

# News kiosk service Blendle unleashed a revolution in Dutch journalism

*Blendle offers its users a very accessible search engine for all paid content from Dutch newspapers and a very substantial portion of Dutch magazines. In the first month the news kiosk service managed to attract more than 60.000 paying users and this number is still growing fast. Blendle has a strong social component as users can recommend and share news articles with their friends. Users pay a price per article, but they receive a full refund if the article did not meet their expectations. Needless to say the two founders of Blendle, Alexander Klöpping and Marten Blankesteyn, caused a landslide in the Dutch publishing business. Marten Blankesteyn tells us more about Blendle and the Dutch publishing market.*

Users of Blendle can browse through all content, search for specific topics and set up an alert based on key words. ‘We made Blendle very user-friendly and managed to remove all possible barriers’, says Marten Blankesteyn. ‘The decision to get a subscription to a newspaper or magazine is not easily made, whereas Blendle makes the decision to buy an article extremely easy. New users get their first Blendle credit from us, reading a full article is only one click away and you can undo your purchase as we offer a money-back guarantee. The latter function was included because we think you can only properly value an article after reading it. If a promising headline hides a disappointing article you feel taken in and this is what we want to prevent. Besides, our money-back guarantee lowers the barrier to make a purchase. This is revolutionary in this business and I’m convinced this model will be copied by others in the future.’

### **Social media**

Blendle also provides in a need to share news articles with others. Marten Blankesteyn: ‘If your friends like certain news stories you are more inclined to read them too. Only a few months ago the only way to share articles from newspapers and magazines was by taking a photo of hard-copy news content and put it on Facebook or Twitter. Now Blendle

users can easily buy articles and share these on social media. Blendle also has its own social platform where our customers can share articles they find interesting and follow the reading habits of others. This way, the best journalistic content can spread to an ever growing readership. Of course every reader has to pay to be able to read the full article that is shared by someone else. But even if only a few of them actually do this, it still means extra revenue for both Blendle and the publishers, since people did not pay for this content up until now.’

### **Journalistic brands**

Free news sites, such as nu.nl, offer a different type of content according to Marten Blankesteyn: ‘Free journalism on the internet is not a threat to Blendle, because we offer in-depth information and not just news facts. Our content helps people to really understand the news and form an opinion on it. Journalistic brands are still valuable in this respect and this is why Blendle gives readers a full brand perception by offering the content using the lay-out of the hard-copy newspaper or magazine. Journalistic brands are also very much alive among the younger generations. I’m twenty-seven, but I prefer news articles from Dutch quality newspapers, such as De Volkskrant or NRC, even though I

never had a subscription to either of the two. Publishers never expected young people to pay for journalistic content. Yet, this was also the current opinion in the music industry ten years ago and now everybody is paying for Spotify, including people who know very well how to illegally download music from the internet. In my view this can also be the general trend in the market for journalistic content.’

### **Consumer data**

Of course users of Blendle leave their digital tracks when using the service, but Blendle has a first-rate privacy policy and only uses customer data to improve its services to the customer. Marten Blankesteyn: ‘We are curious to know how our customers use Blendle. After clicking on a news article, how long does a reader remain on that page? Why do people use our money-back guarantee service and for which content? Answers to these questions are important to us and that is why we monitor these things. For instance, if we know a customer often reads content from De Volkskrant and makes a news alert with regard to a certain topic, we make sure the news articles from De Volkskrant will be on top of the list of search results. Also, when the amount of money a customer spends on separate articles from a particular newspaper or magazine exceeds the price of

*‘When a reader pays for a news article he or she doesn’t want to be bothered by advertising.’*



a subscription, we offer him or her to take a subscription as this may be more economical.’

‘We don’t share customer data with the news publishers of the content we offer’, Marten Blankesteyn continues. ‘Suppose we would share the e-mail addresses of our readers.

This would result in a constant flow of emails from publishers offering trial subscription to our customers, which will possibly prompt our readers to stop using Blendle altogether. A

fall in Blendle users will also mean declining returns for the publishers, which shows that sharing these data doesn’t benefit anyone.

Besides, publishers don’t know who bought their newspaper or magazine at the railway station newspaper stand either.’

### **Advertising**

Blendle does not make use of heavy advertising, but advertisers do not have access to Blendle’s customer data either. Marten

Blankesteyn: ‘When a reader pays for a news article he or she doesn’t want to be bothered by advertising as on free news websites, let alone by targeted advertising based on customer data. But we do use different types of advertising that are beneficial to Blendle and the publishers, as well as to the users of the content. Right now, for instance, Vodafone doubles the amount when a customer decides to upgrade his or her Blendle credit. This publicity campaign has a threefold effect as it puts Vodafone in the spotlight, increases the returns of publishers and encourages the decision of customers to put money in their Blendle wallet. Vodafone is really making the most of the opportunities we offer as they started a Blendle account where relevant content is shared with others.’

### **International**

The innovative services of Blendle attract the attention of international news publishers. Marten Blankesteyn: ‘We are in an ongoing dialogue with publishers around the world.

We are approached by many foreign publishers to learn more about our services. This is very different from the time when we really had to convince Dutch publishers to join forces with us. From a technological point of view it is quite easy to set up our news platform in other countries. What’s more, the Netherlands can serve as a best practice, because other countries can see Blendle spotted that niche in the market and managed to attract a substantial number of users that is still growing steadily. News publishers in other countries can also observe that Blendle did not bring about a massive decline in the number of subscriptions

to newspapers and magazines in the Netherlands. More than that, Blendle managed to tap into a market of readers that would otherwise not pay for journalistic content.’

### **Forecast**

‘In the years to come Blendle will continuously develop and further innovate its services. In the Dutch news publishing business the tipping point towards digital content is approaching. In the very near future some newspapers, smaller regional players first, will stop publishing hardcopy newspapers during weekdays, since distribution costs are too high compared to a declining readership. At the same time digital newspaper subscriptions will increase rapidly. NRC Next, for instance, is already experiencing a rapid shift from hardcopy subscriptions to digital subscriptions. Publishers held on to hardcopy content for too long and failed to offer their quality content online at an early stage. They now have to make up arrears.’

### **Hats off!**

By way of conclusion Marten Blankesteyn expresses his admiration for the Dutch publishing sector: ‘The Dutch publishers took a leap of faith to join forces with Blendle which required a lot of courage in my view. They embarked on a journey to unknown territory and were even willing to accept a loss in subscription revenue, as this is what many expected would happen. Although a loss in subscription revenue did not occur, it does show that the Dutch publishers were ready to sacrifice millions in order to reach a new generation of readers. Hats off!’ ■