

## RESEARCH ARTICLE



# MEDIA ECONOMIC EVOLUTION OF HARIAN KOMPAS MEDIA FROM ADVERTISING REVENUE TO DIGITAL SUBSCRIPTIONS

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**Abstract:** *Internet and digital technologies have drastically transformed media consumption, reducing the time spent on newspapers and television. This research aims to analyze the adaptation of conventional media to digital disruption, focusing on Kompas.id's strategy in implementing a digital subscription business model. This study employs a descriptive qualitative approach. Data were collected through structured interviews and secondary data tracing. Informants were selected based on diverse professional backgrounds, making it a purposive sampling technique. The types of data used were primary data (interview results) and secondary data (documents, publications). Findings indicate that Kompas.id adopted a paywall as an "integration" strategy to maintain the value of its journalistic content. This implies a focus on the depth and quality of news, presenting serious content sought by readers amidst an information overload. This shift also triggered significant internal changes within Kompas's newsroom, including adjustments to work culture and reorganization. This subscription model is expected to become a vital new revenue source, offsetting losses from print and advertising. Unique content quality and trust factors are key attractions for subscribers.*

**Keywords:** Kompas.id, digital disruption, media economy, digital subscription

**Abstrak:** Internet dan teknologi digital mengubah cara mengonsumsi media, mengurangi waktu untuk surat kabar dan televisi. Penelitian ini bertujuan menganalisis adaptasi media konvensional terhadap disrupsi digital, fokus pada strategi Kompas.id dalam menerapkan model bisnis langganan digital. Pendekatan kualitatif deskriptif digunakan melalui wawancara terstruktur dan penelusuran referensi. Informan didasarkan latar belakang profesional beragam, menjadikannya teknik pengambilan sampel purposif. Tipe data adalah data primer (hasil wawancara) dan data sekunder (dokumen, publikasi). Temuan menunjukkan bahwa Kompas.id mengadopsi model langganan digital (paywall) sebagai strategi "integrasi" untuk mempertahankan nilai konten jurnalistiknya. Ini berarti fokus pada kedalaman dan kualitas berita, menyajikan konten serius yang dicari pembaca di tengah banjir informasi. Pergeseran ini juga memicu perubahan internal signifikan di ruang redaksi Harian Kompas, termasuk penyesuaian budaya kerja dan reorganisasi. Model langganan ini diharapkan menjadi sumber pendapatan baru yang vital, menyeimbangi penurunan pendapatan dari iklan dan langganan cetak. Kualitas konten dan faktor kepercayaan menjadi daya tarik utama bagi pelanggan.

**Kata Kunci:** Kompas.id, disrupsi digital, ekonomi media, langganan digital

## 1 | INTRODUCTION

Newspapers, alongside magazines, radio, television, and outdoor advertising, have long been pillars of traditional media, reaching vast audiences (Strautbhaar 2009:332; Sugiya 2012). However, the revolution in communication technology and the internet has fundamentally altered media consumption patterns. With the increasing number of computer and mobile device users, the time allocated to reading newspapers and watching television has significantly decreased.

Digital 2023 data from We Are Social and Meltwater illustrates digital's dominance in Indonesia: 212.9 million, or 77% of the population, are internet users; 353.8 million mobile phones, exceeding 128% of the population, are connected to the internet; and 167 million individuals, approximately 60% of the population, are social media users. This phenomenon indicates that internet penetration and mobile devices, coupled with evolving consumer habits, have eroded the time conventional media receive compared to new media (Sugiya 2012; Setiyaningsih & Jatmikowati, 2019; Mustaqim et al., 2021).

The pressure on conventional media, particularly print media, is intensifying. The emergence of new media, shifting generational demographics, rising production costs, tighter competition for reader attention, declining newspaper subscriptions, and decreasing advertising revenues have all compelled print media to innovate and adapt (Leksono & Elmada 2018).

In response to these challenges, the primary strategy adopted by conventional media is embracing information technology and digitalization. This shift in reader habits actually presents opportunities for mass media to disseminate information globally, instantaneously, and simultaneously.

Media convergence strategies, combining data, still pictures, moving images, and sound across various platforms (multimedia, multiplatform, multichannel), have become a crucial approach implemented by numerous conventional media publishers (Sugiya 2012). This convergence not only influences content dissemination but also opens up significant avenues for digital revenue, expected to offset losses from print advertising. In fact, digital revenue from newspapers in Indonesia currently stands at only 10% (Wikan in Sugiya 2012), indicating substantial untapped potential.

Amidst these dynamics, the digital subscription business model has emerged as a promising solution for conventional mass media. *Harian Kompas*, as a leading media outlet, has pioneered this approach by launching *Kompas.id* as its digital newspaper (Haq & Fadilah 2018). *Kompas.id* effectively addresses several weaknesses of print newspapers in the digital era, such as limited distribution reach and high costs. By migrating typical newspaper content to a digital format enriched with multimedia features, *Kompas.id* provides added value for readers.

The hallmark of *Harian Kompas*'s information quality remains a core strength maintained in its digital form (Leksono & Elmada 2018). This business model innovation is pursued without compromising *Kompas*'s distinctive journalistic values (Haq & Fadilah 2018) and serves as a strategy to counter the trend of "duty-free" journalism that threatens long-term media sustainability.

Given *Harian Kompas*'s proactive adaptation through media convergence and the *Kompas.id* digital subscription model, its leadership in adopting digital subscriptions in Indonesia, and its unwavering focus on quality journalism amidst the prevalence of "free journalism," the *Kompas.id* case study becomes highly relevant. It offers valuable insights into how conventional media, facing the challenges of disruption and the dominance of global platforms, can sustain themselves and even discover new revenue streams in the digital age.

## 2 | RESEARCH METHODS

This research used a qualitative descriptive approach to be able to elaborate a social phenomenon. Data collection techniques were carried out in two aspects, namely primary data collection. Primary data collection was carried out by meeting directly with informants and observing research object.

In this study, the researcher utilized purposive sampling. This technique, also known as purposive or judgmental sampling, involves the selective choice of participants or samples by the researcher based on specific characteristics deemed relevant to the research objectives. The aim of this technique is to select participants possessing experiences, knowledge, or perspectives that can provide in-depth and relevant insights into the investigated phenomenon.

Researchers conducted structured interviews about research subjects with four informants who had different professional backgrounds and age ranges expected to be able to provide explanations to find out the conditions faced by the research object, the taken steps, and the results obtained. Online interviews were held on 1-6 June 2023.

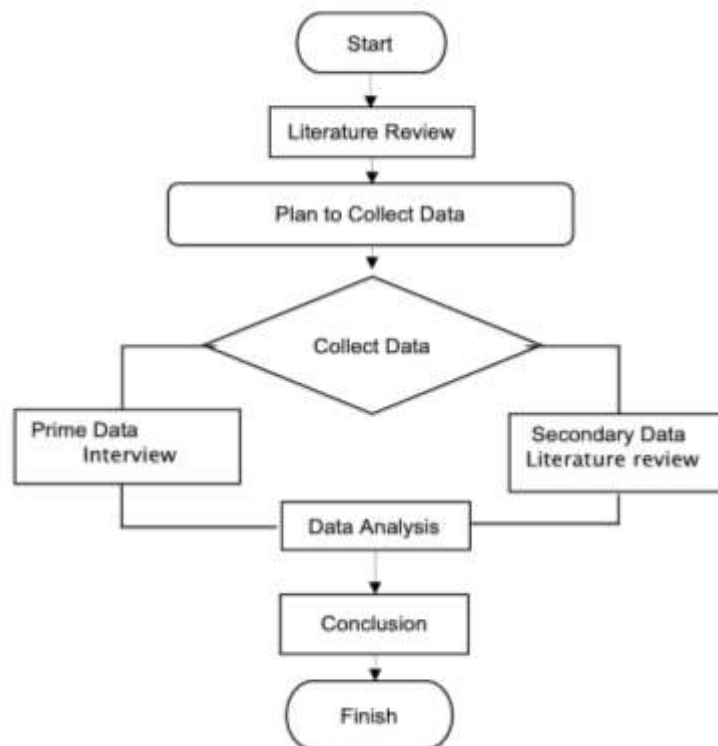
The selected informants have backgrounds as media regulators, people in charge of media companies, people in charge of content in the media, technical editors, researchers and communication practitioners, as well as media audiences.

**Table 1. The Identity of Informan**

No	Name	Occupation	Position
1	Asmono Wikan	Practitioner / Regulator	Chairman of Information and Communication Commission Press Council 2022 – 2025
2	Yohan Rubiantoro	Civil servant/ subscriber Kompas.id	Ph.D student in University of Birmingham, UK
3	Maria Susy Berindra	Reporter	Community Assistant Desk Editor Kompas/Kompas.id
4	Wildanul Hakim	Researcher / Practitioner	Lecturer in Communication Science Department, Faculty of Social and Political Science, Al-Azhar University Indonesia

Source : Primary data, 2023

Researchers also used secondary data collection by browsing materials from the Kompas.id website, journals, books, internet, and a number of previous research findings. In this stage, the researcher looked for a number of data, readings and previous research findings related to research topic and subject.



**Figure 1. Research Flow**  
(Data Processed by Researchers, 2025)

Researchers also used elaboration and secondary data presented by *Harian Kompas* Editor-in-Chief named Sutta Dharmasaputra and Kompas Gramedia Media Chief Marketing Officer named Dian Gemiano in the Media Sustainability Roundtable forum held by the Press Council in September 2021. The data analysis technique by Miles & Huberman (2002) is used to generate research findings through the steps of data reduction, data display, data verification, and conclusion drawing.

### 3 | RESULT AND DISCUSSION

The economy is built on the concept of supply and demand. Suppliers create goods and services from limited resources meet the needs and wants, or demands, of consumers. In media industry, suppliers include TV and radio stations, satellite networks, social media, digital applications, or newspaper publishers.

The commodity offered is content, whether consumed on television or mobile devices such as cellphones or tablets. There are two consumers in media industry. The first is audiences who watch, listen or read content. The second constituent is advertisers who buy time and columns in the media to gain access to the consumers in order to offer goods and services (Albarran, 2017).

According to Albarran et al. (2008), media economics is the study of how the media industry uses limited resources to produce content distributed to consumers within a social system to satisfy various needs and desires. This definition then developed into a study of how media companies and industries function at various levels of activity (global, national, household, individual) and collaborate with other forces (globalization, regulation, technology and social aspects) through the use of theories, concepts, and principles drawn from microeconomic and macroeconomic perspectives.

Media companies are individual companies or corporations operate in their territory to make a profit. Media company shares can be publicly or privately owned by

individuals/companies. The understanding of media companies is also constantly evolving due to the development of distribution and dissemination of content ways are constantly developed.

Streaming services broaden the understanding of media companies is now including companies like Netflix, Amazon, and Hulu. In addition, social media such as Twitter, Facebook and Instagram are now also distributing content and advertisements to their users. YouTube, Vimeo, and Vine provide access to thousands of hours of video content. Apple's computer and electronic device manufacturers innovate through the Apple Watch and Apple Music. All of these companies can be categorized as media companies.

Kotler & Keller (2017) defined an industry as a group of sellers offering the same or similar products. However, the unique features of media industry are changing the market and industry. Companies now compete with each other in different markets and industries in media economy. New media industries that did not exist two decades ago are also emerging, for example video and music streaming, social media, and news aggregator sites such as Huffington Post, BuzzFeed, and Gawker. Innovation will keep introducing new companies and industries to the media economy.

In the media economy, trends are growing towards empowering individuals and providing opportunities to expand media consumption. To compensate for changes in the media economy, individuals make adjustments in consuming media. These constant changes are turning traditional media business models and forcing advertisers to continually evaluate marketing strategies and practices. Traditional media should evolve and respond so as not to be left behind. These levels of activity always occur in the media economy. At any given time, media companies can reach consumers at all levels, but the biggest changes are at the individual level. The biggest challenge for media companies is how to continuously develop multiplatform that can reach consumers at all levels (Albarran 2017).

According to Owers, Carveth, & Alexander (2004), media economics combines the study of media and communication by examining economic principles and their application in managing companies in media and communications sector. Economic principles must be adopted by the industry in media sector to endeavor in a constantly demanding economic context. Samuelson (1976) as quoted in Albarran (2017) defined economics as: The study of how individuals or society ultimately choose, with or without the use of capital, to employ scarce productive resources so as to provide alternative uses for producing various commodities and distributing it for now or further consumption among various kinds of people or groups within society.

Based on this definition, economics is concerned with what is produced, what technology and organization to produce it, and for whom the commodity is produced. For example, a company produces output that is expected to be sold to a target group of clients (the what) and the company uses the most efficient technology and effective organization (the how). The proceeds from the output sale will be distributed to employees, suppliers, and (if there's any left) to owners and shareholders (for whom). Media economics in its terminology refers to the business operations and financial activities of a company produces and sells products generated in various media industries.

The concern of media economics is how the media industry allocates scarce resources to create information and entertainment content to meet the needs of audiences, advertisers, and other social institutions in society (Picard 2008). There are three types of strategy parameters and business models used by companies to explain: who are customers, what value customers obtained from a product, what methods and ways to make money in business, and how a business can provide value to customers by reasonable cost.

The first model is subscription. Companies with this business model sell subscription-based products to consumers. In order to be able to use the product, consumers are requested to pay within a certain period of time, for example monthly or yearly. During subscription period, consumers are entitled to receive services from the company and the companies are required to provide the promised service to the consumers or customers.

This subscription system allows company to gain a certain income.

The success of subscription-based business models (SBBMs) relies on the ability to capture value through recurring revenue and make adjustments to the value proposition, creation, and capture to improve business effectiveness and sustainability (Lindström et al., 2024). However, companies must have a long-term production strategy and quality content so that consumers will not unsubscribe. Examples of companies that use SBBMs include Netflix, Spotify, Hello Fresh, Birchbox, and Amazon Prime.

The second business model is transactional. The company charges fees for each transaction related to its service products. The direct-to-consumer business model has emerged as a new paradigm that promises success in eCommerce. Sharma & Dutta (2022) says, by cutting out middlemen such as retailers, brands can build closer and deeper relationships with consumers. For instance, digital marketplace companies benefit from transactions between sellers and buyers through the applications provided. This business model requires producers to produce goods first and consumers will decide to buy or not to buy

The third business model is pay-per-use. Companies set prices for consumers based on the quantity of products used by consumers personally. According to Bocken et al. (2018), pay-per-use business models will make consumers more conscious about consumption patterns and companies will take responsibility for product lifecycle issues, so pay-per-use business models have the potential to encourage sustainable consumption. For instance, cellular telecommunications companies use the quantity parameter of internet data package consumption used by consumers as a basis payment for telecommunications services.

According to research by Haq & Fadilah (2018), Kompas.id implemented a digital subscription system with a hard paywall model. In order to obtain all access to the content prepared, readers must register an email address and pay the subscription fee according to the package selected. In the two years since its launch, Kompas.id has obtained 70 thousand subscribers and 350 thousand registrants which have become a reader database. This number of subscribers beats the circulation of other newspapers, although it cannot compete the number of readers of free news sites (free-sites).

Harian Kompas editorial staff makes Kompas.id as a tool to maintain quality journalism by eliminating clickbait news and yet providing a number of unique advantages of digital media. Sugiya's research (2012) found that Harian Kompas implemented a 3M convergence strategy (multimedia, multiplatform, multichannel) to face digitalization challenges.

This strategy allows continuum convergence in the form of cross media, cross promotion, cloning, content sharing and cooperation to be implemented simultaneously. Kompas.id is a form of contextual convergence or repackaging with the main characteristic of single resource many products or one source many products by repackaging content produced and published in Harian Kompas into content for other platforms, namely electronic and digital.

Leksono & Elmada (2018) found the income earned by Harian Kompas from digital subscriptions for Kompas.id has not been able to touch the income from printed newspaper business. One of the reasons is because the hard paywall model has not been accepted by the public. However, the number of Kompas.id subscribers has reached a third of its printed newspaper subscribers.

The increase in the number of readers in digital newspaper causes the readability level (readership) of newspaper increase because the Nielsen audit agency combines the number of readers (readership) of printed Harian Kompas newspaper and digital readers obtained from Kompas.id subscribers into the total readership of the Harian Kompas.

The subscription business model also requires Kompas to provide quality content in large quantities. Thus, the need for quality content produced by professional journalists is maintained. Even though the printed newspaper business has been affected by disruption,

the strategy of embracing digitalization through digital newspapers is able to maintain the high credibility and trustworthiness of Kompas brand image public point of view.

Digital newspapers also open up other business opportunities such as e-commerce on digital newspaper pages. Leksono & Elmada (2018) also emphasized, Kompas.id's business model must be developed continuously because there is no digital business that brings profits like the heyday of newspapers.

One of the newspapers affected by digitization is Harian Kompas. This years old newspaper has experienced a decline in circulation, especially since the development of electronic-based media (Leksono & Elmada, 2018). Kompas finally chose to implement the 3M strategy in stages. The initial stage of efforts to keep up with the times was carried out by the Harian Kompas publisher by launching an augmented reality system to build relationships between news published in print media and digital database (Habibi, 2010).

In 2009, Kompas also launched a digital form of newspaper on the print.kompas.com page. Then in 2017, Kompas presented the Kompas.id portal in the form of news pages and applications on Play Store and AppStore. Content in Kompas.id is in the form of news in Harian Kompas, company information, to e-commerce to buy Kompas books and souvenirs (Kompas.id, Company Information).

Kompas.id's business model is a digital subscription. Apart from the free content which is limited to a few articles, there are two subscription packages readers can choose from, namely the Kompas Digital Premium package and Premium Digital & Newspaper Package. The Kompas Digital Premium Package worth IDR 360,000 per year provides access to electronic newspapers (e-paper) for the last 30 days, access to all Kompas.id content, access to exclusive Opinion articles and articles, as well as access to multiplatform.

Access to digital content provided in this package includes Hot Topics, Latest, Selected Columns, Readers' Favorites, Live Broadcasts, Visual Talks, Editor's Choice, Di Balik Berita, Kompas Voice, Infographics, photo stories, Videos, and Taja. Meanwhile, the complete package contains additional access to Today's Topics, Live Reporting, Di Balik Berita and Research content. The Research feature includes a number of contents, including Public Opinion, Popular, Indicators, Media Monitoring, and Research.

Kompas.id also provides a month subscription package to all content worth IDR 50 thousand (Kompas.id, Company Information). Moreover, the Digital Compass & Newspaper package worth IDR 1,992,000, by adding daily printed Harian Kompas delivery. Harian Kompas is trying to cut the costs of distributing newspapers, which usually use intermediaries and hawkers, by buying directly from publishers for Rp 1,632,000 per year or Rp 132,000 per month. Subscription fees from the publisher are cheaper than subscription fees through designated agents of IDR 200,000 per month from 2 January 2023.

The belief that the future of the conventional media economy will shift from printed newspaper advertising and circulation to digital advertising and digital subscription/digital paid content is illustrated in interviews with informants.

## 1. Kompas and Serious-useful Information

Apart of overcoming the technical problems of printed newspapers circulation, Kompas.id's growth is also supported by the category of readers with news needs that cannot be provided by free- sites.

*"Newsreaders are now saturated with a lot of information. They need serious yet useful content. It doesn't matter if you have to pay to get the information. Around 60 percent of our readers (Kompas and Kompas.id) are die hard, do not read social media and think that it (social media) is not important. However, we have to review trending things journalistically to meet the needs of digital savvy circles. Kompas does not have a tradition of investigative journalism".*

*“Kompas has in-depth coverage when it is combined with journalism data to become precision. Kompas does not search quickly, since it is already part of Kompas.com”.*

*“Kompas.id will focus on the depth of news content”.* (Sutta Dharmasaputra, Media Sustainability Roundtable, Pers Council, September 2021)

Excellent journalism is not synonymous with investigative journalism. The type of reporting that focuses on solving problems in society, advocating for community needs, encouraging change and improving the quality of government performance, also includes quality journalism.

One of the indications of low-quality journalism is driven by the fast-paced journalism of press companies to upload popular content. Unfortunately, there are some trivial in nature contents, only entertaining but not educational, and even tends to invite click bait.

*“Therefore, this fast race on one hand will have the potential to lull audiences. So that, public or media are complacent with the low quality news and journalism products”.* (Asmono Wikan, interview on 6 June 2023).

## 2. Digitalization and Changes to Working Routines in Newsroom

The evolution of media economy carried out by Kompas through Kompas.id does not only have external influences. These changes also require cultural and organizational adjustments in the internal Harian Kompas newsroom.

*“The digital world is different, the newsroom is 24 hours, 365 days. Different from newspaper newsrooms. It changes the culture and the organization. Removing the deadlines. Change the way it works”.* (Sutta Dharmasaputra, Media Sustainability Roundtable, Pers Council, September 2021).

One of the changes is adding desk to the Kompas editorial board. At the first years of Kompas.id, there was a desk called the general news desk which was responsible for taking up articles on Kompas.id. Apart from the news in the Kompas newspaper, there are news updates carried out by journalists at General News Desk. The format of General News Desk has now been changed since it is considered less effective. The task of producing articles on Kompas.id was handed over to all existed desks since the Kompas newspaper was founded.

*“However, there is a division of work schedules at each desk, both for reporters and editors. This distribution is expected to ensure the continuity of producing articles on Kompas.id”.* (Maria Susy Berindra, interview on 4 June 2023)

## 3. Reorganization and Editorial Management of Kompas.id.

Apart from adjusting the organization and company culture to be digitally friendly, Harian Kompas also changed news management by expanding the reporting area at each desk. Initially, each desk at Harian Kompas was only responsible for newspaper content. Now, each desk also has the responsibility to produce digital content on Kompas.id as well as create a number of distinctive rubrics converged in print and digital.

Kompas has a deck of Politics and Law, Economics, Sports, Culture, International, and Humanities. In order to enrich contents both in print and digitally, there are several new desks, namely the Investigation and Data Journalism Desk, as well as the Multimedia, Social Media, and Visual Desk.

Kompas always prepares all content across two platforms, print and digital. If an

article has appeared on *kompas.id*, it will be enriched again for the next day's newspaper. There are several articles that must be published first in the newspaper, one of which is the result of an investigation.

Investigative journalism and data journalism products are carried out by staffs at the Investigation and Data Journalism desk. They are divided into several teams. The products produced are in the form of newspaper and digital coverage. Besides, there are video coverage, discussions/webinars and promotions on social media. Articles resulting from field investigations will be published twice a month, as well as data journalism.

*“Multimedia that produces Kompas's signature writing, such as Tutur Visual (Visual Speech) and Video are produced by a different desk. For example, Desk Multimedia produces Tutur Visual (Visual Speech) with interesting topics in different treats”*

*“There is also a Di Balik Berita section on *kompas.id*. This column contains the experiences of Kompas journalists in the field. There are two articles Di Balik Berita section every week”. (Maria Susy Berindra, interview on 4 June 2023)*

#### 4. Integration Business Models and Global Platform Dams

Internally at Kompas Media, *kompas.id*'s business model is better known as integration rather than evolution. One of the reasons is because *kompas.id* is enhancing value compared to turning off one business model (printed newspaper) and moving it to another business model (digital newspaper). *Harian Kompas* also makes the *kompas.id* paywall a dam for the richness of high-quality journalistic content typical of *Harian Kompas* from the global platform hegemony controls digital advertising and news algorithms.

Integration must enhance added value. This collaboration allows us to provide integrative solutions for branding and content marketing consultants. Media could no longer just sell advertising, since the advertising business model is being eroded by global platforms. In fact, 70 percent of digital money is on Facebook and Google.

*“We have worked with global platforms, and they left content and creativity to us. They do not have resources for content and creativity. We are more expert and serious about copyright and distribution”.*

*“We at KG media focus on investing in human resources, technology and research that brings sustainable profits. If we are tempted to mine profits instantly, say with click bait journalism, publishers are actually developing a position that strengthens their competitors, namely global platforms”. (Dian Gemiano, Media Sustainability Roundtable, Press Council, September 2021)*

#### 5. Digital Subscriptions and New Sources of Income

In terms of the media economy, digital subscription business model has been implemented by a number of leading mass media. The New York Times reported, the paywall model implemented on its digital pages generated USD 400 million revenue in 2019, greater than ads revenue which reached USD 259 million (*nytimes.com*). Therefore, a number of media audience informants believe digital subscriptions are a future, a new source of income for newspaper publishers.

*“As an alternative source of media revenue, I think what *kompas.id* is doing is very great. Then, whether it can be imitated by other media will be very complex and require the readiness of the human resources of journalists and non-journalists behind the news as well as a commitment to create this model of journalism”.*

*"I do not think there will be many media outlets in the next five or six years that will be able to catch Kompas.id's achievement because it is required huge effort". (Asmono Wikan, interview 6 June 2023).*

*"In my opinion, digital subscriptions are indeed the future of mass media revenue streams that have started to leave print and switch to digital media".*

*"Subscribing to digital media is a must because printed media has begun to be abandoned. Meanwhile, mass media companies need a definite source of income to defray the presentation of news or fund other needs". (Wildanul Hakim, interview 3 June 2023)*

*"I think we can get to the level of the New York Times or the Washington Post, but it takes time and learning. Thus, this educational process seems to be carried out massively in Indonesia".*

*"However, in the experience of the past few years, apart from requiring massive education by all publishers, printed media managers also need courage to use the paywall model". (Asmono Wikan, interview 6 June 2023)*

## 6. Quality Of Content Keywords Relevance

A number of informants considered Kompas.id has a number of advantages over speed journalism news sites. Kompas.id is an online media but based on newspaper content. Besides, a number of rubrics on Harian Kompas and Kompas.id are also irreplaceable by the same content offered by freesites since they offer more precise fact filtering.

*"Trust factor. I believe the information presented by Kompas is true and accurate". (Yohan Rubiantoro, interview 3 June 2023)*

*"I do not chase news on Kompas.id. However, opinion or articles written by experts that can only be written on Kompas.id after going through a strict selection. I also enjoy reading the results of analyzes and opinion polls conducted by Kompas Research and Development".*

*"The rubric I like the most at Kompas.id is Di Balik Berita and humanist features that always provide insight into issues we do not pay attention to, but turn out to be important. I think this is one of the Kompas strength has that other media do not have". (Wildanul Hakim, interview 3 June 2023)*

*"Humanities content, especially education. Political content, and opinion content. Free-sites has similar contents, but the writing quality is not as good as Kompas, especially for opinion columns".*

*"I have subscribed to Kompas for 10 years and I am used to reading Kompas every morning. However, since I have lived abroad for the last three years, the only way I can keep up to date with developments of situation in Indonesia by Kompas is via Kompas digital". (Yohan Rubiantoro, interview on 3 June 2023)*

## 7. Digital Platform Responsibility Regulations

Kompas.id's digital advertising and digital subscription business models are also expected to support sustainable media due to journalistic quality and a stronger business model than relying on programmatic advertisements that have been hegemony by global

platforms. Through a series of Media Sustainability Roundtables organized by the Press Council, Kompas Media is also actively advocating for the issuance of regulations regarding publisher's rights of digital advertising on news sites which the government has promised will be in the form of a Government Regulation on Digital Platform Responsibilities.

*"The newspaper is suppressed not because no one read it, but because the business turns off first, the industry stalled because it was bleeding. Many Pulitzer winners have had their newspapers closed. Even though the content is good, there are readers, but the industry is no longer able to provide revenue because advertising is down".* (Sutta Dharmasaputra, Media Sustainability Roundtable, Press Council, September 2021)

*"Printed media turbulence does not mean that newspapers will be extinct. However, there will be disruption to new platforms. It takes creativity to maintain existence. Kompas and Kompas.id exist to influence and encourage policy makers. Meanwhile, Tribune is tasked with creating content liked because they understand how algorithms work".* (Dian Gemiano, Media Sustainability Roundtable, Press Council, September 2021)

*"Revenue from subscribers may not be as much as printed media, but at least they can survive while looking for direct advertising (advertisements other than digital ads). Many media continue to use advertising even though they implement a paywall. For example, Harvard Business Review or MIT Sloan Management. I am sure the income is also enormous".* (Wildanul Hakim, interview on 3 June 2023)

*"Digital subscription in the Indonesian context is only an alternative way since basically the mass media cannot live from a single source of revenue. Indeed, it seems as if digital subscriptions replace newspaper revenue from printing. I think this digital subscription is only one of the business models that will be pursued by media in Indonesia".* (Asmono Wikan, interview 6 June 2023)

*"I think it's a matter of time. If printed Kompas still exists, while most people who are interested in mass media still consume the printed version, printed Kompas will still be bigger than the Kompas.id".* (Wildanul Hakim, interview on 3 June 2023).

## 8. Print Journalistic Quality on A Digital Platform

Harian Kompas believes that the reduction in newspaper readers is not because newspaper journalism is lagging behind, but due to many of its readers have difficulty getting newspapers in retail or by direct (agent) subscription, especially for those who are far from big cities.

Along with the access to Kompas.id, Harian Kompas readers can read news via the internet in real time. In addition, the affordability aspect also includes the revenue that newspaper publishers get from digital subscriptions and the efficiency of newspaper distribution costs can replace a decrease in advertising revenue (Leksono and Elmada 2018).

Through Kompas.id, Harian Kompas editorial staff can continue the newspaper's agenda setting so that it can still present quality journalism typical of newspapers in a digital version. Through Kompas.id, Harian Kompas can combine complete data typical of journalism and a human-interest approach in in-depth coverage typical of Kompas into precision journalism (Haq & Fadilah 2018).

The change from a typical newspaper work system to a digital work system requires changes to the editorial crew's working routine. If in conventional newspapers there is a deadline for page work, then there is no deadline in the digital edition. It is because digital newspapers operate 24 hours a day, 365 days a year. Harian Kompas works around this

by using a working shift system as is commonly used by news portals and television stations. The newspaper editorial management system, which has a day off before the red date and takes turns on weekends, has also been changed according to working shift regulations.

Harian Kompas Editorial also added two new desks to handle Kompas.id production, namely the Daily Digital Desk and the Weekly Digital Desk (Haq & Fadilah 2018). The evolution of the media economy carried out by Kompas Media by embracing digital savvy is in line with the government's policy direction which encourages economic digitalization. One of the policies that supports the growth of digital newspapers is the expansion of access and reliability of internet infrastructure throughout Indonesia.

The Ministry of Communication and Informatics, for example, has a Palapa Ring infrastructure development program in the western and eastern parts of Indonesia which has been 100 percent completed. Until the end of 2022, the government has deployed 360 thousand kilometers of fiber optic network and will increase to 372,373 kilometers by the end of 2023 (Indonesiatech.id).

The government also has a National Strategic Project for Palapa Ring Integration in accordance with the Decree of the Coordination Ministry for Economic Affairs No. 9 of 2022 which will provide internet connection in 14 provinces and 78 districts/cities that have not reached by the internet. The integration of the western and eastern Palapa Rings will provide internet services to 10 thousand companies and 16.4 million population who currently do not have access to the internet.

Expanding internet access and cellular data services opens up the potential for more massive digital economic development, including digital newspapers. The massive migration of print media to digital platforms has encouraged a free online culture that positions journalistic works as "public property". This phenomenon provides benefits for global platforms that utilize and monetize journalistic content for free. Parties who benefit from the dissemination of journalistic works on news portals are digital platform providers in the form of advertisements (Google AdSense or Facebook Ads).

Global platforms are also parties that can determine digital algorithms and digital advertising rates unilaterally. This condition is detrimental to media companies and journalists who work in conventional converged and online media. The issue of injustice in the form of huge advantages that global platforms get compared to the mass media as owners has led to the emergence of the idea of protecting the media business through publisher's rights regulations, such as the news media and digital platforms mandatory bargaining code that applies in Australia (Mardhiyah & Saputri 2022).

There are three protections in the draft publisher's rights regulations will be implemented in the form of presidential regulations in Indonesia. First, electronic system operators guarantee adequate compensation for press industry players. Second, the management and presentation of news is carried out to meet the public's need for high-quality information. In addition, digital platforms must support the adaptation of press industry players in the development of technology and the digital industry.

The fundamental transformation of the media landscape driven by the shift from traditional business models to digital paradigms characterized by the emergence of streaming services, social media, and news aggregators. Within this context, Linda Hutcheon's Theory of Adaptation (Routledge, 2006) offers a robust lens for analyzing how traditional media entities, such as Harian Kompas, undertake adaptations to survive and thrive. Hutcheon posits that adaptation is not a passive replication but rather a creative act of repetition with variation generating new meaning as a work traverse different mediums and contexts.

Hutcheon's concept of transcoding is highly relevant to understanding the transition of Harian Kompas to Kompas.id, as it illustrates how Kompas.id represents a re-encoding of news content from a print medium to a digital one.

In print medium (Harian Kompas), the reading experience was dominated by the

physical tactility of the newspaper, static page layouts, and reader-determined pacing. Albarran (2017) states that the commodity offered was content, which, in the case of *Harian Kompas*, was consumed physically. Meanwhile, transcoding into digital medium (*Kompas.id*) drastically alters experience. Readers now access news via applications or web browsers (mobile or tablet), enabling real-time access and the consumption of multimedia content such as videos, infographics, and photo stories.

The inclusion of sections like *Tutor Visual* and *Video* produced by the Multimedia Desk directly exemplifies content that has been "transcoded" to leverage the visual and auditory capabilities of the digital medium. *Kompas* also transforms the experience through features such as *Live Broadcasts* and *Visual Talks* demonstrating real-time capabilities absent in its print form.

*Kompas* also has a new narrative convention. The news structure on *Kompas.id* is adapted for digital consumption. Unlike static newspaper pages with strict deadlines, *Kompas.id* operates 24/7. This necessitates "changes in the editorial crew's work routines" and "shift work systems" (Haq & Fadilah, 2018), illustrating how the new medium dictates different production conventions. The emphasis on "news depth" (Sutta Dharmasaputra) and the editorial staff's elimination of clickbait signify a conscious choice to shape narratives that align with quality expectations in the digital space.

*Kompas* management faces significant challenges in the transcoding process, as declining physical newspaper readership and traditional distribution methods are leading to losses in circulation and revenue from print products. Digital subscription revenues have not yet compensated for these losses, and the public has not fully embraced the hard paywall model, indicating difficulties in translating value from the old medium to the new.

However, the move to digital offers substantial gains, primarily through increased accessibility and reach, allowing *Kompas.id* to connect with readers who struggle to obtain physical newspapers, especially outside major cities. This expands overall readership levels, as Nielsen now integrates both print and digital readers. Additionally, the digital platform creates new business opportunities like e-commerce on digital newspaper pages and improves distribution cost efficiencies.

*Kompas.id* serves as a prime example of intertextuality, acting as a palimpsest where the original essence of *Harian Kompas* remains discernible through its digital adaptation. This digital platform isn't a complete reinvention; instead, it retains the core content and identity of its print predecessor, evident in characteristic features like *Di Balik Berita* and humanist articles, which uphold the high journalistic quality associated with *Harian Kompas*.

Furthermore, *Kompas.id* actively engages in repetition with variation, repackaging content from a single source into multiple products—for instance, investigative articles might first appear in print and then be enriched for the digital sphere. This strategic approach, supported by coordinated work schedules, ensures continuous article production and diverse content presentation. This adaptation ultimately enhances audience engagement; loyal *Kompas* readers appreciate the consistent journalistic quality on the new platform, while those abroad can stay connected to Indonesian developments through *Kompas.id*, demonstrating how the digital version caters to varied audience needs while maintaining a strong link to its original source.

*Kompas.id*'s adaptation reflects a crucial ideological repositioning in response to the evolving digital media landscape. This shift is driven by the fundamental change in the media economy, moving from traditional print advertising and circulation to digital advertising and subscriptions, a transition further supported by government initiatives like *Palapa Ring* which expand internet infrastructure.

Crucially, *Kompas.id*'s strategy is an ideological counter-measure against the hegemony of global platforms like Google and Facebook, which dominate digital advertising revenue and news algorithms. By emphasizing high-quality journalism and investing in specialized desks for investigative, data, and multimedia journalism, *Kompas.id* aims to reclaim control over its content's monetization and uphold the credibility and trust of the

Kompas brand, rejecting the prevalence of clickbait journalism.

Furthermore, Kompas Media's advocacy for publisher rights regulations signifies a significant ideological stand. This effort seeks to rebalance the power dynamics within the digital ecosystem, ensuring fair compensation for news publishers and maintaining the integrity of high-quality information for society. This reflects a shift in perception: media is no longer solely a provider of free content but an entity deserving of fair monetization for its valuable journalistic work.

By employing Linda Hutcheon's theory of adaptation, the transformation of Harian Kompas into Kompas.id can be understood as a series of deliberate adaptations. Transcoding is not merely a change of medium but a re-encoding of news content to leverage digital capabilities and meet new audience expectations. Intertextuality ensures that Kompas.id remains in rich dialogue with the legacy of Harian Kompas, preserving established brand quality and identity. Lastly, ideological repositioning demonstrates how Kompas.id strategically navigates the evolving media economy landscape, reasserting the value of high-quality journalism and seeking sustainable business models in the face of global platform hegemony. Kompas.id's adaptation is thus a testament to dynamic "repetition with variation," forging a future for quality journalism in the digital era.

Drawing upon the Cultural Production Theory, the transformative changes within the Harian Kompas newsroom—ranging from the adoption of 24/7 work routines to the restructuring of editorial desks—represent a crucial process in reshaping the inherent "character" of their journalistic output. This theory posits that cultural products, including news, are not created in a vacuum; rather, they are profoundly influenced by the organizational structures, professional norms, and internal dynamics of the media institution itself.

The shift from a primary focus on print media to digital platforms, as articulated by Sutta Dharmasaputra concerning the "24-hour, 365-day newsroom," fundamentally alters the operational modalities of journalists and editors. The establishment of new desks, such as the Investigative and Data Journalism Desk and the Multimedia, Social Media, and Visual Desk, illustrates how Kompas strategically allocates resources and expertise to meet the demands of the digital market.

This reallocation, in turn, directly impacts the types of stories covered, their presentation formats, and even the selection of topics. Consequently, this structural and cultural adaptation transcends a mere technical response to disruption; it signifies a profound reconfiguration of how Kompas's journalistic values are interpreted and ultimately manifested in its digital product, Kompas.id.

#### 4 | CONCLUSIONS

Kompas.id applies a digital subscription and hard paywall business model. And it has been successfully obtaining 70 thousand subscribers and data from 350 thousand registrants in 2018. Even though it has not yet matched the income from the print newspaper business, the presence of Kompas.id has generated digital income and increased newspaper readership. The strategy of embracing digitalization is able to maintain credibility and trust in the Kompas brand image as well as open opportunities for developing other digital businesses, such as e-commerce. Harian Kompas editorial staffs made changes to their working routine by eliminating deadlines, implementing working shifts, and forming two new desks in the Harian Kompas editorial organization. Kompas's policy of embracing digitalization is in accordance with government policies that expand the internet service area. Therefore, it is in line with the digital newspaper development strategy in the long term.

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