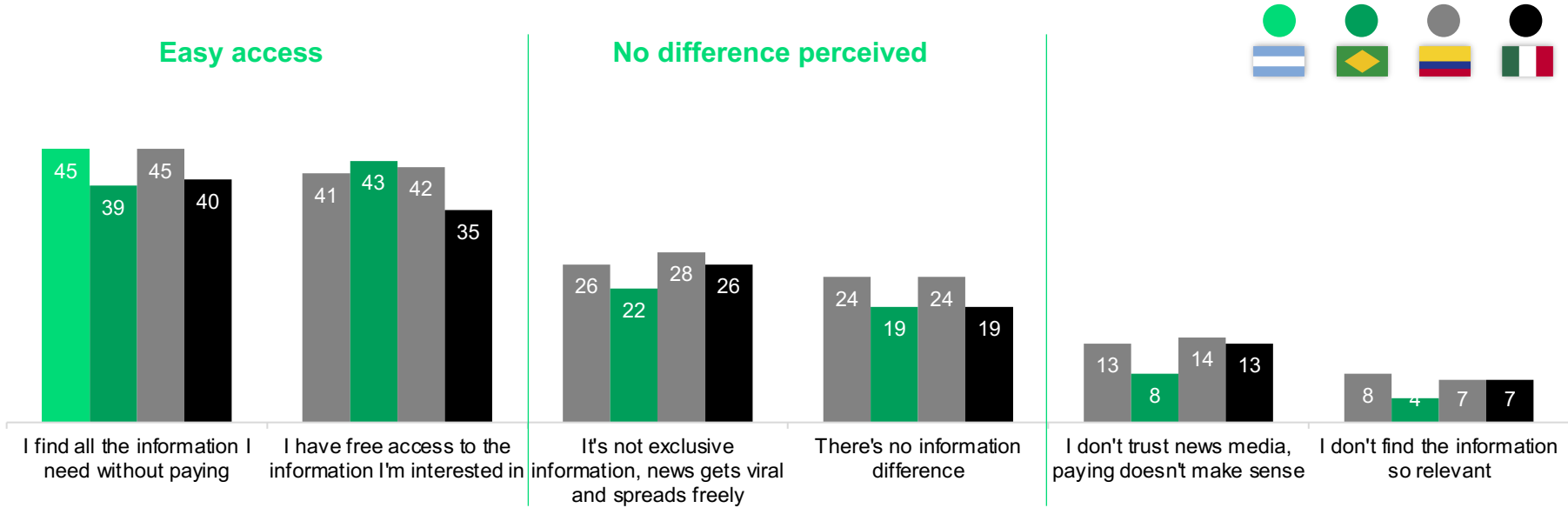
Easy access

I find all the information I need without paying	45 / 39 / 45 / 40		
I have free access to the information I'm interested in	41 / 43 / 42 / 35		

No difference perceived

It's not exclusive information, news gets viral and spreads freely	26 / 22 / 28 / 26
There's no information difference	24 / 19 / 24 / 19

I don't trust news media, paying doesn't make sense	13 / 8 / 14 / 13
I don't find the information so relevant	8 / 4 / 7 / 7

Cost: for 9 out of 10 consumers, the costs are not justified

Percentage that mentions mentions factors "due to cost and price"

Argentina	Brazil	Colombia	Mexico
88	90	92	90
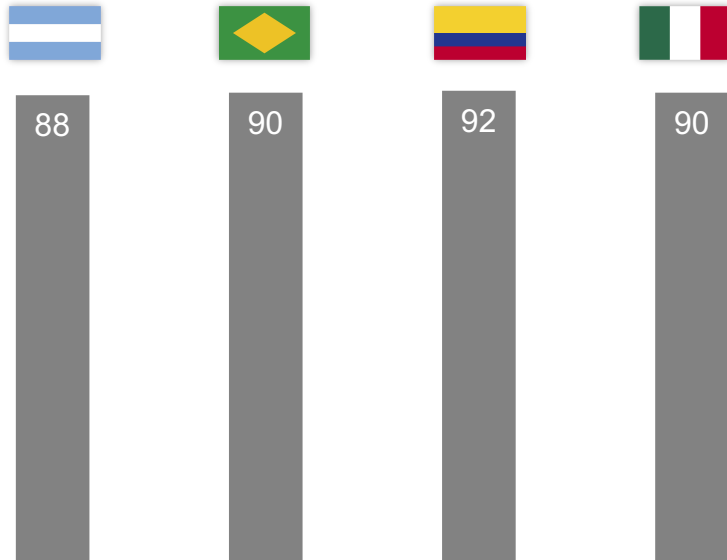
" Today newspapers have so many people, so many companies, that to charge a fee for bringing in the news is unacceptable, they earn money through advertising, through other means, I think news articles should be free."
(M. 35-55 MH Does not pay)

" To me, information is associated with freedom."
(COL. W. 18-25 MH Does not pay)

" If I'm already paying for a data package, the price shouldn't be high so I could pay for the service. 50 Mexican pesos per month, that means 600 pesos per year."
(MEX. M. 35-55 MH Does not pay)

" Given the present situation, I have other priorities. Salary increases don't go hand in hand with inflation, I feel it's a waste. You can find information in other browsers; in incognito mode I don't pay anything."
(AR. W. 18-25 Does not pay)

Right to access information for free and price are the main barriers associated with costs

Percentage that mentions factors grouped as "due to cost and price"

Free-of-charge   **Cost**

	Argentina	Brazil	Colombia	Mexico
Information access is a right, therefore it should be free	31	36	34	29
I don't think they should charge for the service when they have advertising	31	16	29	25
Suscriptions are expensive, and it's not worth paying for	27	27	29	23
Subscriptions are expensive, and I can't afford more expenses	21	34	27	25
I didn't know I had to pay, or that some media have the option of a paid subscription	8	4	8	12
Subscription access is only for one user	4	4	6	7

If paywalls are present, consumers become frustrated and go elsewhere

Percentage that mentions factors related to "because you can avoid paying"

Argentina	Brazil	Colombia	Mexico
82	85	88	84
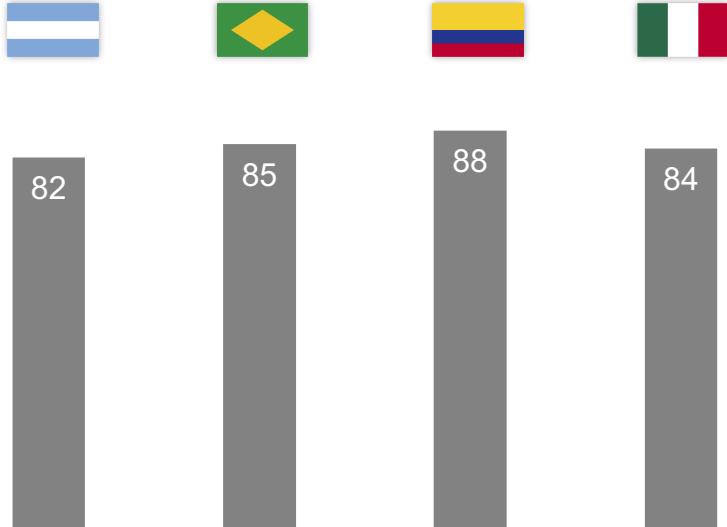
> 66 I go somewhere else, that's it. I don't side with any of them. I don't think it'll make any difference to me. If I can't access because I don't have a subscription, I look for a free website."
>
> (AR . W. 35- 55 Does not pay)

> 66 It makes me feel somewhat frustrated, but I go and look for it in other news media. Nowadays, there are many news websites, if you start looking, you'll probably find it somewhere else."
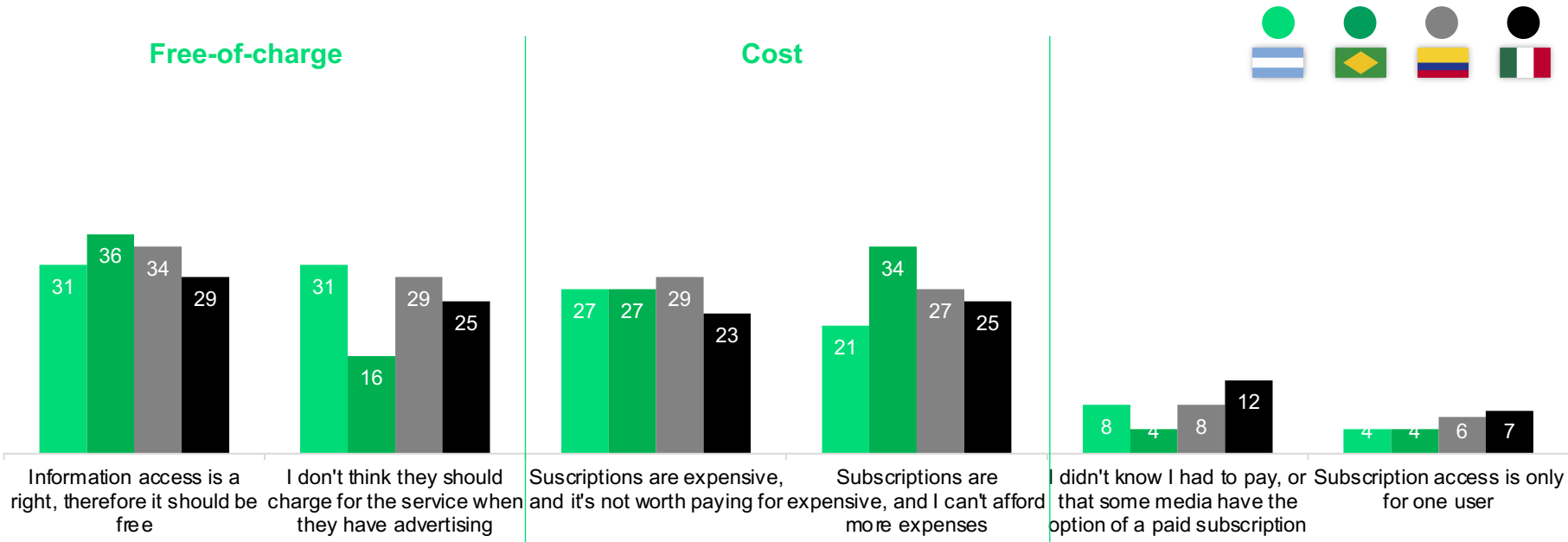>
> (COL. W. 18-24 Does not pay)

Base: People with no paid subscription

Q25. What's the reason why you're not subscribed to digital media? Please select all the applicable options.

How can subscriptions be generated?

MaxDiff Methodology

Participants choose the most important/best and least important/worst characteristics from a list of items. This results in interval scale measurement.

1 **Ease**   Choosing the best-worse is easier for respondents

2 **Discrimination**   Better results than in an agree/disagree scale (among people and among attributes)

3 **Stability**   Better results with fewer cases

Relevance — **Triggers** — Transparency

Reasonable price — **Triggers** — Payment options

Benefits — **Triggers** — Advertising-free
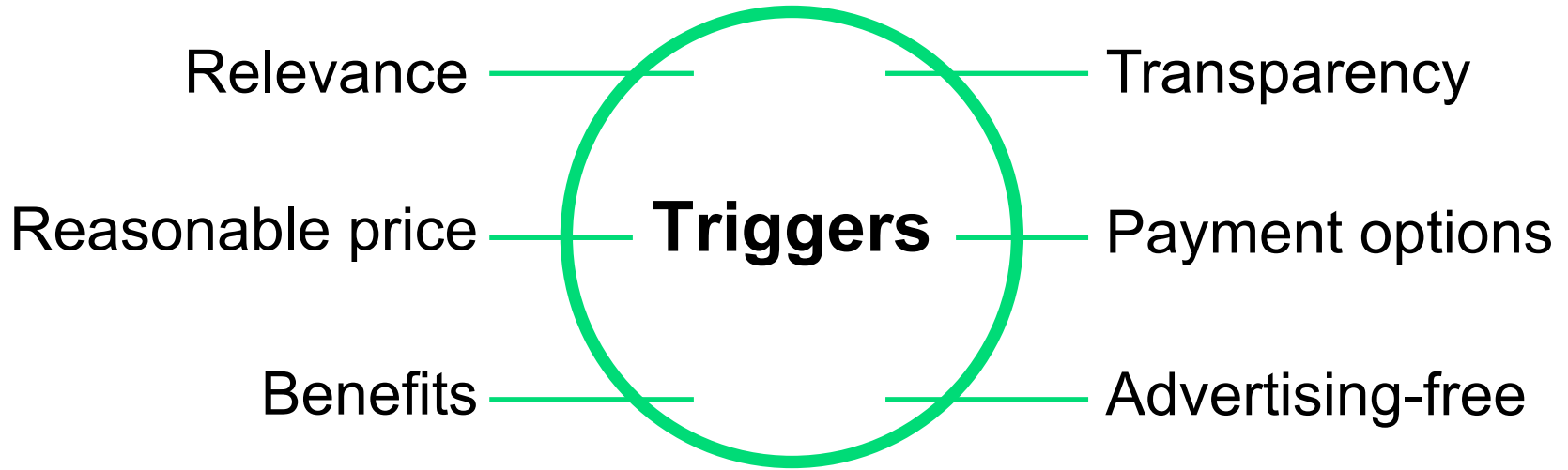
Attributes ranking (1/2)

	🇦🇷	🇧🇷	🇨🇴	🇮🇹
Having unlimited access to all news content	6.5	7.00	6.4	6.1
That it include broad and general content	5.8	6.1	5.1	5.5
That it is independent from the current party in office	7.4	4.7	6.4	5.1
Further development and analysis of the news with specialists and collaborators from different countries, etc.	5.1	4.9	6.4	5.9
Having access to advertising-free content	5.3	4.4	4.1	4.6
That it meet my personal, work or professional concerns and needs	5.1	3.9	5.4	5.2
That it be a specialist on the issues I am most interested in (not general issues)	3.9	3.5	4.4	4.3
A media I support because of its values and quality	3.9	4.1	4.2	3.6
That the site loads faster, is lighter	3.5	4.1	2.8	3.2
Access to other publications, apart from the news portal: newsletter, e-magazines, podcasts, etc.	2.8	3.9	4	4
That the news match my profile, as it the case with Netflix, Spotify or Amazon, which show/adapt content to your interests	3	4.1	3.1	3.5
Additional benefits: tickets for cultural events, book releases, TED talks, etc.	3.7	3.5	3.4	3.3
Additional benefits: discounts for restaurants, stores, supermarkets, etc.	3.9	3.6	3	2.7
That it have a smartphone app to access news and content	2.6	3.8	3.1	3.8
Loyalty programs: bonuses, discounts or gifts for loyalty	3.7	3.6	3	2.7
Having access to exclusive content for subscribers: research, editorials, columns, etc.	2.9	3.1	3.9	3.7
Exclusive access to breaking news: advanced notifications	2.9	3.5	3.6	3.2
Additional benefits: courses and/or training sessions. Either e-learning or in-person.	3.3	3	3.4	3.3

Attributes ranking (2/2)
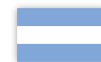
	🇦🇷	🇧🇷	🇨🇴	🇮🇹
That it include more local content	3.2	3.4	2.7	2.9
More audiovisual content: videos, podcasts, etc.	2.6	3.3	3.4	3.6
That it allow shared access with other household members	2.8	3.1	3	3
Prestigious, renowned collaborators / journalists	3.2	2.3	2.4	3
That there are different plans or subscriptions	2.6	3.4	2.1	2.2
That it allow interaction with its journalists and columnists by means of discussion forums, IG live sessions, chat, etc.	2.3	2.3	2.6	2.7
That it include more international content	2.2	1.6	2.5	2.5
Young, trend setter collaborators /journalists	2.1	1.8	1.7	2
International collaborators / journalists, from Europe or the USA	1.5	1.5	1.7	1.9
To support a journalist I admire/ respect	1.4	1.4	1.2	1.4
That it also offer a print version (magazine or newspaper)	1.1	1.2	1.1	1.3

Building a successful digital news outlet

Access

- Across countries, **having unlimited access to all news content** is highly valued.

- Readers also value **being the first to receive breaking news** and the ability to access information from an app, especially in Brazil and Mexico.

Content

- Consumers seek media that not only provides them with **broad and general content** but also **meets their specific needs**.

- These needs might be specific areas of interest or **information that makes everyday life easier**.

- Readers in Colombia and Mexico especially value **exclusive content**.

Quality

- Readers demand high quality **insights and analysis** of the news.

- **Featuring specialists and journalists from other countries** is an added value.

Relevance based on unlimited access to news

Percentage that mentions in MaxDiff having "unlimited access to all news content"

🇦🇷	🇧🇷	🇨🇴	🇮🇹
6.5	7.0	6.4	6.1
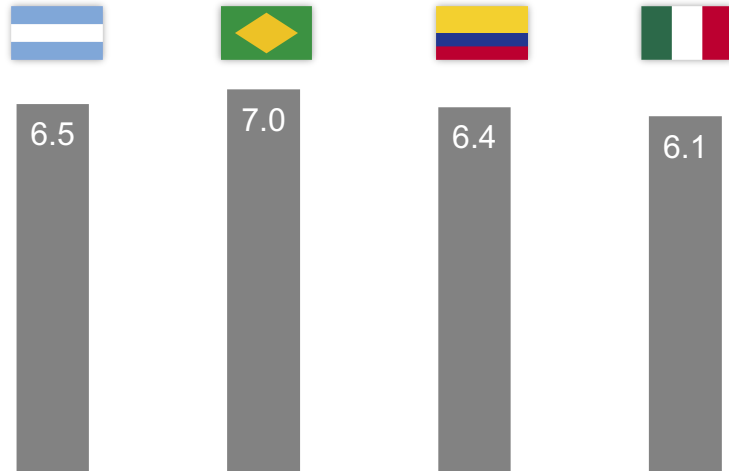
" A point in favor is that subscription fee is 20 dollars a year for unlimited access to articles. I love being truly informed and regarding El Espectador, well, I love the newspaper."
(CO W. 18-24 MH Pays)

" It depends on the type of content, what it would be about, the type of media you have access to. I don't know, a media that provides unlimited access to all the magazines of a certain publisher and to certain newspapers." I don't know. It really all depends on the proposal."
(BR M. 35-55, MH Pays)

" Maybe an app that runs well on smartphones, for example, unlimited access to sign in and check out the news. I'd like certain authors to pop up, like a Facebook page, reduced to that news platform."
(AR. W. 35-55, Pays)

In **Brazil, Colombia and Mexico**, "**access to other publications, besides the news portal: newsletters, e-magazines, podcasts, etc.,**" is an important reason for subscribing. (3,9, 4,0, 4,0).

Base: Digital media readers. Argentina (2037), Brazil (2047), Colombia (2033), Mexico (2048)

MAX DIFF METHODOLOGY
Q30. If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options would define your subscription decision? If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options is the most important and which the least important to consider subscribing?

Credibility: a media independent from the party in office, unbiased

Percentage that mentions in MaxDiff wanting "independence from the party in office"

Argentina	Brazil	Colombia	Mexico
7.4	4.7	6.4	5.1
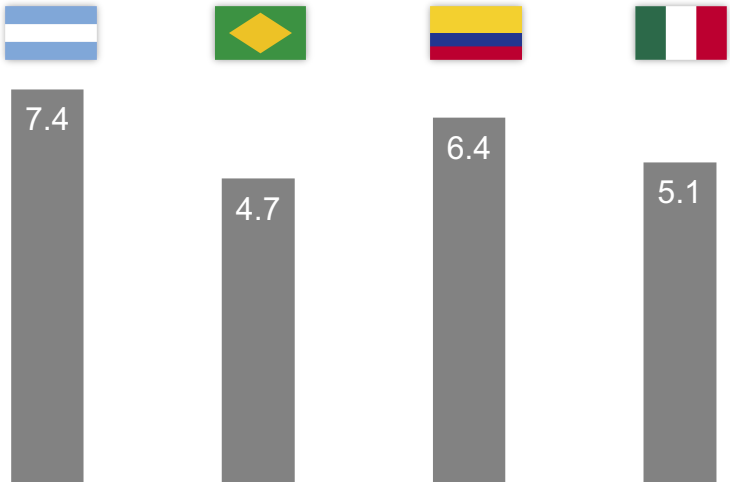
> "I'd like it to be impartial information, without trying to protect or safeguard identities or parties. [I'd like it to] be more impartial and objective.
>
> (CO M. 35-55 ML Does not pay)

> If other media had a good reputation for not being polarized and giving real news, I'm certain that people would not complain about paying. I feel that when all's said and done, media will just report what they want to. Yet, if things were different, I'd be willing to subscribe to their [digital] portals."
>
> (CO W. 18-24 MH, Pays)

Relevance based on content: address specific topics of interest without losing sight of general content

Percentage that mentions in MaxDiff wanting "broad and general content"

5.8 **6.1** **5.1** **5.5**

" Politics and sports related news are published everywhere, yet not science-related news, that's something I'm interested in. All the things I like, such as music, cosmology, religion; having the option to choose all the topics you want would be really interesting."
(BR. M. 35-55 MB Does not pay)

" Focused on a single topic, there is economy, general culture and there is something more complete. There isn't any one really focused on a single topic. And the topics are much more explicit, it's not like day to day."
(MEX. W. 35-55, MH Pays)

Relevance based on content: address specific topics of interest without losing sight of general content

Percentage that mentions in MaxDiff wanting content that "meets personal, work or professional concerns and needs"

" I'm a public accountant, a tax section. Also, architecture, for architects." (BR M. 35.55, Does not pay)

" I check dollar-related information, something I didn't use to do. To be informed for my holidays, to project expenses." (AR. W. 35-55 Pays)

In **Argentina, Colombia and Mexico** "**That it be specialized in issues I'm interested in (not general issues)"** is an important reason. (3.9, 4.4, and 4.3 respectively)

In **Brazil**, **"That the news adapt to my profile, as is the case with Netflix, Spotify or Amazon which show /adapt to your interests."** (4.1)

Relevance based on quality: Include specialists' views

Percentage that mentions in MaxDiff wanting news that "offers further insights and analysis from specialists, journalists from other countries, etc

🇦🇷	🇧🇷	🇨🇴	🇮🇹
5.1	4.9	6.4	5.9
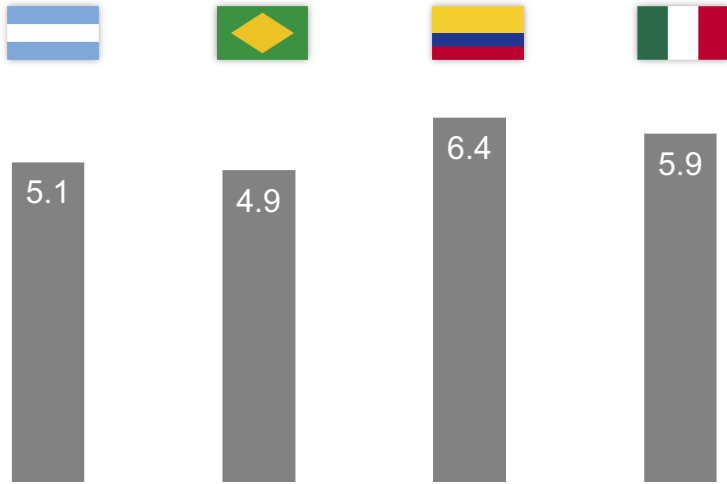
" Bring in more information, more people, more quality. We're in the Internet era, having more people and columnists from other places issue their opinions is possible, they could completely shift the newspaper format taking other well-known newspapers as examples."

(CO W. 35-55 MH Pays)

" If they include several renowned analysts and some journalists who actually analyze, who carry on a more, let's say, profound debate -and that's what I like: the kind of substantiated debate-, I'd say you can find this there, they are renowned journalists."

(MEX M.18 -24, ML Does not pay)

" The most outstanding, specialized in their countries, who hold their own blogs and entries across the world. Being able to access this information would be really interesting and exciting, even if it were a paid service.

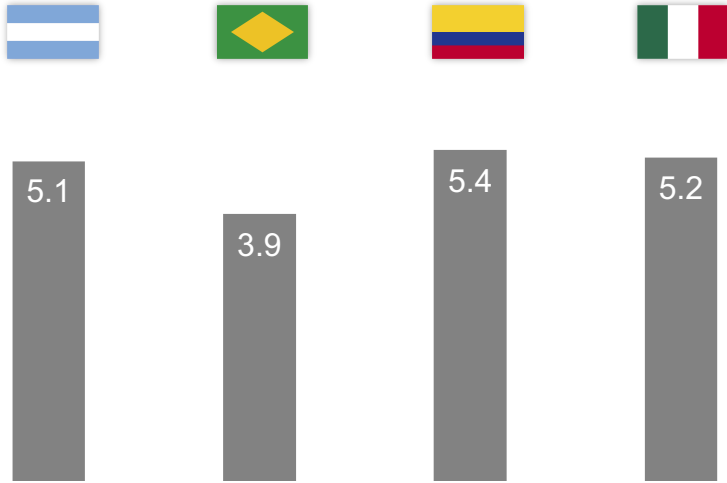(MEX M.18 -24, ML Does not pay)

Base: Digital media readers. Argentina (2037), Brazil (2047), Colombia (2033), Mexico (2048)
MAX DIFF METHODOLOGY
Q30. If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options would define your subscription decision? If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options is the most important and which the least important to consider subscribing?

Relevance based on quality: values-aligned

Percentage that mentions in MaxDiff providing "support because of the media's values and its quality"

3.9 | 4.1 | 4.2 | 3.6
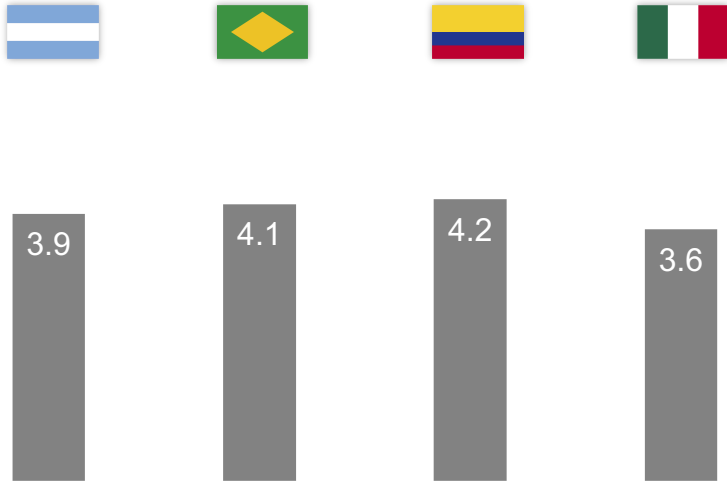
❝ Very well-developed news. Not too long, yet with clearly written information. That I may be able to insert Instagram fragments and a sort of mini e-magazine."
(CO W. 18-25 ML, Pays)

❝ More soulful news that include a lesson, from which you can learn, every day."
(CO W. 35-55 ML, Pays)

Base: Digital media readers. Argentina (2037), Brazil (2047), Colombia (2033), Mexico (2048)

MAX DIFF METHODOLOGY
Q30. If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options would define your subscription decision? If you had to subscribe to a digital media you value and consider to be of quality/ appealing, which of these options is the most important and which the least important to consider subscribing?

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Advertising-free: a feature that drives subscription

Percentage that mentions in MaxDiff wanting to "have access to content free from advertising"

| 5.3 | 4.4 | 4.1 | 4.6 |
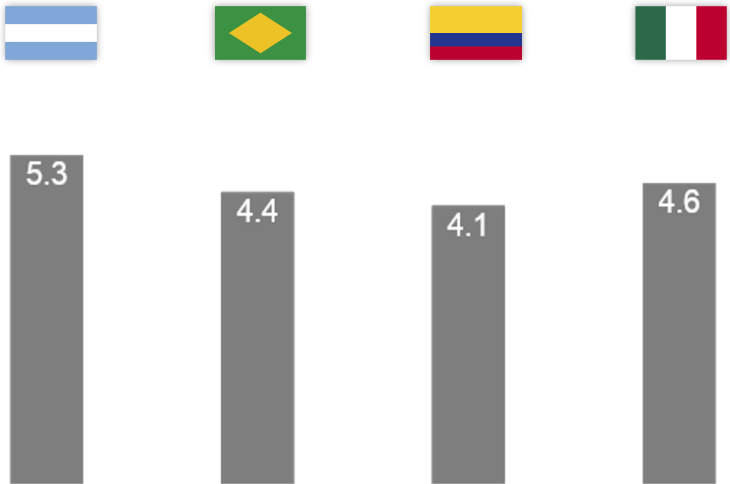
> **"** The only thing I can think of is reading the newspaper on my phone free from advertising that interrupts reading."
> (AR. W. 35-55, Does not pay)

> **"** If I pay, I'd like for there to be no advertising, a pop-up is a nuisance that interrupts your reading.
> (AR. M. 18-25, Does ot pay)

Best practices for subscription pricing and payment methods

The most competitive range stands between the third cheap quartile and the median expensive

TOTAL

Cheap ▢ **Expensive** ▢ **Optimal range** ●——●

	0	2	4	6	8	10	12	14	16	18	20

🇦🇷

Median: **2.15** - - - - **6.45**
3rd quartile: **3.58** - - - - - - - **8.6**

Netflix subscription: 2.85
Digital media subscription: 4.58

🇧🇷

Median: **3.82** - - - - - - - **9.56**
3rd quartile: **5.74** - - - - - - - - - - - - - - **19.12**

Netflix subscription: 4.19
Digital media subscription: 11.80

🇨🇴

Median: **5.91** - - - - **9.54**
3rd quartile: **7.36** - - - - - - - - - **16.36**

Netflix subscription: 4.61
Digital media subscription: 5.70

🇲🇽

Median: **4.55** - - - - - - **9.11**
3rd quartile: **6.83** - - - - - - - - - - - - **18.23**

Netflix subscription: 6.34
Digital media subscription: 4.05

P32. Thinking about a news media you like or one that has the contents you consider most interesting. We are going to ask you a few questions about price. At what price would you think subscription is low and affordable enough to consider subscribing? At what price would you start thinking it was expensive and would not be able to afford subscribing? (monthly value)

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Non-subscribers, with a stronger price barrier.

NON-SUBSCRIBERS

■ Cheap   ■ Expensive   Optimal range

| | 0 | 2 | 4 | 6 | 8 | 10 | 12 | 14 | 16 | 18 | 20 |

Argentina
- Median: 1.43 — 5.74
- 3rd quartile: 2.87 — 7.17

Netflix subscription: 2.85
Digital media subscription: 4.58

Brazil
- Median: 3.82 — 9.56
- 3rd quartile: 5.74 — 15.29

Netflix subscription: 4.19
Digital media subscription: 11.80

Colombia
- Median: 4.09 — 6.82
- 3rd quartile: 8.18 — 13.64

Netflix subscription: 4.61
Digital media subscription: 5.70

Mexico
- Median: 4.56 — 9.12
- 3rd quartile: 6.84 — 18.23

Netflix subscription: 6.34
Digital media subscription: 4.05
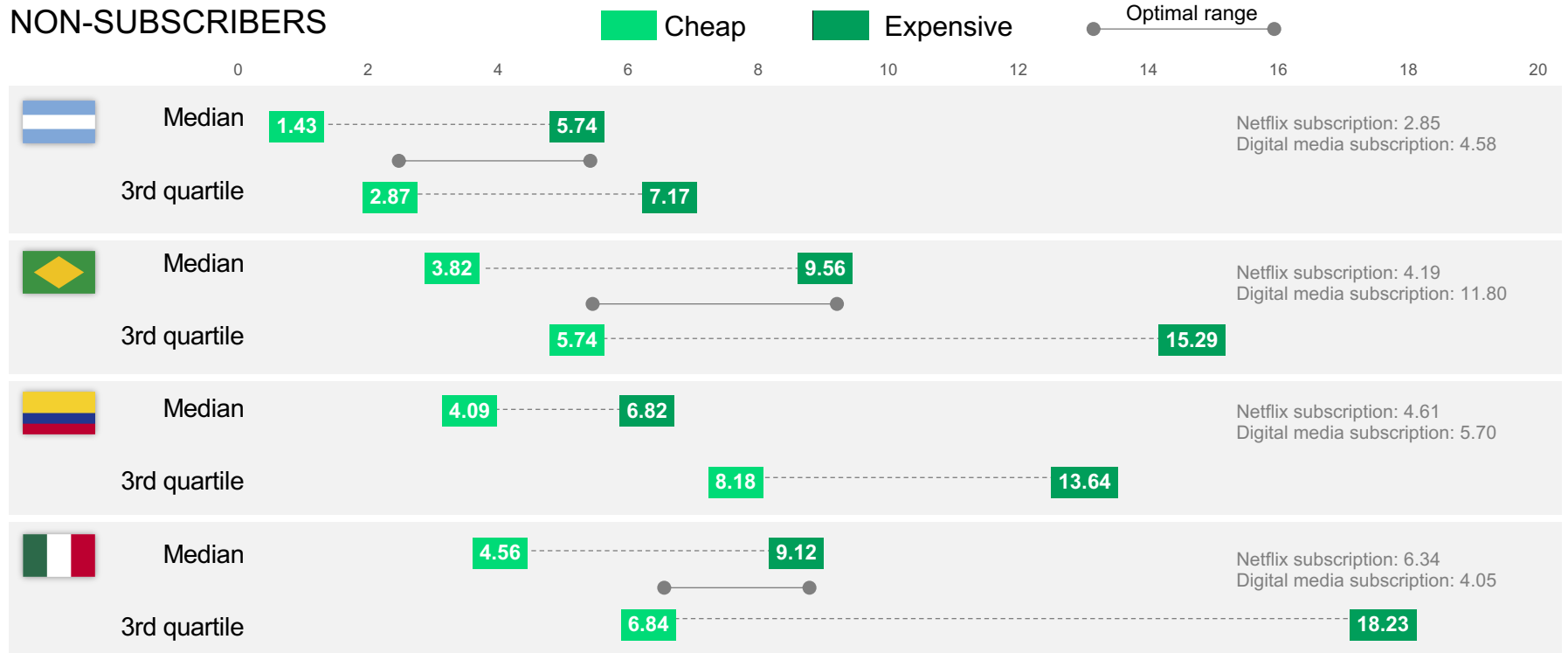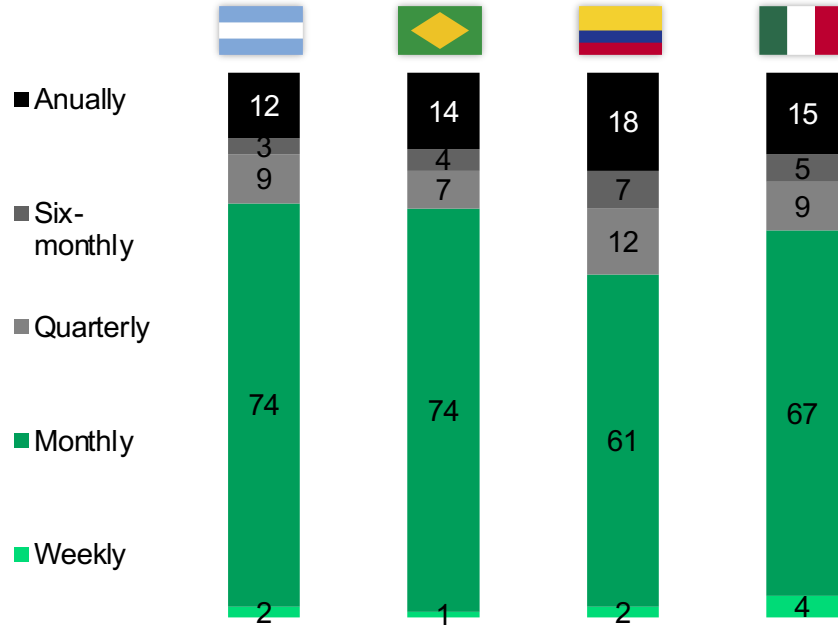
P32. Thinking about a news media you like or one that has the contents you consider most interesting. We are going to ask you a few questions about price. At what price would you think subscription is low and affordable enough to consider subscribing? At what price would you start thinking it was expensive and would not be able to afford subscribing? (monthly value)

Monthly payment is the preferred frequency

Anually / Six-monthly / Quarterly / Monthly / Weekly

Argentina: Anually 12, Quarterly 3, Six-monthly 9, Monthly 74, Weekly 2

Brazil: Anually 14, Quarterly 4, Six-monthly 7, Monthly 74, Weekly 1

Colombia: Anually 18, Quarterly 7, Six-monthly 12, Monthly 61, Weekly 2

Mexico: Anually 15, Quarterly 5, Six-monthly 9, Monthly 67, Weekly 4

Monthly payment is appealing because of convenience and habit — consumers are already used to paying on a monthly basis for printed news. Yet bonuses for annual payment are also attractive.

❝ Once a month is the best option, yet it should allow canceling subscription when you want or not paying if you are going on holiday."
(AR. W. 18-25, Does not pay)

❝ You pay for ten months and we give you a year, and you know what? If you are going on holiday, you can put the subscription on hold."
(MEX W. 35-55 ML Does not pay)

Base: Digital media readers. Argentina (2037), Brazil (2047), Colombia (2033), Mexico (2048)
Q33. What form of payment do you think is more convenient? SA

Monthly subscription is the preferred form of payment. Donations are also perceived as acceptable in some countries

■ An amount is donated to support a media they like and you have access for a given time period (months or 1 year)

■ Pay per content: users pay according to what they watch

■ Monthly subscription: a fixed fee is paid monthly

32	26	38	34
16	18	17	19
51	56	46	47
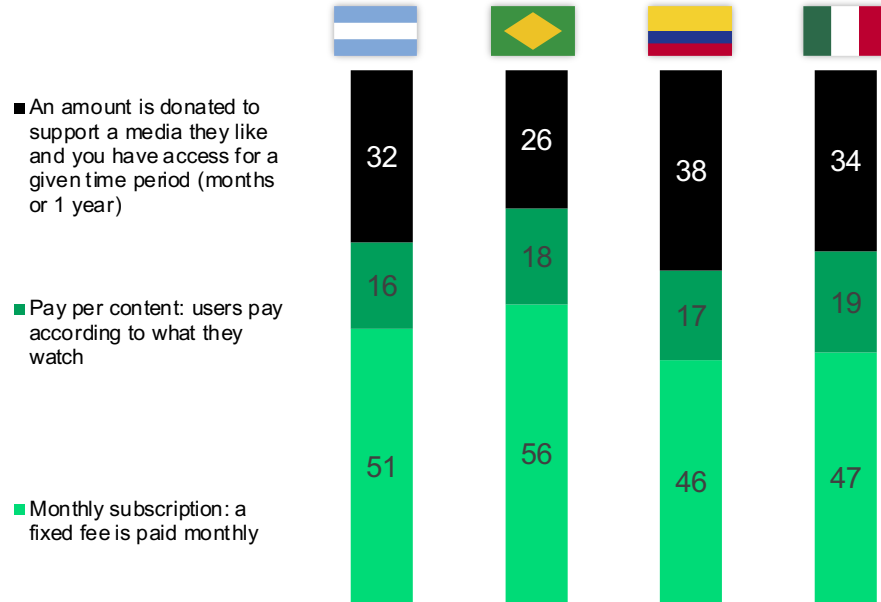
- **Subscription:** the only well-known system. **Associated** with the **large** and **traditional media**, it replicates the subscription format for print newspapers.

- **Donation does not sound appealing in any of the studied countries.**

" (IN REFERENCE TO DONATION) "Those things are believed to be made to evade taxes... you don't know where the money goes to. If you sell it from that angle, it's more for their benefit than any other purpose."
(AR. W. 35-55, MH Pays)

" I would have to be crazy about the media. Otherwise I wouldn't, I'm a bit stingy when it comes to donating... It wouldn't appeal to me."
(W. 35 - 55 Pays)

Financial benefits and plans are appealing

" They could offer a free-of-charge trial period, so you start getting to know all they offer, and get used to it, when the trial is over, you need to start paying. And if it's really good, the price is alright, I will continue to pay."

(BR M, 35-55, Does not pay)

" Give me a trial week for free. I get to know it for a week, and if I feel this newspaper is cool, that I like the format and the news section offers accurate news, then, what I'll do what I have to do, costs, what else... subscription fee should not be too expensive."

(MEX. W. 35-55, Does not pay).

" If I want an individual plan, I pay less; yet if I want a family plan, I pay more but I can share it with other people."

(BR. M, 18-25, Does not pay)

" Plans: That they have several plans: Premium, classic, with some little extra thing. A more affordable one, another one that is full."

(BR M. 18-25 Pays.)"

In Argentina, Brazil and Mexico, credit card is preferred, while in Colombia electronic payment is seen as more convenient
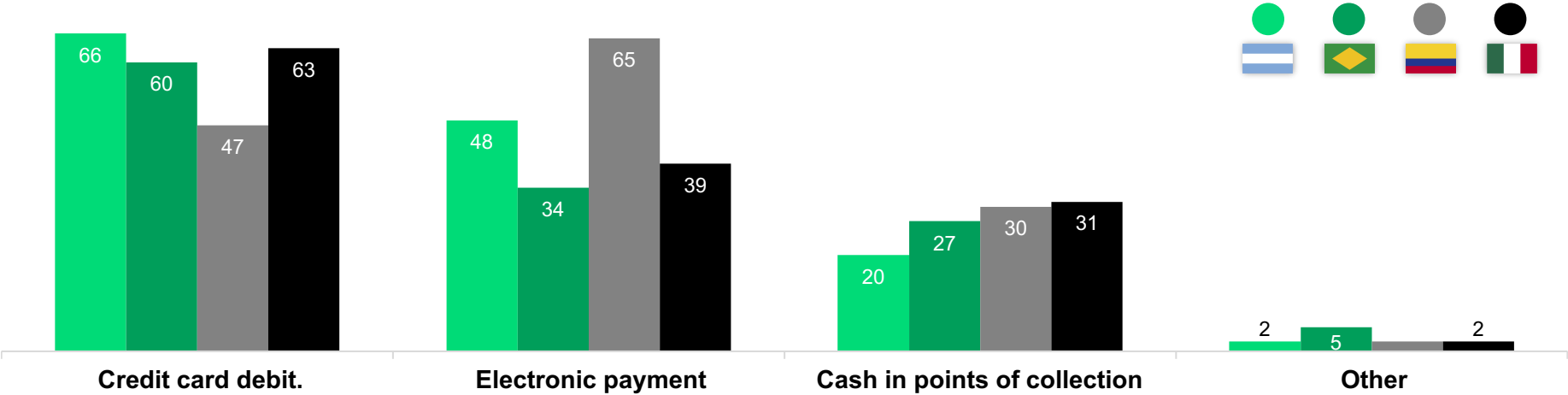
Best practices for digital news media to increase subscription rates

Best practices

- Generate a relevant **value proposition** that ensures **UNLIMITED, EASY AND QUICK ACCESS**

- The news must be of **QUALITY with a wide array of general topics** and an **in-depth development** of the news.

- Media must **DECOMMODITIZE** and provide **news that fits readers' interests and needs,** incorporates **experts** in different topics, and offers important information for everyday life.

- **Show TRANSPARENCY in its work:** for potential subscribers it is essential that the media is not biased and that it is **independent from the party in office** (in its content and funding sources)

Best practices

- **FREE OF ADVERTISING:** having an **interface free of advertising** and free to access. Services like Spotify (which you must pay for to avoid advertising) or Netflix .

- Offer an **APPROPRIATE PRICE,** perceived as "fair" The range would be from **USD ~5,75 to USD ~9,50 per month.** Except in Argentina, where it is somewhat lower (USD ~3,60 to USD ~6,45).

- Offer **A MONTHLY SUBSCRIPTION** as a payment option with the possibility of applying bonuses for annual payment) **Be FLEXIBLE in forms of payment** and always offer **credit card** as the first option.

- Provide **BENEFITS** (discounts in supermarkets, stores, bookstores, book releases, TED talks, etc.) that specifically boost **convenience.** This is particularly relevant in Argentina, but it also emerges as an interesting trigger across the other studied countries.

Luminate

CHALLENGING THE LIMITS
PROVOKERS

Thank you