

MEDIA/PUBLISHING

Condé Nast moves Wired to paywall model. Will its luxury titles follow suit?

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Wired is going to a paywall model along with introducing new verticals. Image credit: Wired

By DANNY PARISI

With the announcement that Condé Nast's technology magazine *Wired* will be going to a paywall model, the publisher will have to gauge whether its luxury publications will head in the same direction or remain confident in their advertising model.

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Condé Nast already has a paywall instituted for the digital edition of its *New Yorker* magazine and with the move to a subscription model from *Wired*, it is clear that the publisher is attempting to elevate its content to a product in and of itself. For Condé Nast's luxury magazines, which have long been a haven for advertising from the big luxury brands, a similar future is a bit more complicated.

"By launching a paywall, WIRED is giving our readers a more active role in driving our business," said Nicholas Thompson, editor in chief at *Wired*, New York. "That's going to align our editorial goals with our business goals – create great journalism worth paying for."

Paywall model

The media industry is in a complicated spot at the moment. As platforms such as Facebook and Google continue to suck up much of the ad revenue generated online and customers are increasingly averse to ads, many have turned to the subscription model as a way of negotiating around those problems.

Condé Nast's *Wired* has decided to take this route by introducing a paywall to block content until a subscription is purchased. To bolster this move, the publication is also investing more money in higher-quality, long-form journalism as an incentive for people to pay for access.

But for the publishers' luxury publications, such as *Vogue* and *W Magazine*, the problems facing the normal media world have not traditionally been seen as much of a threat.



Luxury magazines have typically been shielded from the problems of the media world. Image credit: Condé Nast

The audience who read *Vogue*, the common thinking goes, are not the kind of readers to have their attention diverted by Facebook, or block the high-quality ads which have always been part of luxury magazines' appeal.

But as the digital landscape evolves to contain almost everything, even luxury publications will have to adjust, especially after missteps such as Condé Nast's opening and abrupt closing of style.com.

Additionally, the fashion brands whose advertising has been the bread-and-butter of luxury magazines are presented with more opportunities to place their product in front of consumers' eyes. As luxury consumers increasingly migrate to the digital world, the advertisers will follow, leaving luxury magazines in a difficult situation.

Advertising revenue

Recent efforts from Condé Nast seem to show a publisher going all in on advertising, not one with an eye towards paywalls.

For example, after two years of growth, Condé Nast is buffering its advertising platform Spire with data to help brands connect with readers in a more personalized and direct manner.

Consumers are increasingly inundated with messy, impersonal ads, meaning data solutions such as the one provided by Condé Nast's Spire can help brands reach audiences through individualized units customized for specific customer segments. Condé Nast will be the first company to make use of the data provided by Nielsen Catalina Solutions (NCS) in this way ([see story](#)).

Condé Nast has also put additional stock in digital content hubs with the launch of title offshoots meant to accompany primary print publications.



wired



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Ladies and gentlemen, we are proud to introduce the new WIRED! It's bigger, it's brighter, it's somehow even better! Today we're launching three new verticals: Guides, Backchannel, and Ideas. We know, we're excited too. Here are some of the incredible contributing writers we have joining us for the Ideas vertical. - Joi Ito is the director of the MIT Media Lab and a professor of the Practice in Media Arts and Sciences. - Maryn McKenna is a senior fellow at the Schuster Institute for Investigative Journalism at Brandeis University. She writes about public health and food policy. - Felix Salmon writes about culture and finance for Fusion, Reuters, and Condé Nast Portfolio. - Susan Crawford is a professor at Harvard Law School and author of *Captive Audience: The Telecom Industry and Monopoly Power in the New Gilded Age*. - Antonio García Martínez is the author of *Chaos Monkeys: Obscene Fortune and Random Failure in Silicon Valley*.

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Condé Nast has recently ramped up its digital properties to cull millennial readership and to attract advertisers that appeal to the next generation of readers. The media group's millennial-centric developments includes the "Next Gen" campaign and digital companions for titles such as *Architectural Digest*, *Golf Digest* and *Bon Appetit* magazines (see story).

Other Condé Nast properties have taken a different approach. For example, *W Magazine* announced plans to scale back circulation of its printed property in an effort to make print more luxurious.

Currently, *W Magazine*, lead by editor in chief Stefano Tonchi, produces 11 monthly print editions, but come

February 2018 the title will publish eight times per year. *W Magazine's* decision is backed by an ideology that print can be more luxurious and a collectible, rather than something discarded quickly after it has been read ([see story](#)).

Despite this, with *Wired* moving to a digital paywall model, it is possible that Condé Nast could take a bold step and move its luxury publications in a similar direction in anticipation of the continuing drop in advertising revenue among major media companies. If so, it would represent a major shift in the publisher's digital strategy.

"A paywall only works if you're offering unique content that people can't find anywhere else," Mr. Thompson said. "That's why we're doubling our investment in long-form and tapping some of the most brilliant thinkers around to share their ideas on the biggest subjects in the WIRED world."

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