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Case Studies on Paywall Implementation: Gazeta Wyborzca and Malaysiakini

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PAYWALL IMPLEMENTATION CASE STUDY:
GAZETA WYBORCZA

Overview

Gazeta Wyborcza (GW) is a name with resonance in Eastern Europe's media landscape. The paper was founded in 1989, in Warsaw, Poland and its history is tied to the revolutions that saw the end of the socialist regimes in the region. It is no coincidence that the editor-in-chief since its founding is Adam Michnik, one of Poland's best-known dissidents, part of a group of intellectuals known for their affinities to liberal values. Throughout the 1990s, GW's political identity wed it to a readership that was mostly urban, better off socially and economically, with an interest in political commentary and news. It is an identity that is still strongly associated with its print edition.

The daily is now part of a family of publications that include a newspaper, a website, and 22 regional papers. GW is today the second biggest daily in the country, with a readership of 6.5 million real users in 2017, according to data from its publisher, Agora S.A., a media company with one of Poland's largest revenues. Aside

from publishing, its activities include, among other things, broadcasting and advertising. The newspaper has had an online presence since 1995, but the modern internet version of the newspaper, Wyborcza.pl was only launched in 2008.

GW operates in a large market (for European standards) of over 38 million people where 82% of households have access to the internet. Another significant aspect of the Polish national setting is its linguistic homogeneity stemming from the dominant use of Polish as a national language. If nothing else, this is the one unifying element of the country's readership. Print media in Poland has seen a steady decline in audience from 2009-2010, a trend that GW has closely followed. Its print readership dropped from over 14% in 2009 to nearly 11% three years later. Dwindling readership was accompanied by decline in revenue from print subscribers: the key reason that prompted GW to adopt its first paywall.

A seminal year for GW's paywall project was 2012. In May that year, the publication launched its first paywall, which covered GW's weekend edition

and magazines. Subscribers were given access to the online version of all the articles printed in the weekend supplement and other GW magazines.

In September the same year, GW joined, along with 42 other websites, Piano Media's national paywall scheme for Poland. Piano Media, then a Slovak-incorporated company helping media organizations set up paywalls, created a platform similar to cable television to sell subscriptions for newspapers as a package. Now operating as Piano, the company became the largest provider of metered paywalls worldwide. At the time, a reader who signed up for a national plan gained access to all the media outlets that were part of the plan. In the Polish case, most content on Piano Media consisted of news from online portals, regional and daily newspapers, lifestyle and business magazines and one radio station (Polskie Radio, the Polish public radio). At the time, GW still offered 90% of its content for free, including stories from its national and regional pages. Certain sections defined as premium, such

as investigative journalism pieces or long form interviews with notable people, were put behind the wall.

How did this work in practice? If a reader accessed the Wyborcza.pl online page, a web application appeared as a bar on the top of the page. Here they could set up an account, submit payment details and then be able to log in and access premium content from all the websites present on Piano Media platform (not only Wyborcza.pl), all with one payment. Let us not forget that some were competing and rival publications. The subscription for the national plan on the Polish Piano Media in 2012 was PLN 20 a month (around US$ 6, or the equivalent of two coffees in Warsaw). Piano Media took 30% of the subscription fee, 40% went to the owner of the website where the user signed on, and the rest was split among all participating publishers. Several payment methods were offered to the subscribers, as online card payments were less trusted in Poland than alternative payment methods such as bank transfers or in-shop payments.

The cooperation with Piano Media was successful as it allowed GW to gain experience in managing a paywall and test the public's reaction to payment models. Although the introduction of the paywall naturally led to a decline in audience, GW's loyal readership reacted well to it, subscribing to the national plan and helping online traffic steadily rise. But as it became obvious that the GW brand was developing in its own direction, the GW management decided to venture into selling to its readers tailor-made packages that would consist exclusively of content from Wyborcza publications.

GW's decision to both set up a small-scale paywall for a few of their magazines and enter a national paywall along with competing publications, had three goals:

- a short-term goal to gain experience with the paywall platform and experiment with the technology
- a medium-term goal to test the model on readers, introduce a new experience and gradually change readers' mindset step by step
- a long-term goal to increase and diversify revenue for the paper

The First Bespoke Meter

In February 2014, GW launched the first paywall of its own. The publication did not pull out of the Piano Media national paywall plan completely. Its content was still accessible from both Piano Media and GW's own platform, but the efforts by GW's staff were channeled into selling subscriptions through Wyborcza's own website.

Thus, GW launched its own metered paywall in 2014. How did it work? Up to ten articles from all of the GW's digital platforms were made available for free. Once that limit was reached the reader was prompted to buy a subscription. Access via Google was left open because it helped with visibility and higher ranking on the search index. Access via Facebook was also left open because blocking articles that were recommended by Facebook contacts was seen as potentially damaging. The gamble was that the increased traffic and promotion on social media would pay off in the long term.

The packages could be purchased for a month, a quarter of a year, or a full year. The prices of subscription bundles offered directly by GW were slightly lower than the subscriptions for Piano Media national plan. New customers to GW's newly introduced metered paywall received a special discount, paying for the first month only PLN 0.99 (roughly 30 American dollar cents at the exchange rate of the time).

Although it had its own metered paywall, GW continued the cooperation with Piano Media until GW built its own software for subscriptions management. Ambitions ran high at GW, and in June 2015, they launched their own subscription software, which they had started developing in-house the previous year. The resources provided by its owner, a large publishing company, allowed GW to invest in their own subscription software. Moreover, having developers and designers

Initially **three packages were offered** as part of the new paywall platform:

I. WYBORCZA:
standard content package with access to all content from the websites Wyborcza.pl, Wyborcza.biz, Wysokieobcasy.pl and 22 regional sites on PC and smartphones

II. WYBORCZA PLUS:
extended Wyborcza package offering the same content in additional editions for e-readers (ePUB and MOBI formats) and a .pdf version available in Publio.pl

III. WYBORCZA PREMIUM:
Wyborcza Plus bundle with access to tablet apps of magazines offered by GW as well as access to GW apps on iPad and iPhone

Price of GW bespoke subscription plans, 2014

		Monthly Standard	Quarterly Plus	Annual Premium
Lowest	PLN	17.9	49.9	179.9
	US$	5.5	15.4	55.6
HIghest	PLN	39.9	109.9	399.9
	US$	12.3	34.0	123.6

Note: Prices depended on package; average exchange rate for 2014, Polish National Bank
Source: Agora, 2018

inside the company was an added reason for the publisher to develop its own subscription software.

The company staff worked on most parts of the paywall software including the customer management system, the payment platform and the design. This holistic approach allowed them to run custom-made user polls, create user profiles, access custom-made, big data analytics reports and so on. It was a major breakthrough and changed how the publication communicated with its readers as well as how it defined success and promoted its content. It was at this point that their cooperation with Piano Media ended. After migrating all the users and relevant data from the Piano Media platform, GW was finally flying solo.

The Gazeta Wyborcza Hybrid Model

The metered model is not common in Poland; most newspapers offer free access to their digital content (that is called freemiums in digital publishing lingo).

In 2015, GW updated its offer to only **two packages**:

I. WYBORCZA:
standard content package – browsers only
(Wyborcza.pl and 22 regional papers)

II. WYBORCZA PREMIUM:
standard package with full access to their digital archives (with more than four million articles) and selected magazines

The average price for monthly subscriptions to news media in Poland is PLN 28 (US$ 8) for the 21 most read media outlets in the country, based on 2017 prices for both online access and print media copy. The price GW offers is below the market price: its standard monthly subscription costs PLN 19.99 (US$ 5.6). The Wyborcza (standard) package is the most popular amongst GW's subscribers: quarterly subscriptions are the most frequently purchased (the quarterly subscription is also the most advertised). The Wyborcza Premium, the publication's premium package accounts for 30% of the total number of sold packages, but it is an option that is growing in popularity. At the end of September 2017 the number of paid digital subscriptions to GW was close to 110,000. Although it represented around 3% of GW's overall audience, print and online combined, it was a significant jump from 50,000 subscribers in 2015, the year when GW launched subscriptions.

The Wyborcza metered model is only a reference subscription model. In practice the publication regularly changes its offers, continually building different packages suited for different groups. The metered model is rather a standard offer that is altered to suit the needs of certain groups, or even certain types of content. For example, a specifically built group-targeted package might be designed for a young university crowd – people who do not have a lot of financial resources, but have very specific interests. Specialized content such as long investigative pieces also circumvent the general rules of the metered paywall. Such stories might not be open at all to non-subscribers. The model is less automatic and more strategic: opening and closing content at GW is a practice whose ultimate goal would be, for example, to invest in and breed a group of readers that are likely to represent the publisher's future.

Thanks to its publisher's generous resources, GW handles the management of subscriptions and payments in-house. The publication's content is accessible on multiple devices (PC, tablet, e-readers) and formats (online, PDF, epub, mobi). Mobile apps were also developed quite early (the first app was launched in 2012), but the results, relative to the investments, are still unclear.

The key advantage of a metered model over a hard paywall, at least in GW's experience, is that, in spite of a drop in traffic when the wall is

introduced (as there will always be some people not ready to pay for content among returning audiences), the metered paywall does not trigger such radical changes as a hard paywall where all content is closed to non-subscribers.

Moreover, the metered paywall gives a publication's team time to learn how to manage such a system. It also offers a diverse set of readers, both subscribers and anonymous users, or "fly-bys" (readers who access the website without subscribing) who generate useful data for the news media outlet that can be used to develop targeted advertising campaigns. Once there is enough knowledge in the organization, say, on popular content and readers' needs, different rules for the paywall can be set up. The drawbacks of the model become obvious rather fast: the metered paywall reduces traffic, and lower traffic can generate a series of concerns and setbacks, especially regarding the publication's relationship with advertisers. It can also create panic among journalists and animosity among readers who were used to getting content for free. But such drawbacks can also be overcome as fast as they appear: good internal and external communication are vital in managing such drawbacks when a paywall is introduced.

Commitment to Loyal Readers

According to Bregula, once a paywall is set up and running, there are two key things a publication can do: try to get new subscribers and keep the ones they already have. These are not always two different things. Loyal subscribers are a pool of knowledge who can teach a publication how to grow and, in the process, attract new audiences. A relationship with subscribers must not only be established, but also maintained. To do that, publishers can do various things that make subscribers feel special. For example, they can make special offers available exclusively to subscribers or send them specially created newsletters covering important local and international events.

GW also implemented a couple of less conventional strategies to maintain its subscriber base. One that created a fair amount of heated debate was rolled out in August 2017. Then, the Wyborcza.pl website changed the rules for public comments on content, giving only subscribers the privilege to comment on articles. This created a bit of an uproar at the time and the site was accused by some local observers and readers of limiting free speech on their platform. According to Bregula, the decision to allow only subscribers to comment was prompted by the need to create a safe space for discussion and respectful dialog for GW's loyal readers, the publication's representatives argued. It was also seen as a benefit available just to subscribers and thus, another incentive for readers who had not subscribed yet to do that. On the other hand, the paper experimented with opening up content, which was initially designed solely for subscribers, to the larger public. One such example was sending every evening at 7 p.m. a personalized newsletter, consisting of commentaries and article recommendations from the newspaper's journalists, to GW's subscribers. The newsletter became so popular that it was then made publicly available. It now has 32,000 subscribers.

To enhance its paywall model, GW puts a strong emphasis on data collection and analysis. The reading habits of subscribers are seen as a gateway to knowing more about a potential new public. The general idea is that loyal readers are a source of information, advice, and constructive criticism.

Newsroom and Content

The introduction of the paywall had a significant impact on GW's newsroom and coverage as well. Cooperation between various departments of the publication took new directions. Journalists with considerable experience in print learned how to confront the digital, a medium that is more fluid and fragmented. One key lesson was that certain sections of the online edition are monetized separately. But they also learned that counting clicks was not all there was to analytics. Sales teams, marketing and business teams went through a similar process of adjusting to new audience habits and new business partners.

The paywall did bring some changes in GW's content, although the core topics traditionally covered by GW have not been abandoned. Political news, both domestic and foreign, and political commentary have comparable weight on the Wyborcza.pl sites as in the print editions. What has changed was coverage of local news, which increased in the regional online editions. Factual reporting increased as well relative to political commentary. The selection of topics diversified. Sometimes the tone and language of certain sections were changed to suit the needs of the targeted public, better identified through the paywall.

The digital platform allows for more flexibility than print. In the GW case, when new sections are added to the website they are closely monitored and analyzed by looking at traffic from both subscribers and anonymous users to establish if they are successful. The online front page is ever changing and monitored: it is the editorial team that does real time monitoring of content on this section. Content and traffic on the overall site is studied together with the business team, while specific data on certain topics are analyzed separately with experts.

Revenue and Traffic: When Not Only Numbers Matter

Revenue is a complex story that can only be understood in context. Income from subscription is not the only indicator of success for a media outlet with a paywall, as Bregula explained. Revenue is rarely coming from just one source. Thanks to its high number of subscribers, display advertising is still a major source of revenue for GW as is premium advertising (targeted to specific groups of subscribers for higher prices). Traffic on the site dropped after the introduction of the paywall both when the national plan was introduced in 2012 and even more dramatically when the metered paywall was launched in 2014. In each case, it resulted in an average decline of 15%-20% of GW's traffic depending on the website

(either the general site or regional papers sites). This is a reality most publishers expect and worry about when they launch a paywall. But while traffic does drop, what a publication gains from operating a paywall is more engagement with its subscribers. On Wyborcza.pl, up to 40% of page views are now generated by subscribers. On average a subscriber reads around 100 articles a month, according to Bregula. Now reader revenue represents a significant share of Wyborcza's total digital revenue.
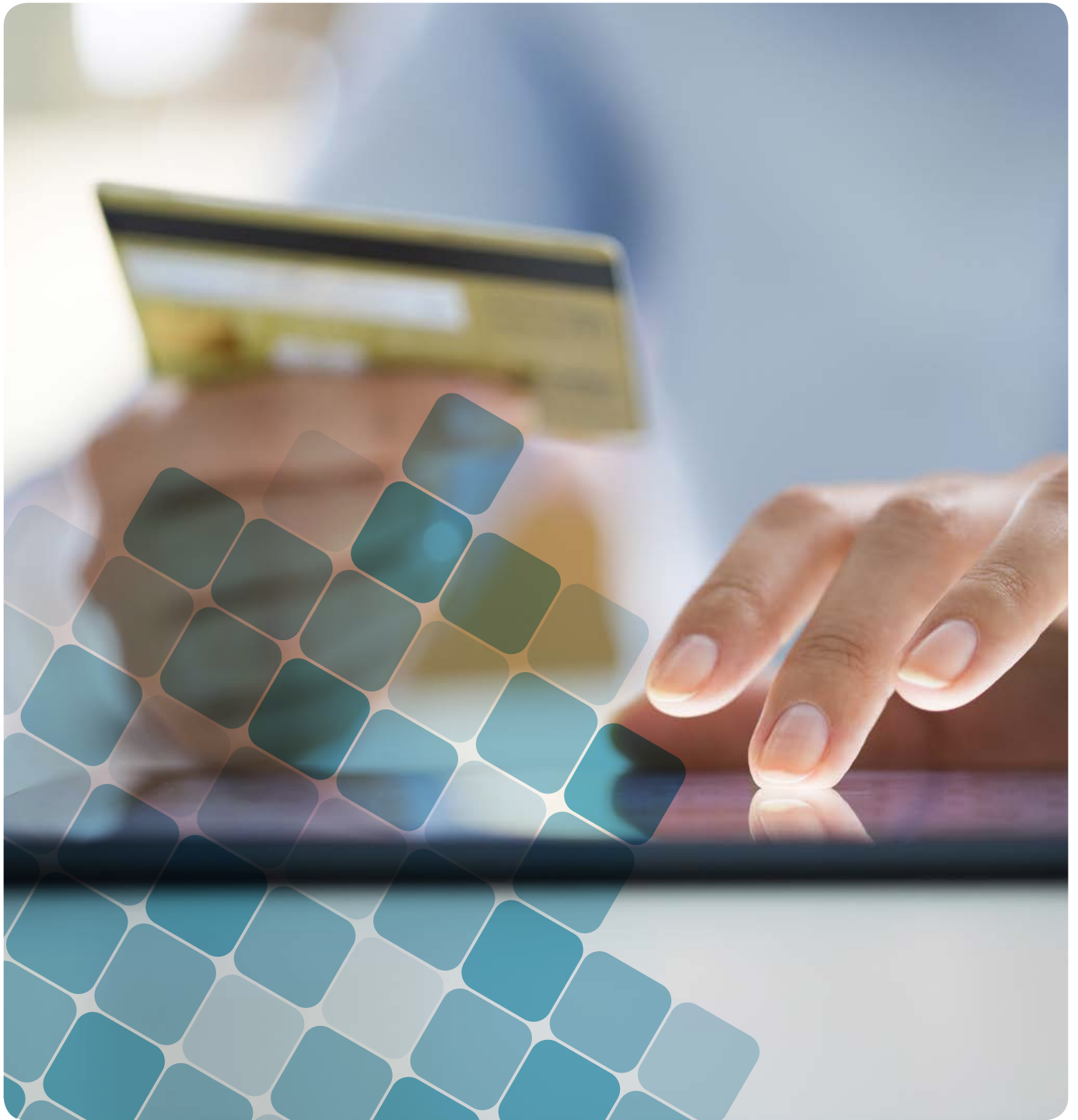
Subscriptions sold on regional content accounted for 20% of GW's total monthly sales revenues at the end of 2017, which was a significant increase from the 5% share regional content was generating right after the metered paywall was introduced. It was believed among industry experts that regional papers are better suited to generate ad revenues than paid subscriptions, but GW's public from the regions has been slowly developing a taste for paid content. If, like any legacy media outlet, the print edition is still more prestigious among some audiences, the online editions of the paper helped engage new audiences and diversify the publication's revenue sources.

Marketing strategies must work within these complex scenarios and sometimes with expectations among staff that are only expressed in numbers. Advertisers, and sometimes even journalists working for GW, ask only for quantitative data to decide whether a new tool such as the paywall is a success. In 2017, when the business department of GW stopped free access to its content to visitors via Facebook, the decision was questioned internally. Traffic from Facebook naturally dropped, but the paper's marketing strategy to boost subscriptions through Facebook soon paid off when 30,000 readers coming from Facebook bought GW subscriptions. There is a give-and-take lesson: seeking support from subscribers rather than from advertisers as a more comfortable source of revenue is a strategy that GW has successfully embraced. Traffic coming from Google still has free access to stories: readers who find the site via online search articles published by Wyborcza.pl will have access to that content free-of-charge. GW chose this strategy mostly because Google search optimization makes the publication's content easily findable and constantly brings new users, and in the end, subscribers.

Conclusions

When Wyborcza.pl was launched back in 2008, besides its quality, one of the best things about it was that its content was freely accessible. Once the paywall was up in 2012, the publisher had to find a way to present this content differently. According to Bregula, this was the most important task when they introduced the paywall: audiences had to understand what was unique about content if they have to pay for it. This could be more reporting on local news or expanded foreign news coverage. Moreover, GW learned that readers tend to pay if the coverage is relevant to them. Relevance matters more than anything else for paying audiences. According to Bregula, even unique, exclusive coverage has to be relevant for a particular public if you want them to pay for it. For example, if the regional public is more in need of objective, factual reporting than extended political commentary, this need should be addressed. This strategy does not imply that specialized content has to be eliminated,

but rather that it should be supplemented with content relevant for the readership if the need becomes obvious.

If why and how a paywall is set up is vital, what also counted in the case of GW was 'how fast' the paywall was implemented. As print sales declined, free content online became increasingly popular. Simultaneously, ad revenues online were being gradually lost to global technology giants such as Facebook and Google. As such, GW decided to migrate to digital subscriptions as fast as possible. The primary goal of their digital strategy was to generate sufficient revenue from digital subscriptions to compensate for the loss of revenue from other activities. The set-up of a paywall was part of this strategy: it was a major decision for GW, but a necessary step. Relying on readers for support in the digital ecosystem can be risky even for a publication with the resources, history, and experience GW has. It came with both losses and gains.

When GW set up its first paywall in 2012, and then joined Piano Media's national paywall plan, it set three goals for itself: to gain experience in running a paywall platform, to test the model on its readers, and to increase and diversify the revenue for the paper. It is safe to say that building and managing its in-house subscription software is proof of one goal being achieved. GW's number of subscribers has been steadily increasing and has passed the symbolic threshold of 100, 000 in 2017. Although the introduction of the paywall led to a drop in website traffic, it revealed a more intense subscriber engagement with the paper's content. GW sees this as proof of loyalty from a group of readers they can rely on. The medium-term goal of testing readers' attitudes and learning how to promote the paywall has been achieved for the moment. It is, however, an ongoing effort to both maintain a loyal subscriber base and to convince new groups to join.

One lesson learned by the paper is that none of these tasks are ever complete. More decisively, it is vital for GW to increase its paywall revenue. It is difficult to assess at this early stage if revenue from subscriptions will increase fast enough to mitigate the decreasing readership of its print editions. However, the steady increase in the numbers of subscribers over the last five years allows for optimism in the long run.

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PAYWALL IMPLEMENTATION CASE STUDY:
MALAYSIAKINI

Overview

Malaysiakini is one of Malaysia's most widely read news/political websites. Known for its independence, the portal took advantage of relaxed censorship rules governing online publishing within an otherwise unfree media environment to launch in 1999. It has grown in both readership and importance ever since. The site employs around 40 journalists and editors, is published in four languages (English, Tamil, Chinese and Malay) and has explored different publishing avenues, including a separate business news site (now closed) and internet television.

One of the earliest adopters of a paywall subscription model back in 2002, Malaysiakini is an example of how a low-tech paywall can form an integral element of a successful business model. The company has operated in the black every year but one since 2004. However, the success of the paywall, along with other reader generated revenue Malaysiakini attracts, is bound up with the value the site's readers place on its uniqueness as a source of independent journalism in the country. As such, Malaysia's restrictive media context is key in enabling the model's success – people subscribe not only because they like the content, but also because they identify with the cause the news portal represents. Currently the site attracts around 300,000 unique visitors per day and has about 13,000 subscribers (down from a high of over 17,000 in 2013).

The Readership and Local Context

The background and behavior of Malaysiakini's readership is, to a certain degree, closely related to the site's role as a pioneer of independent journalism in the country. Like many countries in the region Malaysia has strict controls on print media. A number of Acts curtail the freedom of reporters and news organizations, including the Printing Presses and Publications Act that requires permits and allows the government to revoke permissions . However, drawn by the lure of the dot com boom, Section 3 of 1998's Communication and Multimedia Act enshrined into law a promise that "nothing in this Act shall be construed as permitting the censorship of the Internet". Whilst this opened the possibility for a site like Malaysiakini to come into being, it has not freed it from attacks over the years from members of the government, corporations and, recently, from pro-government vigilante groups who were purportedly angry at foreign investment in the company.

The willingness to report on previously unreportable topics against a backdrop of attacks has led to the site gaining an identity as a standard bearer for independent media in the country, a cause many of its readers align with. Some readers also see the site as part of the opposition movement against the ruling government (Malaysia is a federal representative democratic constitutional monarchy, which has seen the same party ruling as the predominant member of coalitions since independence in 1957). However, Malaysiakini is keen to be seen an independent and not part of the opposition. For instance, the site also publishes critical pieces about opposition run states, and features interviews with a former prime minister who, when in office, spent much energy attacking Malaysiakini. The site's willingness to remain fiercely independent has both surprised and angered some of their readers, who expected the site to have a more pronounced oppositional tone.

Being both a pioneer of independent journalism in Malaysia, and a node around which opposition supporters gather, Malaysiakini has nurtured a loyal readership. This loyalty manifests itself in a willingness to donate for particular causes (e.g. new premises) and, importantly, to subscribe to the site. The paywall only exists on the English and Chinese versions as these readers are perceived to be relatively more affluent than average. Tamil speakers are a smaller population, whilst the founders believe it important to keep the national language version of the site open to all. Finally, Malaysiakini's readership should be understood within the context of close to universal literacy in the country and a level of 68.5 percent internet penetration.
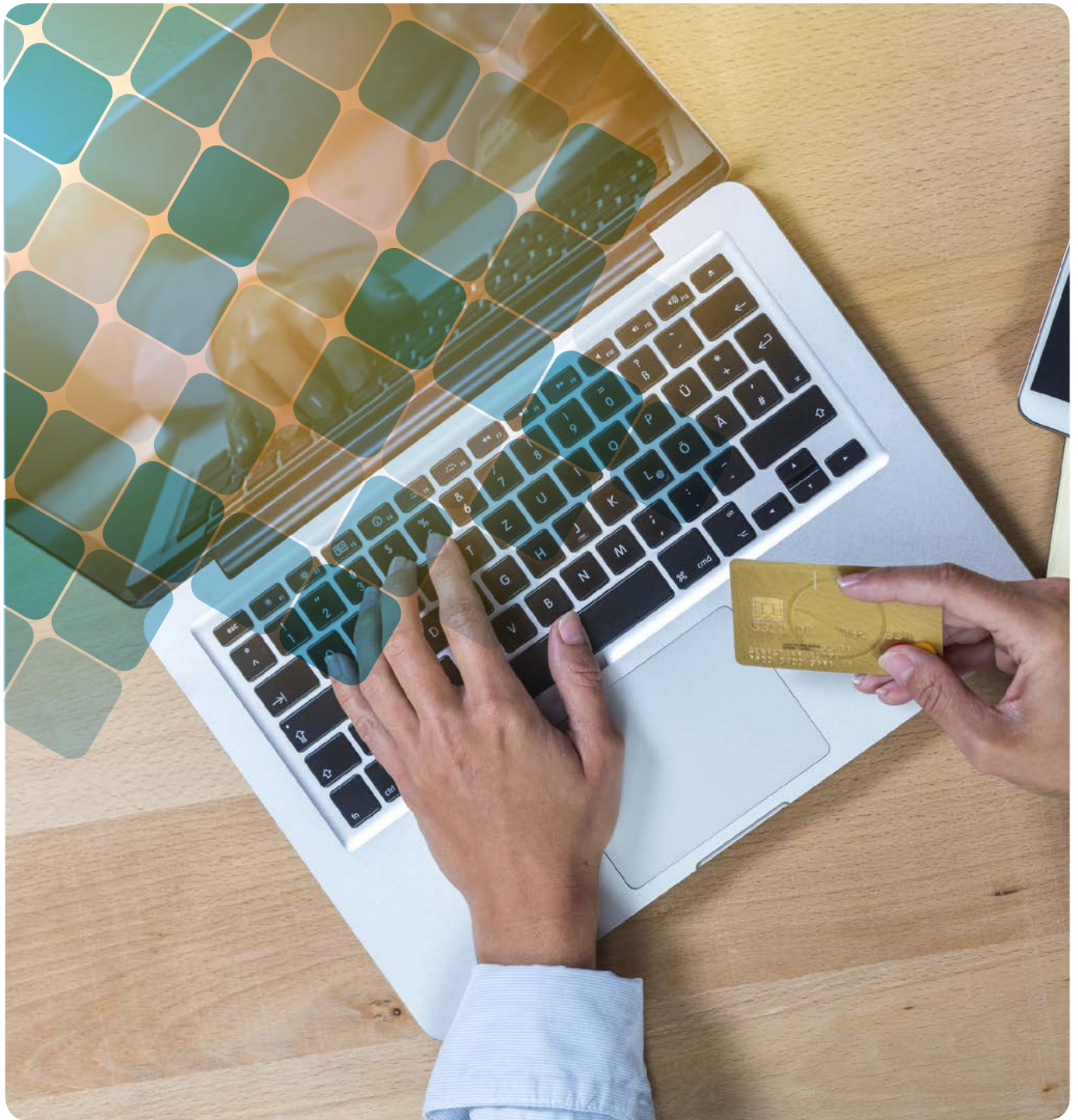
The Concept & Strategy

Currently the site employs a hard paywall, with usually only the first lines of articles visible. There is always some content unlocked and available for free (e.g. the letters page, some of the editor's picks), but 90 percent of the English and Chinese sites remain only accessible for subscribers. However, at the time of writing changes are underfoot (see below).

The site was founded in 1999 through seed capital from founders Premesh Chandran and Steven Gan and their friends, and via a grant from Southeast Asian Press Alliance (SEAPA). Since its founding until the bursting of the dot com bubble in 2001 advertising played an important role in the site's revenue – this had all but dried up by 2002 due to the crisis in Asia. The financial predicament spurred Chandran and Gan to think about implementing a subscription based model. Before introducing the paywall, Malaysiakini undertook market research to see if their readers would be willing to pay for content. In 2002 there was little in the way of existing models that they could use for comparison in regard to paid news subscriptions. Accordingly, they turned to markets that had both free and paid content for inspiration, primarily cable television. They concluded that people were willing to pay for high quality products if the same product is not available for free. The site also surveyed its readers, hoping that around 20 percent would indicate that they would be happy to pay for content. However, the survey revealed only around 3-5 percent would be willing to do so. Nevertheless, the co-founders decided to push ahead with the idea, and received support when Media Development Investment Fund (MDIF) acquired an equity stake in the news site's parent company Mkini Dotcom, with the resultant improved finances giving the company three years to prove the model viable. One of the early ideas was to create a combined subscription option in which readers would, through one payment, be able to access different news, politics or other websites unrelated to Malaysiakini. With this in mind, an external customer relations management subsidiary was set up in 2002 called Manage4me which, though the brainchild of Malaysiakini, would sell subscriptions for Malaysiakini as well as other news portals. However, the envisioned five or six news outlets that Malaysiakini thought might be interested in joining the platform decided against the idea, leaving Malaysiakini to go it alone.

There were 1,298 subscribers in the first year and growth was slow, topping 5,000 subscribers only in 2007. The desire for independent news during the general election in 2008 gave the site a massive boost, with subscriptions reaching over 12,000. Following the election numbers dropped (though stayed around 10,000) until the 2013 general election pushed subscription numbers north of 17,500. By the end of 2017 numbers were running at about 13,000 (the next general election is scheduled for August 2018). It should be noted that these numbers represent unique subscriptions, with Malaysiakini's owners suggesting that around four times as many people read paywalled content through the sharing of log-in information.

Malaysiakini's success in improving its subscriber numbers is evidenced in the share subscriptions began to provide within the site's overall revenue.
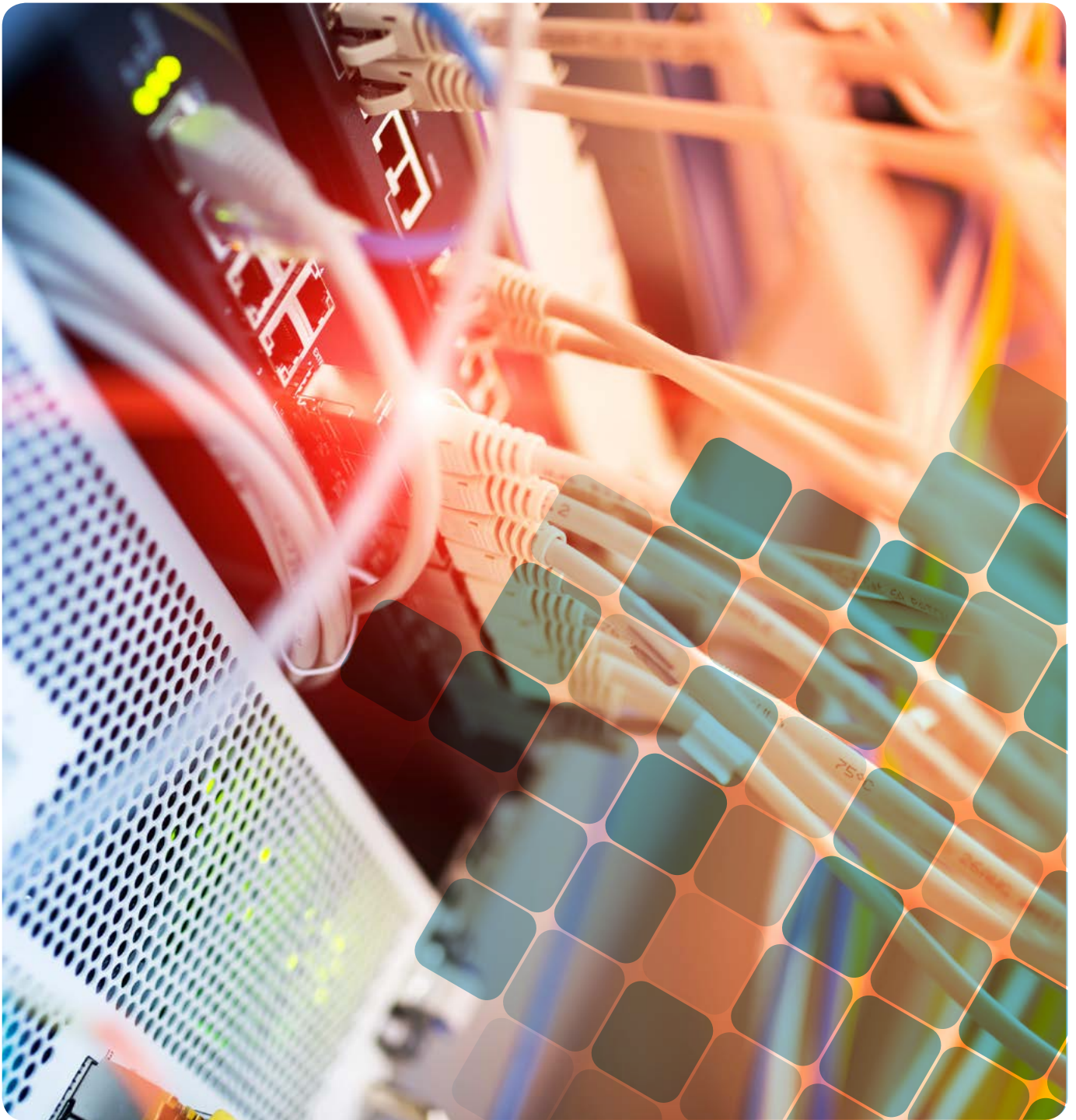
Taking the aggregate figures from the period 2008-2012 revenue was made up as followed: subscriptions (40.6 percent), advertising (33.5 percent), project grants (18 percent), mobile services (3.4 percent) and other (4.5 percent). However, since 2010 advertising overtook subscriptions as the largest source of revenue, something that remains the case at the time of writing. It should also be noted that no single grant is above 10 percent of the total budget, nor has the growth in advertising revenue led the site to drop its paywall, as the owners do not wish to become overly reliant on any single source of revenue. Subscriptions contributed about 26% of total revenue in 2017.

The cost of subscribing to Malaysiakini has remained low for local standards since the paywall's inception, with costs conceptualized with parallels to other everyday expenses. For instance, the subscription was launched in 2002 at a rate of MYR 100 (US$ 26 at the 2002 exchange rate) per year. This was presented as MYR 10 (US$ 2.6) per month with two months free, with MYR 10 equal to the cost of two meals. The cost has of course risen since 2002, but it remains similarly inexpensive – currently MYR 200 (around US$ 50) per year. Until recently there was a higher price to read the archives, with a normal subscriber limited to articles from the last 90 days. Set at three times the regular rate, the package was aimed at researchers or embassies who could fold the extra costs into their professional expenses. The option was dropped due to the low levels of subscription to this service.

Monitoring & Technology

At the time of writing the technology used for the paywall is about to change. Co-founder Premesh Chandran referred to the old system as 'very much Web 1.0'. The old Manage4me software, first developed in 2002, presents limitations for both users and the company. Although it is possible to see the number of active subscribers and their renewal rate and get daily, or other time-bound reports, there is much the software cannot currently provide. When Malaysiakini introduced the paywall, the online world was a very different place, something evidenced in how many people chose to pay. Coupons were sold in shops that allowed people to access the site without using bank accounts – in part this was because internet payments were not so easy and people feared to buy online (by 2010 the coupons were abolished due to increasing trust in internet payments).

Currently the Manage4me run subscription process not only takes, in Premesh's words 'too many clicks', but also opens new windows when it comes to payment – something far from ideal in light of increased mobile phone readership. The new subscription process is expected by Malaysiakini's management to be smoother, and it will soon allow single sign-ins through Google or Facebook profiles. With the new model Malaysiakini may require all readers to register, allowing a limited number of pages to be read for free by non-registered readers. Analyzing how quickly non-subscribing readers use up their quota will give the site owners a better idea in regard to what package to market to particular

groups. For instance, some groups of readers might be quite loyal to the site for political or ideological reasons, but only infrequently read articles. Meanwhile another set of readers may not be so closely aligned to the cause, but nevertheless read the site regularly. The first group might be more amenable to a donation drive, whilst the latter might be tempted by discounted subscription offers or special gifts. Grouping of readers based on their activity, or introducing a metered paywall is currently not possible with the existing software. The company has not decided on which reader subscription metrics to track when the change in technology allows for the possibility.

In the early years some people worried about publicly showing their support to Malaysiakini – there is a large civil service and many people work in either government owned companies or companies reliant on government contracts. As such the site does not require real names or any other identifying information and the bank details are not held online. If Manage4me or Malaysiakini's servers were compromised, all that could be accessed are a list of emails, and subscribers are free to use whatever email account they choose when registering for the site. There is no local payment system offered by banks or other providers that would allow for recurring payments effectively and cheaply, however a partial recurring system exist for those who want it.

PR and Promotion

During elections and at times of national importance (such as when Malaysia Airlines Flight 370 went missing) the paywall is removed and all articles are available for free. This fits with the mission of the site to promote democracy through access to independent reporting. The message communicated to readers at such times is that Malaysiakini does not want to profit from an urgent need for news. Regular subscribers are compensated for the period of universal free access by having their subscription period prolonged by an equivalent number of days.

Differing lengths of subscription possibilities have been offered over the years as the site learns more about its readers' habits. In the earlier years only shorter subscription options were available (one-, six- or twelve-month packages). When the company trialed a three-year package, 20 percent of those on six- or twelve- month packages opted to change to the three-year option. Internally, this was interpreted as a desire amongst readers to avoid having to repeatedly renew their subscription (not only to avail themselves of the discount). Currently there is the possibility to subscribe monthly, for three months, one year, two years, three years or life (see table below). There are also group subscription options (of 6 or more) and the possibility for IP-based institutional access.

Whilst for the most part subscription numbers have steadily increased over the years, there are of course a number of strategies and external factors that influence fluctuations in

Subscription Options for Malaysiakini		
Type of subscription	Cost (in MYR)	Cost if paying monthly (in MYR)
1-Month Access	25	25
3-Month Access	60	75
12-Month Access	200	300
24-Month Access	360	600
36-Month Access	450	900
Lifetime Access	2,000	-

Source: CMDS, based on data from Malaysiakini, 2018

subscription numbers. For example, to entice readers each month a different book is offered for those who wish to start their subscription. If a book is popular, then there is a notable spike in subscriptions. Trials with other gifts have not worked as well, however. Overall, the biggest driver of new subscribers is news – when there is a scandal or major political affair then the site receives lots of new or renewed subscriptions. As noted above currently the site is experiencing a drop in subscriptions (around 13,000 down from over 17,000 in 2013), something the owners suggest is related to general disillusionment with politics and an unhappiness with the opposition.

Over the years Malaysiakini have also experimented with tie-ins, offering joint subscriptions to their readers. For around a year or so Malaysiakini offered a combined package with the Wall Street Journal, but as only a few

readers subscribed the amount of administrative work needed to manage the cooperation was considered too high and the option was dropped. Locally, when a Chinese language competitor faced financial trouble and was due to close, the sites worked together to offer a joint subscription to both news portals. As with other Malaysiakini's actions this surprised some people, as they essentially propped up a direct competitor, but the site's commitment to supporting independent press trumped any immediate business concerns, a decision which brought them many plaudits (even if the competitor site was forced to close eventually). These previous attempts by Malaysiakini to create common subscription possibilities across different sites owned by different companies might also be revisited in the future.

Internal Communication

When the portal's founders Chandran and Gan decided to move ahead with the paywall model in 2002 they were called 'crazy' both outside and inside the company, but it was the journalists who had to bear the brunt of people's anger or ridicule about the introduction of the paywall.

As such, the owners faced fierce resistance from their staff who had to face daily accusations that Malaysiakini, despite talking about the importance of democracy and a free press, was just 'out to make money', or that it only cared about the middle classes. With this in mind, the co-founders spent considerable time convincing the staff about the need to find an innovative business solution, otherwise the site would shut down. Chandran describes the office organization as being very open and non-hierarchical, so rather than force the idea on the staff the management worked hard to explain the decision from a business point of view.

Final Remarks

Implementing a paywall at a time of severe financial pressure saved the site from closure (or reliance of foreign donors) and allowed Malaysiakini to grow into a stable, popular and important media presence. Advertising revenue only overtook subscription revenue eight years after the paywall was implemented. The boldness of the decision to go ahead with a paywall back in 2002, long-term growth in subscriber numbers, the experiments with promotions around general elections and joint subscriptions, and the planned evolution of the subscription model can all certainly provide inspiration for news sites considering paywalls elsewhere. However, underlying the success of this paywall is Malaysiakini's uniqueness in providing independent news within a partially unfree media context. As such, the case of Malaysiakini's paywall must be understood within the movements of wider political and ideological processes.

As Chandran puts it, "People support independent media. They support the bigger picture. I think our model's success driven by the cause or sentiment – people need to feel like they need Malaysiakini, democracy and freedom of the press." He believes that sites only need about 10-15 percent of their current readers to pay (the percentage for Malaysiakini is much lower, in part because of the multi-language partial paywall). The trick is to offer people something that they cannot get for free elsewhere and to not become overly reliant on one revenue stream.

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