

News Behind the Wall

An Analysis of the Relationship Between the Implementation of a Paywall and News Values

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Abstract

This article explores the relationship between the implementation of a paywall and the editorial content profile in a local newspaper. The premise of the article is that the content published behind the wall is the content the newspaper values the most, and the article aims to contribute to an understanding of the interplay between strategic and economic decisions regarding news production and the editorial content. The Norwegian newspaper *Fædrelandsvennen* and its online initiative *fevennen.no* serve as cases in the study, and the article asks two questions: What are the most prominent news values behind the paywall, and how do they relate to commercial strategies regarding the introduction of the wall?

Keywords: paywall, news values, content analysis, local news

Introduction

This article explores the relationship between the implementation of a paywall and the editorial content profile in a local newspaper. As a possible solution to the current economic difficulties of the newspaper business, many newspapers have put their digital content behind paywalls, in the hope that their readers will pay for the content they consume. Many scholars have examined paywalls from an economic point of view, including topics such as strategies for charging for online news (Stahl et al. 2004; Thurman & Herbert 2007; Greybeal & Hayes 2011), and readers' willingness to pay for online news (Chyi 2005, 2012; Chiou & Tucker 2013). However, the question that largely remains unanswered is what impact a paywall will have on a newspaper's editorial content.

The premise of the article is that the content published behind the paywall is that which the newspaper values the most, and thus the article aims to contribute to the understanding of the interplay between strategic and economic decisions regarding news production and the editorial content.

The Norwegian newspaper *Fædrelandsvennen* and its online initiative *fevennen.no* serve as cases in this study. *Fædrelandsvennen* placed parts of its digital content behind a paywall in May 2012; and has since considered the project a success. Based on quantitative content analysis of the online edition conducted in May 2012, September 2012 and March 2013, the article seeks to answer the following questions: What are the most prominent news values behind the paywall, and how do they relate to commercial strategies regarding the introduction of the paywall?

The aim of the article is to analyse the types of news the newspaper considers most valuable and thus as a possible source of income. This may enable an extrapolation of how the news market will look when more newspapers begin to charge for news online.

Contextualisation

The media industry, and particularly the newspaper industry, has been facing some severe challenges in recent years. Concomitant to the availability of online news, through portals and online versions of the news media, circulation and readership numbers of the printed press has decreased resulting in a decline of advertising revenues. The problems are that advertising space is less valuable online than in print, and the Internet enables advertisers to find more targeted spaces to reach potential customers. As online user fees have traditionally been almost non-existent, the online editions have generated less revenue than the printed versions, which has negatively impacted on the newspapers' overall revenues. As Des Freedman explains

[...] the business model of online journalism appears to be one in which audiences largely refuse to pay for content, advertising revenue is dominated by search engines and pure-play companies, cannibalization remains a concern [...] and traffic goes more and more to internet portals and aggregators who invest virtually nothing in original news content and simultaneously fail to expand significantly the range of source materials (Freedman 2010: 47).

Thus, newspapers are in an unsustainable business environment, in which readers turn away from purchasing printed newspapers to read news digitally. Furthermore, the industry has, despite on-going experimentation, yet to develop a sustainable online business model online. The unresolved question is whether or not readers are willing to pay for news online. In the first decade of the new century the outlook was pessimistic. In 2007 a group of British researchers concerned with mapping strategies developed for charging for online content concluded, after interviewing British media managers, that very few managers believed that it was possible to charge for digital news (Thurman & Herbert 2007). Six years later a more optimistic outlook has emerged (Pew Research Center 2013), and many newspapers are experimenting with different ways of charging for online content. The characteristics of these experiments vary, from *The New York Times'* metered model, where the first ten articles are free, to those that lock the content partly or completely behind paywalls.

Theoretical Background

News Values

Ever since Galtung and Ruge (1965) compiled their list of news criteria, researchers have been concerned with why events become news. One strand of this research has resulted in taxonomies of values, or criteria, that must be met in order for events to be published as news. Galtung and Ruge (1965) list frequency, threshold, unambiguity, meaningfulness, consonance, and unexpectedness as important criteria, while others, such as Golding and Elliot emphasise drama, entertainment, importance, proximity and recency among others (cited in O'Neill & Harcup 2009: 164-166). In order to renew

Galtung and Ruge's system, Brighton and Foy (2007: 29) list relevance, topicality, composition, expectation, unusualness, worth and external influences. There seems thus to be a lack of consensus concerning what it takes for an event to be considered newsworthy, which is also supported by journalists who describe news value or newsworthiness as a "gut feeling" (Randall 2004: 24) and a "shared understanding" (Golding & Elliot 1979, cited in O'Neill & Harcup 2009: 162).

As Brighton and Foy (2007: 9) explain, the taxonomies of news values often include different aspects of the event, such as the subjects of the stories, the different facets of media practice, while others appear as more conceptual. A common feature is that the story is the starting point for explaining newsworthiness – news value originates from the events themselves (Allern 2001: 58ff; Eide 1992: 67).

Such an approach to newsworthiness implies a focus on events, and can be criticised for being too event-centred. This approach fails to recall that many news stories originate not from the events themselves, but from processes, statements and long-term developments (Eide 1992: 67; Allern 2001: 59; O'Neill and Harcup 2009: 63). Instead, the taxonomies of news values give the impression that the news "exists" out there, and that it is the journalists' job to select them (Denis McQuail [1983] 2010: 310-312). The approach further conceals the journalists' role in the process and gives the impression that the stories are the protagonists of the relationship between the journalists and the stories (Gravengaard 2009: 85,86). Indeed Gravengaard (*ibid.*) argues that because the journalists themselves are also aware of the duality of selection and construction and see their daily work as parts of both, the selection perspective is not a fruitful one.

Eide (1992: 68) argues that news criteria might also be criticised for working as causal explanations for news output and suggests (*ibid.*: 69) that news criteria instead should be considered as rules the journalists follow for producing news. A journalistic rule guides the behaviour of journalists, and Ryfe (2006: 205) defines it as "a normative assumption or expectation about appropriate or legitimate modes of behaviour [...] in the context of news production". Hence, the rules are not embedded in the journalists themselves, nor in the events they cover, but in the "practice of news production" (*ibid.*: 210). Ryfe further distinguishes between *constitutive rules* and *regulative rules*, where constitutive rules "define what counts as news" (*ibid.*: 204), and regulative rules "tell journalists how to produce this pre-existing object" (*ibid.*). The rules come into play when justification for why a news story is written in a specific manner is needed – *after* the story has been written. This way news criteria or news rules are seen as justifications of, rather than causes for, news output and journalists' behaviour (Eide 1992: 67ff; Ryfe 2006: 210), and journalistic output should be considered as the outcome of the journalists' adherence to these rules.

Studying news values might however also provide some useful insights. Hall (1973: 181) argues that this type of research might reveal some of the judgements behind what he calls a "'deep structure', whose function as a selective device is un-transparent even to those who professionally most know how to operate it". While news values says little about the process of how news comes about, the concept is helpful in addressing the content that is actually published, and by that provide an insight into what kind of content the newspaper values the most.

News as a Commodity

Another reason for not accepting the selection paradigm is the extent to which news production is influenced by internal and external factors,¹ among them the market (McManus 1994). News has long been considered as a commodity to be sold in a market (Østgaard 1967; Allern 2001: 60; Hamilton 2004; McManus 1994), and the introduction of a paywall can be considered as a sign of the increasing commercialisation of the news sphere. On one hand, the newspapers are looking for new sources of income and on the other hand, the readers now pay for something that has previously been free. Therefore a reasonable assumption is that when newspapers introduce a paywall they attempt to offer something their readers might be willing to pay for. To understand what is being published and why, it is thus important to understand the basic economic features of news, because they “go a long way toward explaining which type of information ultimately end up being offered by the market as news” (Hamilton 2004: 9).

Newspapers operate in ‘two-sided markets’ (Picard [2002] 2011: 9; Picard 1989: 17; Kind et al. 2007), where they cater for two different yet mutually dependent groups of customers simultaneously: advertisers and readers. Advertisers have often accounted for the majority of the traditional morning paper’s newspapers’ revenues, while readers have contributed a smaller share (Picard 2009: 75). Because advertisers normally want to reach as many potential customers as possible, the newspapers try to reach out as widely as possible. This business model, in theory, then affects the newspaper’s content profile, which ideally should be “something for everyone”. News production is furthermore characterised by high fixed costs, which do not vary with the number of copies produced, low variable costs that do vary with the number of products produced (Hamilton 2004: 9) and low marginal costs, the costs of providing the newspaper to one additional reader (Picard 1989: 57). Fixed costs per copy drop when circulation increases, which provides newspapers with an additional incentive to reach out to a large audience group (McManus 1994: 61). The newspapers’ business models then play an important role for the content being published.

Strategies related to online publishing have largely followed the same model as the print edition: building a large audience base to charge for advertising (Kaye and Quinn 2010: 9). Online newspapers are to an even greater extent than their printed counterparts characterised by high fixed costs and low (essentially zero) variable costs and the cost of offering online content to one additional reader is therefore non-existent. As with the printed versions, this gives the online versions an incentive to reach out to as wide an audience as possible.

The characteristic “for everyone” depends however on the market, in which the newspaper operates. “For everyone” in a local market can be seen as unique or a niche (see Dimmick 1997, 2011) in the national market, and thus also the market in which the newspaper operates is important for content choices.

News and Consumers

Given the mutually dependent relationship between advertisers and readers (consumers), the latter’s relationship with the newspaper is important. The consumers might be regarded as the newspaper’s “main currency” (Doyle 2002: 12), while the content being published might be considered as the “[...] function of numbers of consumers and their value in the marketplace” (Hamilton 2004: 19).

Readers base their decisions to consume on the scarcity of two resources; time and money (Picard 1989: 17). Whether the audience decides to use these resources on a particular product depends on what they expect to get in return for the investment, and on the costs associated with the consumption (McManus 1994: 319). This decision can also be linked to the concept of ‘opportunity costs’ in economic theory: the cost of giving something up in favour of something else (Hoskins et al. 2004: 8). A reasonable assumption, therefore, is that the introduction of a paywall is crucial for the readers’ decision because the paywall means they must spend more of their resources on getting the news.

In the context of media products, applying a standard market model, in which incentives to sell depend on the consumer’s willingness to pay for a certain product, is difficult (see for example Baker 2002: 7). One reason is that news is also characterised as ‘experience’ goods – i.e. goods the consumer must consume in order to assess (Hamilton 2004: 9). By definition, news is something consumers do not have prior knowledge of (McManus 1994: 65) and therefore, as Chan-Olmsted (2006: 57) argues branding is important, as consumers’ perceptions of what they have already been offered is important. Hamilton (2004: 35) concurs, “Consumers may not fully investigate the product dimensions of each good they buy. Instead they rely on brand reputation and the purchase of others”. Consequently, the brand of a particular product needs to be protected and it needs to supply the audience what they expect from that specific publication.

Commercial News Criteria

Since news also is “for sale”, Sigurd Allern (2001: 60) argues that the journalistic news criteria must be supplemented with a set of commercial criteria, which to a greater extent embrace the logic of the media market. These commercial criteria are related to the budgets allocated to news departments, the competences of the sources, degree of exclusivity and an increased focus on entertainment (Allern 2001: 66). Commercial criteria, Allern argues, will lead to an emphasis on “cheap news”, such as press releases and other ready-made stories (ibid.: 65). Also James Hamilton (2004) argues that content characterised as hard news: news about politics and other complex issues, will be discarded when a commercial logic dominates. The reason, he explains, is that the five ‘W’ questions who, what, where, when and why, which usually guide journalistic texts, are being replaced by five other questions that better correspond to a commercial logic (Hamilton 2004: 7). These concern: who cares about a specific piece of information?; how much are they or someone else willing to pay for this information?; where can they be reached?; when is it profitable to offer this information?; and why is it profitable? The answers to these questions impact on whether or not events will become news (ibid.).

The commercialisation of news implies a stronger emphasis on audience needs when deciding what to publish as news, and according to Anthony Downs (1957) consumers seek information for four reasons: entertainment, consumption, production and voting (Downs 1957: 214, 215). Because the cost of gathering information about a particular issue or a particular politician’s opinion surpasses the possibilities of influencing the outcome of an election, the readers (consumers) have fewer incentives to seek information to make informed choices. On this basis Downs (1957: 244-245, 258-259) argues that people choose to be “rationally ignorant” (Hamilton 2004: 11). A focus on news the public is willing to pay for might therefore result in content related to consumption, production and entertainment – i.e. soft news.

Due to the triangular relationship between advertisers, readers (consumers) and newspapers, it is reasonable to assume that newspapers must alter their content strategies if the revenue model changes. Introduction of a paywall will lead to new priorities, and what the newspapers put behind the wall can be viewed as a combination of journalistic considerations, the commercial characteristics of news and what newspapers think that the public is interested in paying for. Based on the above arguments, it is reasonable to make three assumptions.

First, as *Fædrelandsvennen*'s is considered a regional newspaper, a reasonable assumption is that its online content is characterised by being something for everyone living in close proximity to where the newspaper is published – e.g. local and regional content. Secondly, that in order to protect the brand, the content resembles what the readers expect to get from *Fædrelandsvennen* printed version. Third, consequent to the commercial logics of the news market, we should expect a decline in “hard news” to occur matched by an increase in content categories identified as “soft news”, and cheap and ready-made stories.

Methodology

This article is based on quantitative content analysis of data obtained from *fevennen.no* (the online version of *Fædrelandsvennen*) during three periods; May 9-13, 2012 (prior to the introduction of the paywall at *fevennen.no*), September 17-23, 2012 and March 18-24, 2013. The periods are chosen to be able to compare content pre- and post-wall. Due to time constraints, the pre-wall content was obtained during the five days preceding the introduction of the paywall. This might be unfortunate, as it is possible that *Fædrelandsvennen* gradually adjusted the online content of *fevennen.no* towards the day the paywall was introduced, in order to prepare the readers and to show them the kind of content they would gain access to after the paywall was set up. September was chosen to avoid the summer break, the autumn break and preparations for Christmas, and was assumed to provide a fairly representative picture of the paper's daily news coverage. In order to trace any developments occurring after the paywall had settled, March 2013 was also chosen. As the collected pre-paywall data of May 2012 consisted of only five days (Wednesday to Sunday), data for these particular days are used in the three months' comparisons. Comparisons involving September 2012 and March 2013 include data from all seven days of the week.

The collected data consisted of snapshots of the newspaper's online front page taken every second or third hour. Thus only the front page was analysed, and not the rest of the news site. The argument is that the front page gives a fairly representative picture of the rest of the content – this is what the readers see when they open *fevennen.no* – and that the newspaper places significant value on this content (Allern 2001: 145). The articles ($N=1118$)² were then encoded³ using SPSS, based on a pre-compiled codebook.⁴

The Case: *Fædrelandsvennen*

Fædrelandsvennen, owned by *Schibsted Media Group*, is a regional newspaper of the two Agder counties, and is published in Kristiansand six days a week. In 2012, the newspaper had a circulation of 35,441, which equates to a decrease of 3.2 per cent from

2011, following the trend of recent years (Høst 2013: 10). This decline is also in line with the overall trends in the Norwegian newspaper market, which for several years has witnessed a steady decline in circulation, especially among the national tabloids (Høst 2013: 5ff). Local and specialist newspapers have, however, increased their circulation, suggesting a market for niche content. Also newspaper readership has dropped in recent years (Krumsvik og Sundet 2012: 194; Vaage 2013: 6), and the pattern evident in the Norwegian newspaper market thus resembles developments in other news markets, such as the US and Britain (see for example Kaye and Quinn 2010; Freedman 2010). Despite this, the Norwegian news market has not been subject to such severe challenges as have other countries, and Norwegians are still ranked among the most newspaper-reading people.

A steady increase in Internet usage is also evident (Vaage 2013: 6,58ff), which suggests an interest in online content. In an attempt to monetise this interest, a few Norwegian newspapers were by the end of 2012 charging for online content, one way or another. The most popular model is to put either all or parts of the newspaper's digital content behind paywalls (Høst 2013: 42,43). *Fædrelandsvennen's* paywall, one of the first by a Norwegian newspaper, came into effect on 14th May 2012. The newspaper implemented a 'pay-once-and-get-access-to-all' model: for one payment readers get access to all the newspaper's content, digitally and in print. The rationale behind this model was, according to the editor-in-chief Eivind Ljøstad, a common request from readers for the printed content to also be available online. The strategy was that once a reader paid for the content, they had the choice of where they wanted to consume it (*Kampanje* 18.05.2012). *Fædrelandsvennen* does not have any direct competitors⁵ (Aviskatalogen 2013) and is the only newspaper providing news about both Agder Counties situated in the southern part of Norway. Dimmick (2011: 26) argues that in order "to occupy a niche in any domain [...] a communication medium must differentiate itself from other media with regard to the resources to which it provide access (e.g. news and entertainment) or with regard to the time and space location to which it provides access".

Following this, *Fædrelandsvennen* might be regarded as a niche newspaper. There are, however, several other small newspapers published in the two Agder Counties providing even more geographically specified news (Høst 2013: 66). In the local market, then, *Fædrelandsvennen* might be regarded as an omnibus newspaper, providing access to general news about that particular area.

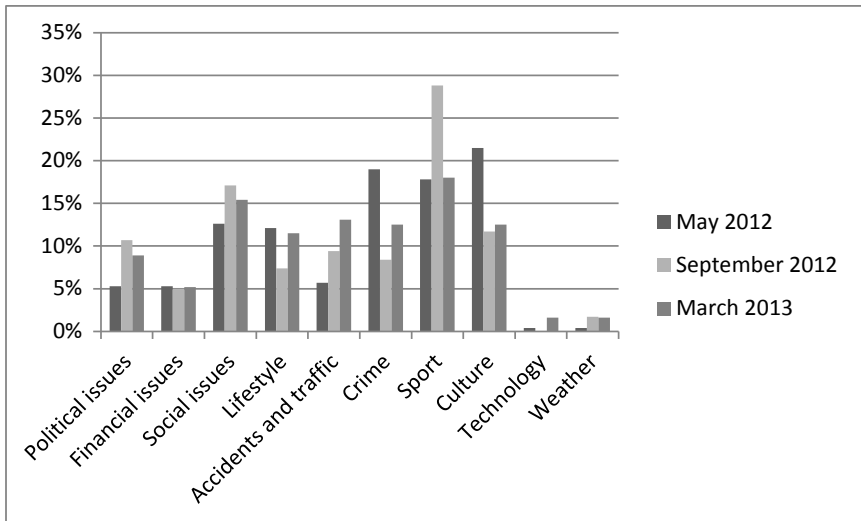
Findings

After the wall was put into effect, *Fædrelandsvennen* managed to slow the rate of decline in circulation. As this was one of the project's objectives, the paywall is regarded as a success (*Klassekampen* 20.02.13; *Kampanje* 16.11.12; Schibsted 2012: 17). The success is evaluated on three parameters: the traffic on the online news site, the number of subscribers converting to an online subscription and the number of new sales (*Kampanje* 18.05.2012). The overall aim is thus to sell more news than before, and as long as the idea is to charge for online content, a reasonable assumption is that the newspaper places high value on the content published behind the paywall.

Content Profile

The content analysis reveals that 68 per cent of the newspaper's content was locked behind the wall in September and 64 per cent in March.

Figure 1. Content Profile by Category (N=853) in Fevennen.no Before and After the Introduction of the Paywall



Three aspects of *fevennen.no*'s content profile (see Figure 1) are worth noticing. First, is the clear increase of issues with political content. This category contains both news about policy issues at various levels, and news that can be linked to government administration; and is generally associated with "hard news". According to Hamilton (2004) the proportion of hard news sinks when commercial logic reigns. This is explained by the theory of rational ignorance. In the case of *fevennen.no*, however, the share of political content is increasing. This may be due to the newspaper wanting to offer its readers content they cannot obtain elsewhere.

Second, the proportion of sports affairs increases in September. Allern (2001: 41) defines sports as among the epitomes of tabloidisation. An increased focus on this type of news, therefore, points to a tendency to give people content which is easy to consume and which fulfils the audience's need for entertainment. One can also imagine that sport is used to attract readers, which is vital for developing a large audience base to sell to advertisers. Sport is engaging, and a focus on this kind of news may draw new readers to *Fædrelandsvennen*.

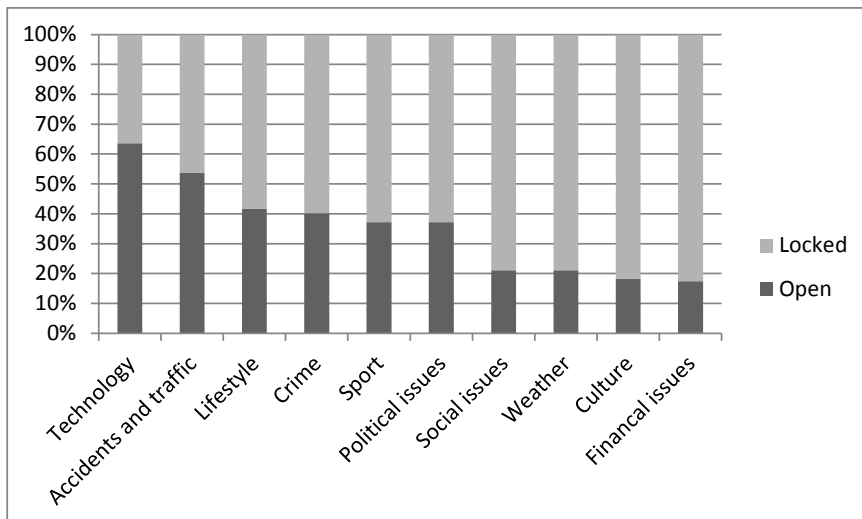
Third, the share of content related to cultural issues declined after the paywall was introduced. Culture is often of high priority in newspapers, and most have a separate department for the production of cultural news. Often, a part of the printed product is also specifically designated for this kind of news (Allern 2001: 111). However, the category "culture" is a complex one (Allern 2001: 128-129) and in this analysis it includes

matters related to both cultural policy and celebrity news. On the one hand, the decline in cultural news then supports the tendency for more “tabloid” or soft news content, while on the other hand it supports a focus on more serious news. In addition to these three changes, the category “crime” has also fallen dramatically since the introduction of the paywall. This should not be interpreted as a sign of a decline in the coverage of criminal affairs, but rather be seen as a result of the massive coverage of the trial against the mass murderer Anders Behring Breivik in May 2012.

Although we can see some developments, the overall content profile has not changed dramatically during the post-paywall period and is characterised by a relatively uniform distribution of topics. As argued above *Fædrelandsvennen* might be considered an omnibus newspaper, serving a large and varied audience group. A clear shift of content profile would mean a shift away from this position. As previously mentioned, news and newspapers are considered experience goods, which may also be an explanation as to why the content profile has not changed dramatically with the introduction of the paywall. In order to keep the existing readers and attract new ones, *Fædrelandsvennen* is dependent on showing the readers that the newspaper has not changed, just gone behind a paywall online; they need to protect the brand. The only difference is that the readers now have to pay for the content they were previously offered for free.

What then does the newspaper regard as the most valuable and the most marketable content? Figure 2 reveals that the ‘financial issues’ category of news has the most locked or closed content (published behind the paywall) with a rate as high as 82 per cent. The categories ‘culture’ (81 per cent) and ‘weather’ (78 per cent) are also comprised of an equally high proportion of closed content. By contrast the categories with the most open (i.e. not locked behind the paywall) are ‘technology’ (63 per cent) and accidents and ‘traffic’ (53 per cent).

Figure 2. *Proportion by Category of Locked (behind the paywall) and Open (freely available) News Articles (N=853) in fevennen.no in September 2012 and March 2013*



The distribution of open and locked content by categories (i.e. on either side of the pay-wall) is also interesting (see Table 1). The content categories are fairly evenly distributed on both sides of the wall, suggesting that the open articles might serve as a draw towards the news site, by giving the readers a taste of what is behind the paywall.

Table 1. *Distribution of Post-paywall Articles (N=853) ‘Open’ and ‘Locked’ News Articles by Category*

	Open	Locked
Political issues	11 %	9 %
Financial issues	3 %	7 %
Social issues	10 %	19 %
Lifestyle	12 %	9 %
Accidents and traffic	17 %	8 %
Crime	14 %	10 %
Sport	23 %	20 %
Culture	7 %	15 %
Technology	2 %	1 %
Weather	1 %	3 %
N=853	100 %	101 %

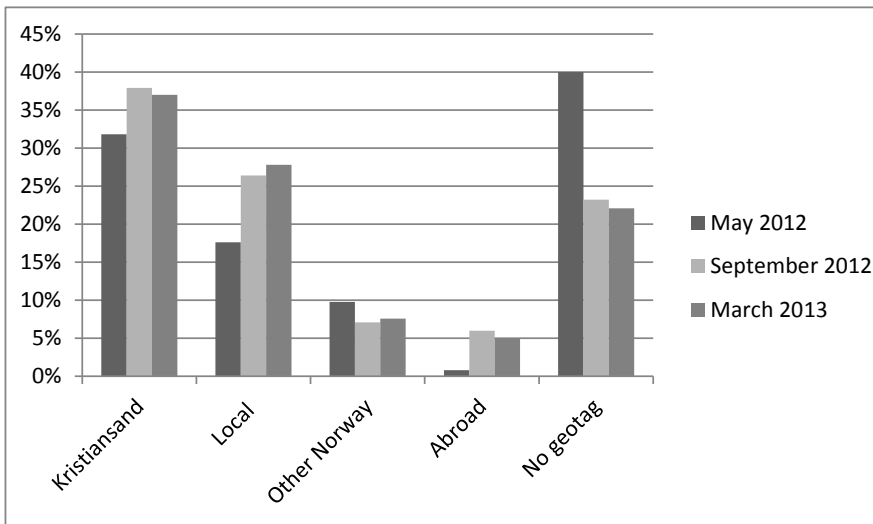
There are, however, also a few differences worth noting. First, the open content largely consists of stories concerning accidents and traffic, and sports. Within these categories, we often find news about traffic accidents, roads that are temporarily closed, flight problems and sport results, i.e. issues that have a short life span and which have an immediate importance. On the other hand, in addition to sport news the locked content largely consists of cultural and social issues and includes news about the distribution of cultural assets, conditions for minorities in Kristiansand, and the local health service, i.e. matters of long term interest.

Proximity and Identification

As argued above the market a newspaper operates in is important for content decisions, indeed one argument is “the news media’s geographical area, the newspaper’s coverage area, will in most cases play a crucial role in what becomes news [...]” (Allern 2001: 213). Whether an event becomes a news story depends, among other things, on readers’ shared preferences, whether they “express a taste for a particular type of news” (Hamilton 2004: 19), and news value increases if “it concerns something the reader [...] has some prior knowledge of”⁶ (Østgaard 1967: 45). The geographic location of news is thus important for a local newspaper, which is reflected in *fevennen.no*’s content. Regional news constitutes the largest proportion of the aggregate content – in all three months; May 2012 – 59 per cent – and in September and March – 66 per cent. National or international issues dominate the open articles while regional and local issues are mainly locked behind the paywall, which implies that *fevennen.no* considers issues of close geographical proximity as the most marketable.

In addition to whether a story is of regional, national or international origin, a closer analysis of the coverage of the regional market is also interesting (see Figure 3). The origins of the local stories have been identified with the help of ‘geotags’ (a tag at the beginning of the story that establishes the location of the story). 33 local places within the Agder Counties were identified and they were later merged into the category ‘local’. As Kristiansand is the capital of the Agder Counties, all stories labelled ‘Kristiansand’ were put in their own category. Stories located elsewhere in Norway was coded as ‘other Norway’. ‘Abroad’ is comprised of stories labelled with a geographical location outside Norway, and the stories without a geotag were coded as ‘no geotag’.

Figure 3. *Distribution of Geographical Location of Pre- and Post-paywall Articles (N=833) in fevennen.no*



There are several interesting aspects related to the geographical location of the stories. First, the instances marked with a local tag have risen from a pre-paywall 17.6 per cent to post-paywall 26.4 per cent (September 2012) and 27.8 per cent (March 2013). Second, the number of cases with no geotag fell from 40 per cent, to 23.1 per cent and 22.1 per cent in March. Third, the number of cases geotagged with “Kristiansand” has increased (from 31.8 per cent by 37.9 per cent to 37 per cent), which may be correlated to the aforementioned reduction in instances of ‘no geotag’. Kristiansand is the city where *Fædrelandsvennen* is published and since it is also the regional capital of the two Agder counties, it is natural that this city occupies more news space than the other, smaller, places do. These findings indicate that *Fædrelandsvennen* places greater emphasis on appearing locally oriented after the introduction of the paywall than it did prior to the paywall.

Exclusivity

It is often feared that publishing news on the Internet facilitates an increased cut-and-paste journalism and an increased focus on cheap news (see for example Boczkowski 2010; van der Wurff 2008; Phillips 2012). However, the content analysis of *fevennen.no* reveals a high proportion of in-house produced content⁷, which seems unaffected by the implementation of the paywall. In May 2012 the In-house content was 82.3 per cent, in 81.8 per cent in September and 82.8 per cent in March. It might then seem as if content produced in-house is not regarded as important to encourage readers to pay for digital content. However, figure 4 reveals that quite the contrary is true.

Figure 4. Distribution of Post-paywall ‘Open’ and ‘Locked’ In-house and External News Articles (N=845) in September 2012 and March 2013 at *fevennen.no*

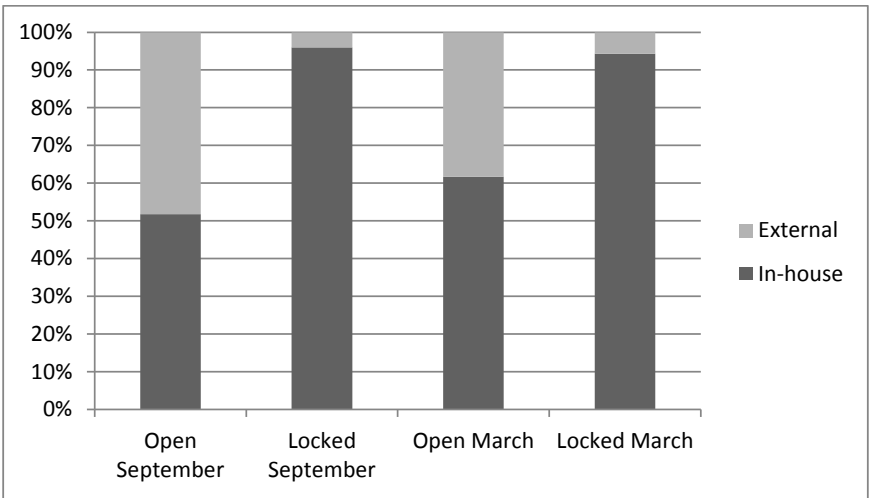


Figure 4 shows the proportion of in-house and externally produced news for the categories of ‘open’ and ‘locked’ articles. In both post-paywall months, September 2012 and March 2013, more than 90 per cent of the locked content is produced in-house compared to only about 50 per cent of the open content. This may indicate that the fear of an increased use of cut-and-paste journalism that has manifested itself in recent years may be exaggerated. If the newspaper considers in-house produced content as most valuable in encouraging readers to pay for digital content, and more and more newspapers introduce paywalls online, the proportion of cut-and-paste journalism may decline. Hamilton (2004: 26) writes that the high fixed costs involved in the production of news give the newspapers incentives to buy items on the open market, instead of producing them themselves. However, a comparison of in-house and externally produced news published on *fevennen.no* indicates that news of national or international character primarily are open articles. This result might suggest that while *fevennen.no* feels obligated towards the readers to publish these stories, they represent little commercial value to the newspaper because the readers can get the same information elsewhere and thus have no incentive to pay for it.

Table 2. *Comparison of In-house and External News Articles (N=840) at fevennen.no – by Category*

	In-house	External
Political issues	7 %	17 %
Financial issues	6 %	3 %
Social issues	16 %	11 %
Lifestyle	10 %	16 %
Accidents and traffic	11 %	3 %
Crime	15 %	4 %
Sport	19 %	34 %
Culture	16 %	9 %
Technology	0 %	2 %
Weather	1 %	1 %
N=840	101 %	100 %

The most striking differences in a comparison of in-house and externally produced content by category (see table 2) are the high proportions of externally produced sports, lifestyle and politic articles and in-house produced culture, crime and social issues articles. One interpretation of these differences is that the externally produced articles are more geographical insensitive and thus easily can gain access to many newspapers than the articles produced in-house.

These findings indicate that *Fædrelandsvennen* regards in-house content as the most valuable. This concerns the notion of exclusivity, which is important for all newspapers in a competitive situation (Allern 2001: 63; Picard 2010: 94-96). For *Fædrelandsvennen*, exclusivity is less about direct competition with other newspapers than about capturing the audience's attention. The economists Shapiro and Varian (1999) write of “economies of attention”, and in an era characterised by abundance of information and where the public's attention is fragmented, to capture and hold the audience's attention is, as McManus (1994: 31) and Picard (1989: 17) argue, very important. Given that the audience is the newspaper's main currency, getting their audience to spend their valuable time and money on their content is the newspaper's greatest task. To provide readers with content they do not have access to elsewhere is therefore of great importance.

Discussion

As illustrated above, neither the content mix nor the proportion of the content produced in-house has changed significantly with the introduction of the paywall. The proportion of in-house produced content is still high, and the content profile reflects that *Fædrelandsvennen* is a newspaper with a relatively large scope within its geographical area. Furthermore, since news output can be considered a result of journalists adhering to specific rules that guide their work, as argued above, news coverage is something journalists “just do”. The implementation of a paywall then, will not automatically change the rules, by which journalists work. Since the rules work as justifications of, rather than reasons for, coverage, they do not necessarily come into play at all.

The interesting aspect in this context is the distribution of the open (in front of) and locked (behind the paywall) content. Hamilton (2004) argues that an increased commercialisation lead to the traditional five ‘W’ questions that guide journalistic writing being replaced by, or supplemented with, five commercial variations of the questions. If this argument is correct the idea of what the public is interested in, and especially what they are willing to pay to obtain access to specific types of information, can indeed influence content choices made by the newspapers. According to Hamilton (2004), this will lead to an increase in soft news.

There is, however, an ongoing scholarly debate concerning audience preferences suggesting that the audience might not only be interested in soft news after all. They are also interested in keeping informed on more serious matters (see Boczkowski et al. 2011: 379 for an overview). The distinction between hard news and soft news when it comes to willingness to pay might not be as fruitful then. Without having conducted a formal analysis of this, I will put forward a hypothesis suggesting that news with a longer lifespan and which appears to be more complex, is to a greater extent published behind the wall than issues with an expected shorter life. If this hypothesis holds true, it may seem that what considered sellable is not only based on the actual content of the story, but also on the expected life span of the event in question.

The focus on local in-house produced content may also indicate that the newspaper wishes to differentiate itself from its closest competitors. Whether it actually *is* more locally oriented has not been studied, but the point here is that it seems like the newspaper is using such geographical tags to appear locally oriented. Although *Fædrelandsvennen* does not have any direct competitors in its geographical market, the newspaper does compete in the attention market. *Fædrelandsvennen* thus competes for the audience’s attention on a par with other newspapers and other media operating in other markets, but which are also available within *Fædrelandsvennen*’s scope. The focus on super local and in-house produced content may be a way of distancing *fevennen.no* from other news providers and offering the readers something not available elsewhere – using its local position as a niche strategy. Although most newspapers have a monopoly in their market and therefore do not need any additional niche (Hamilton 2004: 149), it is primarily the niche that allows *Fædrelandsvennen* to charge for online news. Unique – local and in-house produced – content is less vulnerable to substitution (Krumsvik & Sundet 2012: 206), and thus is also easier to charge for it. It seems thus as if geography also plays an important role in terms of marketing. By appearing as locally oriented as possible, the newspaper expresses, “We cover your area, therefore you should you pay to read us”. Geographical location thus builds upon news values such as proximity and identification, and takes these news values in a more commercial direction.

Following this, news values recognised as traditional journalistic values: identification, geographical proximity and exclusivity, also work as parts of a commercial strategy. So although the fear of the quick fix of cut-and-paste journalism is very legitimate, newspapers may due to a restructuring process necessitated by the rise of the digital news and the concomitant availability of free (no cost) news to everyone, concentrate on their core business and their core audience. Newspapers must ensure to be the best at what they do best. While encouraging consumers to pay for news infers an increased commercialisation of news, a paywall also means an increased focus on what the particular newspaper regards as quality of production.

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Notes

1. Gaye Tuchman (1973) demonstrated how news categories structure the editorial process, and Warren Breed (1955) argued that news policy is maintained through informal social control in the newsroom. Likewise, John S. Soloski (1997) pointed to the necessity of understanding professionalisation, while Herbert J. Gans (1979) considers number of employees, column space and production time as structuring the journalists' work.
2. The dataset consists of 1118 articles all together, but because Monday and Tuesday of September and March are excluded when they are compared to May, none of the figures in this article indicates analysis of more than 853 articles.
3. Inter-coder reliability was established by performing a reliability test on 100 random news items from the three weeks examined. Disagreements were mainly related to the content categories, where the codebook consisted of 49 different variables. Here Kappa was found to be 0.62. For the purpose of the reporting of the findings, these 49 variables were merged. The agreement then rose to 0.76. For the place of production and story origin inter-coder reliability was established at 0.73 and 0.89 respectively.
4. The codebook used is a combination of the codebooks used by Wahldal et al. (2002) in their analysis of television news and that used by Allern (2001) in an analysis of newspapers.

5. The other major newspaper in this region, *Agderposten*, mainly publishes news about only one of the Agder Counties (Agderposten 2012).
6. Author's translation from Norwegian original
7. Place of production is established on the basis of the journalist's e-mail address.