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Article

“Spotify for News”? User Perception of Subscription-Based Content Platforms for News Media

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Abstract: Subscription-based news platforms (such as “Apple News+” or “Readly”) that bundle content from different publishers into one comprehensive package and offer it to media users at a fixed monthly rate are a new way of accessing and consuming digital journalism. These services have received little attention in journalism studies, although they differ greatly from traditional media products and distribution channels. This article empirically investigates the perception of journalism platforms based on eight qualitative focus group discussions with 55 German news consumers. Results show that the central characteristics these platforms should fulfill in order to attract users are strikingly similar to the characteristics of media platforms from the music and video industries, in particular regarding price points, contract features, and modes of usage. Against this background, the potential and perspectives of a subscription-based news platform for journalism’s societal role are discussed.

Keywords: audience studies; journalism products; content platforms; user perception; qualitative focus group discussions



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1. Introduction

Not least since Apple News+ launched in the US in spring 2019, a “Spotify for News” or “Netflix of Journalism” has been controversially discussed in the industry (e.g., Fleischer 2021). Apple News+ combines content from various US newspapers and magazines and offers it to users via Apple hardware, such as the iPhone or iPad, for about \$10 per month. In a similar way, the Swedish company Readly has already been offering bundles of (very) special interest magazines in several European markets since 2014 (Habisch and Bachmann 2017).

Subscription-based services that bundle journalistic content from different producers into one comprehensive package are a rather novel technological way for media users to access and consume news online. Popular in related media markets, such as music (Spotify, Deezer) and movies (Netflix, Amazon Prime) (Albarran et al. 2018; Hennig-Thurau and Houston 2019), cross-publisher bundles are also thought to have the potential to develop into an important distribution channel for digital journalism (e.g., Reuters Institute 2019, p. 13). A 2019 representative survey of German online users shows that they are willing to pay more for such a cross-publisher platform in order to receive digital news than any other distribution option, such as purchasing individual articles or subscribing to a digital news service of one media brand (Buschow and Wellbrock 2019).

A digital cross-publisher bundled offer is also very likely to be beneficial for publishers for two main reasons: First, diverse journalistic content tends to reduce dispersion in willingness to pay across consumers. Second, it is essentially free of cost to add additional (already existing) digital content to the bundle (Bakos and Brynjolfsson 1999; Wellbrock 2020).

Despite their enormous potential, these novel services have so far received little attention in media and journalism studies. This paper addresses this research gap from a user-focused perspective. Our research question (RQ) is:

RQ: How do news consumers perceive subscription-based cross-publisher platforms in digital journalism?

To answer the research question, we conducted an explorative empirical study based on eight qualitative in-depth focus group discussions with a total of 55 German news consumers. Since we were interested in users' perception of a media product's value, willingness to pay was an important construct of our study and is reflected, among others, in the study's sample. User-oriented research on the adoption and acceptance of digital media products were applied as a theoretical lens. Following up on our research question, the paper identifies key characteristics that subscription-based platforms, as new technological front ends and access points for news, must fulfill in order to be valuable for their audience.

A "Spotify for News" is clearly distinctive from established media products and distribution mechanisms in the current news market, particularly because media content from several publishers is bundled into one service and rented to users for the subscription period. Thus, from the perspective of media and journalism studies, it is critical to understand the audience's perception of this novel way of consuming and paying for digital news, thus grasping the impact on individuals, businesses, and society early on. As [Verhoeven et al. \(2018, p. 56\)](#) stress, "[m]edia success factor research needs to [. . .] focus on new types of media products". The practical relevance of the study primarily results from the assumption that subscription-based news platforms could be an innovative revenue stream for media companies to finance digital journalism in the future.

2. Related Literature

2.1. The Platformization of the Media Industry

The emergence of platforms in media markets must be reflected in the context of an increasing process of "platformization" ([Helmond 2015](#); [Nieborg and Poell 2019](#); [Poell et al. 2022](#)). More and more aspects of private life, business and society are now organized via digital platforms that bring together several groups of users (in the simplest form, buyers and sellers) and organize their interactions, such as Uber in mobility or Airbnb in overnight stays, via internet technology ([van Dijck et al. 2018](#)).

Just as with the economy as a whole, we can observe how subscription-based platforms are enjoying great success in an increasing number of media markets ([Albarran et al. 2018](#); [Hennig-Thurau and Houston 2019](#)). In music, subscription figures for streaming services such as Spotify, Deezer and Apple Music have risen sharply over the last couple of years ([Krueger 2019](#)). In the video sector, Netflix and Amazon Prime Video are very popular, increasingly replacing traditional television, especially among younger audiences ([Evens and Donders 2018](#)).

However, in journalism studies, platformization has primarily been studied from a production-focused perspective, particularly with regard to the dependence of legacy publishers and journalists on the structures and practices (e.g., sorting mechanisms, ranking systems, audience metrics) of a few market-dominant digital intermediaries, such as the social media platforms Facebook, Twitter, and Instagram, and search engines such as Google, that intervene between content producers and consumers (e.g., [González-Tosat and Sádaba-Chalezquer 2021](#); [Nielsen and Ganter 2018, 2022](#); [Hermida 2020](#)). In order to benefit from their reach and customer access, content is more and more adapted towards these third-party platforms in order to optimize for distribution ([Bell et al. 2017](#); [Wallace 2018](#)). This strand of research has been particularly critical of platformization, both in terms of its dysfunctional effects on the business of media companies, which are in danger of being degraded to platforms' complementors, and in terms of the erosion of journalism's societal role in platform environments.

2.2. Towards a Subscription Economy in Digital Journalism

Until the early 2010s, the use of digital journalism was, with a few exceptions (e.g., finance journalism at the Wall Street Journal), free of charge and intended to be refinanced primarily through advertising. Today, this situation has changed fundamentally, and the news business has transformed into a subscription economy with multiple revenue models based on reader revenue, such as hard and metered paywalls, membership models, or freemium offerings (Myllylahti 2014, 2018).

Besides the paywalls of each individual news organization, one of the novel avenues for funding digital journalism are specific sectoral platforms for the news market, that are functionally similar to Spotify or Netflix—such as a “Netflix for Journalism” or “Spotify for News” (Fleischer 2021). Among these newly launched platforms are Apple News+, Cafeyn/LeKiosk (in France, Italy, and the UK), Amazon Prime Reading, which offers a few digital magazines and journals free of charge to Prime members for reading on the Kindle (Amazon 2020) and the Swedish company Readly, which specializes in bundling magazines and focuses on the European market.

By bundling journalistic content from different providers into one comprehensive package and offering users a subscription for a fixed monthly rate, these services differ systematically from offerings such as Blendle. The Dutch start-up launched a pay-per-article service in 2014 with a business architecture comparable to the Apple iTunes store, i.e., as an e-kiosk for the purchase of individual articles from various newspapers and magazines (Dennstedt and Koller 2016; Myllylahti 2018).

2.3. User Perception of Journalism Platforms

Since previous studies have primarily focused on publishers’ growing dependence on a few global tech platforms and digital intermediaries, the emergence of cross-publisher platforms as a new technological way for news consumption has so far received little attention from a user-focused perspective. One reason is certainly that these media products are still at the beginning of their product lifecycle, not yet having achieved broad societal adoption.

Nonetheless, this research gap is particularly surprising as user-orientated research on platforms in related media markets, in particular on Netflix, has shown that they are perceived as a radical new way of consuming video content (e.g., Barker and Wiatrowski 2017; Donica 2017; Matrix 2014). Netflix is fundamentally changing user expectations with regard to content (personalization, quality TV, in-house productions, so-called “originals”; Schlütz 2016), media reception (de-linearization, practices of “binge watching”; Steiner 2017), usage situations (mobile, in waiting situations), user participation (in rating systems, recommendation engines, or by the automatized collection of usage data) and usability/user experience.

As has been shown for Netflix and other platforms, it is to be expected that the availability of high-quality, exclusive content will be a prerequisite for the success of such journalism platforms from the perspective of the users (Dennstedt and Koller 2016; Medina et al. 2016). Additionally, economic literature suggests that platforms exist if they (1) enable economies of scale and (2) reduce transaction costs (e.g., Evans and Schmalensee 2007; Rysman 2009). The latter is particularly relevant from a user perspective, as platforms tend to provide utility by reducing search costs. First, in subscription-based cross-publisher news bundles, users find content from different producers in one place and therefore do not need to register and sign up to multiple services. Second, recommender systems based on user behavior data search available content for the user, suggesting personalized content that likely fits the user’s preferences. Both types of transaction cost reduction increase as the size of the platform increases, therefore leading to greater advantages for users (Hindman 2018). We thus expect users to prefer bundles that include large amounts of diverse content from many different sources and platforms that provide an effective search function and personalized content (e.g., through curation and recommender systems).

An integrative model of “value-adding factors” that digital media products must fulfill in order to be attractive to users has been developed by Schmidt (2007, pp. 184–91). Schmidt highlights the following dimensions:

1. Quality (availability of content, completeness),
2. Usability/design (simple operability during pre-purchase, purchase and post-purchase, reduction of search costs),
3. Exclusiveness (number of comparable offers, substitutability),
4. Complexity (type and variety of presentation, information density, quantity),
5. Trust (reduction of technological and organizational uncertainties, transparency of the offer)
6. Brand (brand positioning and awareness).

This paper builds on literature on transaction costs (e.g., Evans and Schmalensee 2007; Rysman 2009) as well as on Schmidt’s (2007) categories as sensitizing concepts. Since—to the best of our knowledge—no user-centered studies on journalistic cross-publisher platforms currently exist, an open, explorative approach should ensure that the categories derived from theory can be enriched with users’ perceptions and assessments, while further categories can be revealed by conducting empirical research. The study aims to shed light on how news consumers perceive subscription-based platforms in journalism and what they expect from these novel media products.

3. Method

In order to gain an in-depth understanding of user perceptions and expectations of subscription-based news platforms, qualitative focus group discussions were used as research method (Krueger and Casey 2015). Unlike a standardized, quantitative approach, these focus groups aim to reveal, understand, and explain the deeply rooted and partly unconscious attitudes and perceptions of the participants in a research setting that is close to everyday life (Denzin and Lincoln 1994).

The dynamic group context creates suitable conditions for the investigation of new and emerging media products: Focus group discussions tend to articulate a wider range of different opinions. The interaction between the participants leads to a situation where arguments are more clearly formulated and existing rationalizations can be disrupted. Not least, focus group discussions intend to bring about creative impulses among the participants (Krueger and Casey 2015).

3.1. Focus Group Participants

We conducted eight focus groups, each composed of five to eight participants. The discussion sessions, each lasting about 90 min, were held in Cologne (North Rhine-Westphalia, Germany) in April 2019, and then repeated two weeks later in Erfurt (Thuringia, Germany) with the same user segments (see Table 1). By mirroring the group discussions with distinct participants at two locations, variance was generated, and an appropriate degree of saturation (a sense of completion) was achieved (Morgan and Scannell 1998).

All the participants were experienced users (but not necessarily payers) of digital news media products at the time of investigation: According to a short questionnaire conducted in advance, they used digital journalism at least “several times a week” and were well acquainted with its current distribution forms (websites, apps, e-papers etc.). There was no explicit focus on users of current subscription-based news platforms (e.g., Readly). An investigation of this very special segment of early adopters would have yielded insufficient results regarding the conditions for the adoption of journalistic platforms in the consumer majority (“early majority” and “late majority”) (Rogers 2003).

Table 1. Focus group discussions.

#	User Segment	Location	Number of Participants	Date, Duration
1	Payers	Cologne	8 (f*: 4/m*: 4)	1 April 2019, 92 min
2	Payers regional	Cologne	8 (f: 4/m: 4)	2 April 2019, 84 min
3	Non-Payers	Cologne	8 (f: 4/m: 4)	1 April 2019, 77 min
4	Cancellers	Cologne	8 (f: 4/m: 4)	2 April 2019, 92 min
5	Payers	Erfurt	5 (f: 2/m: 3)	23 April 2019, 87 min
6	Payers regional	Erfurt	5 (f: 2/m: 3)	24 April 2019, 84 min
7	Non-Payers	Erfurt	8 (f: 2/m: 6)	23 April 2019, 76 min
8	Cancellers	Erfurt	5 (f: 2/m: 3)	24 April 2019, 82 min

* f = female; m = male.

The participants were selected to represent specific user segments. Four different groups were formed (and mirrored in the two locations) based on their payment behavior for digital journalism:

1. People who pay for digital journalism in general (“Payers”),
2. People who pay for regional and local digital journalism (“Regional payers”),
3. “Non-payers” and
4. Users who have recently cancelled a digital journalistic subscription (“Cancellers”).

As our discussion subject is a paid-for digital journalistic platform, this set-up allows us to account for different expectations towards such a service for different consumer segments, in particular between payers, non-payers, and cancellers. Group members were each brought together in separate discussions, where the participants had not known each other beforehand.

Apart from the group defining characteristics (payers, payers regional, non-payers, cancellers)¹, the focus groups were compiled as heterogeneously as possible, ensuring diversity of opinion. A broad spectrum of 55 distinct people (24 women, 31 men) aged between 21 and 68 participated in the discussions. They came from various educational levels and worked in numerous different professions. The participants were recruited by two market research institutes at the Cologne and Erfurt locations, each of which following a quantitative survey designed to determine the suitability of the participants (Morgan and Scannell 1998). The participants received financial compensation for their participation.

3.2. Conducting the Focus Group Discussions

At both locations, discussions were conducted face-to-face in a professional studio designed for group discussions. Moderation was undertaken by the researchers. An interview guideline helped to structure and focus the discussions. The interview guideline comprised three essential building blocks:

1. Initial situation: Participants were asked to describe their current use of news and journalistic content. Which offers do they use (regularly)? For what and why do they (not) pay? What are the advantages and disadvantages of current digital news services? What are their wishes for news usage in the digital environment? The aim was to gain insights into the participants’ everyday usage and personal experiences. On this basis, they would enter into the discussion of platform models.
2. Evaluation: The participants were given a short scenario text of a commercial, subscription-based platform for journalism, using Apple News+ and Readly as examples². After the participants had read the text and any questions had been answered, a “concept test” (Kühn and Koschel 2018) was used to collect spontaneous reactions, enabling them to go into more detail about the advantages and problems of such a platform, about potential audiences and their respective benefits, about a possible substitution

of other news products, and about their willingness to pay for such a platform. The discussion was only loosely structured, so that participants were able to move the discussion in different directions. Consequently, the discussion focuses differed between the groups, in some cases significantly, which generated diverse insights (Kühn and Koschel 2018; Krueger and Casey 2015).

3. Optimization: Finally, suggestions were collected on how such a platform could be improved from the perspective of the participants, for example by adding further useful product features.

3.3. Data Analysis

The following presentation of results is based on a total of about 12 h of audio and video material, which was transcribed, anonymized and evaluated through a qualitative content analysis (Mayring 2000). We applied the categories provided by Schmidt (2007) as an initial coding model. On the basis of the material, the existing categories were filled inductively with concrete subcategories. At the same time, new superordinate categories were formed, and categories were combined in the data analyses process where appropriate.

4. Results and Discussion

Table 2 summarizes the participants' most important perceptions and assessments, articulated when confronted with a subscription-based news platform.

Table 2. Perception and expectations of subscription-based news platforms by participants in the group discussions.

Dimension	Main Findings
Content, Quality and Exclusiveness	<ul style="list-style-type: none"> • Expectation of availability of high-quality, exclusive, and diverse journalistic content • Fear of redundant content and information overload, resulting in high personal efforts in the selection of content • Fear of an artificially reduced repertoire through the platform
Usability, design and complexity	<ul style="list-style-type: none"> • Preference for "One stop shops" • Special functions to reduce search effort ("read later" lists, archive function, subscription to individual journalists, recommender systems, etc.) • Fear of an negative (diversity reducing) effects from personalization and recommendation system
Trust	<ul style="list-style-type: none"> • Fear of a potential bias in the selection of participating publishers by the platform • Fear of reduced diversity through recommendation and personalization • Desire for content quality assessment by the platform
Brand	<ul style="list-style-type: none"> • Selection via media brand vs. selection via topics/themes
Price, terms and conditions	<ul style="list-style-type: none"> • Appropriate price level similar to other media platforms • Fear of a "Flat rate bias" • Short subscription periods, trial months • Shared user accounts (with family and friends) • Desire for an ad free product

4.1. Content, Quality and Exclusiveness

Unsurprisingly, and in accordance with previous studies (Dennstedt and Koller 2016; Medina et al. 2016; Schmidt 2007), participants in the focus groups made their purchase and usage decisions largely dependent on the content that a journalistic platform had bundled. In each of the eight group discussions, the question of the media offerings represented on the platform was raised immediately. No other topic area aroused greater interest:

“First of all, you would have to know which magazines and which media you can really access,” stated a 51-year-old participant from Cologne. (w, 51 years old, regional payer)

The course of the discussion suggests that the availability of high-quality, exclusive, and diverse content is likely to be a key success factor for a platform model in the news industry.

Participants primarily attribute quality to brand popularity, as well as their images of the newspapers and magazines which participate in the bundle. Quality papers and magazines are explicitly distinguished from “Yellow Press” media outlets (m, 38 years old, canceller, Cologne) (see also Section 4.3).

Exclusiveness is associated with content that is otherwise not freely available:

“I would expect that not only the things that are already free [...] would be bundled in this app, but that the [paid] ‘+’-contributions would also be included, and that you could really access the entire newspaper...”. (m, 32 years old, non-payer, Cologne)

In the opinion of the respondents, “originals”, i.e., in-house productions by platforms such as those known primarily from the video market (Netflix, Amazon Prime, Apple), could also make a difference.

The majority of participants found it important that different topic categories, e.g., politics, lifestyle, sports, leisure, international press, etc., are represented in the bundle, although the desires articulated depended strongly on the individual areas of interest. One participant pointedly explained:

“This is somehow different for each customer and I thought to myself: quite a few different [content] areas would have to be covered”. (m, 35 years old, non-payer, Cologne)

Individual discussants also saw advantages in having a wide range of newspapers and magazines with different political and ideological orientations available in one place. In some cases, this was even associated with hopes for user migration (“audience flow”) and positive social effects, as Lobigs (2019, p. 18) also emphasized with regard to the potential of a platform to attract young people to journalism. This is what a 20-year-old canceller emphasized over the course of the Cologne discussion:

“... then you go from one article to the next. And then suddenly you’re on a piece from Die Zeit³, and then... [w (51 years old, canceller, Cologne) interrupts: ‘Oh, I don’t believe this.’] ... If it is perhaps the same field of interest and the person was interested in the headline, then he thinks: ‘Ah, I find that exciting right now. The person doesn’t see that it’s from another newspaper—and maybe in this way you can awake a political interest’”. (w, 20 years old, canceller, Cologne)

The extent to which the diversity and scope of a platform is actually valuable is nevertheless disputed among the participants. In several group discussions, a fear of redundancy and of information overload was evident. Information overload refers to the sheer quantity of news and articles brought together on a platform, and the amount of time that would be required for their selection and reception.

“Can all the information [on a platform] be assessed, processed and evaluated?”. (m, 45 years, canceller, Erfurt)

A participant from Cologne described the situation she faced when selecting content as follows:

“... I know that from Netflix, that you might want to start a new movie or a new series because you’ve finished the last one, and then it takes me half an evening to find what I really like. And then it’s actually already too late to start the film, because the film lasts two hours”. (m, 20 years old, canceller, Cologne)

For this reason, the usability and platform design characteristics (which will be detailed in Section 4.2) are central to making meaningful use of the variety of available content.

Redundancy refers to the users' fear that the bundle's content could be too similar overall:

"If I read a really good article on a topic, then I have read a good article on it [...] Whether it makes sense for me to have eight or nine more articles available, which are 80 or 90 percent the same, I don't know...". (m, 32 years old, payer, Cologne)

As experienced users of digital news services, the participants are aware that content can be the same in different newspapers, whether due to news pieces from press agencies or due to a content syndication between different newspapers. Those who are already subscribers to a newspaper (payers/regional payers) consider the information performance of their daily newspapers to be completely sufficient and are skeptical as to whether other news media could be of any further use to them at all. Their interest in a platform refers more to additional journals and magazines that would supplement the existing subscription.

"I could imagine it as an extension, but not as a replacement". (w, 51 years old, regional payer, Cologne)

Today's payers for news are most likely to fear an artificial reduction of media products through a platform. They fear that an offer could be reduced to a small number of pre-selected news articles from each newspaper/magazine, or that content would not be provided on a daily basis, but with a time delay of a few days. This assumption is not unreasonable, as the cooperation between Apple News+ and the Wall Street Journal shows, which is limited to a few selected articles (Miller 2020).

4.2. Usability, Design and Complexity

The assumption of an information overload underlines how the user-friendliness, design and complexity reduction of a platform will be decisive for its adoption.

The convenience of a "one-stop shop" (Buschow and Wellbrock 2019, p. 4) is greatly appreciated by users.

"I find it annoying to have different subscriptions. Here, you would have it nice and compact, all in one. And you don't have to pay for them all individually.". (m, 32 years old, payer, Erfurt)

Simple registration procedures, intelligent search functions for navigation on the platform, specific functions (such as self-created "read later" lists, analogous to Spotify playlists), a personal archive that allows for (among other things) the observation of topics over time, and the possibility to follow individual journalists are concrete ideas from the discussions that are intended to reduce the search effort and transaction costs. Overall, it is striking that numerous parallels are drawn with the functionalities and usability of platforms in neighboring media markets. One participant outlined an "abstract" function which, in his view, corresponded to film trailers in movie platforms:

"Once I'm inside [Netflix], the categories and the movies are listed and I have a trailer that I can watch, to decide if I want to watch the movie or not. For articles, it would be great if there were very short, crisp and well-written abstracts, where they simply explain what to expect in the article in six or seven sentences". (m, 29 years old, payer regional, Erfurt)

Spotify and Netflix rely heavily on data-driven personalization and the recommendation of content to fit the needs of the user. As far as journalistic platforms are concerned, the participants in our focus groups are divided, though there is certainly an interest in having media content recommended and filtered according to previous usage behavior or stated interests:

"I need to be able to switch to some kind of general mode with a click, which will give me the same presentation as any other user. Otherwise, there is of course the

danger that you are one-sidedly aligned to one track. This is very dangerous". (m, 57 years old, regional payer, Erfurt)

This points to the fact that some of the participants are aware of the potential dangers of platforms in terms of echo chamber and filter bubble and critically consider these when making an adoption decision.

The individual experiences of the participants with recommendation systems were not consistently positive. Some complained about Netflix's recommendation engine, which rarely suggests content that suits them. Another participant emphasized how journalism always has to select anyway, and that even without automated personalization, pre-selected packages will be the norm:

"I also assume that there are serious journalists behind it and they already select for us anyway... In this respect, what is supposed to be most important should simply be on the start page. And not that, if I only watch tennis, there is only tennis news. As nice as tennis is, this wouldn't be good". (m, 32 years old, non-payer, Cologne)

4.3. Trust

The participants in our focus groups were rather skeptical of the trustworthiness of a platform and the (in this case, profit-oriented) company behind it. Particularly important is the pre-selection of the participating media providers and newspaper/magazine titles by the platform. Those who value diversity asked:

"... who selects the [media]? Which ones get in, which ones don't get in?". (m, 57 years old, regional payer, Erfurt)

In order to build user trust, journalistic platforms should create a high degree of transparency as to who can add their journalistic content to a platform and avoid potential discrimination against individual publishers.

Reliability also seems important when it comes to the permanent availability of content:

"Well, that it's not like Spotify [...], that it's not about which licenses they have and when. And although I bought this for 9.90 euros, they [at Spotify] no longer have the license for the music on my playlist...". (m, 35 years old, payer, Erfurt)

If possible, fears should be allayed that platforms could select participating producers primarily according to economic motives—or, in the case of critical reporting on the platform or the company behind it, even sanction with exclusion. Some focus group participants were skeptical about this.

While transparency and neutrality are primarily demanded of journalistic platforms, two focus groups also propose that the platforms should explicitly take on a regulatory and quality control function. Publishers and media houses should be encouraged to publish their "company principles" (m, 35 years old, payer, Erfurt) or their editorial guidelines on the platform. Counterstatements and press complaints received by a medium should be documented here and, if necessary, lead to sanctions, including exclusion from the platform.

A participant in the Cologne discussion with non-payers suggests a kind of 'journalism TÜV'⁴:

"What I personally would like to see is a kind of TÜV (Technical Inspection Agency) for such an offer, so that there might be a control function, that there would be a regular check to see whether the quality journalism that's in there really continues. Perhaps someone would take care to see how many revocations, how many counter-statements a publication had received and that, if that somehow becomes more frequent, one might say goodbye to this medium [on the platform]". (w, 47, non-payer, Cologne)

4.4. Brand

Since a platform tends to be able to extract content from previous bundles (e.g., a newspaper product) and present it to its users in a newly bundled, possibly also personalized way (sorted, e.g., according to topics, authors, individual areas of interest etc.), the orientation function of established media brands may be eroded. Certainly, this is regularly articulated by publishers in relation to such cross-publisher platforms. In order to gain publishers as license partners at all, platforms such as Readly continue to follow the original media product in their user guidance, in order not to undermine its functional logic (Fleischer 2021). Within a newspaper/magazine offered by Readly, bookmarks can be set and individual keywords can be searched for. However, only the overall product can be favored, not individual articles. This means that these existing platforms fall far short of the technical and organizational possibilities of content management.

In our group discussions, the participants' views of the advantages and disadvantages of an orientation based on brands or topics/interests were ambivalent. The fact that media brands continue to play an important role for many has already been emphasized in Section 4.1 and is further demonstrated by the fact that the source of an article should be immediately seen when navigating via topics. Nevertheless, thematic orientation is considered by some to be more valuable:

"... I would not be interested in the newspapers themselves, but in the topics that interest me. I would have to make a pre-selection, for example: politics, science, computers and pharmaceuticals". (m, 45 years old, canceller, Erfurt)

This ambivalence is underlined by the following strand of discussion from the Erfurt group discussion with cancellers:

m (21 years old): "... if I now choose a topic [on the platform] every day and I notice that it is the same magazine the article comes from every time, then I would like to know, so that I then also know that the magazine is good."

w (29): "But in the end, you don't care where you read about football..."

m (45): "...because you are looking primarily at the subject."

m (21): "I am interested in where this comes from."

w (29): "But is it important to you to have it from only one newspaper or from several sources?"

m (21): "Nah, rather from several sources. But when I realize that it is the same source every time, I would be happy."

m (22): "...so that you know whether it is credible or just gossip."

w (29): "That's right."

4.5. Price and Terms of Contract

The first group's reaction to a price of about 10 euros, as currently offered by Readly and Apple News+, was surprise, amazement, and partial disbelief. The focus groups ascribe the potential to win over people who have not yet paid for journalism to such an offer.

Subscribers who are already spending significantly higher amounts on single newspapers today put the price in relation to the cost of their current subscription. The consequence is usually skepticism as to whether a news platform can actually meet their expectations at this price, or whether this would not necessarily mean a loss of quality:

"... Good journalism costs a bit. If I pay a discount price, I can't expect it to be quality publishers or journalists. It sounds a bit like BILD or Express⁵ to me.". (m, 41 years old, canceller, Cologne)

Over the course of two discussions, however, participants also expressed the opinion that 10 euros, when compared to the platform offers from neighboring markets, is too high:

“10 euros for the entire world of music [at Spotify], 10 euros for quite a lot of films [at Netflix] and 10 euros for a limited number of articles [at a journalism platform], that is somehow disproportionate”. (m, 27 years, regional payer, Cologne)

In addition, some participants generally criticized a “flat-rate” society:

“The question is whether a flat rate is always the best. So I’m thinking, I also have a landline flat rate at home and maybe I make calls via landline for ten minutes a month. Basically, it’s total nonsense to have a flat rate, but you just have it, it’s convenient...”. (m, 53 years old, regional payer, Cologne)

This is related to the so-called “flat rate bias”: It states that consumers tend to prefer flat rates over pay-per-use tariffs, even if this means paying more (Lambrecht and Skiera 2006).

In addition, participants expect a paid offer to be free of advertising, as seen with Spotify and similar services.

Comparisons were also made with existing platforms in other media markets with regard to transparent and low-risk contract design, suggesting an anchor effect caused by consumption experiences with other media goods. For new services, there was a strong reluctance to commit immediately for 24-month subscriptions, but participants would rather like to test the functions and usefulness first, possibly in order to be able to decide spontaneously on a new competing product in a dynamic market. Hygiene factors among the discussion participants include free test phases, a short (usually one-month) notice period, and the possibility of shared user accounts within families or circles of friends:

“[In the past] I used to share the newspaper with my father. First, he read the paper, and then I got it. And so the whole family can read”. (w, 53 years old, non-payer, Erfurt)

5. Conclusions

A “Spotify for News” differs significantly from previous business models and distribution channels in journalism, particularly because it bundles content of several publishers into one service, rents it to users at a fixed price, and, unlike newspaper websites and apps, digitally distributes it through a novel user interface. Our study is a first step towards a better understanding of the perception of these platforms, along with consumer expectations and needs. Our results point to what private or public sector actors seeking to develop and launch such platforms need to consider to make them attractive, which will ultimately support their adoption and trigger willingness to pay for digital journalism. By focusing on a novel type of media product, we advance product-related media success factor research, a claim already made by Verhoeven et al. (2018).

The findings of our focus group discussions underline how the popularity of platforms in the music and video markets has shaped the preferences of media consumers in general. In particular, potential subscribers to a news platform expect similar prices (around ten euros), contract conditions (monthly cancellation, free trial months), and modes of usage (recommender and curation systems, shared accounts). Meeting these expectations can also be a promising way to convert users who are currently not paying, thus supporting journalism’s societal role. Galan et al. (2019) have argued that younger people, who are accustomed to platform standards in other markets, could be won over to journalism (or convinced to return to it). Lobigs (2019) suggests that these platforms should be financially subsidized, in particular for young consumers, in order to introduce this audience to news content (possibly for the first time).

However, the focus groups also highlighted the potentially problematic consequences of platforms that lead discussion participants to adopt an ambivalent or skeptical attitude towards this model. Specifically, topics of concern are a reduced media repertoire, filter bubble effects through personalization, and a selection bias with regard to the publishers on the platform. These effects must not only be taken into account in the conception and communication of platforms, but should also be considered in future research.

While these results generally hold true across focus groups, there are also differences between groups. For example, payers tend to express more concerns about a platform artificially limiting content diversity, e.g., by publishing only a selection of articles or by employing recommendation engines that limit content diversity in terms of topics and opinions. They also report more frequent use of classic news brands to navigate through the available content. At the same time, cancellers and non-payers are more likely to fear being overwhelmed by an uncurated cross-publisher bundle and seem less skeptical of algorithmic and possibly personalized recommendation systems.

The present study has certain limitations, which also provide opportunities for follow-up research. We have conducted a first, explorative study based on qualitative group discussions in Germany. At present, journalistic platforms are only at the beginning of their product lifecycle. It remains uncertain whether they will ever succeed in making the step into the mass market, and user acceptance will only be one success factor in the adoption process (Weber et al. 2021; Wellbrock 2020).

In addition, even though our study provides deep and rich empirical insights into the perception of subscription-based journalistic platforms from a perspective of German news users, our findings cannot be generalized. Rather, they form a valuable basis for the design of quantitative, standardized survey studies and (field) experiments. Our focus was on rather active news consumers who consciously used journalistic content at least several times a week. Future research should also focus on audiences that do not use news at all today (“news avoiders”). This would make it possible to determine the potential of journalistic platforms in (re)attracting current non-users and news deprived users.

A final limitation is that our study operated with hypothetical assumptions. At the time of investigation, focus groups participants were not (yet) users of journalistic platforms. Although this is precisely why they should be able to articulate their perceptions, expectations, and desires in an unbiased manner and uninfluenced by existing models, in this study, we were unable to investigate how platforms are actually used today, how they are integrated into the everyday life of users, how they influence usage situations of digital journalism etc. (on the habitualization of printed newspapers, see Boczkowski et al. 2020). Follow-up research should develop a better understanding of how today’s “lead users” consume journalism via such platforms and should look at whether and how these novel media products alter their expectations of content, user experience, and usage situations.

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Notes

- 1 The assignment for the groups was made by the answers to the following questions in the standardized questionnaire conducted in advance:
 - Payer: Positive answer to “Did you pay for digital journalistic content in the last year?”
 - Regional payer: Positive answer to “Did you pay for digital journalistic content that reports on regional or local topics in the last year?”
 - Non-payer: Negative answer to “Did you pay for digital journalistic content in the last year?”
 - Cancellers: Positive answer to “Have you cancelled your subscription or membership for digital journalistic content in the last twelve months?”
- 2 The following scenario was presented to each participant on a printed page: “Today, there are more and more ‘flat rate’ offers for online news. For a fixed monthly fee you can read all the articles from hundreds of newspapers and magazines using an app on your smartphone or tablet. This is a kind of ‘Netflix’ or ‘Spotify’ for journalism, consisting of very different magazines and newspapers. Apple has just introduced such a service in the USA, while ‘Readly’ has been available in Germany for several years. Apple takes a monthly subscription price of 10 US dollars, while Readly charges 10 euros per month.” Participants were not further confronted with the example platform products (e.g., by means of screenshots, showing the websites/apps, etc.) to avoid participants from being overly guided by the current market situation, i.e., to reduce priming effects.
- 3 German weekly quality newspaper.
- 4 “TÜV” (German: Technischer Überwachungsverein, English: Technical Inspection Agency), as independent companies, test, inspect and certify technical systems, equipment and objects of all kinds in order to minimize hazards and prevent damage.
- 5 German yellow press newspapers.

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