

Micropayments â€“ has Murdoch backed the wrong horse?

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Rupert Murdoch has made some wise decisions when it comes to web strategy, so his [big gamble on micropayments](#) deserves serious consideration . But, can it really work?

Print publishers have long needed radical solutions to the web problem since none of their web operations make enough money to carry fundamental costs like office space, IT equipment and HR people. Thus, the minute those operations were viewed as core (as they would have to eventually be), theyâ€™d be staring into a financial abyss.

The solution [Iâ€™ve always banked](#) was to force themselves to make a CPC/CPA model work â€“ use their content brilliance to be the best possible affiliates â€“ independent, top-drawer content (and services), funded by relevant advertisers that pay on a CPC, and a CPA when theyâ€™ve proved their worth.

Subscriptions and micropayments were always a lovely idea but the reason they didnâ€™t work back at the start of the millennium were nothing to do with internet penetration or dial-up speeds â€“ they were fundamentally to do with choice. Their content wasnâ€™t better enough to choose over all the free stuff.

Now that Murdoch has put a stake in the ground, one has to reconsider but, bearing in mind that blogging (and now Twitter) has taken off since the last time we all had a bash, that choice (and the quality and accessibility of that choice) has risen even further.

So, where might we pay?

- A. News â€“ no. Far too disposable and ubiquitous
- B. Comment â€“ possibly. Comment really is free, but there might be potential for devotees of, for example, Charlie Brooker, to cough up 50p to hear/read his view (though this would work better as a pod/vodcast no?)
- C. Features â€“ possibly. But, again, these are much more worth paying for as multimedia (audio or video documentaries)

The message here then is that â€“ as [Guardianâ€™s Greg Brooks has already](#) â€“ the battle to gain payment for content is less about which bits of their newspaper content they can peddle online than which bits of their [even more costly] multimedia content. But then our beloved periodical publishers jump straight from the frying pan in the TV/radio fire. And if they thought they had problems before.

So, the whole [issue of how micropayments would work](#) aside, Murdochâ€™s push for paid-for content looks to me destined to fail. I suppose if youâ€™re going to go down, go down fighting so put everything but news behind a micropayments/subscription wall and take your chances - and best of luck. Personally, Iâ€™m back to the affiliate thing. Publishersâ€™ commercial models (since Murdoch himself instigated the cover price wars) have fundamentally been about joining buyers (advertisers) with sellers (readers). Affiliate marketing is how that model has evolved â€“ and it might be where NewsCorp and the rest would be better to stake their futures. What that would all look like is a whole other blog post.

(A great summary of the whole debate is [offered by BrandRepublic editor Gordon MacMillan here](#)

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