Analysis of the Driving Factors for Digital Newspaper Paid Subscription

Giannisa Umara, Triana Rahajeng Hadiprawoto
Universitas Indonesia, Jakarta, Indonesia
Email: giannisa1008@gmail.com, triana.rh@ui.ac.id

ABSTRACT

The digital era has revolutionized access to information through digital news platforms, but attracting paid subscribers for digital newspaper remains a challenge for the media industry. The purpose of this study is to investigate the factors that influence customer satisfaction toward digital news platform and, subsequently, on digital newspaper paid subscription. The research employed a quantitative approach and partial least squared structural equation modelling to investigate the impact news site quality on consumer satisfaction and digital newspaper paid subscription. The data were collected through online questionnaires from 212 individuals who actively pays for subscription to a digital newspaper in digital news platform in Indonesia. The results of this study indicate that price point, flexible service, convenience, news quality, and commitment have a positive influence on customer satisfaction, and customer satisfaction positively affects customer loyalty towards digital newspaper paid subscription. These findings emphasize the importance of price, flexible service, convenience, news quality, commitment, customer satisfaction and their role in cultivating paid subscriptions towards digital newspaper. This study contributes to the existing literature on digital newspaper subscription by exploring the factors influencing consumer satisfaction in this context. The findings provide implications for digital newspaper companies to formulate strategies and policies in delivering their services, in order to increase paid subscribers and maintain their competitive position.

INTRODUCTION

In recent years, digitalization has transformed various aspects of life, including how people access and consume news (Fletcher et al., 2021). Social media has become the primary news source for younger generations, reducing reliance on traditional media such as newspapers, radio, or television (Geers, 2020). However, despite the rise of digital platforms, traditional media, including newspapers and their online versions, are still considered more credible (Schwaiger et al., 2022). The evolution of digital newspapers began in 1980 with *The Columbus*

Dispatch as the first electronic newspaper, followed by *The Washington Post*, *The New York Times*, and others (Shedden, 2004). In Indonesia, *Republika* pioneered electronic newspapers in 1995, followed by *Kompas* with *Kompas Online* (Margianto & Saefullah, 2012). Digital newspapers adopt a Subscription Business Model (SBM), where premium content is available only to paying subscribers, ensuring a stable revenue stream (Gassmann Frankenberger K. & Csik M., 2014). Successful applications of SBM in other industries, such as Netflix and Spotify, demonstrate its potential for driving revenue growth and customer retention (Fosker & Cheung, 2021). However, digital newspaper subscriptions have grown slowly, with only 17% of users in 20 countries paying for online news (Newman et al., 2021). Major media companies such as *The New York Times*, *The Wall Street Journal*, and *The Washington Post* have led digital subscription growth, yet print media remains a primary revenue source (Chyi & Ng, 2020).

Despite these challenges, increasing paid subscriptions is essential for sustaining digital news platforms (Ganguli & Roy S.K., 2010). Research indicates that high subscription costs, the availability of free news, commitment concerns, and technical issues deter users from subscribing (Kormelink, 2022). Conversely, factors that could encourage paid subscriptions include affordable pricing, flexible plans, user-friendly access, higher news quality, and reader commitment. Additionally, studies show that service quality positively influences customer satisfaction and loyalty in online transactions (Venkatakrishnan & Alagiriswamy, 2022; Ashiq & Hussain, 2023). Given these insights, this study aims to examine how factors such as price, flexibility, convenience, news quality, and user commitment impact customer satisfaction in digital newspaper subscriptions (al., 2014; Sinclair, 2017). By understanding these dynamics, media companies can develop effective strategies to enhance customer retention and ensure the long-term sustainability of digital news platforms.

The digital era has revolutionized how people access news, with social media becoming the primary source for younger generations, reducing reliance on traditional media like newspapers and television. However, despite the shift to digital platforms, traditional media and their online versions are still perceived as more credible. This transition has led to the rise of digital newspapers, which adopt subscription-based models to ensure stable revenue streams. Yet, attracting paid subscribers remains a significant challenge for the media industry. Globally, only 17% of users in 20 countries pay for online news, highlighting the struggle to monetize digital content effectively. This issue is exacerbated by the availability of free news and high subscription costs, which deter potential subscribers, as noted by (Newman Fletcher R. Schulz A. Andi S. Roberson C. T. & Nielsen R. K., 2021). The slow growth of digital newspaper subscriptions underscores the need to

understand the factors influencing consumer decisions to pay for news in an increasingly competitive landscape.

Previous studies have explored various factors influencing digital newspaper subscriptions, such as price sensitivity, service quality, and user commitment. For instance, Venkatakrishnan and Alagiriswamy (2022) found that service quality significantly impacts customer satisfaction and loyalty in online transactions. Similarly, Ashiq and Hussain (2023) emphasized the role of e-service quality and trust in fostering e-loyalty. However, these studies primarily focus on e-commerce or generic digital services, leaving a gap in understanding the unique dynamics of digital news platforms. Research by Kormelink (2022) specifically addresses news subscriptions but is limited by its small sample size and qualitative approach. This gap highlights the need for a quantitative study that examines the interplay of price, flexibility, convenience, news quality, and commitment in driving paid subscriptions (Nguyen J. G., 2016).

The urgency of this research lies in the declining revenue streams for traditional media and the slow adoption of paid digital subscriptions. Without viable monetization strategies, the quality and diversity of news content may suffer, undermining public access to reliable information. The COVID-19 pandemic has further accelerated the shift to digital platforms, making it imperative for media companies to adapt (Jafari Nyberg A. & Hilletofth P., 2016). Moreover, the lack of localized studies in markets like Indonesia limits the applicability of global findings. Understanding regional consumer behavior is essential for developing targeted strategies that resonate with local audiences. This study addresses these gaps by providing empirical evidence on the factors influencing subscription decisions in Indonesia, offering actionable insights for media companies (Lee S., 2015; Prentice Hsiao A. Wang X. & Loureiro S., 2021; Rai Tang X. Yin Z. & Du S., 2022; Rashid & Rasheed Dr. R., 2024; Setia, 2016).

This research contributes novelty by integrating multiple factors—price point, flexible service, convenience, news quality, and commitment—into a unified model to assess their impact on customer satisfaction and subscription loyalty. Unlike previous studies, which often isolate these variables, this study explores their combined effects, providing a holistic view of consumer behavior. Additionally, it adopts a quantitative approach with a robust sample size, enhancing the reliability of findings. The use of partial least squares structural equation modeling (PLS-SEM) allows for a nuanced analysis of complex relationships, bridging the gap between theory and practice. By focusing on the Indonesian context, the study also offers unique insights into a rapidly growing but under-researched market.

The purpose of this research is to identify the key drivers of customer satisfaction and loyalty in digital newspaper subscriptions. Specifically, it examines

how price, flexibility, convenience, news quality, and commitment influence satisfaction, which in turn affects subscription decisions. The study aims to provide media companies with evidence-based strategies to enhance subscriber retention and attract new customers. By leveraging empirical data, the research seeks to validate theoretical frameworks and offer practical recommendations tailored to the digital news industry. This aligns with the broader goal of ensuring the financial sustainability of quality journalism in the digital age.

The implications of this research are twofold: theoretical and practical. Theoretically, it enriches the literature on digital subscriptions by validating and expanding existing models in a new context. Practically, the findings can guide media companies in refining their pricing strategies, improving service flexibility, and enhancing content quality to boost subscriber numbers. For policymakers, the study highlights the need for initiatives that support the digital transformation of media while ensuring affordability and accessibility for consumers. Ultimately, the research underscores the importance of customer-centric approaches in sustaining the news industry's transition to digital platforms.

RESEARCH METHOD

This study builds on Kormelink (2022) research, *"Why People Don't Pay for News,"* which examined factors discouraging digital newspaper subscriptions. In a three-week study with 68 respondents, Kormelink identified high costs, free news availability, commitment concerns, and technical issues as key barriers. However, the study also highlighted factors that could encourage continued subscriptions.
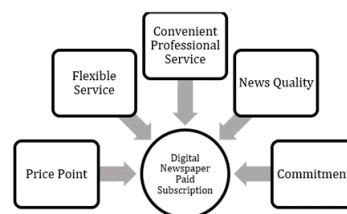
Figure 1 Research Findings of Kormelink (2022)
Source: Modified from Kormelink (2022)

This study examines key factors influencing users' decisions to continue paid digital newspaper subscriptions, including price, flexible service, convenience, news quality, and commitment. Affordable pricing and adaptable subscription options attract users, while high-quality content and professional service enhance satisfaction (LeHoang, 2020). Commitment fosters regular engagement, reinforcing loyalty and reuse intention. The research adapts variables from previous studies, such as those by Mehdi et al. (2023), Venkatakrishnan and Alagiriswamy (2022), and Ashiq and Hussain (2023), highlighting the impact of price, service quality, and commitment on satisfaction and loyalty. Unlike e-commerce, factors like security and responsiveness are less relevant, as digital newspapers focus on news access

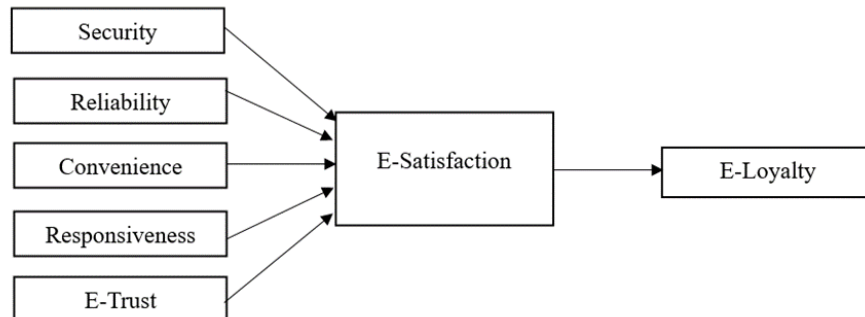rather than transactions. This study centers on the most significant elements driving continued subscriptions.

Figure 2 Research Model of Ashiq & Hussain (2023)
Source: Adapted from Ashiq & Hussain (2023)

Severt Shin Y.H. Chen H.S. & DiPietro R.B. (2020) findings on factors influencing digital newspaper subscriptions. Wang et al. (2023) introduced strategic flexibility, aligning with this study's flexible service variable, while Bhagat and Kim (2022) examined news quality in terms of accuracy, reliability, and clarity. Insights from Ashiq and Hussain (2023) and Venkatakrishnan and Alagiriswamy (2022) further validate these factors, highlighting customer satisfaction as a mediator between service quality, trust, and loyalty. This study incorporates price, flexible service, convenience, news quality, and commitment within a research model adapted from these studies.

Figure 3 Research Model
Source: Researcher's Analysis

This study hypothesizes that price, flexible service, convenience, news quality, and commitment positively affect customer satisfaction, which in turn influences digital newspaper paid subscriptions. Based on Kormelink (2022), high prices deter subscriptions, but a reasonable price can attract users, aligning with Venkatakrishnan and Alagiriswamy (2022) and Ahmed et al. (2022), who found that price impacts satisfaction, and Iranmanesh et al. (2022) and Lestari Riyadi S. Priyanto S. & Suhermin A. (2022), who identified price as a driver of loyalty. Flexible service options, such as shorter subscription periods, encourage subscriptions (Wang et al., 2023; Rai et al., 2022; Giannikas & McFarlane, 2021).

Convenience in accessing news is crucial (Ashiq & Hussain, 2023; Eryigit & Fan, 2021), and premium news quality can justify subscriptions (Tzeng et al., 2020; Hwang et al., 2021). Commitment fosters long-term engagement and loyalty (Chang et al., 2021; Arthur et al., 2023; Mehdi et al., 2023; Abid et al., 2022). This quantitative study, based on positivism, employs a cross-sectional design (Setia, 2016) and analyzes statistically tested hypotheses (Sugiyono, 2017). Data is collected via questionnaires distributed online through WhatsApp, Facebook, Instagram, and LinkedIn, targeting active digital newspaper subscribers in Indonesia using purposive nonprobability sampling. The minimum sample size is 140 respondents, calculated using Hair et al. (2010) guidelines. SPSS is used for descriptive analysis, and PLS-SEM via SmartPLS 4 examines relationships between variables. A wording test and pilot test (30 respondents) ensured questionnaire clarity, with validity (KMO test) and reliability (Cronbach's Alpha $\geq$ 0.6) confirmed. Analysis includes measurement model evaluation (convergent and discriminant validity, reliability) and structural model analysis (R-Square, F-Square, Q-Square, model fit: SRMR < 0.80, NFI > 0.90). Hypothesis testing uses bootstrapping (p-value < 0.05) to determine significance, with additional interviews conducted if necessary for deeper insights into subscription decisions.

RESULT AND DISCUSSION

This chapter presents the data analysis results, including the wording test, pilot test, and main test using structural equation modeling. A wording test with ten respondents ensured clarity, leading to revisions for better comprehension before questionnaire distribution.

Table 1 Wording Test Results

No	Indicator	Comment	Improvement
1	PRI1	It is very easy to find out and understand the pricing policy of subscription products and services on the X digital newspaper site.	Too long	It is very easy to find out and understand the pricing policy for subscriptions on the X digital newspaper site.
2	PRI3	I will continue subscribing to the X digital newspaper even if the price increases.	Rise = Increase	I will continue subscribing to the X digital newspaper even if the price increases.
3	PRI6	The value for money is more assured through subscribing to an electronic newspaper	What is more assured?	The comparison between price and product quality offered is more assured through subscribing to an electronic newspaper.
4	NEW1	I consider the news available in electronic newspaper X to be the latest news	Can be changed to "In my opinion, …"	In my opinion, electronic newspaper X provides the latest news.

No		Indicator	Comment	Improvement
5	COM1	I feel proud to have a paid subscription to electronic newspaper X.	The context of "proud" is unclear; maybe provide an example.	I feel proud to be a paid subscriber of electronic newspaper X.

Source: Processed by Researcher

A pilot test with 30 qualified respondents assessed validity and reliability using SPSS 27. The validity test analyzed the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy (MSA), requiring KMO >0.5, MSA in the Anti-Image Correlation ≥0.5, and a loading factor >0.5 in the composition matrix. Meeting these criteria confirmed the validity of all research instrument items.

Table 2 Validity Test Results

Variable	Item	KMO	Anti – Image Correlation Matrix	Loading Factor (Component Matrix)	Description
Price Point	PRI1	0.715	0.633	0.794	Valid
	PRI2		0.755	0.839	Valid
	PRI3		0.825	0.786	Valid
	PRI4		0.772	0.694	Valid
	PRI5		0.617	0.767	Valid
	PRI6		0.747	0.844	Valid
Flexible Service	FLE1	0.792	0.797	0.806	Valid
	FLE2		0.854	0.902	Valid
	FLE3		0.727	0.963	Valid
	FLE4		0.813	0.924	Valid
Convenience	CON1	0.610	0.569	0.936	Valid
	CON2		0.936	0.696	Valid
	CON3		0.568	0.938	Valid
News Quality	NEW1	0.624	0.540	0.835	Valid
	NEW2		0.617	0.905	Valid
	NEW3		0.554	0.925	Valid
	NEW4		0.584	0.951	Valid
	NEW5		0.953	0.915	Valid
Commitment	COM1	0.764	0.744	0.912	Valid
	COM2		0.748	0.898	Valid
	COM3		0.792	0.885	Valid
	COM4		0.775	0.887	Valid
Customer Satisfaction	CSAT1	0.721	0.643	0.986	Valid
	CSAT2		0.770	0.963	Valid
	CSAT3		0.771	0.963	Valid
Digital Newspaper Paid Subscription	DNPS1	0.741	0.703	0.921	Valid
	DNPS2		0.768	0.894	Valid
	DNPS3		0.758	0.898	Valid

Source: Researcher's Data Processing

The validity test confirms all items meet the criteria (KMO, MSA, and loading factor >0.5), indicating validity. Thus, no modifications or removals are

needed. The reliability test using Cronbach's Alpha (>0.6) in SPSS 27 confirms the instrument's reliability.

Table 3 Reliability Test Results

Variable	Item	Cronbach Alpha	Description
Price Point	PRI1	0.867	Reliable
	PRI2		Reliable
	PRI3		Reliable
	PRI4		Reliable
	PRI5		Reliable
	PRI6		Reliable
Flexible Service	FLE1	0.920	Reliable
	FLE2		Reliable
	FLE3		Reliable
	FLE4		Reliable
Convenience	CON1	0.831	Reliable
	CON2		Reliable
	CON3		Reliable
News Quality	NEW1	0.944	Reliable
	NEW2		Reliable
	NEW3		Reliable
	NEW4		Reliable
	NEW5		Reliable
Commitment	COM1	0.905	Reliable
	COM2		Reliable
	COM3		Reliable
	COM4		Reliable
Customer Satisfaction	CSAT1	0.966	Reliable
	CSAT2		Reliable
	CSAT3		Reliable
Digital Newspaper Paid Subscription	DNPS1	0.887	Reliable
	DNPS2		Reliable
	DNPS3		Reliable

Source: Researcher's Data Processing

The reliability test confirms all variables are reliable (Cronbach's Alpha >0.6). This study targets active digital newspaper subscribers, selected through screening questions. Surveys were distributed via WhatsApp, Facebook, Instagram, and LinkedIn. Of 287 responses, 212 (74%) met the eligibility criteria, which included prior experience, active subscription, platform used, payment status, and cost incurred. Below is a summary of respondents' profiles.

Table 4 Respondent Profile

Question	Option	N	Percentage
Age	18-24 years	18	8,49%
	25-34 years	131	61,79%
	35-44 years	29	13,68%

Question	Option	N	Percentage
	45-54 years	20	9,43%
	> 54 years	14	6,60%
Gender	Male	103	48,58%
	Female	109	51,42%
Occupation	Private Employee	114	53,77%
	Consultant	1	0,47%
	Civil Servant	40	18,87%
	Retiree/Pensioner	3	1,42%
	Entrepreneur	33	15,57%
	Doctor	1	0,47%
	Lecturer	1	0,47%
	Military/State Apparatus	1	0,47%
	Student	14	6,60%
	Housewife	2	0,94%
	Freelancer	1	0,47%
	Community Leader	1	0,47%
Last Completed Education	High School (SMA / SMK / MA)	11	5,19%
	Diploma (D1, D2, D3, D4)	29	13,68%
	Bachelor's Degree (S1)	135	63,68%
	Postgraduate (S2, S3)	37	17,45%
Monthly Income	< Rp 4.000.000	15	7,08%
	Rp 4.000.000 – Rp 7.000.000	15	7,08%
	Rp 7.000.000 – Rp 10.000.000	61	28,77%
	Rp 10.000.000 – Rp 15.000.000	82	38,68%
	Rp 15.000.000 – Rp 20.000.000	26	12,26%
	> Rp 20.000.000	13	6,13%

Source: Researcher's Data Processing

Table 4 shows that most respondents (61.79%) are aged 25–34, reflecting high digital engagement but potential generational bias (Ponzoa et al., 2021).

Gender distribution is balanced, with 51.42% female. The majority (53.77%) work in the private sector, indicating strong interest in current affairs, while 63.68% hold a bachelor's degree (S1), suggesting familiarity with complex issues. Most respondents (38.68%) earn Rp 10,000,000–Rp 15,000,000 per month, indicating digital newspapers are seen as an affordable and valuable investment.

Table 5 Digital Newspaper Media Sites

Digital Newspaper Platform Currently Subscribed To	N	Percentage
Kompas.id – Kompas Digital Premium	193	91,04%
Tempo – Tempo Digital Premium	13	6,13%
Investor daily	1	0,47%
Kontan – Kontan Digital Premium Access	2	0,94%
Otomotif	1	0,47%
Harvard Business Review (Hbrint)	1	0,47%
Detiknews	1	0,47%
Total	212	100,00%

Source: Researcher's Data Processing

Table 5 shows that most respondents (91.04%) subscribe to Kompas.id – Kompas Digital Premium, followed by Tempo Digital Premium (6.13%). Other platforms, like Investor Daily and Detiknews, have minimal users. This dominance of Kompas.id subscribers may introduce bias, limiting the generalizability of the findings to the broader digital newspaper audience.

Table 5 Outer Loading and AVE Test Results

Variable	Indicator	Outer Loading	AVE
Commitment	COM1	0,750	0,615
	COM2	0,812	
	COM3	0,705	
	COM4	0,860	
Convenience	CON1	0,804	0,669
	CON2	0,824	
	CON3	0,827	
Customer Satisfaction	CSAT1	0,839	0,652
	CSAT2	0,797	
	CSAT3	0,785	

Variable	Indicator	Outer Loading	AVE
Digital Newspaper Paid Subscription	DNPS1	0,849	0,648
	DNPS2	0,808	
	DNPS3	0,755	
Flexible Service	FLE1	0,782	0,609
	FLE2	0,821	
	FLE3	0,744	
	FLE4	0,774	
News Quality	NEW1	0,800	0,604
	NEW2	0,770	
	NEW3	0,757	
	NEW4	0,766	
	NEW5	0,790	
Price Point	PRI1	0,851	0,606
	PRI2	0,775	
	PRI3	0,738	
	PRI4	0,798	
	PRI5	0,752	
	PRI6	0,750	

Source: Researcher's Data Processing

Table 8 confirms strong correlations, with all outer loading values exceeding 0.70 and AVE values above 0.5, ensuring good convergent validity. Discriminant validity, assessed through cross-loading, the Fornell-Larcker criterion, and HTMT, is confirmed when each indicator's loading factor is higher for its own latent variable than for others (Hair et al., 2021).

Table 6 Cross-Loading Test Results

Variable	Indicator	COM	CON	CSAT	DNPS	FLE	NEW	PRI
COM	COM1	0,750	0,293	0,390	0,429	0,323	0,274	0,434
	COM2	0,812	0,302	0,513	0,557	0,319	0,232	0,522
	COM3	0,705	0,346	0,421	0,368	0,325	0,289	0,390
	COM4	0,860	0,376	0,507	0,485	0,329	0,350	0,478
CON	CON1	0,331	0,804	0,430	0,245	0,248	0,489	0,349

Variable	Indicator	COM	CON	CSAT	DNPS	FLE	NEW	PRI
	CON2	0,352	0,824	0,470	0,263	0,289	0,452	0,284
	CON3	0,342	0,827	0,481	0,350	0,358	0,404	0,319
CSAT	CSAT1	0,506	0,540	0,839	0,462	0,475	0,532	0,419
	CSAT2	0,464	0,391	0,797	0,506	0,418	0,322	0,469
	CSAT3	0,455	0,430	0,785	0,529	0,410	0,446	0,379
DNPS	DNPS1	0,552	0,344	0,527	0,849	0,382	0,279	0,497
	DNPS2	0,473	0,245	0,460	0,808	0,281	0,158	0,432
	DNPS3	0,398	0,256	0,503	0,755	0,329	0,247	0,382
FLE	FLE1	0,342	0,347	0,439	0,319	0,782	0,300	0,247
	FLE2	0,373	0,304	0,471	0,355	0,821	0,222	0,307
	FLE3	0,317	0,228	0,377	0,315	0,744	0,134	0,383
	FLE4	0,240	0,263	0,387	0,296	0,774	0,281	0,181
NEW	NEW1	0,238	0,460	0,425	0,221	0,249	0,800	0,158
	NEW2	0,358	0,403	0,437	0,232	0,249	0,770	0,221
	NEW3	0,282	0,416	0,408	0,235	0,219	0,757	0,147
	NEW4	0,262	0,410	0,395	0,214	0,141	0,766	0,214
	NEW5	0,262	0,426	0,432	0,204	0,303	0,790	0,168
PRI	PRI1	0,494	0,383	0,480	0,477	0,342	0,277	0,851
	PRI2	0,475	0,287	0,485	0,475	0,225	0,199	0,775
	PRI3	0,497	0,255	0,406	0,435	0,327	0,105	0,738
	PRI4	0,454	0,344	0,408	0,416	0,306	0,222	0,798
	PRI5	0,385	0,269	0,285	0,343	0,194	0,177	0,752
	PRI6	0,407	0,246	0,311	0,365	0,256	0,078	0,750

Source: Researcher's Data Processing

Table 9 shows that each indicator's loading factor is highest for its respective latent variable, confirming good discriminant validity.

Table 7 Fornell-Larcker Criterion Test Results

Variable	COM	CON	CSAT	DNPS	FLE	NEW	PRI
COM	0,784						
CON	0,418	0,818					
CSAT	0,589	0,564	0,807				
DNPS	0,594	0,353	0,617	0,805			
FLE	0,411	0,368	0,539	0,413	0,781		
NEW	0,362	0,545	0,540	0,285	0,301	0,777	
PRI	0,586	0,387	0,522	0,546	0,358	0,234	0,778

Source: Researcher's Data Processing

According to Hair et al. (2021), the Fornell-Larcker criterion requires the square root of AVE for each variable to be higher than its correlation with other variables. Table 10 confirms this, indicating good discriminant validity.

Table 8 Heterotrait-Monotrait Ratio (HTMT) Test Results

Variable	COM	CON	CSAT	DNPS	FLE	NEW	PRI
COM							
CON	0,544						
CSAT	0,768	0,754					
DNPS	0,769	0,468	0,847				
FLE	0,520	0,470	0,706	0,542			
NEW	0,448	0,690	0,686	0,363	0,368		
PRI	0,696	0,473	0,639	0,672	0,427	0,266	

Source: Researcher's Data Processing

Table 11 confirms all HTMT values are below 0.9, ensuring construct distinction and model validity (Hair et al., 2021). Reliability, assessed through Composite Reliability (>0.7) and Cronbach's Alpha (>0.6), confirms measurement consistency and stability.

Table 9 Reliability Test Results

Variable	Cronbach's alpha	Composite reliability
Commitment	0,790	0,864
Convenience	0,754	0,859
Customer Satisfaction	0,732	0,849

Variable	Cronbach's alpha	Composite reliability
Digital Newspaper Paid Subscription	0,728	0,846
Flexible Service	0,786	0,862
News Quality	0,836	0,884
Price Point	0,870	0,902

Source: Researcher's Data Processing

Table 12 confirms all variables are reliable, with Composite Reliability >0.70 and Cronbach's Alpha >0.60. Collinearity testing, using Variance Inflation Factor (VIF), identifies multicollinearity, where values below 0.2 or above 5 indicate potential issues.

Table 10 Collinearity Test (VIF) Results

Variable	COM	CON	CSAT	DNPS	FLE	NEW	PRI
COM			1,756	1,872			
CON			1,648	1,725			
CSAT				2,434			
DNPS							
FLE			1,303	1,449			
NEW			1,486	1,637			
PRI			1,616	1,694			

Source: Researcher's Data Processing

The collinearity test confirms no multicollinearity issues, with all VIF values within the acceptable range (0.2–5). R-Square assesses the model's predictive power, where higher values indicate stronger explanatory ability. According to Chin (1998), R-Square is classified as strong (>0.67), moderate (0.33–0.67), or weak (0.19–0.33).

Table 11 R-Square Test Results

Variable	R-square	R-square adjusted
Customer Satisfaction	0,589	0,579
Digital Newspaper Paid Subscription	0,495	0,480

Source: Researcher's Data Processing

The R-Square results indicate that Customer Satisfaction and Digital Newspaper Paid Subscription fall into the moderate category. The F-Square test

assesses effect size, classified as small (0.02–0.15), medium (0.15–0.35), and large (>0.35), with values below 0.02 considered negligible.

Table 12 F-Square Test Results

Variable	COM	CON	CSAT	DNPS	FLE	NEW	PRI
COM			0,066	0,076			
CON			0,047	0,002			
CSAT				0,115			
DNPS							
FLE			0,112	0,005			
NEW			0,102	0,004			
PRI			0,049	0,046			

Source: Researcher's Data Processing

The F-Square test shows that Commitment, Convenience, Flexible Service, News Quality, and Price Point have a small effect on Customer Satisfaction (0.15–0.2), while Customer Satisfaction has a small effect on Digital Newspaper Paid Subscription (0.115). The Q-Square test confirms predictive relevance, with values above 0 considered significant: 0.02–0.04 (small impact), 0.15–0.34 (moderate), and >0.35 (strong) (Hair et al., 2014).

Table 13 Q-Square Test Results

Variable	Q^2
Customer Satisfaction	0,369
Digital Newspaper Paid Subscription	0,302

Source: Researcher's Data Processing

The positive Q-Square values confirm the model's predictive relevance. Model fit was assessed using NFI, SRMR, and Chi-Square, as shown in Table 17.

Table 14 Model Fit Test Results

	Saturated model	Estimated model
SRMR	0,067	0,067
Chi-square	783,436	783,436
NFI	0,731	0,731

Source: Researcher's Data Processing

Table 17 shows SRMR values of 0.067 (Saturated Model) and 0.078 (Estimated Model), indicating a good fit (SRMR < 0.08). Hypothesis testing is based on P-Values (<0.05), positive path coefficients, and t-values (>1.64).

Table 15 Hypothesis Testing Results

Hypothesis	Description	Path Coeff.	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (|O/STDEV|)	P-Values	Result
H1a	Price Point → Customer Satisfaction	0,179	0,181	0,058	3,090	0,001	Accepted
H1b	Price Point → Digital Newspaper Paid Subscription	0,199	0,198	0,054	3,705	0,000	Accepted
H2a	Flexible Service → Customer Satisfaction	0,245	0,242	0,052	4,705	0,000	Accepted
H2b	Flexible Service → Digital Newspaper Paid Subscription	0,060	0,061	0,065	0,923	0,178	Rejected
H3a	Convenience → Customer Satisfaction	0,178	0,176	0,050	3,583	0,000	Accepted
H3b	Convenience → Digital Newspaper Paid Subscription	-0,038	-0,037	0,069	0,551	0,291	Rejected
H4a	News Quality → Customer Satisfaction	0,249	0,248	0,049	5,125	0,000	Accepted
H4b	News Quality → Digital Newspaper	-0,059	-0,059	0,062	0,954	0,170	Rejected

Hypothesis	Description	Path Coeff.	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (|O/STDEV|)	P-Values	Result
	Paid Subscription						
H5a	Commitment → Customer Satisfaction	0,219	0,220	0,061	3,570	0,000	Accepted
H5b	Commitment → Digital Newspaper Paid Subscription	0,269	0,269	0,076	3,553	0,000	Accepted
H6	Customer Satisfaction → Digital Newspaper Paid Subscription	0,376	0,374	0,081	4,652	0,000	Accepted

Source: Researcher's Data Processing

The hypothesis test results confirm that all hypotheses were accepted except H2b, H3b, and H4b (P-Value > 0.05). Price Point, Flexible Service, Convenience, News Quality, and Commitment positively influence Customer Satisfaction, while Customer Satisfaction and Commitment drive Digital Newspaper Paid Subscription. However, Flexible Service, Convenience, and News Quality do not directly impact subscriptions, suggesting mediation by Customer Satisfaction. These findings emphasize the importance of pricing, service flexibility, convenience, content quality, and commitment in boosting satisfaction and retention for digital newspaper subscriptions.

CONCLUSION

This study examines the impact of price point, flexible subscription service, convenience, news quality, and commitment on customer satisfaction and loyalty toward digital newspaper paid subscriptions. The findings reveal that price point and commitment positively influence both customer satisfaction and subscription loyalty, while flexible service, convenience, and news quality only enhance

customer satisfaction but do not directly affect loyalty. However, as customer satisfaction significantly drives loyalty, these factors indirectly contribute to sustained subscriptions. The study highlights the critical role of satisfaction as a mediator, emphasizing that companies should not only focus on pricing and commitment but also on flexible subscription options, ease of access, and content quality to strengthen long-term customer relationships. Enhancing service quality and digital newspaper attributes is essential for sustaining business growth in the evolving digital landscape.

REFERENCES

Ahmed, S., Al Asheq, A., Ahmed, E., Chowdhury, U.Y., Sufi, T. and Mostofa, M.G. (2022), The intricate relationships of consumers' loyalty and their perceptions of service quality, price and satisfaction in restaurant service, The TQM Journal

Ashiq, R., & Hussain, A. (2023). Exploring the effects of e-service quality and e-trust on consumers' e-satisfaction and e-loyalty: insights from online shoppers in Pakistan. *Journal of Electronic Business & Digital Economics*.

Chen, W., & Thorson, E. (2021). Perceived individual and societal values of news and paying for subscriptions. *Journalism*, *22*(6), 1296-1316.

Cinjarevic, M., Tatic, K. and Avdic, A. (2010), An integrated model of price, service quality, satisfaction and loyalty: an empirical research in the banking sector of Bosnia and Herzegovina, Economic Research-EkonomskaIstrazivanja, Vol. 23 No. 4, hal. 142-161

Fosker, N. dan Cheung, B. (2021), Pricing and proposition testing in subscription economies, Vol. 6, hal. 211-220.

Ganguli, S. dan Roy, S.K. (2010), Service quality dimensions of hybrid services, Managing Service Quality: An International Journal, Vol. 20 No. 5, hal. 404-424

Gassmann, O., Frankenberger, K. dan Csik, M. (2014), Business model navigator: models that will revolutionise your business, Business Model Navigator.

Giannikas, V., & McFarlane, D. (2021). Examining the value of flexible logistics offerings. Eur. J. Oper. Res., 290, 968-981.

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis* (7th ed.). Pearson, New York.

Hwang, S., Lee, M., Park, E., & Pobil, A. (2021). Determinants of customer brand loyalty in the retail industry: A comparison between national and private brands in South Korea. Journal of Retailing and Consumer Services, 63, 102684.

Iranmanesh, M., Foroughi, B., Nunkoo, R., & Shan, C. L. (2022). Travellers' loyalty toward Airbnb: the moderating effect of relative attractiveness of the reward program. Current Issues in Tourism, 25(22), 3623–3639. https://doi.org/10.1080/13683500.2022.2088336

Jafari, H., Nyberg, A. & Hilletofth, P. (2016), Postponement and logistics flexibility in retailing: a multiple case study from Sweden, Industrial Management and Data Systems, Vol. 116 No. 3, hal. 445-465.

Jiang, L. A., Yang, Z., & Jun, M. (2013). Measuring consumer perceptions of online shopping convenience. *Journal of Service management*, *24*(2), 191-214.

Jiang, L., Jun, M., & Yang, Z. (2016). Customer-perceived value and loyalty: How do key service quality dimensions matter in the context of B2C e-commerce? Service Business, 10, 301–317.

Kammer, A., Boeck, M., & Hansen, J. V. (2015). The free-to-fee transition: Audiences' attitudes toward paying for online news. *Journal of Media Business Studies*, *12*(2), 107-120.

Kormelink, T. G. (2022). Why people don't pay for news: A qualitative study. *Journalism*.

LeHoang, P. V. (2020). Factors affecting online purchase intention: the case of e-commerce on lazada. *Independent Journal of Management & Production*, *11*(3), 1018-1033.

Lestari, S., Riyadi, S., Priyanto, S., & Suhermin, A. (2022). The Effect of Price and Ease of Use on Customer Loyalty: A Case Study of Repeat Transaction Interest Through the OVO Application. Golden Ratio of Marketing and Applied Psychology of Business.

Margianto, J. H., & Saefullah, A. (2012). Media Online: Pembaca, Laba dan Etika. *Aliansi Jurnalis Independen*.

Mehdi, M. M., Kler, A., & Nafees, L. (2023). Factors influencing m-loyalty and customer reuse intention toward mobile instant messaging services. *Journal of Business & Industrial Marketing*.

Newman, N., Fletcher, R., Schulz, A., Andi, S., Roberson, C. T., & Nielsen, R. K. (2021). Reuters Institute Digital News Report 2021 10th Edition. *Reuters Institute Digital News Report 2021 10th Edition*.

Nguyen, A. dan Meng, J. G. (2016). How source of funds affects buyer's judgments of price fairness and subsequent response. Journal of Product & Brand Management, 25(7), hal. 710-720

Olaleye, S. A., Sanusi, I. T., & Oyelere, S. S. (2017). Users Experience of Mobile Money in Nigeria. *IEEE Africon 2017 Proceedings*.

Patrada, R., & Andajani, E. (2020). Effect and consequence e-customer satisfaction for e-commerce users.

Prasilowati, S. L., Suyanto, S., Safitri, J., & Wardani, M. K. (2021). The Impact of Service Quality on Customer Satisfaction: The Role of Price. Journal of Asian Finance, Economics and Business, 8(1), 451–455.

Prentice, C., Hsiao, A., Wang, X., & Loureiro, S. (2021). Mind, service quality, relationship with airlines. *Journal of Strategic Marketing*, 31, 212 - 234.

Rashid, Dr. A., & Rasheed, Dr. R. (2024). Logistics Service Quality and Product Satisfaction in E-Commerce. Sage Open, 14(1). https://remote-lib.ui.ac.id:2075/10.1177/21582440231224250

Setia, M. S. (2016). Methodology Series Module 3: Cross-sectional Studies. *Indian J Dermatol, 3,* 61.

Severt, K., Shin, Y.H., Chen, H.S. & DiPietro, R.B. (2020), "Measuring the relationships between corporate social responsibility, perceived quality, price fairness, satisfaction, and conative loyalty in the context of local food restaurants", International Journal of Hospitality and Tourism Administration

Sinclair, B. (2017), IoT Inc: How Your Company Can Use the Internet of Things to Win in the Outcome Economy, McGraw Hill.

Tzeng, S., Ertz, M., Jo, M.S. & Sarigollu, E. (2020), Factors affecting customer satisfaction on online shopping holiday, Marketing Intelligence and Planning, Vol. 39 No. 4

Venkatakrishnan, J., Alagiriswamy, R., & Parayitam, S. (2023). Web design and trust as moderators in the relationship between e-service quality, customer satisfaction and customer loyalty. *The TQM Journal*, (ahead-of-print).

Yang, L. & Gan, C. (2021), Cooperative goals and dynamic capability: the mediating role of strategic flexibility and the moderating role of human resource flexibility, Journal of Business & Industrial Marketing, Vol. 36 No. 5, hal. 782-795.