



READER REVENUE: SUBSCRIPTION MARKETING

Key takeaways from Digital Media Europe 2020

FOREWORD

Digital reader revenue not only took centre stage during our recent Digital Media Europe 2020 virtual event, it has quickly become many publishers' top priority after watching much of their advertising revenue take a plunge during the pandemic.

In a poll taken during the event, **nearly 60% of respondents said their companies are anticipating more than 30% growth** this year, 28% of that **expecting 50%**. According to our latest World Press Trends Outlook data, **investing in data and digital reader revenue are the top two priorities** among nearly 90 publishing executives worldwide.

DME20's reader revenue part of the programme (over two days, a third day was dedicated to premium advertising) was focused on the many aspects of subscription marketing. This report covers the five core topics laid out in that programme, featuring **13 publisher case studies** and numerous **advice from industry experts**.

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EXECUTIVE SUMMARY

(click on headline to read)

THE fully-funded newsroom: Mediapart

This French “paper” has quietly grown its digital subscription-only business to 210,000 subs and €6 million in profit. A trendsetter: No ads, no hierarchy, a diverse staff, no continuous coverage.

Schibsted's race to digital sustainability

After reaching 1 billion NOK in digital reader revenue, the Nordic group sets its sights on being digitally sustainable. How? Adding value to products, bundling products, verticals and pricing, and linking non-content related services.

FT finds the need for speed

Just by increasing the speed of its website, the FT has been able to acquire and keep subscribers on board.

FAZ finds the right price and path with F+

As one of the most expensive newspapers in the world, FAZ struggled to launch the right digital subscription product. But testing, pricing research, introducing new KPIs and a focus on customer lifecycle has FAZ in a prime position going forward.

Gazeta Wyborcza's recurring payment strategy

This Polish daily has been quite successful in acquiring 245,000 digital subscriptions over the years, but it has faced resistance from subscribers to buy in to automatically recurring payments. Read about the steps it has taken to drastically improve this.

EXECUTIVE SUMMARY

(click on headline to read)

Amedia's 6 steps to better retention and sales

The large Norwegian local media group has been a beacon of inspiration for digital subscription strategy, thanks in large part to its data-driven approach. Read about their initiative to reduce churn while gaining subscribers.

DC Thomson's transition to digital subs

The Scottish media group took part in WAN-IFRA's Table Stakes Europe initiative this year and shares the keys to revamp its org around digital subscriptions.

Denník N's journey to profitability

Launched just six years ago, this Slovakian-based publisher will reach €1 million in profit this year with two clear focuses: quality journalism with accountability (KPIs) and leveraging its intelligent software.

Mediahuis: 5 lessons of transformation

The growing media group, based in Belgium, has methodically gone about transforming its numerous newspapers, acquiring 85,000 digital subscribers in five years. Key to this been its focus on communication, pricing, org changes, costs and content.

Der Standard's ad-free and contribution models

With its PUR subscription that blocks ads, doesn't track users and a new donation model, Der Standard in Austria is confident its reader revenue strategy is trending in the right direction.

Expert advice on product innovation

Innovation expert Anita Zielina lays out the keys to success for effective product innovation for reader revenue.

PROTECMEDIA: WHY WE SPONSORED THIS REPORT

Over the past months, the whole world has adapted to doing things differently. Inevitably, this change also affects how the media create, edit and publish, and how the audience accesses information.

It is time for the media to reinforce a **digital business philosophy**. In this sense, the tools that will make this **digital transformation** a reality are essential to achieve successful results. In terms of software, relying on [solutions that offer functionalities developed specifically for the media](#) business will make the difference.

Currently, the media need functionalities that enable their newsroom teams to homework properly while developing effective actions to increase the **loyalty of their audiences** and, ultimately, get and **keep digital subscribers**. Here are some of the most relevant ones:

- **RFV score** analysis: capable of calculating the value of visitors through a score that takes into account the freshness, frequency and volume of visits of each user.
- Content recommendation based on visitor habits, both by affinity and by theme.
- [Content personalisation](#) based on the device used, the segment of the public to which they belong, their geographical location or even the day of the week.
- **User profile** where registered users have the possibility of accessing a record of their **favourite articles**, articles they have saved to read later and to track content by subject, trend or preferred authors.
- **Sending personalized PUSH notifications** that capture the user's immediate attention and get into a reading habit.
- Configuration of different types of **paywall** according to the audience segmentation defined through the RFV score and based on an audience **loyalty strategy**.

We appreciate the opportunity from WAN-IFRA to sponsor this report, as it is important for us to be part of the reader revenue conversation. In the current and future context, tools are the basis for media to monetise their digital content and audiences. **Digitisation** has become a key issue for publishers and audiences worldwide, so the focus must be there, on the way forward to increase **digital revenue**.

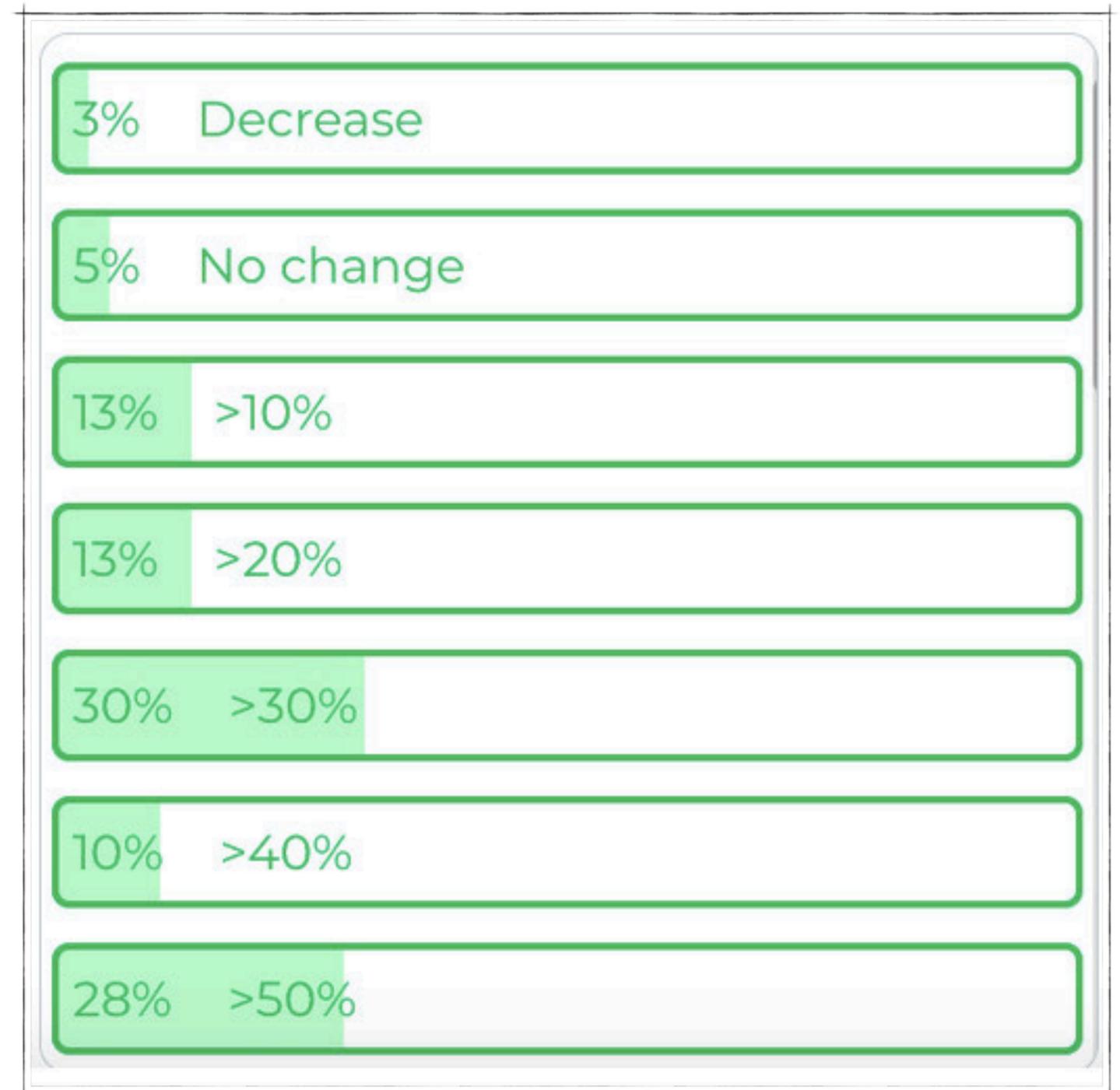
CHAPTER 1: GROWTH — THE FULLY FUNDED NEWSROOM

POLL: BANKING ON SUBSCRIPTION GROWTH IN 2020

At the outset of DME, we asked attendees of the opening session how they expected their digital subscription growth to develop in 2020 (number of subs minus ePaper).

We feature three very different cases of growth in this chapter:

- *Mediapart* in France, already a fully-funded newsroom,
- *Schibsted* in Scandanavia nearing that goal, and
- *FAZ* in Germany taking its first solid steps in that direction.





THE SECRET IS OUT: MEDIAPART'S SUCCESS STORY

“**Quiz Question:** who knew that Mediapart with 200k digital subs is second only to Le Monde on digital in France?”

That tweet from WAN-IFRA’s Nick Tjaardstra aptly sums up this (not much longer) best-kept secret and success story: Mediapart, the digital-only, fully funded by digital subscriptions publisher.

Mediapart in a nutshell

- **Location:** France
- **Founded:** In 2008 with 25 journalists
- **Business model:** Digital-only, full paywall, 99% based on digital subscriptions; no advertising
- **Total subscriptions today:** 210,000
- **Total (estimated) revenue 2020:** 20.3 million euros
- **Profit:** Mediapart was profitable by 2011, and generates 6 million euros in profits today.
- **Subscription pricing:** 11 euros monthly; 110 euros annually
- **Special offer:** 5-euro monthly subscription for low income users, which make up about 10-15% of their total subscriptions

Raison d'être

To be an independent, digital-only news destination that uncovers government wrongdoing, political financial scandals, fraud, tax evasion – in other words corruption. And do this **by doubling down on investigative journalism**, leveraging its digital-native strengths by producing multimedia coverage, **getting their readers involved** in producing content, **being transparent** about that coverage, their newsroom, and finances, and being **totally funded by their subscribers**.



5 ingredients to secret sauce

1. FULL PAYWALL: The bet that pays off

Nobody wanted to believe at the time (when Mediapart launched) that it was possible to have a digital-only newspaper with a **full paywall** when information was more or less free on the Internet. But we bet that 50,000 subscribers were ready to pay for quality independent information, without any advertising and 100 percent digital. Well, we had our difficulties in the beginning for sure, but no one ever imagined we would reach the growth and success we've had.



*Marie-Hélène
Smiejan-Wanneroy,
Managing Director,
Mediapart*



Menu

MEDIAPART
JEU. 26 NOV. 2020 - ÉDITION DE LA MI-JOURNÉE

LE JOURNAL INTERNATIONAL FRANCE ÉCONOMIE CULTURE DOSSIERS

LA UNE IMMIGRATION — REPORTAGE

Affaire Mawda: en Belgique, un procès révélateur de la déshumanisation des migrants

PAR NEJMA BRAHIM

Le procès de l'affaire Mawda, du nom de cette fillette kurde tuée par balle lors d'une course-poursuite entre la police belge et un camion transportant des migrants en mai 2018, s'est tenu lundi et mardi à Mons. Un drame symptomatique des chasses à l'homme que subissent les exilés.

LE CLUB NOTRE SÉLECTION

Garde à vue: 17 heures d'humiliation...

26 NOV. 2020 | PAR POPLINE

Le 17 novembre dernier, je manifestais avec des amies contre la loi Sécurité Globale à Paris devant l'Assemblée nationale. Bilan : plus de 3 heures d'interpellation et 17 heures de garde à vue pour un délit non avéré. Et la notion que mes droits et ma personne n'ont pas été respectés par la police.

Question prioritaire de constitutionnalité, bijou ou elote démocratique?

2020 | PAR PAUL CASSIA

Question prioritaire de constitutionnalité a bientôt dix ans. Contrairement à ce que le discours dominant du Conseil constitutionnel laisse entendre, cette voie de recours est à la hauteur des droits ce que la verroterie est à la hauteur des pouvoirs publics que les citoyens.

Fil d'actualités TOUT LE FIL

- BRÈVE UE: la protection des milieux marins reste « superficielle » (Cour...)
- BRÈVE Universités: 20.000 jobs étudiants pour aider les décrocheurs
- BRÈVE Karabakh: le Parlement azerbaïdjanais veut exclure la France de la...
- BRÈVE Covid-19: la stratégie vaccinale présentée la semaine prochaine
- BRÈVE UE: la protection des milieux marins reste « superficielle » (Cour...)
- BRÈVE France/Covid-19: les indicateurs s'améliorent mais trop tôt pour déconfiner...
- BRÈVE Offices religieux: jauge de 30 personnes dans un premier temps, « irréaliste »...
- BRÈVE L'Etat participe à un plan de sauvetage de la compagnie aérienne Corsair
- BRÈVE France: enquête contre des policiers après le tabassage d'un homme...
- BRÈVE Fonds de solidarité: nouvelle aide aux entreprises des secteurs les...

2. Setting the news agenda

Keeping print in mind: Bucking another trend, Mediapart wanted its site and homepage to keep some of the core elements of a printed newspaper. “From the beginning we wanted to say that **we will not cover all the news**, we don’t want to cover all the news, but we do want to report about what is important today, creating an agenda and news investigation that they cannot find elsewhere but within a hierarchy like that of a real newspaper.”

Forget 24/7 publishing: Mediapart also decided to not provide continuous coverage, **updating the site three times a day: 9 a.m., 1 p.m. and 7 p.m.**



3. Investing heavily in investigative reporting



The trial of former France president Nicolas Sarkozy or the sentencing of Christine Lagarde is indicative of the investigative journalism Mediapart conducts.

Cultivating confidence: From the beginning, Mediapart invested much of its resources into investigations. Smiejan-Wanneroy said it is not unusual to have journalists working on stories for 3 to 6 months, and not publishing big stories if they are 100 percent confident in the facts. “That actually gives us confidence when we do publish a big story or exclusive. We know it’s right.”

Collaborative journalism: Mediapart has partnered at the local, national and international levels with different organisations and news outlets to report their stories.

Corruption, political financing, tax evasion and fraud: this is the bread and butter of Mediapart’s content.

4. Making the most of multiple media

Mediapart makes full use of multimedia coverage, using audio, video, producing monthly live debates, documentaries and podcasts. Mediapart created a daily 30-minute show during the pandemic lockdown, which they have now restarted since September because of its success. That show, for example, is free for visitors, said Smiejan-Wanneroy, as is some other video, but longer video content is behind the paywall.

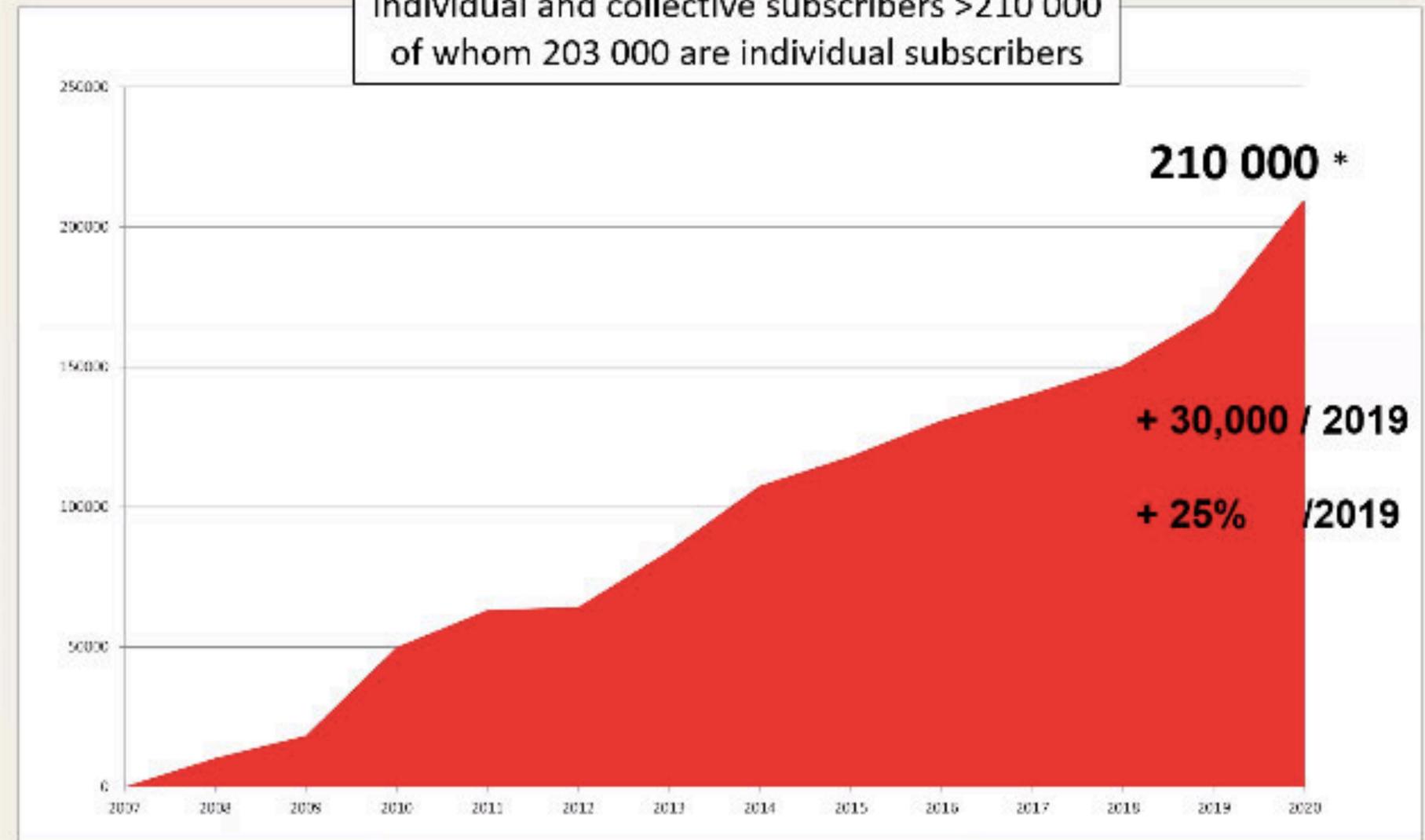
5. The link with readers

Mediapart decided from the beginning that it was important to create a connection with readers and wanted subscribers to be able to write on the site. They now have more than 2,000 blogs and subscribers write 100 articles every day and more than 20,000 comments every month.

THE RESULTS SO FAR: 'Never imagined we could reach such growth'

Subscribers' Growth 2008 - 2020

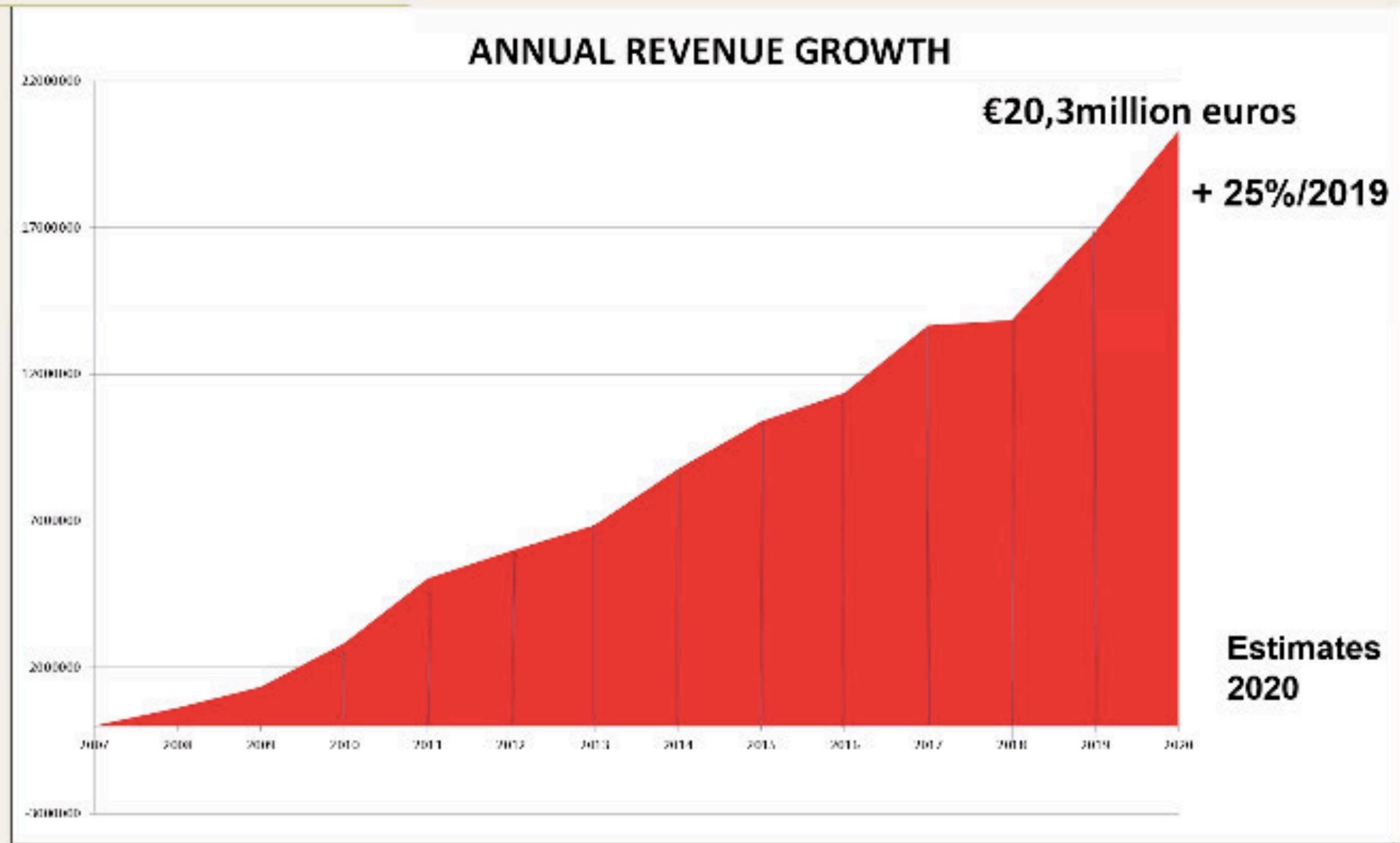
Individual and collective subscribers >210 000
of whom 203 000 are individual subscribers



* **LE FIGARO** has about 160 000 subscribers * **Le Monde** has about 300 000 subscribers



➤ Annual Revenue Growth 2008 - 2020

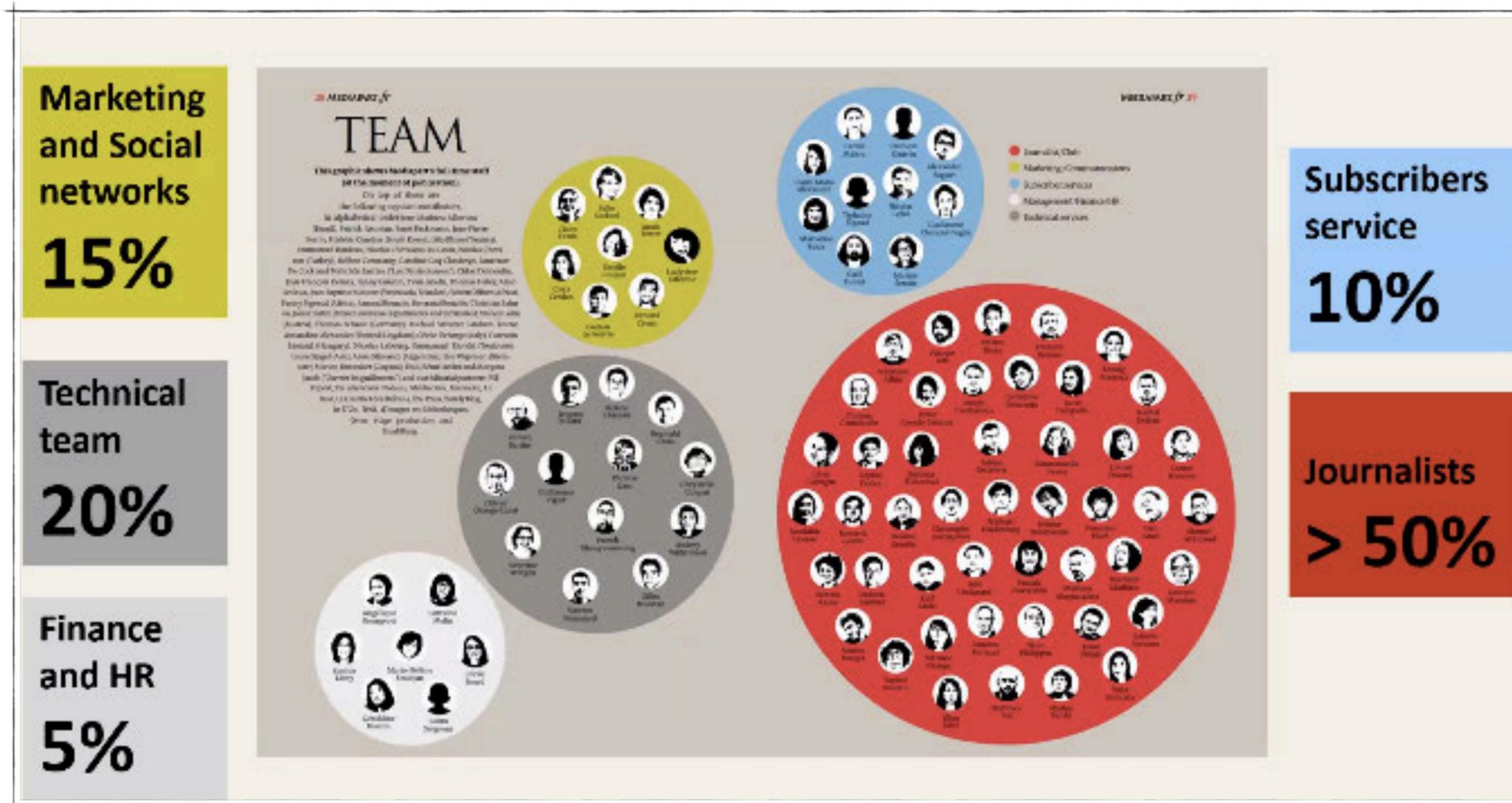


➤ Operating Result 2008 - 2020



**Estimates
2020**

Two keys to Mediapart's success



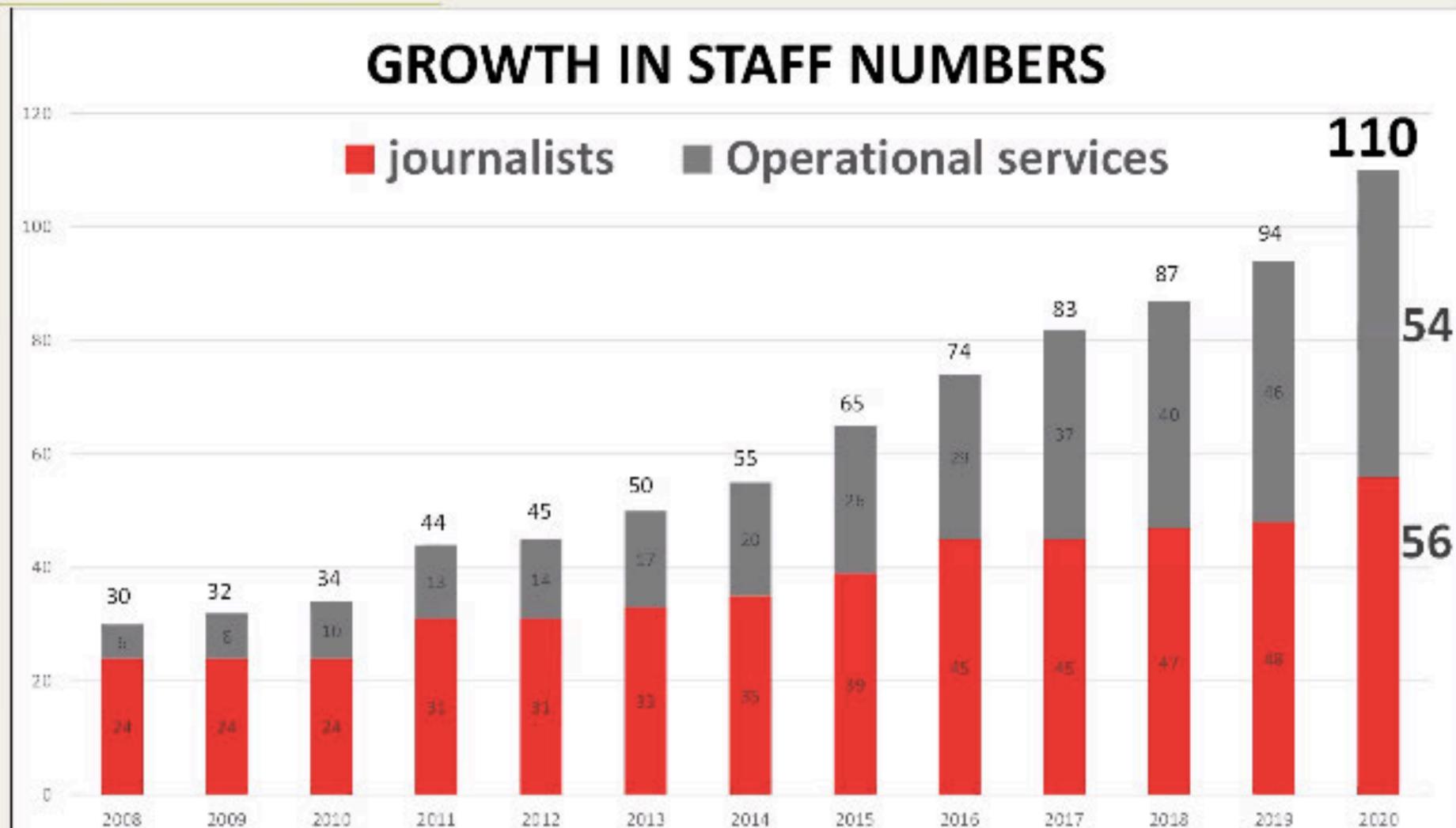
1. Team and organisation

Mediapart embraces a flat organization and open environment – **no hierarchy**. There are no department heads. Journalists, social media managers, community managers, tech and marketing all sit together. All journalists are working on big stories. And not only are there the same number of female staff as male staff, they are all paid the same, and its board reflects the same diversity.



Stay flexible

➤ Staff Numbers



“We like to say small is beautiful, and we didn’t want to grow too fast, to remain a **small, dynamic team.**”



2. The strength of independence

“We don’t have any outside interference. We don’t have any pressure from advertisers. We don’t care about the traffic, if an article is successful or not. We focus on what is most important today, not on what is most popular. We have no subservience to shareholders or dependence on state subsidies.”

In fact, she said they, the journalists, wanted to control the capital from the beginning and own two-thirds of the shares. **“Only our readers can buy us,”** she says. And in that spirit, last year the company transferred their shares to a fund to support freedom of the press.

POLL: Ads still pay the bills...

Mediapart pays for the newsroom with digital subscriptions alone - and no advertising. **How long until your own newsroom is funded by digital subs?**



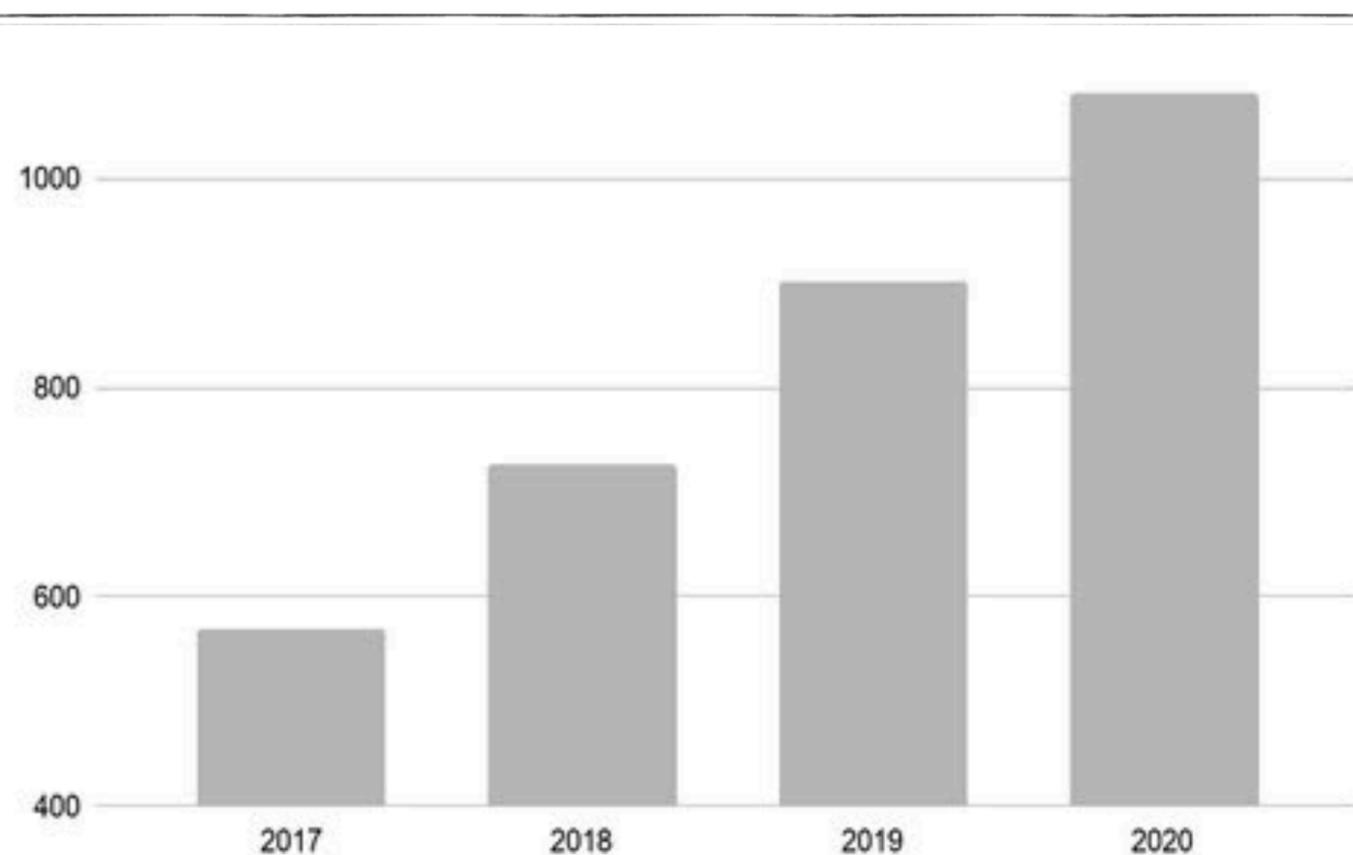


SCHIBSTED HITS AMBITIOUS TARGET

1 BILLION NOK

In 2017, Schibsted set an ambitious target to reach **1 billion NOK in digital reader revenue** by the end of 2020. At the time, the Nordic media group had about 500,000,000 NOK, so it wanted to **double that in three years' time**.

This past August, Schibsted reached that goal early. Next? Be digitally sustainable...



KEY FIGURES: Schibsted's consumer business

News brands: More than 20 in Sweden and Norway

Total subscription revenue: 2.5 billion NOK

Digital subscription revenue: 1 billion NOK

Total number of subscriptions: 1.25 million

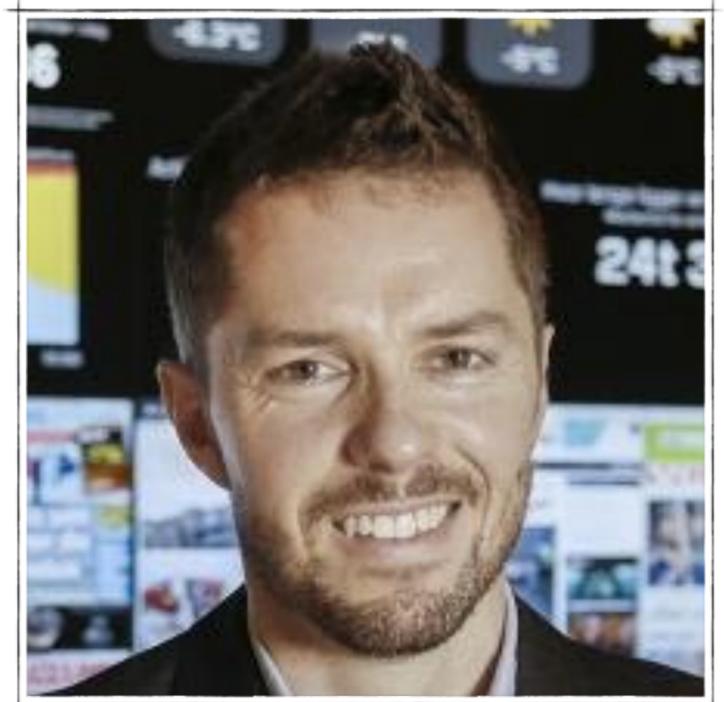
Number of digital subscriptions: 838,000





The next big target: digitally sustainable

Schibsted has a goal for **all of its newsrooms to be digitally sustainable** so that print revenue is like an **add-on**, but we, of course, want to see print revenue as long as we can. But we do hope to be **digitally sustainable within the next year or the next year** so all the costs are taken with the digital revenue. Of course that varies from brand to brand, and those that are more advanced in the digital subscription journey are obviously in better position to reach that. But overall we still have a way to go.

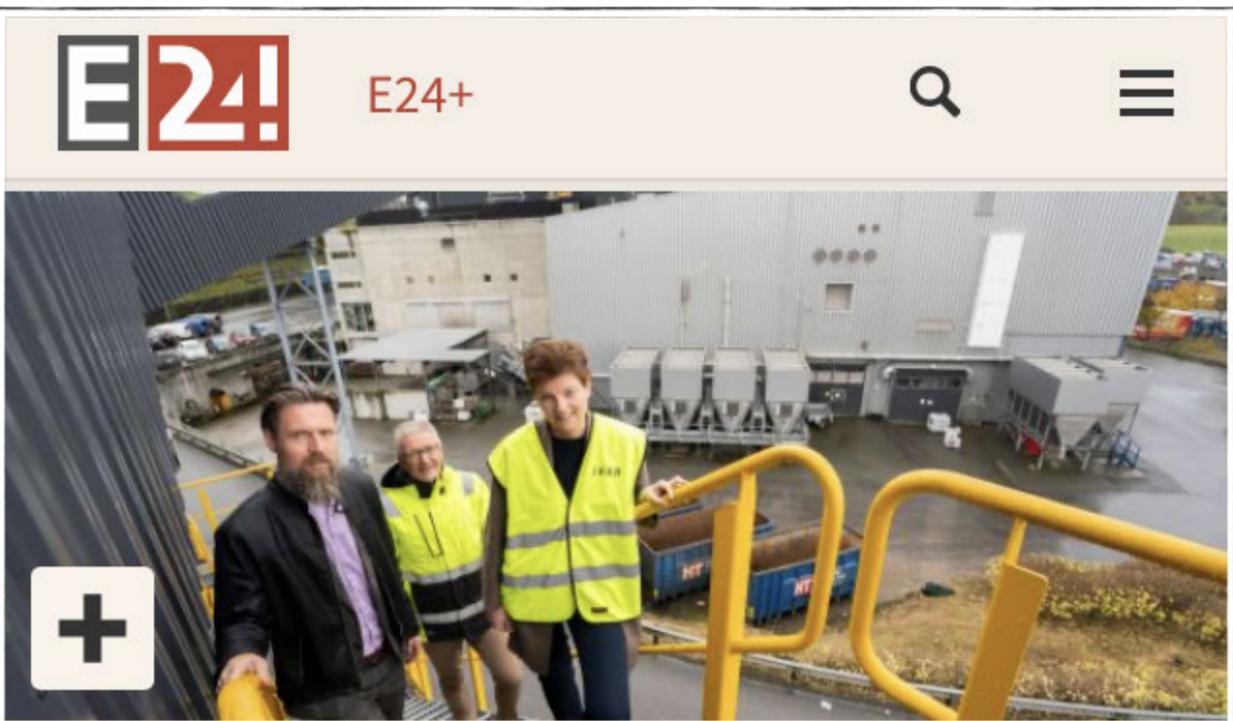


*- Tor Jacobsen, SVP
Consumer Marketing &
Revenue,
Schibsted Media, Norway*

Schibsted's drivers for subscription growth

- **Increasing the value of their products**, such as more podcasts, videos, live event rights, and non-news content like its math game called “Albert”
- **Developing more verticals and “top ups”** to differentiate its product more today
- **Repackaging and pricing** to always test and experiment what works and adjust
- **Increasing the portfolio of subscription services**, some that are not content related, for example, Schibsted has an e-learning platform “so how can that be linked up to offer a more personalised service.”

One way Schibsted is adding value and increasing ARPU



E24! E24+ 🔍 ☰

DEN GRØNNE ØKONOMIEN

Lyse og IVAR vil fanga karbon for å få ned utsleppa

20.11.20

A few years ago, most brands offered one digital product (the site, for example) but over time that subscription has meant getting access to more premium content, niche content, verticals and products, podcasts, family sharing and therefore **different pricing and higher ARPU.**

E24+

E24 is a digital-only business vertical which has been around about 10 years. About two years ago, **Schibsted launched E24+**, the paid version of the vertical. And it is now Schibsted's **fastest growing brand**, says Jacobsen. There is a dedicated editorial team for the E24+ product.

EXAMPLE: Leveraging E24+

What they did: Schibsted packaged that premium product with the premium subscriptions of its other news brands in Norway, so subscribers to Aftenposten's premium product, for example, would then get this business vertical product.

Result: Added value, potential to differentiate pricing, and raise ARPU.

“Many of our brands were naturally pushing their products and brands, but this is a different way of really looking at what the customer needs are, looking closely at their data, payment history, what content they like, then delivering a smarter product in the end. But this is also (about) how the newsrooms are organised around those products. This is something that will be important for us in the coming years,” said Jacobsen.

Spirit of collaboration: consumer business, editorial

One of the keys for Schibsted, Jacobsen says, in building its consumer business has been **the ability to work together across brands and regions**, sharing and building competence in data, analytics and technology. He leads the group consumer team but its **staff is distributed across brands and are actually working daily in the newsrooms.**

“That has helped us to monetise our products as best as possible. **In the end we are selling content**, that is important to remember: it is our core product. ... But this type of organisation helps us to shift our mindset towards subscriptions, especially in the newsroom, and **to better align the KPIs for journalists**, for example.”

Schibsted's advice on retention

The first 100 days: “That timeframe is crucial,” says Jacobsen. “It's important to get them (subscribers) on board, but if you can keep them till that time (100 days), keeping them long-term is much easier. One example is the onboarding process. Now it's much more trigger based than it was in the past, focusing more on their usage, data and habits. You can choose [an] editorial profile to take care of you in the first days or weeks, to suggest interesting articles, for example. So personalisation is playing a key role now.”

Sharing subscriptions: Another example of improved retention, says Jacobsen, is getting people to share their subscriptions. This is increasingly part of premium subscription offers, that up to 4 people, depending on the subscription, can use a single subscription.

F+ PUTS FAZ IN PRIME POSITION TO GROW



After two years of **continuous growth** and a boost in subscriptions during the pandemic, you could say that Distribution Director Stefan Buhr seems somewhat relieved about the recent success of Frankfurter Allgemeine Zeitung’s digital-only subscription product, F+.

“Our big goal has been to achieve sustainable growth and not destroy existing revenues. ... This (past year) has given us **confidence going forward (with our paid content strategy).**”

Buhr is the first to admit, however, that FAZ faced an **uphill climb** when it started considering the idea of launching digital paid content a few years ago.

FAZ and F+ in a nutshell

Brand: FAZ (Frankfurter Allgemeine Zeitung) is a leading up-market national daily in Germany.

Revenues: About three-fourths of the company's revenues comes from distribution.

Launched: F+ was introduced in October 2018, a little more than a year after FAZ+ launched.

Pricing: €11.80 per month for the first 12 months (1st month free), then €19.80 per month in the second year.

Conversion rates: 50% from test to paid €11.80 mo. offer (1 year); 60% to €19.80 mo. offer (2nd year)

Churn rate: Less than 4%



The challenges of being the most expensive paper around

- **Challenge 1:** FAZ has always been one of the most expensive newspapers in Europe if not the world, said Buhr: **A subscription for print + digital costs about 77 euros monthly** and if a subscriber adds the Sunday edition, that annual subscription costs nearly 1,000 euros.
- **Challenge 2:** attracting new subscribers. After a study revealed that **only 5% of readers surveyed were willing to pay for a digital subscription** at the current prices (48 euros at the time), “well, you can see you are in trouble,” said Buhr.
- **Challenge 3:** Launched in 2016 at a higher price point, **FAZ+** didn’t yield a sustainable path as on average, **subscribers dropped out after 3 months.**

AT A CROSSROADS: The digital transition conundrum

“For us, it is completely clear that we are in a transition and it is also **completely clear that our product of the future will be completely digital**. But for the next two, three, five years, **we still rely on revenue which we make from existing products**. The digital products already make double-digit million euros in revenues and we have to protect those.”

Buhr said the FAZ started experimenting with exposing customers to lower subscription prices, “and we found out that is really dangerous.” So instead, **when they launched F+ in 2018**, that paved the way to **better navigate pricing issues**, offering existing digital products subscribers F+, **other upsells and bundles**.



*- Stefan Buhr
Distribution Director,
FAZ, Germany*

F+ pricing and trends

- **The offer:** Similar to The New York Times' initial offers, F+ subscribers can get the FAZ for one month free, but they have to give their payment details and data, then they have to pay **€2.95 per week / €11.80 per month for the first 12 months**, then **€4.95 per week / €19.80 per month in the second year**.
- **Specials:** In March, at the beginning of the pandemic, FAZ made a special offer for €1 per week / €4 per month, and Buhr said **they gained 20,000 new subscribers** from that offer who converted to the €11.80 monthly subscription.
- **Results:** On average, **50% convert to the paid €11.80 monthly offer after the free offer**, Buhr said. At the beginning, he said, about 75% were converting, but that has stabilised at 50%. For the €19.80 monthly offer, it also followed a similar pattern: about 75-80% of subscribers at the beginning switched from the €11.80 monthly offer to this higher priced subscription but that **has leveled off at about 60%**.



Subscription drivers

The core content that FAZ is known for are triggers for subscriptions: finance, economics, society, culture. **And KPIs are now in place in the newsroom** as “editors for the onsite portal are really focused on the content that is driving subscriptions, and that has been a big change.”

Buhr said FAZ is not acquiring any new subscribers on its website besides F+ “so we have really changed our marketing channels. Our newsletters, affiliate marketing, etc., are all doing really well so we face a challenge on the site itself.”

Bigger changes to transform

Buhr said FAZ is installing Salesforce and focusing on putting the **Customer Lifecycle at the heart of many of their activities**, such as the sales teams working hand in hand with the product development team and introducing KPIs to accompany that. For the Customer Lifecycle, he said the FAZ has introduced **three missions (and KPIs) in the last six months:**

- **audience development** to acquire marketing leads
- **subscriptions** to test retention and value, and
- **engagement**, focusing on the first 100 days of the subscriber journey.

CHAPTER 2: RECURRING VALUE AND RETENTION

POLL: A silver lining with the pandemic?

Often is the case that major ongoing news events, particularly at the beginning of a crisis, are good opportunities to acquire and retain subscribers.

In this chapter, we offer some solid advice from:

- *Gadi Lahav*, Head of Product, TransferWise, UK, and formerly with The Financial Times
- *Ola Henriksson*, a business consultant and formerly with Svenska Dagbladet in Sweden.
- *Gazeta Wyborcza*, the leading daily in Poland, and

As a publisher, has Corona made it easier or harder to **RETAIN** subscribers?

56% Easier

24% Harder

20% No difference



SUBSCRIPTIONS = RELATIONS

When talking about subscriptions we're talking about relations. And lasting relations are built upon a huge amount of freedom. **No one likes the feeling of being caught.** This also means that the product you offer, however well-crafted your retention strategy is, won't fit everyone. **You can't win them all, and you can't keep them all.**



*- Ola Henriksson,
Business Consultant
who left Svenska
Dagbladet in Sweden
last August after
spending 15 years
managing the product
development of its
digital news platforms
from a business and
innovation perspective.*

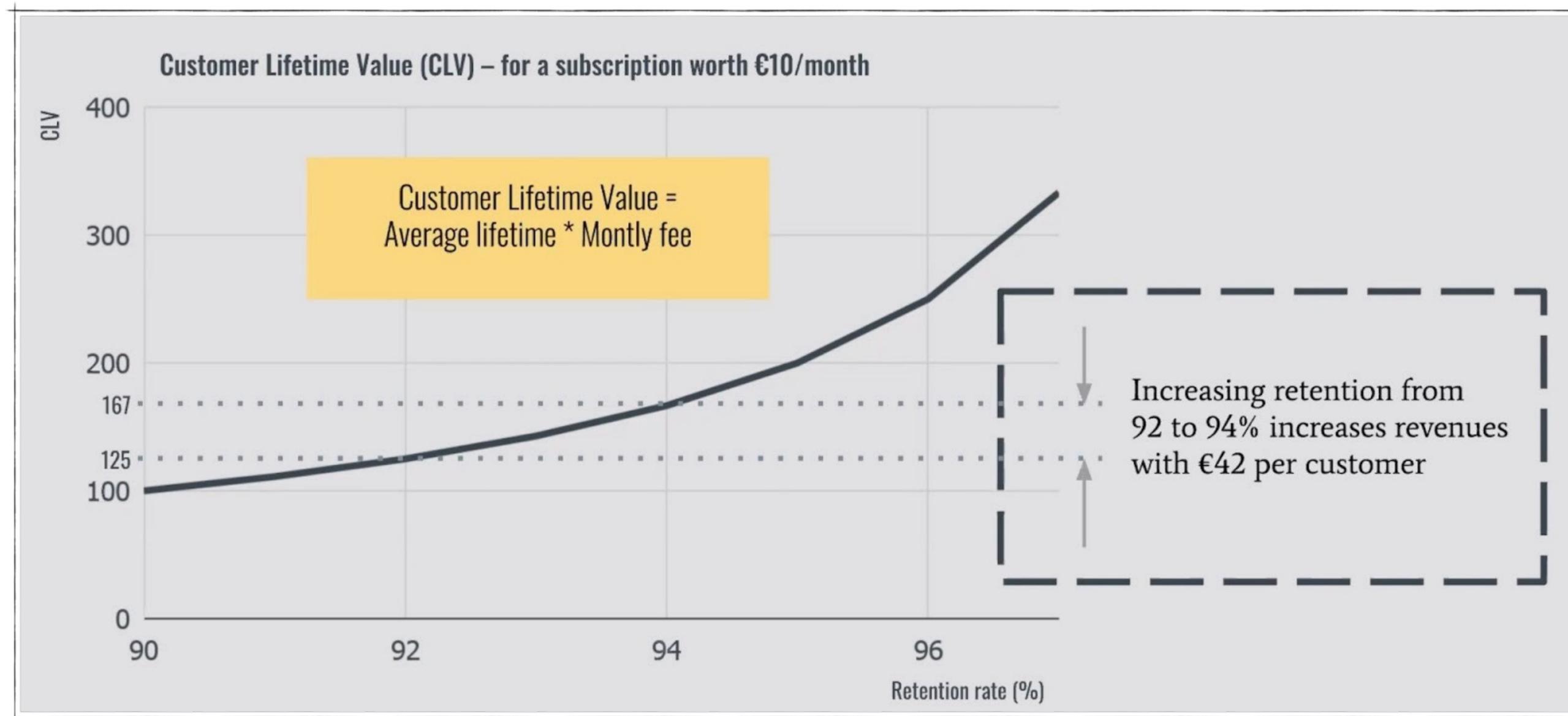
The leaking bucket

The subscription business is described as a leaking bucket, and there are two main ways for driving a subscription business: **Filling the bucket faster** and **decreasing the leaking**. The two strategies are highly connected and, at times, conflicting.

The main challenge is that **retention is a slow and complex metric**, and often overwhelmed by metrics with more direct feedback, like acquisition or page views.

“Retention doesn't give you the expected output if you don't see it as a joint effort of three forces: **communication, engagement measurement, and product development**,” said Henriksson.

The economics of retention



The importance of communication

- As soon as possible, get **personal and communicate your brand** (emails with product images, well-known editors' voices to welcome new customers)
- **Connect your communication with the customer journey** (A lot of evidence shows that if you manage to engage customers during the first 30 days, the **likelihood of them staying becomes much higher**)

Svenska Dagbladet in Sweden uses a **content matrix** (to evaluate and improve editorial decisions), a **user engagement score** (to increase the number of digital-only subscribers), and an **article engagement score** (a combination of several article performance indicators).

Using behavioural science to understand retention

A joint Schibsted project between four news brands focused on behavioural science: What are the underlying psychological forces that drive readers to behave in certain ways?

One hypothesis posited that you tend to value those things that you have invested in (be it money or time) more highly. In this context, they tested if a subscription that started at a **set price** instead of a free or very cheap trial, would get **higher engagement**.

The results showed **higher engagement and higher retention** for subscribers who started at 49 NOK instead of 1 NOK, but the volume for the 1 NOK offer was so much higher that annual revenues would still be higher at the lower price point.

THRIVING IN A TOUGH MEDIA ENVIRONMENT

245K

that is the number of digital subscribers that Poland's Gazeta Wyborcza has reached. And that is in a media environment where most news is still being consumed on web portals with no paywall, there is no home delivery of newspapers, and there is high resistance to payment with credit card and automatically recurring payments (with people preferring bank transfers and manual payment). This case study, told to us by Danuta Bregula, Director of Subscription Strategy, focuses on how GW got its paying subscribers to accept recurring payments and thus stabilise its retention.

Gazeta Wyborcza in a nutshell

Brand: Gazeta Wyborcza, owned by Agora, is the leading national daily in Poland. It was launched in 1989, the first post-Communist independent daily newspaper. It now features 20 local editions.

Editorial stance: Relatively liberal in content in a country considered conservative and polarised.

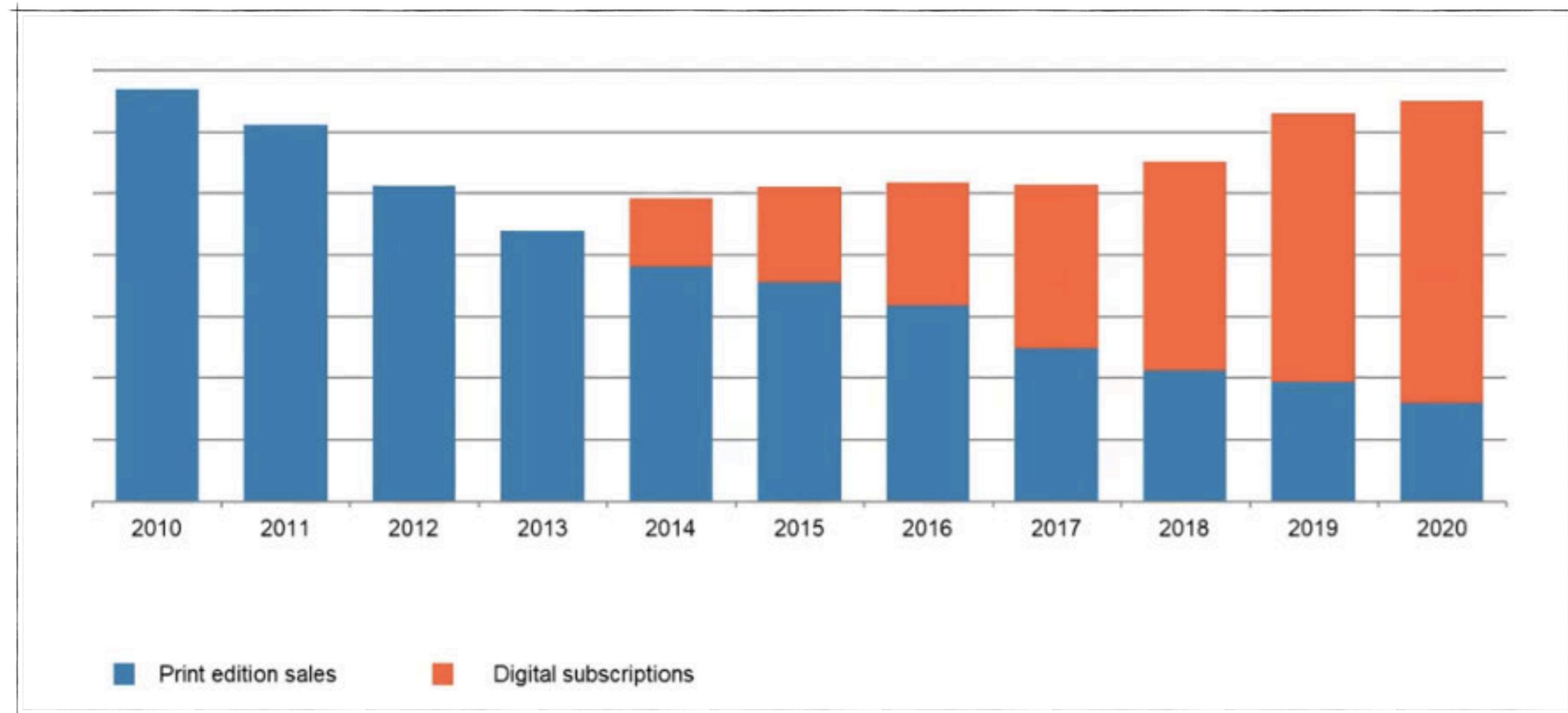
Digital reach: 18 million unique users monthly

Business model in digital: Digital subscriptions (245,000) and advertising.

Recurring payments success story: The share of users with recurring payments grew from 11% in 2018 to 78% in June 2020



How digital subscriptions have evolved at Gazeta Wyborcza



Users' resistance to recurring payments

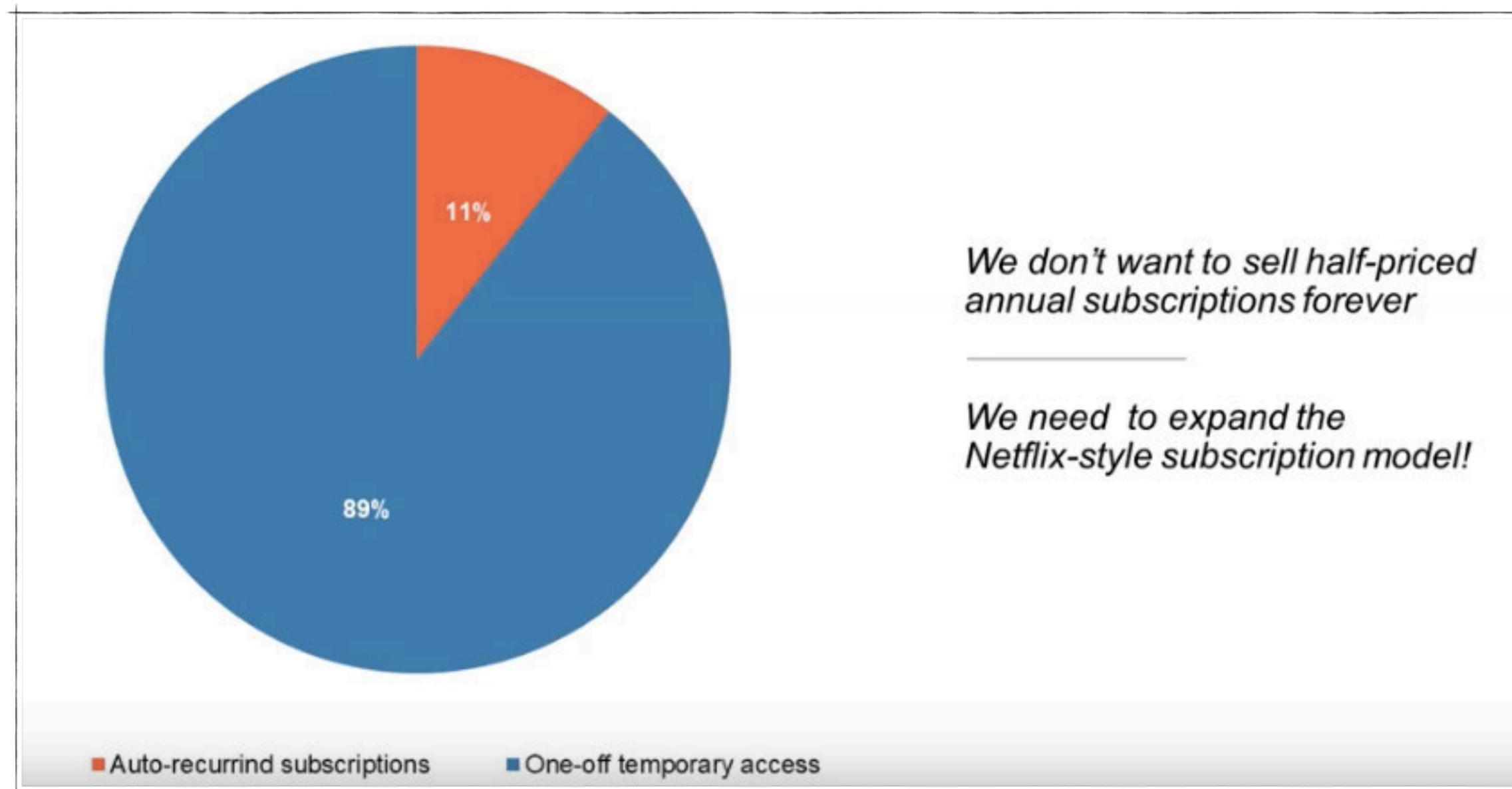
,I don't want to give you my credit card number, I don't trust anyone on the internet'

,I prefer to control my spending and know what I pay for and when it ends'

,I pay with bank transfers only, deal with it'

In 2015, a year after successfully launching its digital subscription model, subscriptions stopped growing as fast at GW. After conducting surveys, they found that users **didn't necessarily view the need to pay for access as a problem, but moreso the idea of automatically recurring payments** (users felt they had no control).

In 2018, only a minority of users had auto-recurring subscriptions



The first steps to address the issue

As an immediate fix designed to avoid frequent expirations and massive churn, Gazeta Wyborcza sold **long-term subscriptions** (annual/quarterly) via bank transfer **with a defined expiration date**. This helped overcome people's resistance, develop habits, and fuel Gazeta Wyborcza's growth.

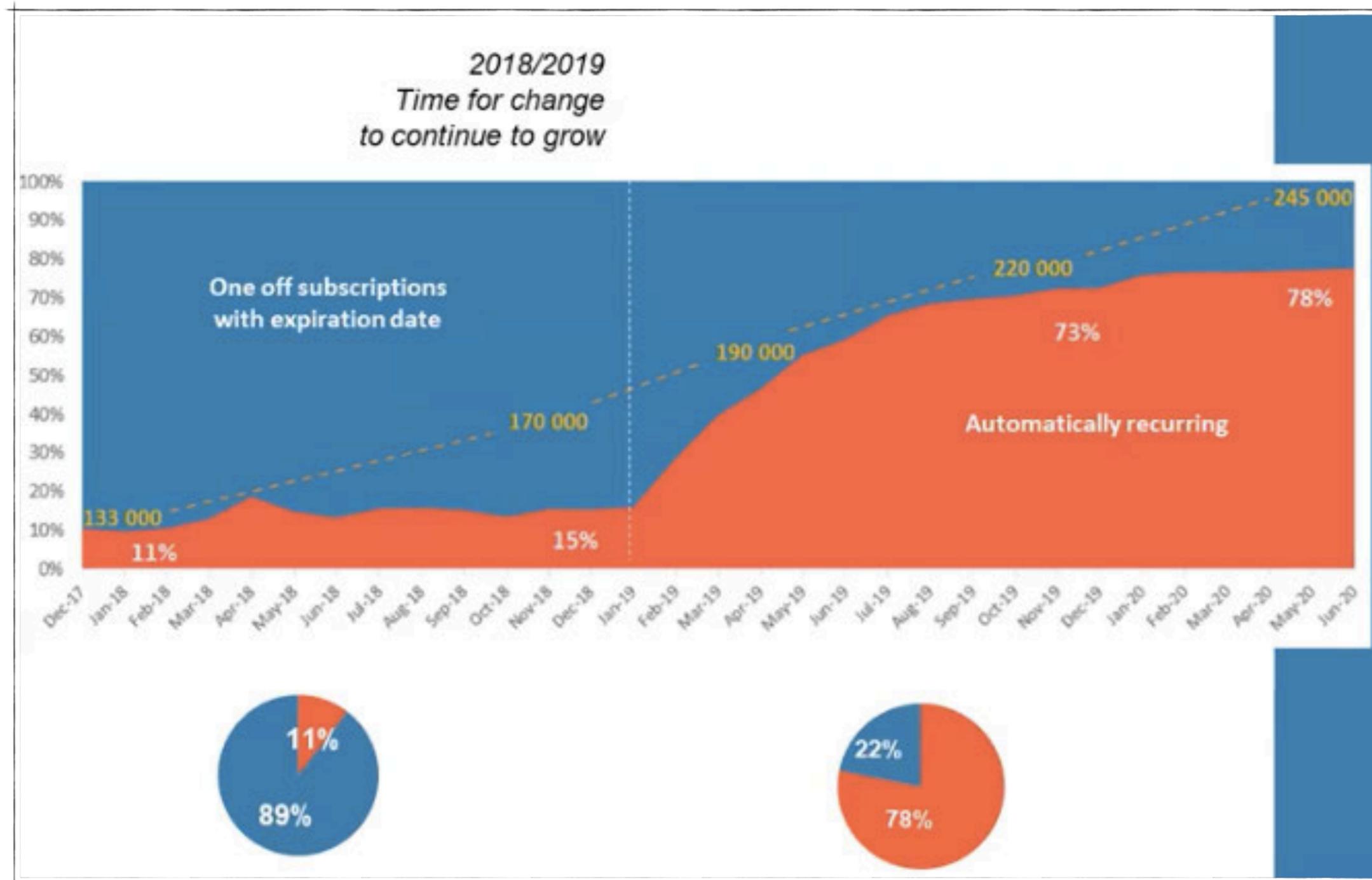
The downside was that it turned into a **vicious cycle of acquiring subscribers through trial offers and discounts**, losing a big share of them once their subscriptions expired, and then having to bring them back using discounts again, thus **losing out on revenue**.

GW's strategy to increase auto-recurring subscriptions

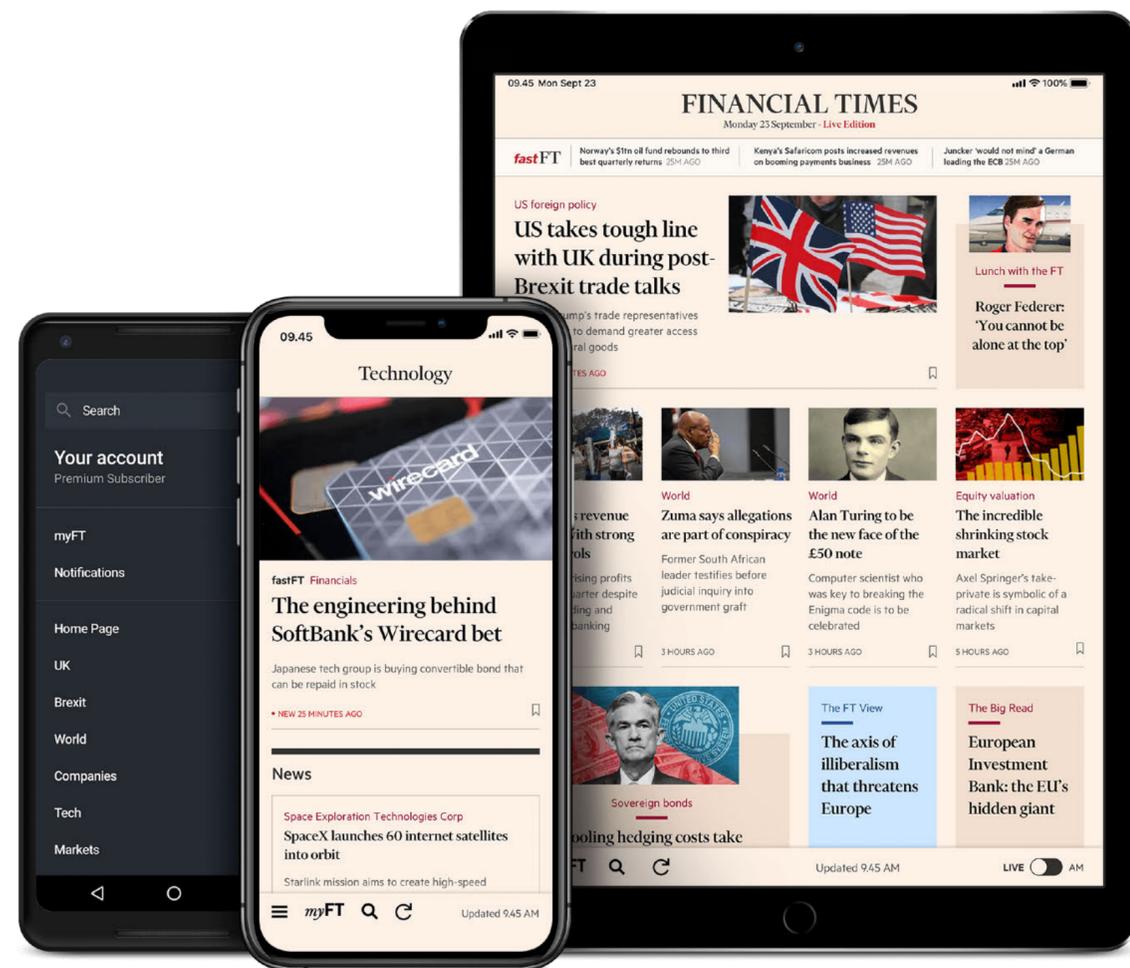
- **stopped offering free trials** (which are great to attract but terrible to retain)
- started testing **progressive pricing** (a project aimed at finding out what the best combination of pricing, length of introductory offer, and number of stages is)
- made **recurring payments the users' best choice** (recurring payments were being more heavily promoted, while one-off subscriptions were still available but 30% more expensive)
- made **subscribing more obvious and unavoidable** than ever (constantly improved the path to purchase, locked articles in a more intrusive manner)
- **engaged loyal subscribers** (added a family offer, access to apps, e-reader edition, webinars, podcasts)
- **improved the onboarding process** (redesigned it to be more user-friendly, flexible and editable so that the retention team could look for the right order of messaging, and run a series of tests every day for different users)

The results

The share of users with recurring payments **grew from 11% in 2018 to 78% in June 2020.**



THE FT'S NORTH STAR METRIC



The key metric at the Financial Times is the **RFV**, which stands for Recency – Frequency – Volume, and looks at when users last visited, how often they visit, and how many articles they have read.

It became the **internal currency** at the FT used across departments, from marketing, to editorial, to product.

“

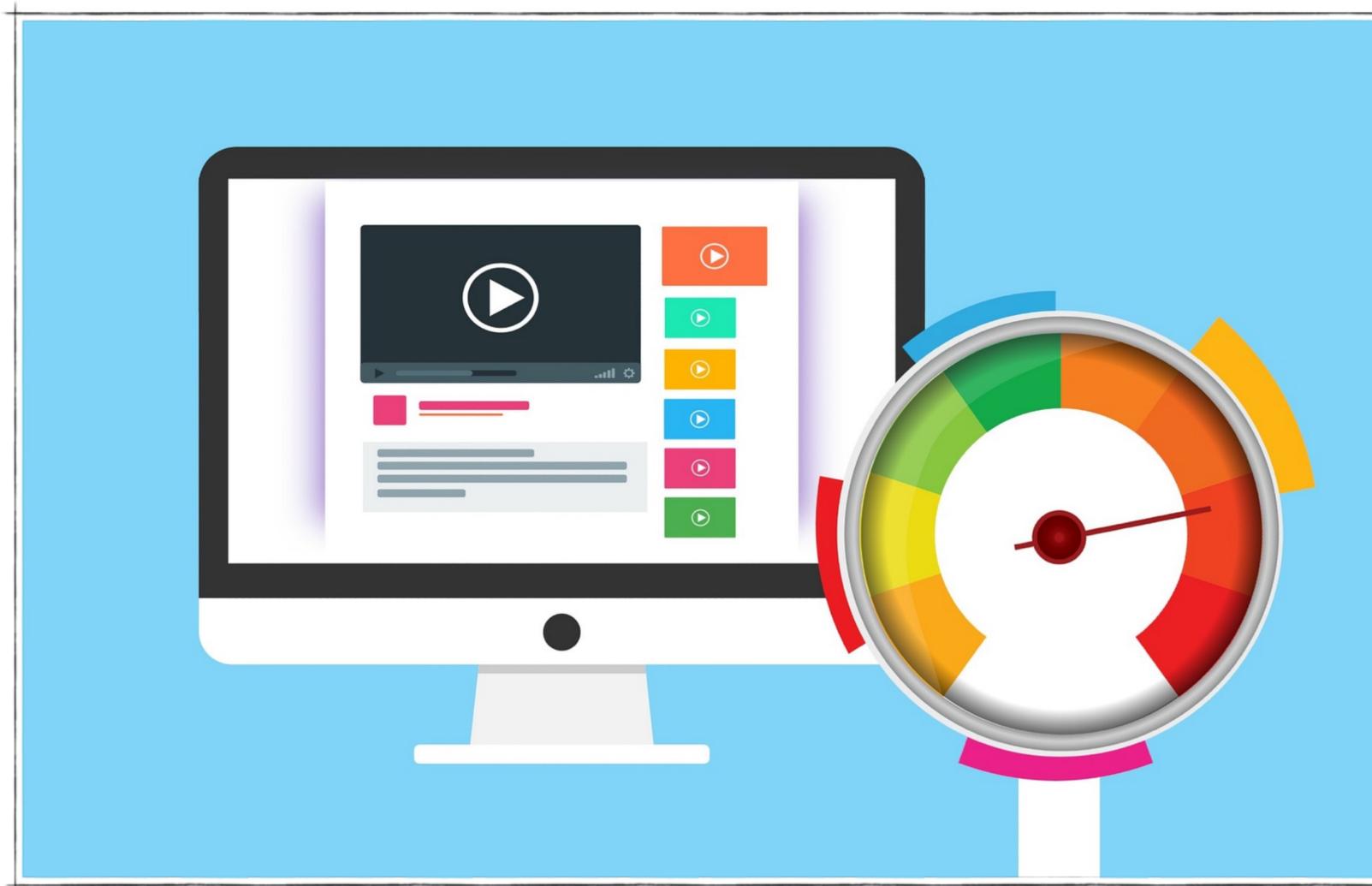
The goal was actually to increase the number of engaged users. **It's very hard to measure the impact of anything you do on the subscription itself.**

However, if users are more engaged you can see it quite quickly, and if you find a clear correlation between engagement and subscription then you use a metric that is way closer to what you do on a daily basis.

- *Gadi Lahav, former Head of Product at ft.com*



Increasing speed



One of the biggest wins of the product team revolved around the loading speed of pages. Through a series of A/B tests, the team determined that **every second that the site was made faster equalled a five percent increase in engagement.** When calculated to revenue, this was in the seven digits for the bottom line. Against this backdrop, not slowing the site down became one of the key principles at the FT.

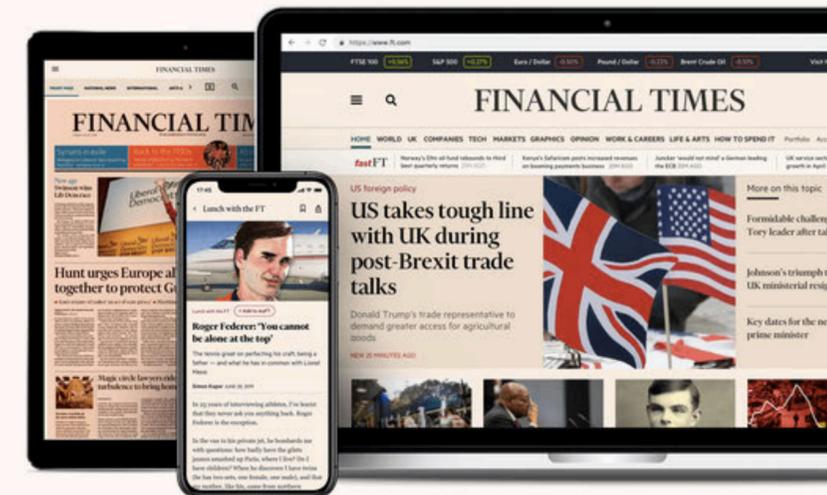
Launching myFT

Another feature that was successful in driving engagement was myFT, which allows users to track news and topics they are interested in. Data science helped in proposing the right tags for articles to editorial, as well as in recommending users more stories and topics to follow as knowledge of what they were interested in grew.

After the first year, the RFV of people that used myFT was **up 86 percent** compared to the control group, and a year thereafter **another 35 percent**.

You choose the topics, we deliver the news

- Get straight to what you need by following topics of interest.
- Save time by scanning all the latest stories on topics you follow in one place.
- Choose how you want to be alerted when a relevant story is published.



The FT's goal

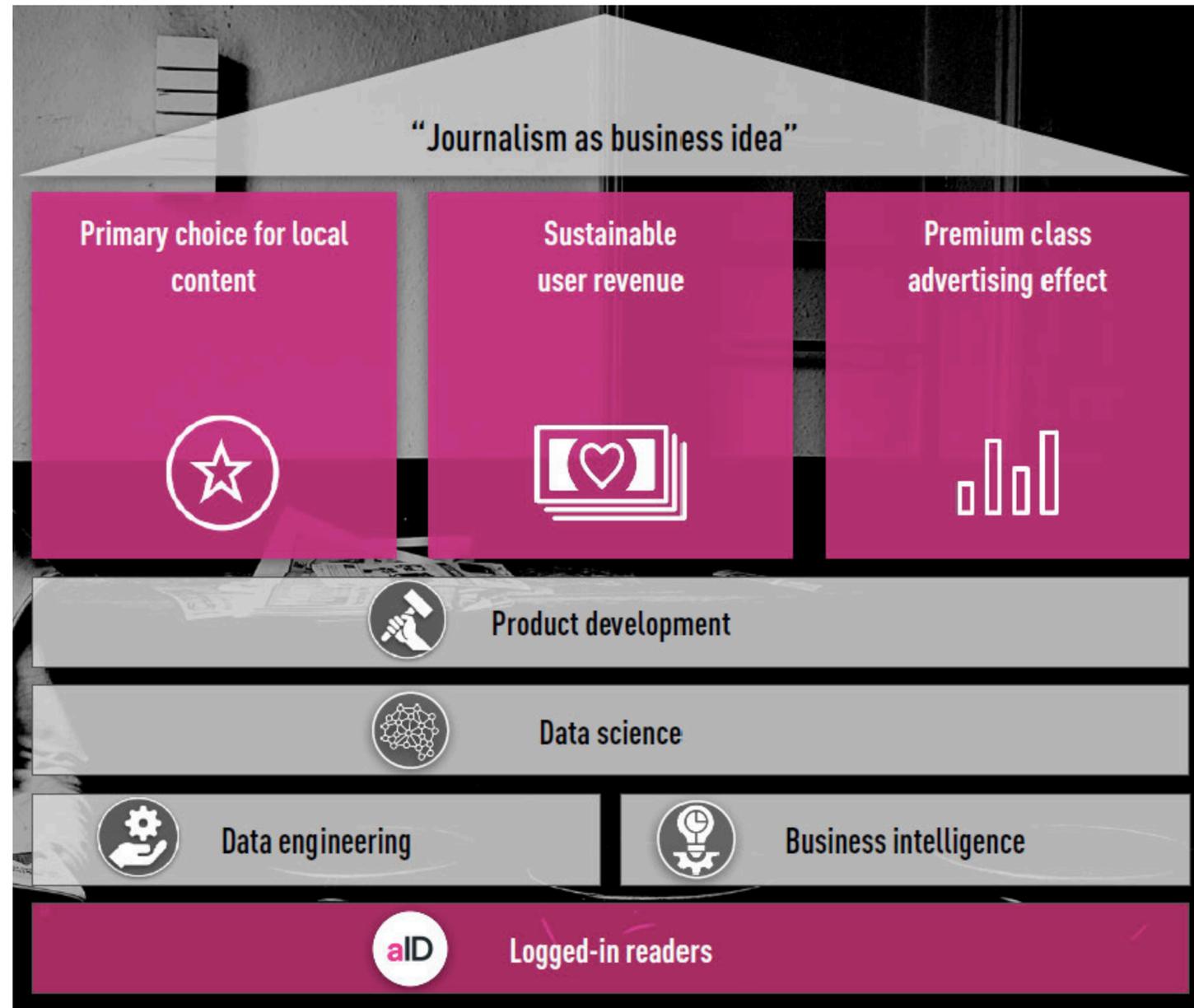
<p>PREMIUM DIGITAL</p> <p>All the essentials plus deeper insights and analysis</p>  <p>\$67.00 per month</p> <p>Select</p>	<p>BEST VALUE</p> <p>PRINT + PREMIUM DIGITAL</p> <p>FT Newspaper delivered Monday - Saturday plus unlimited digital access</p>  <p>₹45000.00 per year</p> <p>Select</p>
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When Lahav joined the FT in 2015, the organisation had some 700,000 subscribers. In 2019, a year earlier than planned, the Financial Times reached its goal of achieving **1 million subscribers**, a number that would allow the organisation to survive even if print continues to decline.

"Try things. Many things have failed, more things have failed and then succeeded, and you just need to eventually find the ones that are successful and iterate on them," said Lahav.

CHAPTER 3: CUSTOMER JOURNEY

AMEDIA'S DATA-DRIVEN STRATEGY TO REDUCE CHURN



For the past years, Norway's Amedia has been a beacon of inspiration for local news publishers pursuing a digital subscriptions strategy.

Amedia laid a solid foundation for its customer-centric journey in 2014 when it launched aID (Amedia ID), a log-in system that gives readers access to digital content and is used across all its 70-plus titles. More crucially, it gave the company the necessary data to embark on a true customer-centric and reader revenue strategy.

120 data points for every user



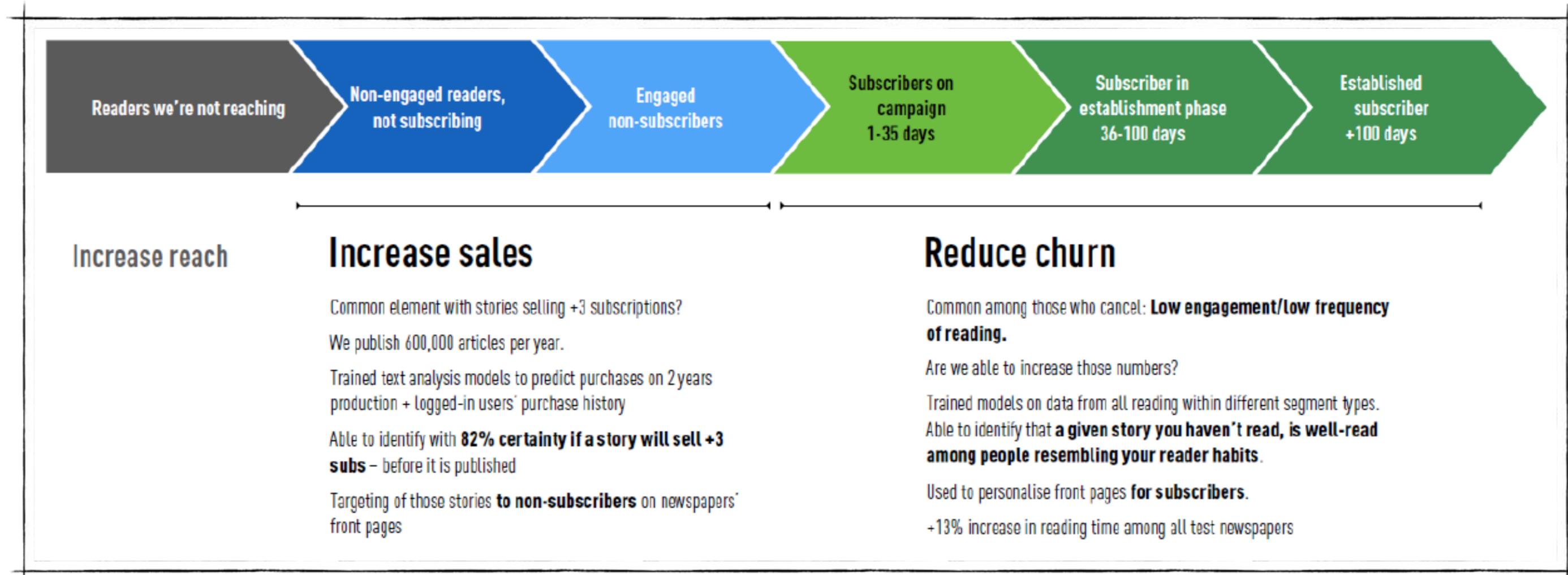
With aID, Amedia uses mobile phone numbers as the unique customer ID.

“Because we have the mobile phone number, we are able to attach **120 data points for every single user** that we can capture through their reading habits and also their third-party data. Third-party data will tell us their specific location, their age, income and so forth,” said Haakon Johansen, VP Consumer Market at Amedia.

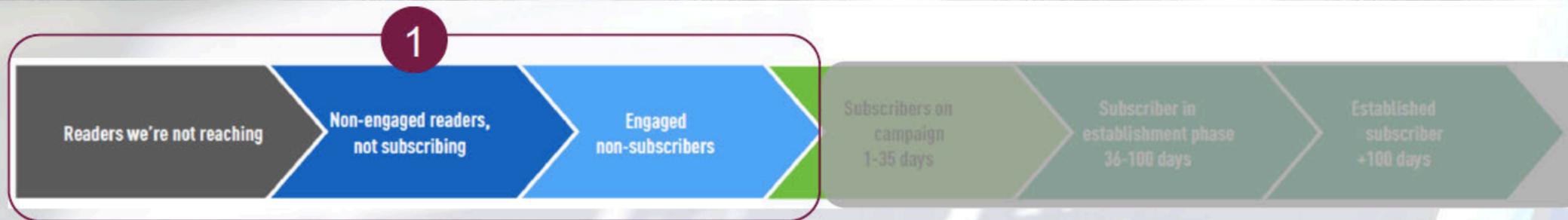
75 percent of page views on Amedia’s websites are identified to specific individuals, allowing personalisation.

Customer journey to sustainable reader revenue

In 2019, Amedia launched a churn reduction project, mapping out 6 stages to not only reduce churn but increase sales as well.



STEP 1: Converting non-subscribers

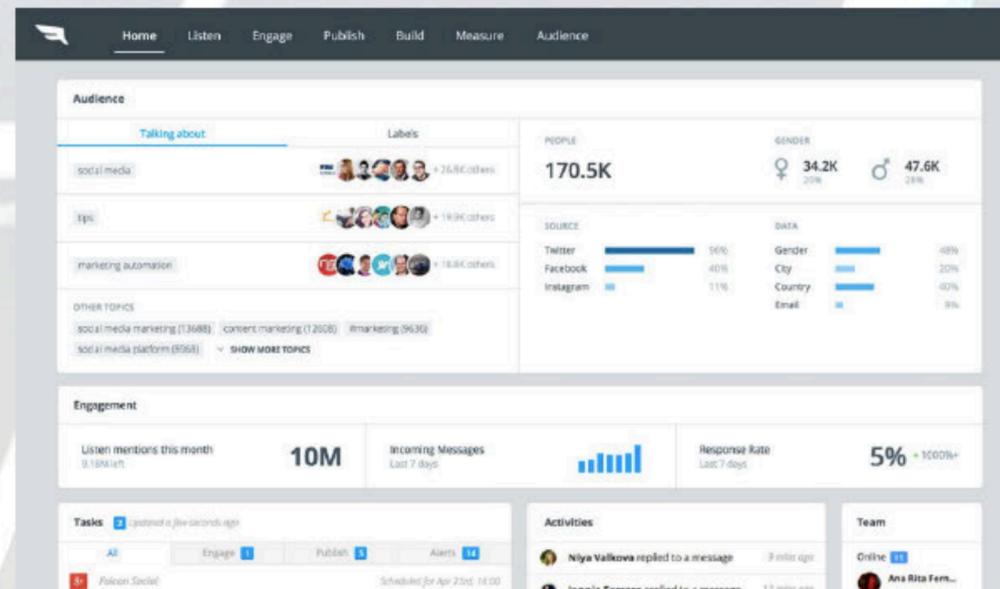


Objective

Sell subscription

How

1. Identify articles that have sold many subscriptions last 24 hours
2. Display in «live» dashboard
3. Journalist publish/promote in SoMe



Data and analytics help Amedia to track which types of articles are **triggers for conversions** to attract new subscribers.

Social media is used to encourage reader visits and for acquisitions. **Around 25 percent of subscription sales originate through a Facebook post or promotion.**

Live dashboards help journalists decide which articles to promote and publish.

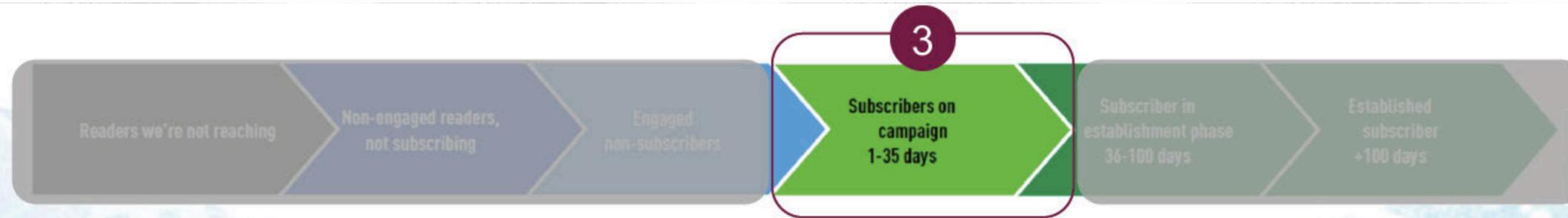
STEP 2: Turning engaged non-subscribers



“If we have the history of the reader, we can figure out what kind of article that reader is most likely to read,” Johansen said.

Amedia promotes articles they think a potential subscriber has a high likelihood of clicking on along with a marketing message to “Try us for 10 crowns for 10 weeks.”

STEP 3: Engagement in first 35 days



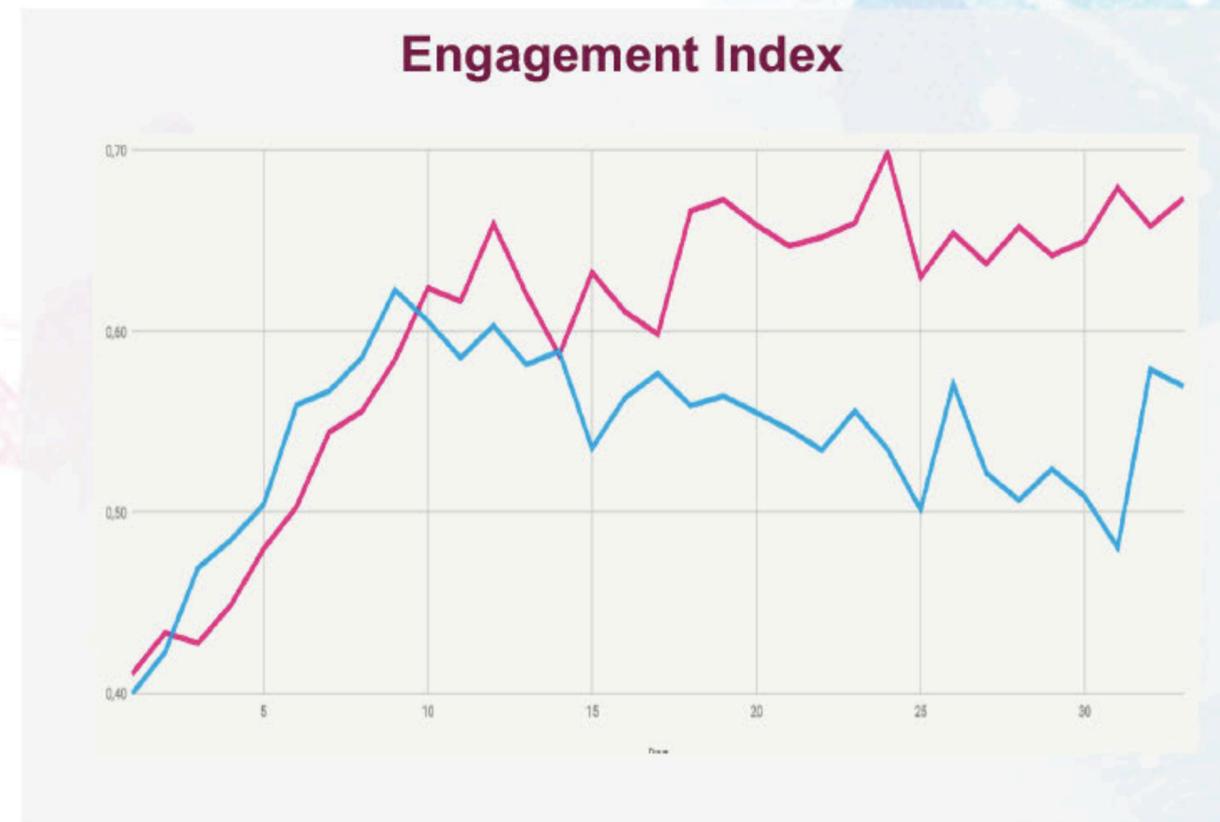
Objective

Increase engagement in onboarding phase

How

1. Personalized onboarding
2. Share subscription with family
3. Download and use app
4. Push well read articles when no plus-articles were read by 8 pm daily

Engagement Index



Amedia makes extensive use of an **Engagement Index tool**, which rates a subscriber's behaviour to determine how likely they are to keep subscribing.

Personalised onboarding has been a big boost.

New subscribers who have not visited the site by 8 pm on a given day are sent an email newsletter of suggested articles. This process continues for the first 35 days.

STEP 4: Increased engagement



Objective

Increase engagement especially among customer with low Engagement Index Score

How

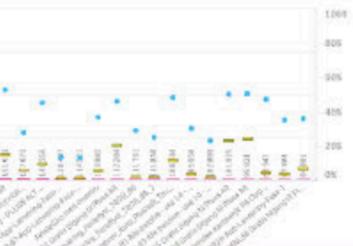
1. Weekly email newsletters
2. Every customer gets unique content based on algorithms
3. Exclude content already read
4. Subscribers not visiting web site will receive additional emails



50 Million

Antall sendt (totalt) 41 628 527

Antall sendt (vellykket) 48 197 042



Åpningsrate 33,8%

Klikkrate 8,3%

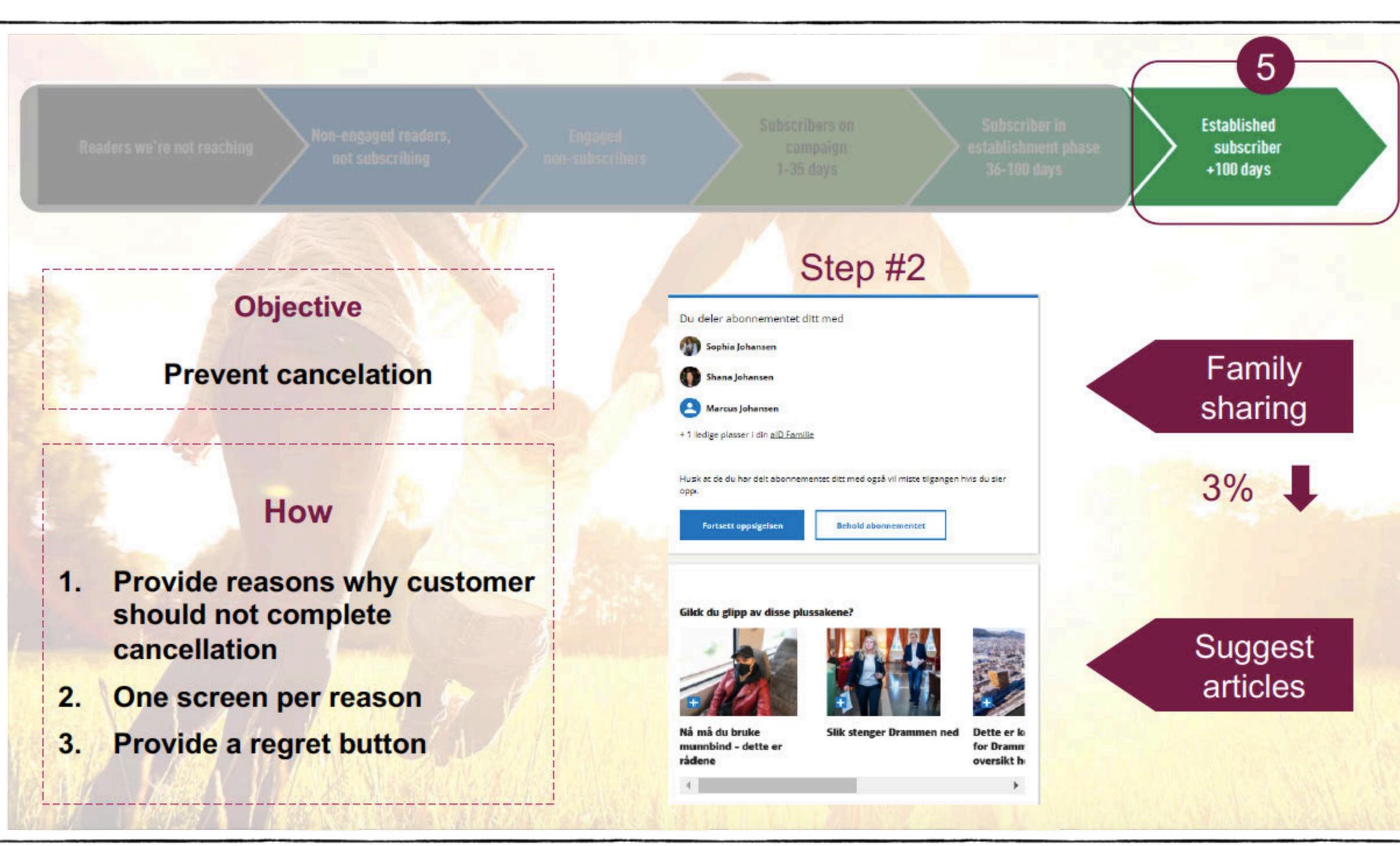


As with the onboarding phase, if a regular subscriber doesn't visit their site for three days in a row, the person is sent an email with story suggestions.

Amedia sends around 50 million automated newsletters a year to their 670,000 subscribers.

Advanced algorithms are used so each customer gets tailored emails and newsletters based on their preferences. Articles they have read already are never included in the newsletter.

STEP 5: Preventing 'cancellation culture'



One thing Amedia's new cross-functional team did was rework the cancellation process across a number of screens a subscriber must go through to cancel.

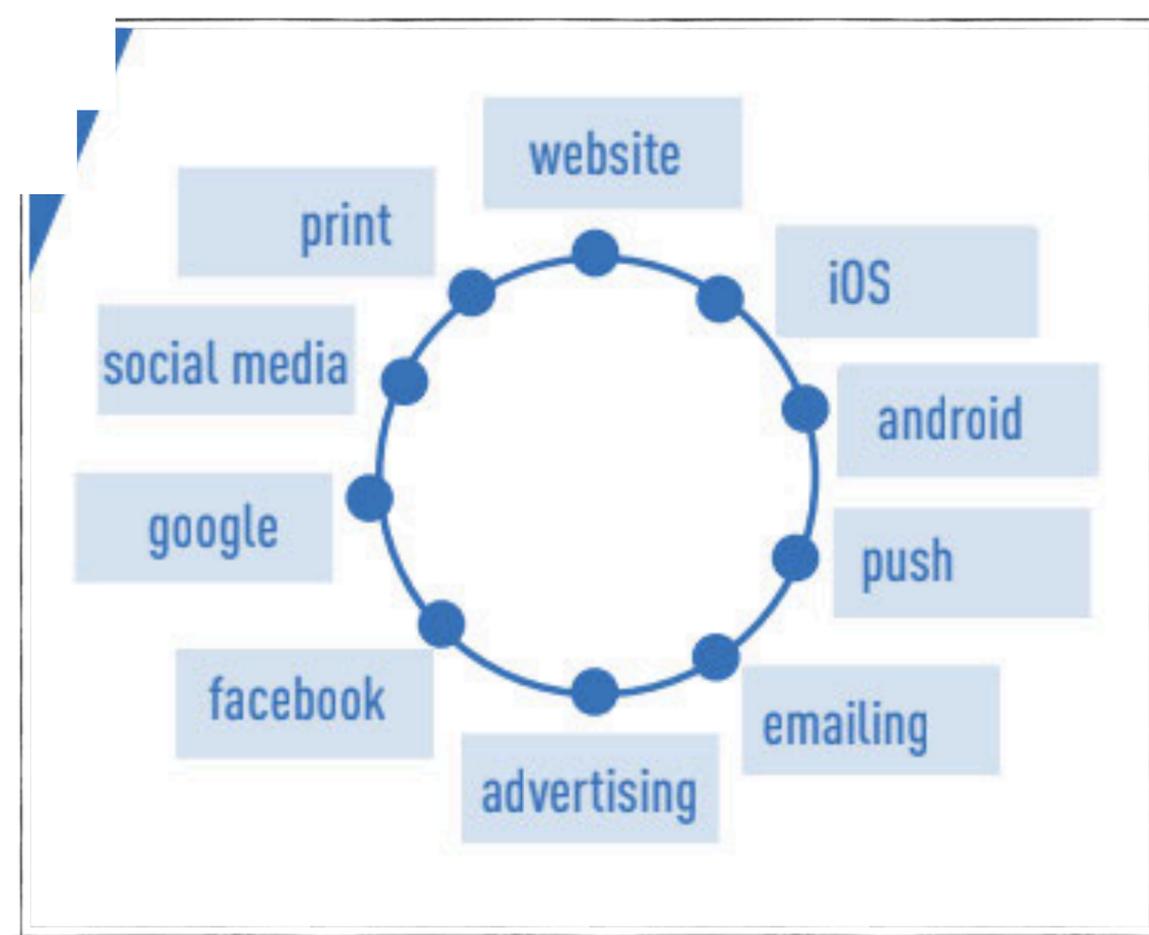
Each screen helps to reduce cancellations, such as one that **reminds a subscriber that family members using a subscription will also lose their access**. Each screen also contains articles similar to ones that subscriber has shown a preference for.

STEP 6: Customer journey comes full circle

Amedia is now able to stop around 1,000 cancellations every week, a great reduction over previous years. While this doesn't mean a customer won't come back the next month to cancel, it has helped them to take actions and lower the rate.



L'EQUIPE'S CUSTOMER-DRIVEN APPROACH



L'Equipe, a France-based global media company focussed on sports, is organised around its different formats: a national print newspaper, website, app and a TV channel. While wanting to maintain print, L'Equipe undertook a transformation initiative to **become a subscription-first business**, which required a **customer-oriented approach**.

Digital offers are promoted across a wide range of channels, including TV, Facebook and Google ads as well as Instagram. They also use the print newspaper to promote digital subscription offers. **The app is a key sales tool with app store sales contributing about 40 percent of subscriptions.**

L'Equipe has a large audience:

**2.4 million daily
visitors, and 300,000
subscribers***

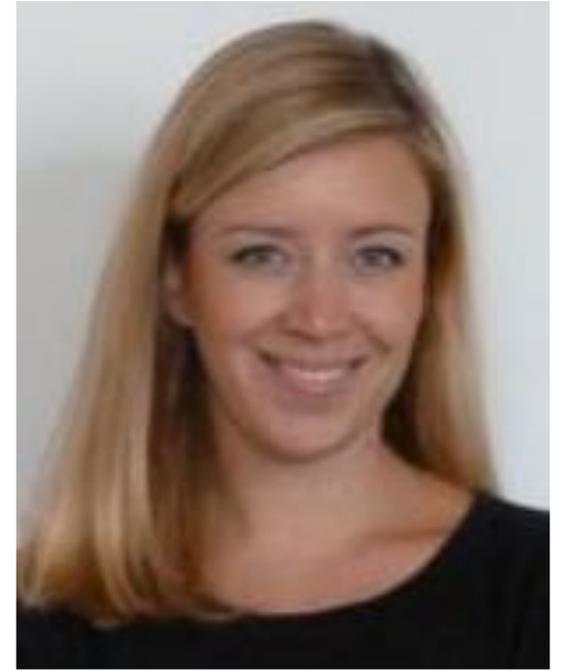
Subscribers have increased by a factor of seven in five years.

* Print and digital



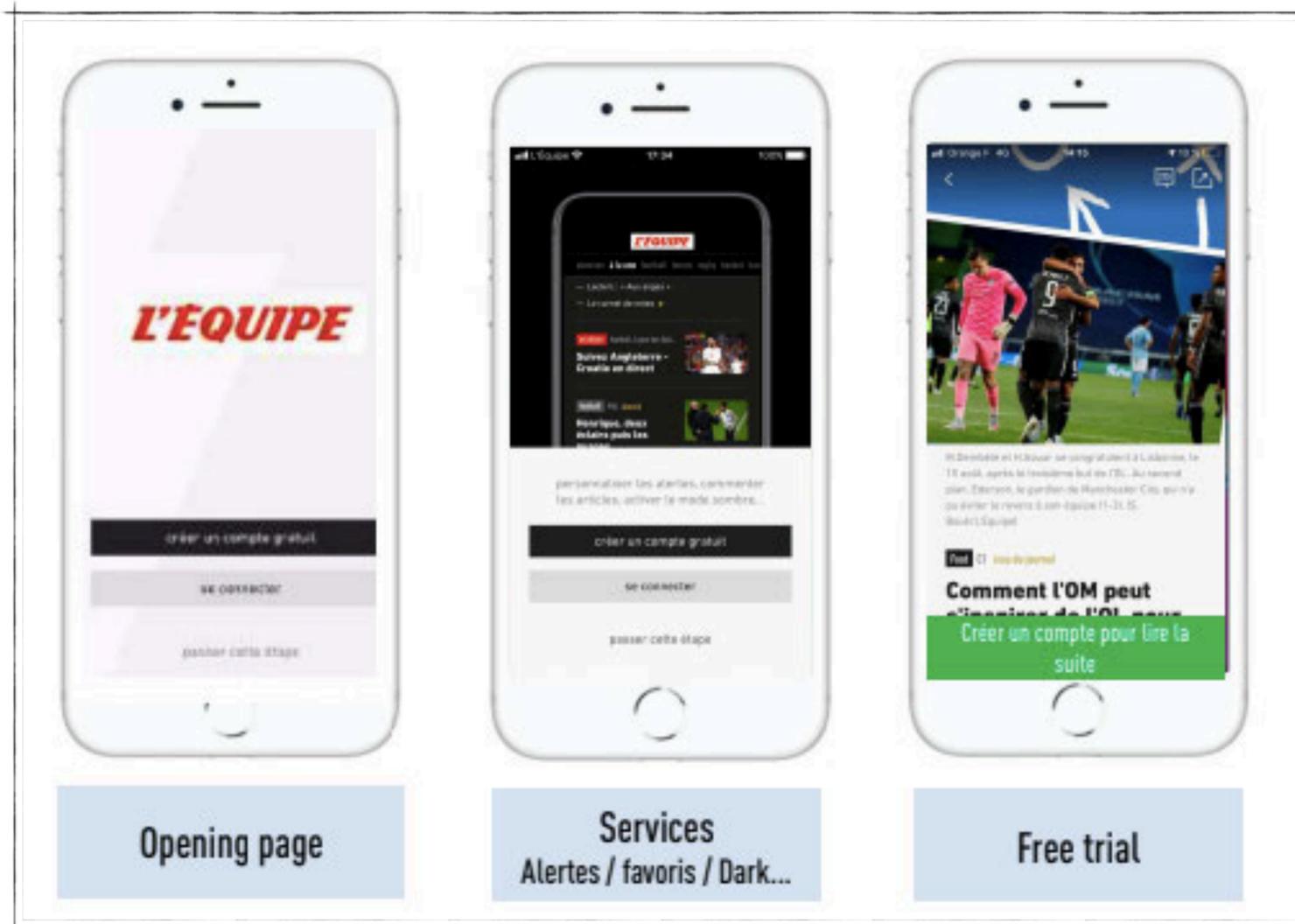
Six months for 1 euro

Just before COVID, L'Equipe made an offer that people could subscribe for six months for just 1 euro. Our challenge is to transfer a free reader into a subscriber and keep him. For this, we must know the customer. The customer-based approach required a company-wide strategy because it can only succeed if all the departments and the newsroom are fully aligned with the philosophy.



*- Fleur Lavedan,
Sales and Customer
Marketing Director,
L'Equipe, France*

Creating an account a must



L'Equipe requires all readers to create an account that has three objectives:

- Getting qualified data
- Establishing a better identity of the usage of future subscribers
- To enable generating personalised content

Using data to rate readers and subscribers

L'Equipe's website offers a mix of free content, available to those who register, and paid content, available only to subscribers.

Reader data is collected in real time and shared with all teams through dashboards.

Data, such as the number of times a user visits the website, read paid articles, etc., is **used to rate readers and subscribers and create targeted actions.**

“This technique allows us to grade each reader with a score. **A score close to 1 demonstrates the prospect is close to subscribing.** We are currently testing this way of scoring to acquire new subscribers and the outcome is really, really positive.”
Lavedan said.

Turning readers into subscribers



+57%

Growth of exclusive paid content production since print and digital newsroom merged



40%

Percentage of subscription through paid content

“The quality of our content is key to transforming our readers into subscribers,” Lavedan said.

In 2018 L’Equipe merged its print and digital newsrooms with the aim of creating more paid content. Exclusive paid articles have since increased by 57 percent. **40 percent of L’Equipe’s customer acquisitions are made through paid articles.**

L’Equipe also rebuilt its landing page to promote the benefits of subscription and drive more traffic.

Strategies for retaining subscribers

“We must present to subscribers at the beginning of every subscription our full subscription offer so they can quickly realise the value of a subscription to L’Equipe,” Lavedan said.

In the first 20 days, new subscribers receive **six emails**, or **12 pushes** introducing them to exclusive content.



CHAPTER 4: LOCAL SUBSCRIPTION CHALLENGES

DC THOMSON'S TRANSITION TO DIGITAL SUBS STRATEGY

DC Thomson, a UK publisher based in Dundee, Scotland, took part in Round 1 of **Table Stakes Europe**, which is funded by the Google News Initiative and run by WAN-IFRA.

The company publishes four daily papers. It also publishes magazines, and owns radio stations and other businesses.



The Table Stakes Effect...

For its Table Stakes mission, DC Thomson aimed to refocus their newsrooms from print to digital with high-quality content and a first-class UX for local audiences, with the aim of driving digital subscriptions through its metered paywall model. Goals included:

- **Increase conversion** in its existing funnel
- **Expand the funnel** by identifying some new audiences
- **Improve the customer journey**
- **Upskill its newsrooms**

Most staff were print focused, so a major undertaking involved the need to educate them about digital and get them the right software.

DC Thomson's measures for success

- **Boost newsletters sign-ups by 50 percent** to 10,000 by February 2020, and then to 15,000 by October 2020
- **Increase paid Courier subscribers by 50 percent** to 1,200 by October 2020, and to 2,000 subscribers by March 2021.

Mini-publisher teams, a Table Stakes concept, formed a critical part of their plans. These teams are **journalistic experts in a specific field with the goal to super serve their audience** with brilliant content when and how the audience wants it, primarily by mobile.

DC Thomson also **uses data insights to see who is reading what, when and for how long**. Popular articles can lead to similar ones, while less popular coverage areas might be stopped. “That’s an important part of Table Stakes: if something doesn’t work, stop doing it. **Don’t waste time and resources on something that’s failing**,” said Richard Prest, Project Lead for Content Development, DC Thomson Media, UK.

Mini publishing teams

Mini publishing teams have a leader who acts as a coach to inspire the team, improve skills and knowledge, and ensure goals are met. DC Thomson has about 30 journalists on mini-publisher teams, including:

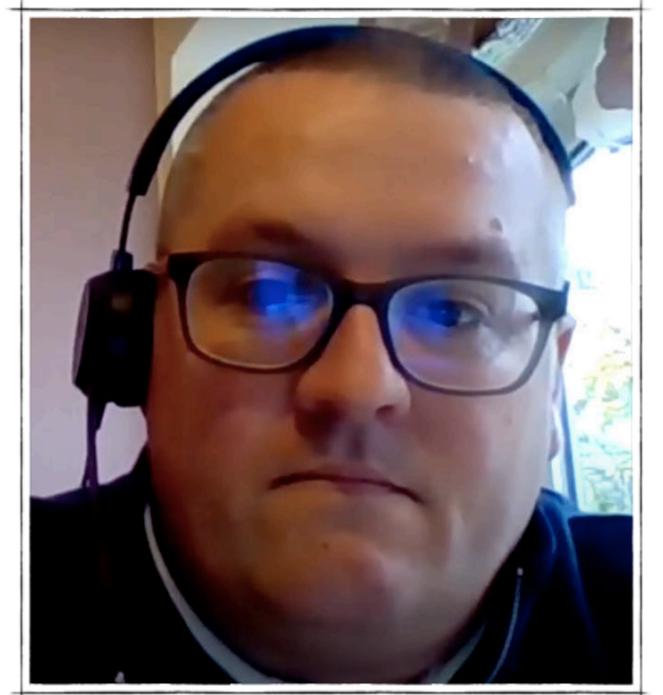
- **Impact, an investigations team**
- **Politics**
- **Food & Drink**
- **Schools**
- **Nostalgia, which looks at local history and events and anniversaries**

Each team gets its own dashboard and metrics, as well as a trend report showing the team's aggregated performance for the last month and previous months.

“

One thing I liked about mini-publisher teams is that the message and **the mantra that we use is: ‘It’s still about quality journalism.’** It has to be about quality journalism because **if we need people to pay 5.99 pounds a month for a subscription, and then maintain that subscription, it has to be worth it.** The material that’s been produced by the teams so far proves that point, and supports what we’re trying to do. The journalists who’ve been involved see that, and they trust the strategy.

*- Richard Prest, Project Lead for Content Development,
DC Thomson Media, UK*



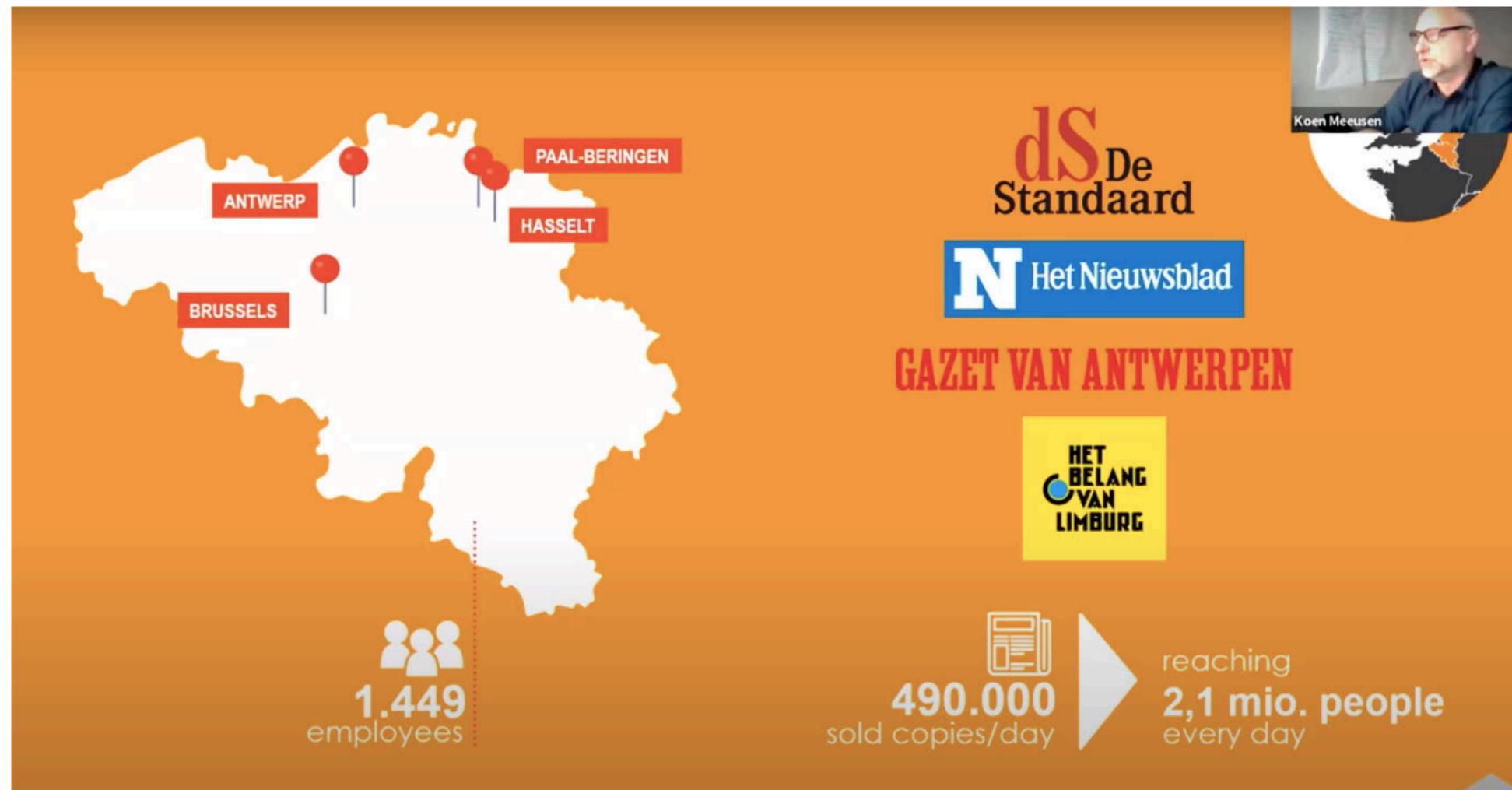
RESULTS ROLLING IN

DC Thomson began 2020 with around 1,000 total digital subscribers. In March, when the COVID crisis hit, they launched a three-month free offer. Today, they have

7,200

paying subscribers, including 2,300 on The Courier, nearly double their original target of 1,200 in their Table Stakes challenge statement. Newsletter signups have drastically increased across the board as well.

5 LESSONS FROM 5 YEARS OF TRANSFORMATION

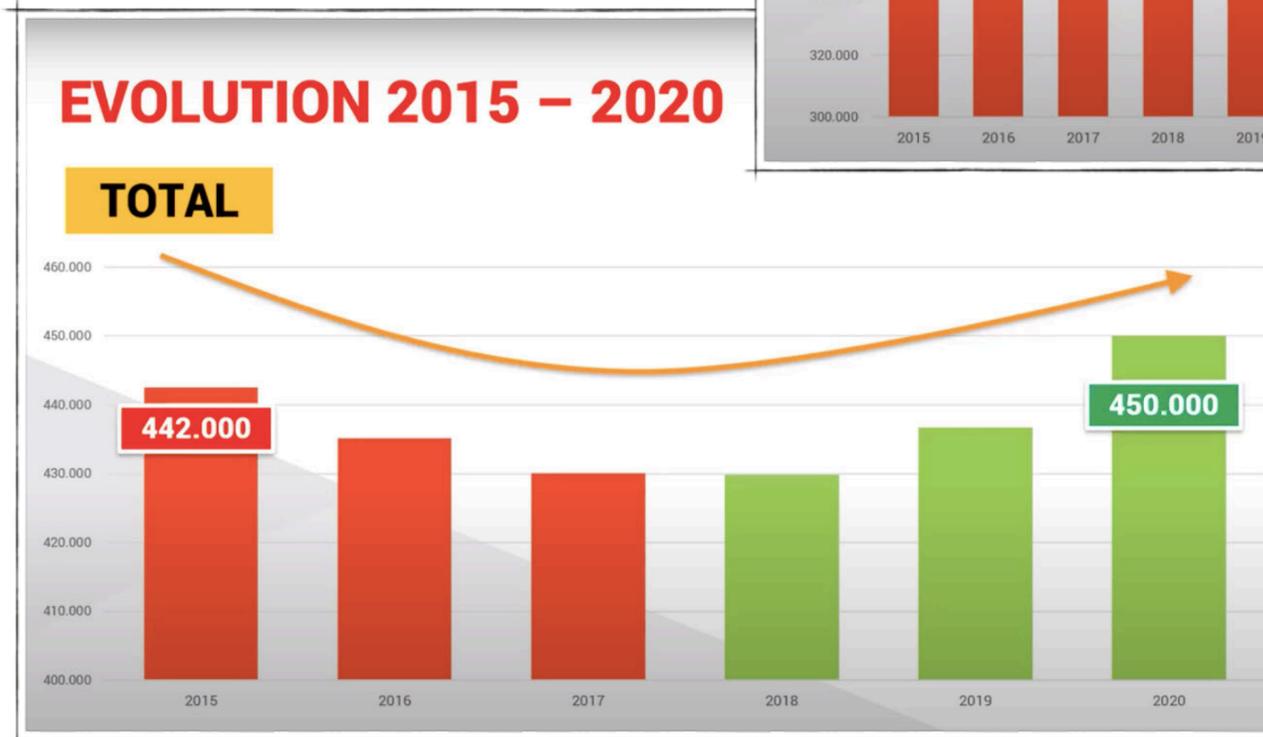
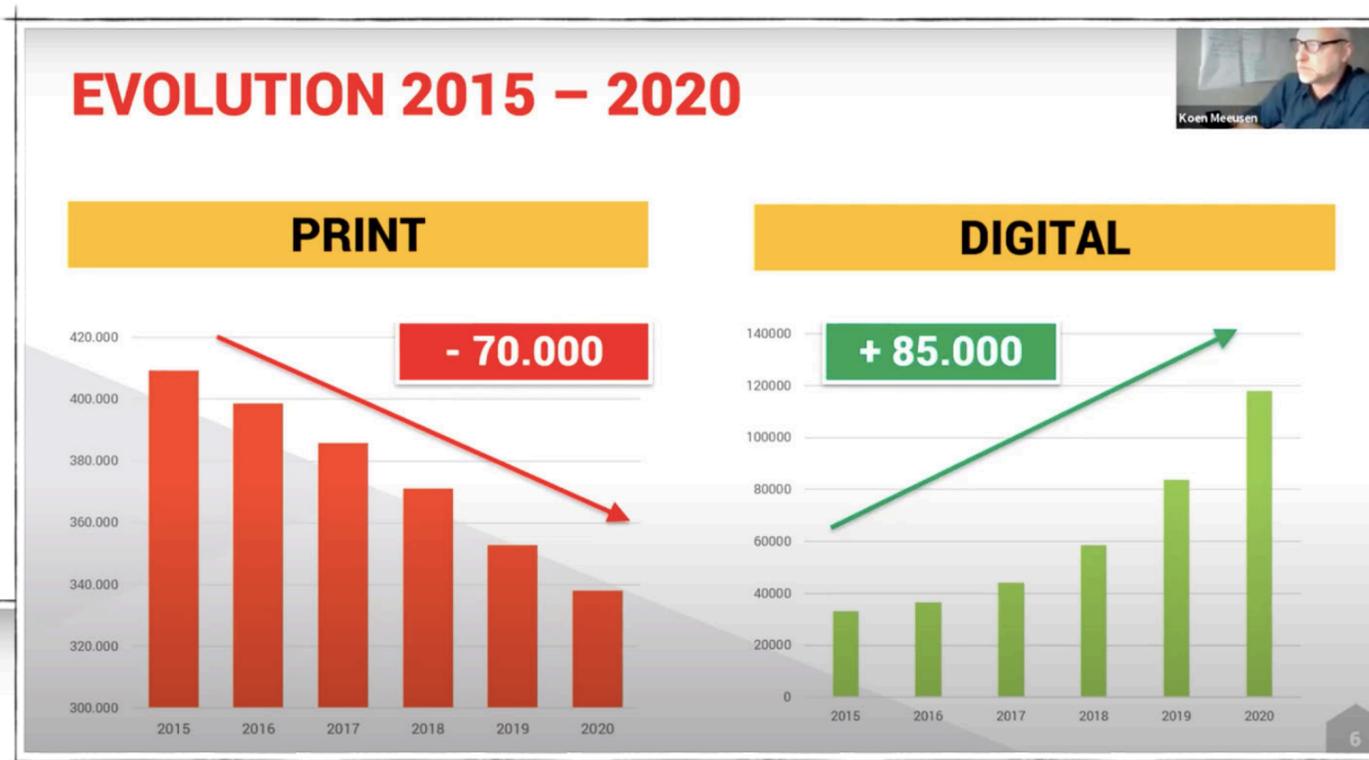


In the past five years, Mediahuis Belgium has grown the number of their digital subscribers by **85,000**, more than offsetting the decline in their print subscribers during the same period. Just as importantly, they have **increased their overall subscription revenues as well.**

Mediahuis is a Benelux-based company that publishes newspapers in Belgium, Holland, Ireland and Luxembourg.

Koen Meeusen, Director Reader Revenue, Mediahuis, discussed four of their regional papers: **De Standaard, Het Nieuwsblad, Gazet van Antwerpen, and Het Belang van Limburg.**

The uplift in subs and revenue



Mediahuis has been steadily moving its focus from print to digital. In 2015, they sold **442,000 subscriptions**. Those declined in 2016 and 2017, but have grown for the past three years, and are now at **450,000**.

Due to COVID, Mediahuis has **sold more subscriptions than they expected to this year.**

Revenue from subscriptions increased 4 percent from 2015 to 2019. Meeusen said Mediahuis will probably end up with another 4 percent increase from 2019 to 2020.

LESSON 1: Communication

Make the ‘What’ and the ‘How’ clear and simple for everybody in the organisation.

GOAL: 100,000 digital subscribers by the end of 2020. The way they would do this was to focus on making sure the number of new subscribers each month was larger than those who were cancelling.

The company **reached 100,000 digital subscribers before the summer this year**, and to mark the occasion, the CEO sent everybody who works at Mediahuis Belgium a small present.

“We decided we should try to convince 5,000 digital subscribers to come and join us, when 3,000 are leaving us, so the growth is 2,000, that was the goal we had. **We’ve had a lot of growth during this COVID period with digital subscribers.**”

Try to make what you want to achieve as simple as possible and how you want to achieve it and communicate it with a very simple dashboard, he said.

LESSON 2: Pricing

Market Based Pricing (MBP) is a targeted subscription renewal pricing program that maximizes customer lifetime value while minimizing potential subscriber losses.

MH	Publication	DS				NB				GVA				BVL			
		Digi	Full	Plus	Zadi	Digi	Full	Plus	Zadi	Digi	Full	Plus	Zadi	Digi	Full	Plus	Zadi
	Product Type	€ 1,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50	€ 0,00	€ 1,50
	Increase Amount	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓
Revenue	Net Incremental Revenue (End of 1 Year)	€ 60.231	€ 335.104	€ 0	€ 211.542	€ 0	€ 886.364	€ 0	€ 88.146	€ 0	€ 370.968	€ 0	€ 43.469	€ 0	€ 495.251	€ 0	€ 50.397
		€ 606.877				€ 974.510				€ 414.437				€ 545.648			
		€ 2.541.472															
Targets	Subscriber Count That Receives Price Increase	10.860	37.999	0	29.259	0	99.650	0	14.316	0	38.677	0	6.039	0	50.372	0	7.000
		78.118				113.966				44.716				57.372			
		294.172															
Stops	Net Incremental Stops (End of 1 Year)	-171	-370	0	-663	0	-1168	0	-442	0	-453	0	-174	0	-590	0	-201
		-1204				-1610				-627				-791			
		-4232															
Stop Percentage (%)	Net Incremental Stops (End of 1 Year)	-1,57%	-0,97%	0,00%	-2,27%	0,00%	-1,17%	0,00%	-3,09%	0,00%	-1,17%	0,00%	-2,88%	0,00%	-1,17%	0,00%	-2,87%
		-1,54%				-1,41%				-1,40%				-1,38%			
		-1,44%															

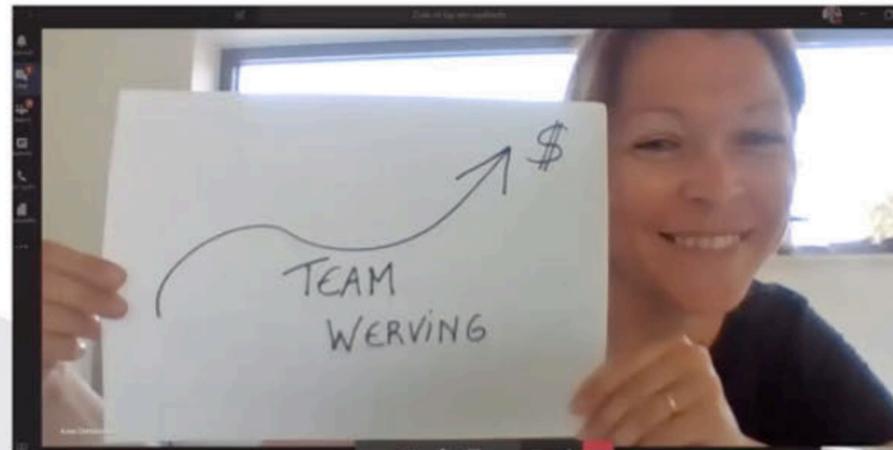
Mediahuis got help from Mather Economics, who set them up with a tool for Market Based Pricing based on their historical data, churn numbers and the prices they had been charging. **The tool shows what happens to revenue if they were to increase prices by various amounts:** How many people will support it, how many will stop subscribing.

“If you really want to increase your price, you should look for a helping hand, because it’s not a simple job,”
Meeusen said.

LESSON 3: Organisation

“**Back to the basics.** A team is a group of people with complementary skills who work together to achieve a specific goal,” Meeusen said.

Each team has a straightforward goal / KPI. For example, the acquisition team must convince prospects with the right offer using the right sales channel at the right price. **Their KPI equals conversion rates.**



‘ Team acquisition has to convince prospects with the right offer using the right saleschannel @ the right price ‘
KPI = conversion rates



“In every relationship you have ‘moments of truth’. Team retention has to make sure that these moments are frictionless, easy and convincing for our customers.”
KPI = churn rates

LESSON 4: Costs

When it comes to his department, Meeusen said he “**invests a lot of time and effort in market automation** to reduce costs.”

Between 2017 and 2020, Mediahuis Belgium reduced their **CPA (Cost per acquisition) from 60 euros to 35 euros**. One major way was with the paywall. In 2017, **8 percent of new subscribers came through the paywall**.

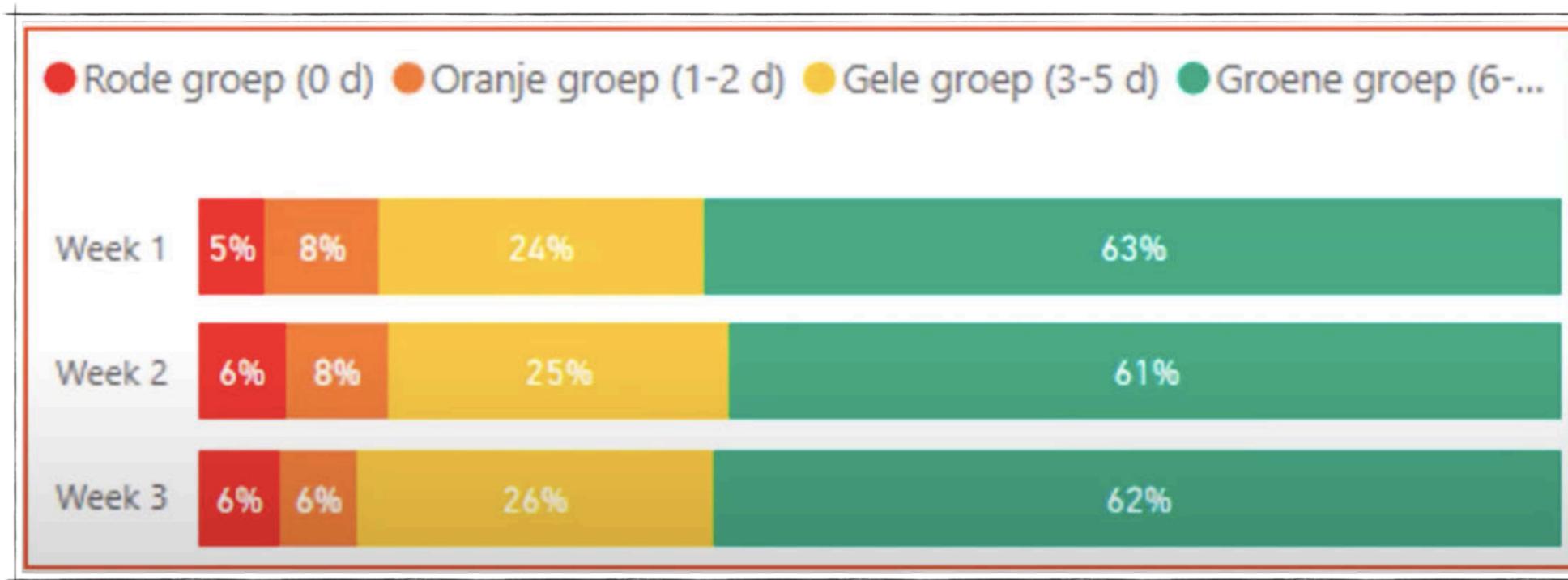
Today, **35 percent of subscriptions** are sold through it.

Investments in their paywall strategy allow them to target through it:

- Different readers get different subscription offers
- Likewise, some readers get three articles for free, others may get five
- The data driven paywall has helped them acquire new clients and reduce marketing costs.

LESSON 5: Read

“If you do not use a service, you will not pay for that service. It’s as simple as that.”



Churn factor No. 1 = a lack of reading
Mediahuis divides readers into three categories:

- **Green readers:** People who read a lot of their content
- **Yellow readers:** People who read some content
- **Red readers:** People who read very little or no content

LEARNINGS AND ADVICE FROM GNI: THE READER REVENUE PLAYBOOK

The Google News Initiative recently released the Reader Revenue Playbook, a resource that is **aimed at helping publishers build a long-term plan for reader revenue success** and to help them feel more confident about their reader revenue journey.

Arun Venkataraman, Global Strategy Lead, GNI, USA and co-author of GNI's Reader Revenue Playbook joined DME20 to discuss how publishers can make use of the playbook and GNI's recent work with their labs to help build and grow reader revenue models for publishers worldwide.

About six months ago, GNI took a step back and thought about how they could effectively share what they've learned from the different labs they had set up globally to help publishers. They **launched the Digital Growth Program**, which aims to help **small-to-mid size news organisations worldwide succeed online**.

Six factors for reader revenue success

To help galvanise the organisation internally and make reader revenue a focus or a priority, they offer a **goal-setting exercise** to help a publisher come up with a **holistic plan**, which starts off with setting a long-term reader revenue goal. That is followed by the **target metrics needed to achieve the goal** and the tactics they've seen publishers across their labs use to achieve those metrics.

-  1. Deeply understand your readers' needs.
-  2. Build your value proposition around those needs.
-  3. Communicate your reader revenue program simply and powerfully.
-  4. Make it easy for readers to subscribe or contribute.
-  5. Continuously strengthen your relationship with members.
-  6. Focus your entire organization on a clearly defined reader revenue strategy.

Establishing value and USPs

GNI helps publishers look at their **analytics, data and use customer insights** as a free tool that can help **provide a deeper understanding of reader behaviour** across levels of engagement. In particular they encourage publishers to **pay attention to the behaviour of loyal readers** and brand lovers **who are most likely to convert**, Venkataraman said.

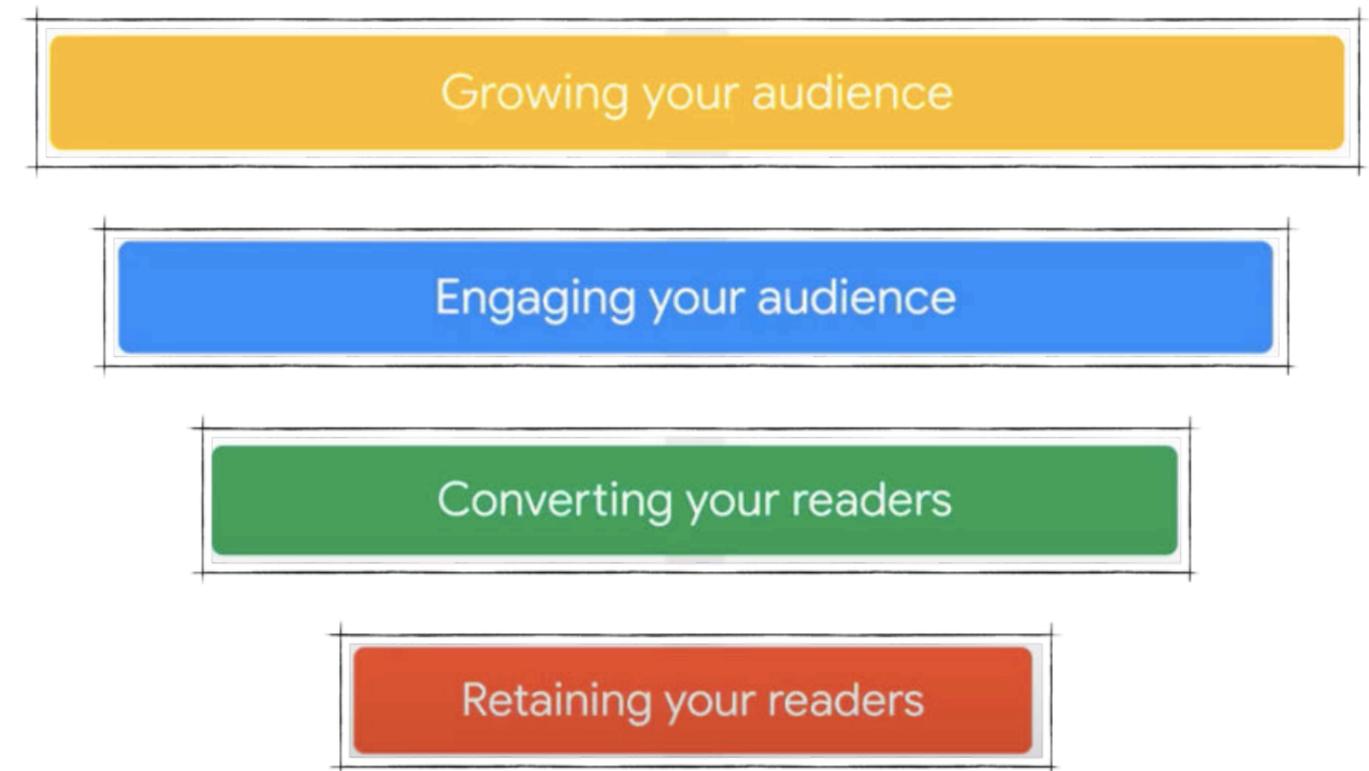
After publishers have reader feedback and analytics data, Venkataraman said they begin helping them to craft a **value proposition** in a reader revenue context: **what is unique and differentiated about what you offer** as a news organisation? **What makes you worth spending money on?**

Once publishers have the value proposition, it's important to **effectively communicate and market their reader revenue programme** so that it's front and centre for potential subscribers and contributors. Effective management of the user funnel means it should be clearly defined and well managed.

Most news organisations **need to convert between 2 and 4 percent** of their reader base to be successful, Venkataraman said. “Every small thing you can do to reduce friction could be critically important.”

A user funnel diagnostic lets publishers input the data from their key metrics **to see how they compare** with region-specific or model-specific benchmarks.

“We also emphasise the **importance of continually strengthening your relationship with members**. This is really the retention part of the funnel, but absolutely crucial because, like any relationship, it doesn’t end with conversion. **Keeping it strong and healthy requires care and attention** over time,” he said.



[The Reader Revenue Playbook is available here.](#)

CHAPTER 5: SUBSCRIPTION INSPIRATION

2020 AND PRODUCT INNOVATION

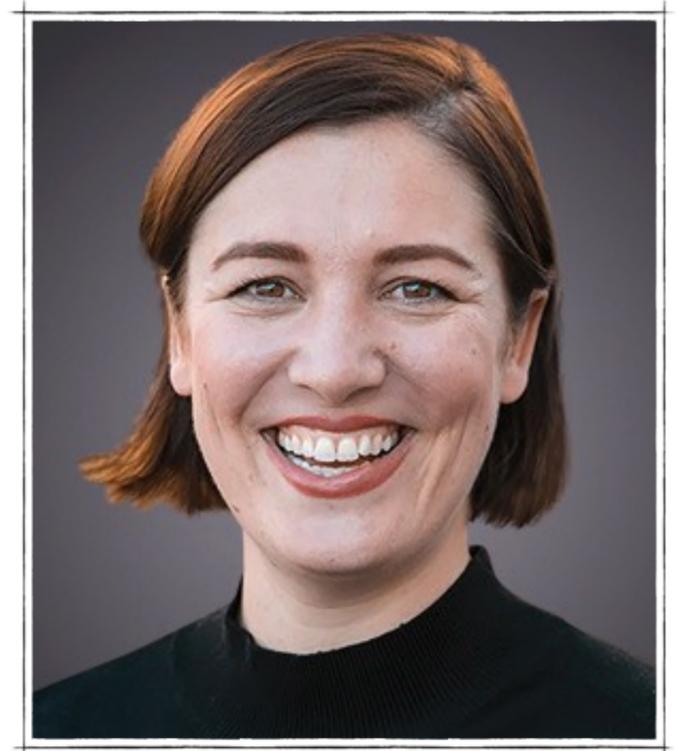
Although 2020 has been rough on the media industry, it has also proven to be **a year of great innovation. User-centric product development and thinking**, a trend that has been finding its feet in the last few years, became an even clearer focus area for several large and small media organisations globally this year.

How are products connected to subscriptions? When publishers want readers to pay for products, memberships, subscriptions or event tickets, they need to understand how to truly serve them. **Several pandemic-related products have been successful** because they were built to serve a particular user need.

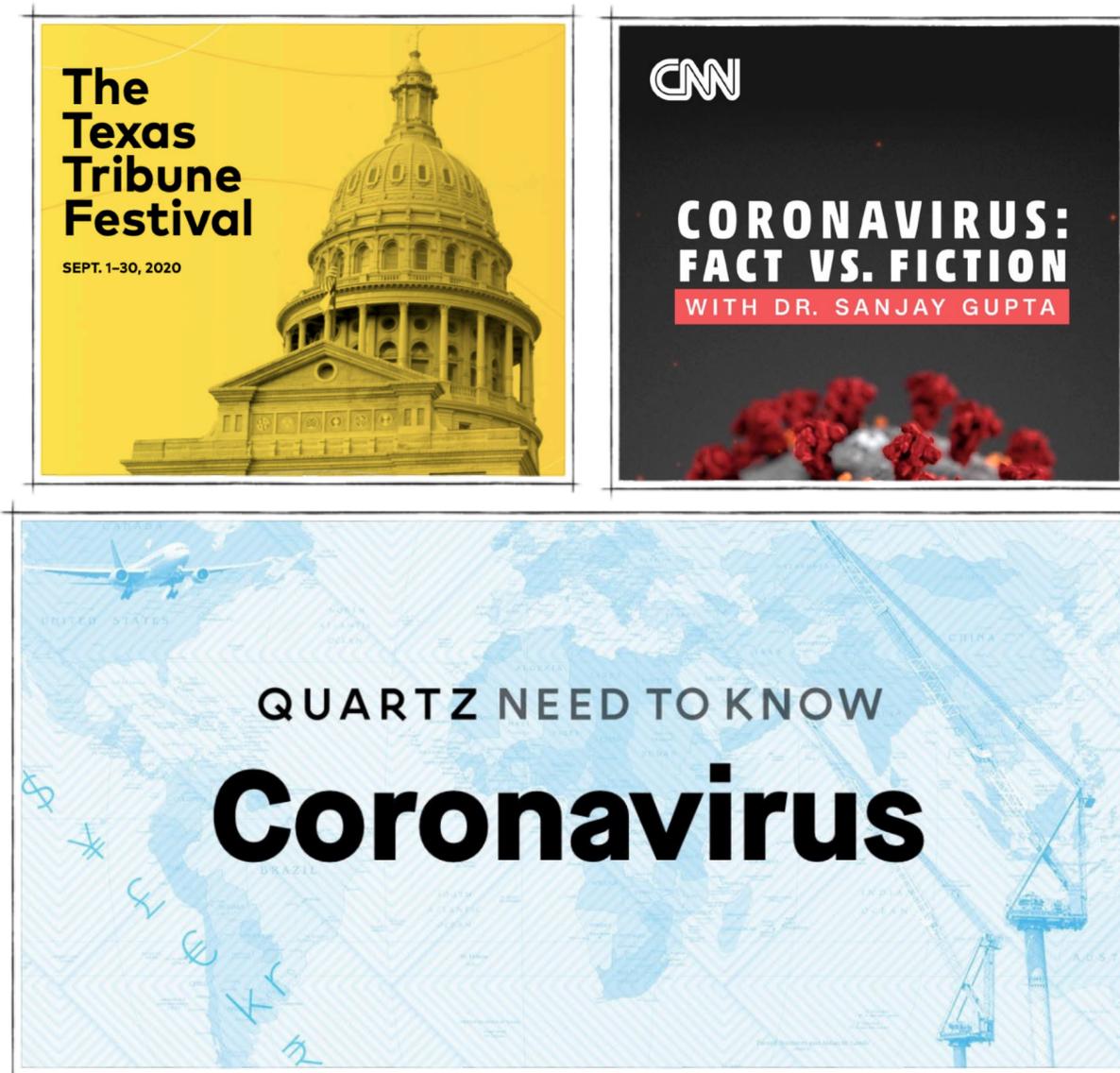
“

Product is a function at the intersection of editorial, tech and business, that actively ensures all products and services a media organisation creates, address user needs, provide and excellent user experience and advance the overarching business strategy.

*- Anita Zielina, Director of Innovation & Leadership,
Craig Newmark J-School/CUNY, USA*



Capitalising on a niche



Coronavirus gave rise to an array of news products that directly served the needs of people stuck at home with work, kids or alone. Here are a few of the most interesting ones:

- **CNN's 'Coronavirus: Fact vs Fiction'** podcast with the brand's Chief Medical Correspondent Dr. Sanjay Gupta where he makes sense of the headlines and talks to experts.
- **Quartz's 'Need To Know: Coronavirus'**, a newsletter that takes a hard look at the pandemic's effects on the global economy.
- **Vox's 'Today, Explained to Kids'**, a podcast aimed at satiating the news curiosity of children.

“Several news organisations also had to rethink how they organise festivals and events. **The Texas Tribune** did a terrific job at taking its annual celebration of ideas featuring policy, politics, art, music and media, online in September,” said Zielina.

Vocal for local

Cyclo Restaurant

Food

Description of the offer:

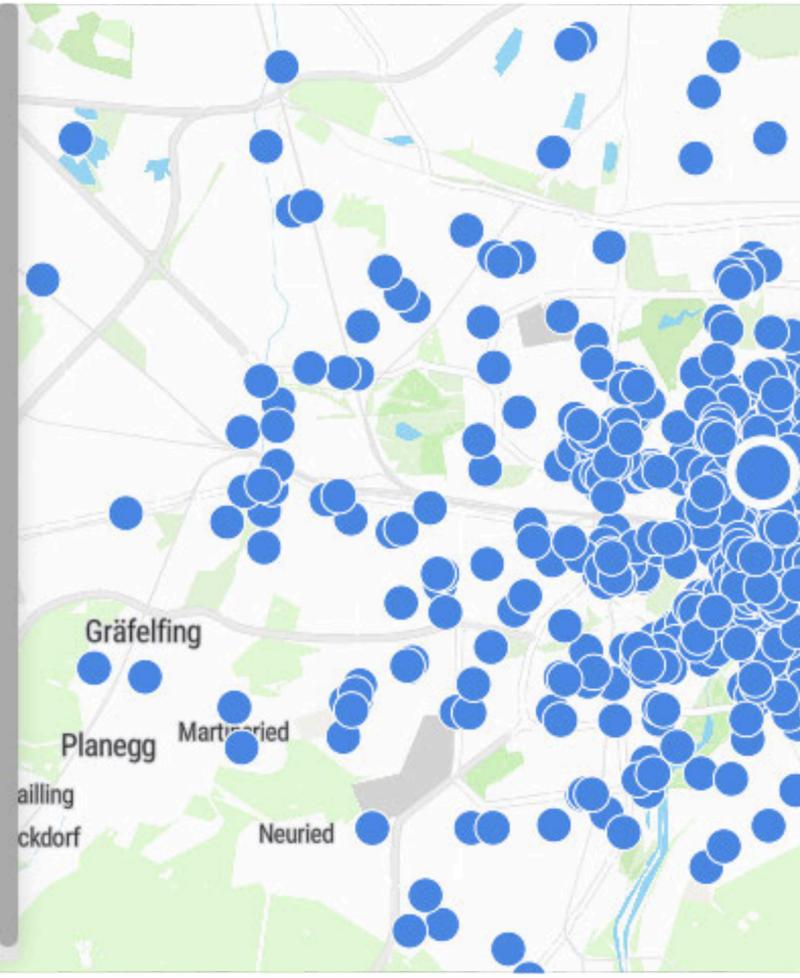
Pick-up times: Tuesday to Sunday from 11.30 am to 2.30 pm and 5:30 p.m. to 8.30 p.m., Monday is closed. Payment only possible in cash.

E-mail address: vinhtruong3471@yahoo.de

Phone number: 089 /28808390

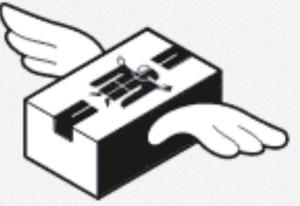
Website: <http://www.cyclo-restaurant.de>

Postal address: Theresienstr. 70, 80333 Munich



Munich's **Süddeutsche Zeitung**, one of the largest daily newspapers in Germany, brought **München bringt's** to its readers – a product that helped put hyperlocal shops and restaurants crippled by the pandemic, back on the map and minds of customers.

Süddeutsche Zeitung



München bringt's

In der Corona-Krise leiden Gastronomie und Geschäfte besonders. Auf dieser Seite wollen wir Münchnern den Einkauf bei lokalen Händlern erleichtern und sie mit Hilfsinitiativen vernetzen. Machen Sie mit.

Traditional newsroom vs. new product culture

TRADITIONAL NEWSROOM	PRODUCT-CENTRIC
LONE WOLVES	COLLABORATION IN TEAMS
NO INTERDISCIPLINARY WORK	DIVERSE TEAMS FROM
COMMAND-AND-CONTROL	COACHING AND
PERFECTIONISM	CULTURE OF FAILURE
WATERFALL DEVELOPMENT	ITERATIVE DEVELOPMENT
EGO CENTRIC VIEW	USER-CENTRIC VIEW
DRIVEN BY GUT FEELING	INFORMED BY DATA

Want people to pay for your products?

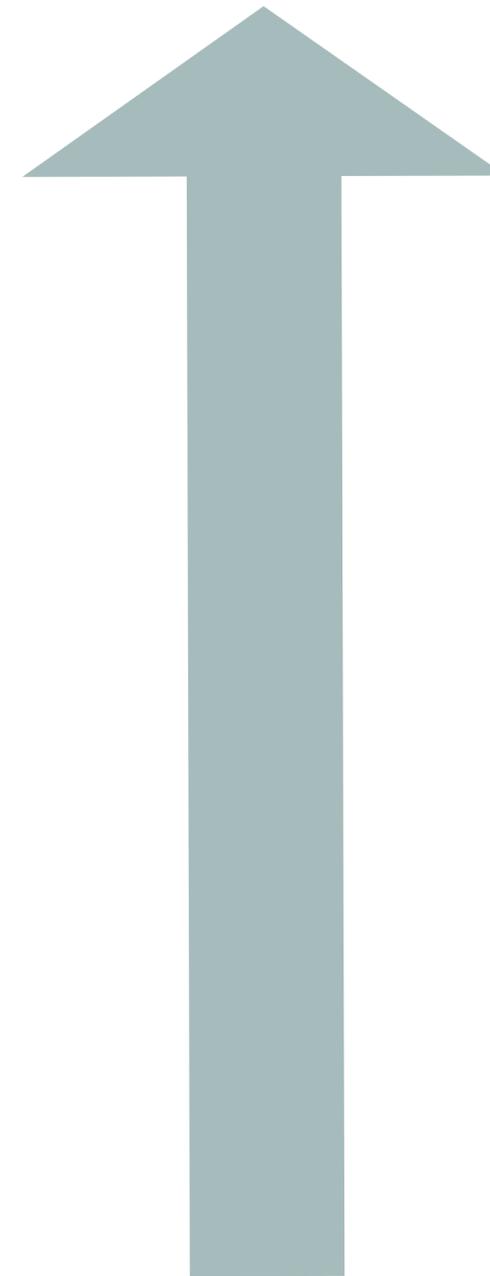
HIGHER EMPATHY
AND USER
CENTRICITY



FULFILLING YOUR
AUDIENCE'S NEEDS



HIGHER
WILLINGNESS TO PAY



DER STANDARD'S AD-FREE AND CONTRIBUTION MODELS

derStandard.at PUR

derStandard.at PUR

- Das Abo für derStandard.at ohne Werbung und ohne Daten-Tracking auf allen Endgeräten
- Jetzt 1 Monat um nur EUR 1,-
- Jederzeit monatlich kündbar

derStandard.at PUR-Kombi

- derStandard.at PUR für bestehende Zeitungs- oder E-Paper AbonnentInnen
- Jetzt 1 Monat um nur EUR 1,-
- Jederzeit monatlich kündbar

PUR + Wochenende JETZT NEU!

- Die perfekte Kombination aus analog und digital: derStandard.at PUR plus die STANDARD Wochenendausgabe
- Jetzt 1 Monat um nur EUR 4,-
- Jederzeit monatlich kündbar

Der Standard, one of the leading national dailies in Austria, has a lot in common with The Guardian in the UK: huge reach, 25 years of online history and a reputation for quality left-leaning news.

They already have a **PUR subscription that blocks ads** – and unusually does not track users at all. They have now **launched a Guardian-style contribution model** – starting to be more transparent about the journalist process and asking for donations for specific projects.

Florian Stambula, Head of Digital Subscriptions, explains Der Standard's strategy behind both models.

Jeder Beitrag zählt! 

Einmalig Monatlich Jährlich

9€

12€

25€

anderer Betrag

MONATLICH 12 € BEITRAGEN

The issue

Ich stimme der Verwendung von Cookies für die Zwecke der Webanalyse und digitaler Werbemaßnahmen zu. Auch wenn ich diese Website weiter nutze, gilt dies als Zustimmung.

Meine Einwilligung kann ich [hier](#) widerrufen. Weitere Informationen finde ich in der [Datenschutzerklärung](#).

OK

Abo ohne Daten-Zustimmung

Mit einem derStandard.at PUR-Abo kann die gesamte Website ohne zustimmungspflichtige Cookies und ohne Werbung genutzt werden. [Details zum Abo.](#)

PUR-Abo

[Anmelden](#) / [Community](#) / [Sales](#) / [Über uns](#) / [Impressum & Offenlegung](#) / [AGB](#)

About three years ago, Der Standard was trying to address three main questions:

- How to **reduce the ad blocking rate** on [DerStandard.at](#)
- How to make DerStandard.at GDPR compliant **without risking ad revenue**
- What **new digital products** can be created that leaves its journalism free to read

Ich stimme der Verwendung von Cookies für die Zwecke der Webanalyse und digitaler Werbemaßnahmen zu. Auch wenn ich diese Website weiter nutze, gilt dies als Zustimmung.

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OK

Abo ohne Daten-Zustimmung

Mit einem derStandard.at f
zustimmungspflichtige Co
[Details zum Abo.](#)

Anmelden / Commu



derStandard.at
PUR

Ohne Werbung. Ohne Tracking.
Auf allen Endgeräten.

Jetzt 3 Monate um nur EUR 3,50
statt EUR 7,- / Monat

BESTELLEN

PUR-Abo

/ AGB

The solution

In early 2018, Der Standard soft-launched the subscription “**Der Standard PUR**” and rolled out an ad blocking wall on its website in several steps. At 7 euros a month, Der Standard PUR is a **completely ad-free** experience that **doesn’t track users** (except for very few technical cookies and scripts).

Users mostly disabled ad blockers



Users were given the choice to either disable their ad blocker and consent to tracking and advertising or take out a PUR subscription and browse ad and tracking free. Most users using an ad blocker disabled it, but about **1 in 20 users took out a subscription.**

The ad blocking rate fell rapidly while traffic did not decrease at all. All ad blocking traffic became new monetisable inventory, amounting to several **100,000 euros per year.**

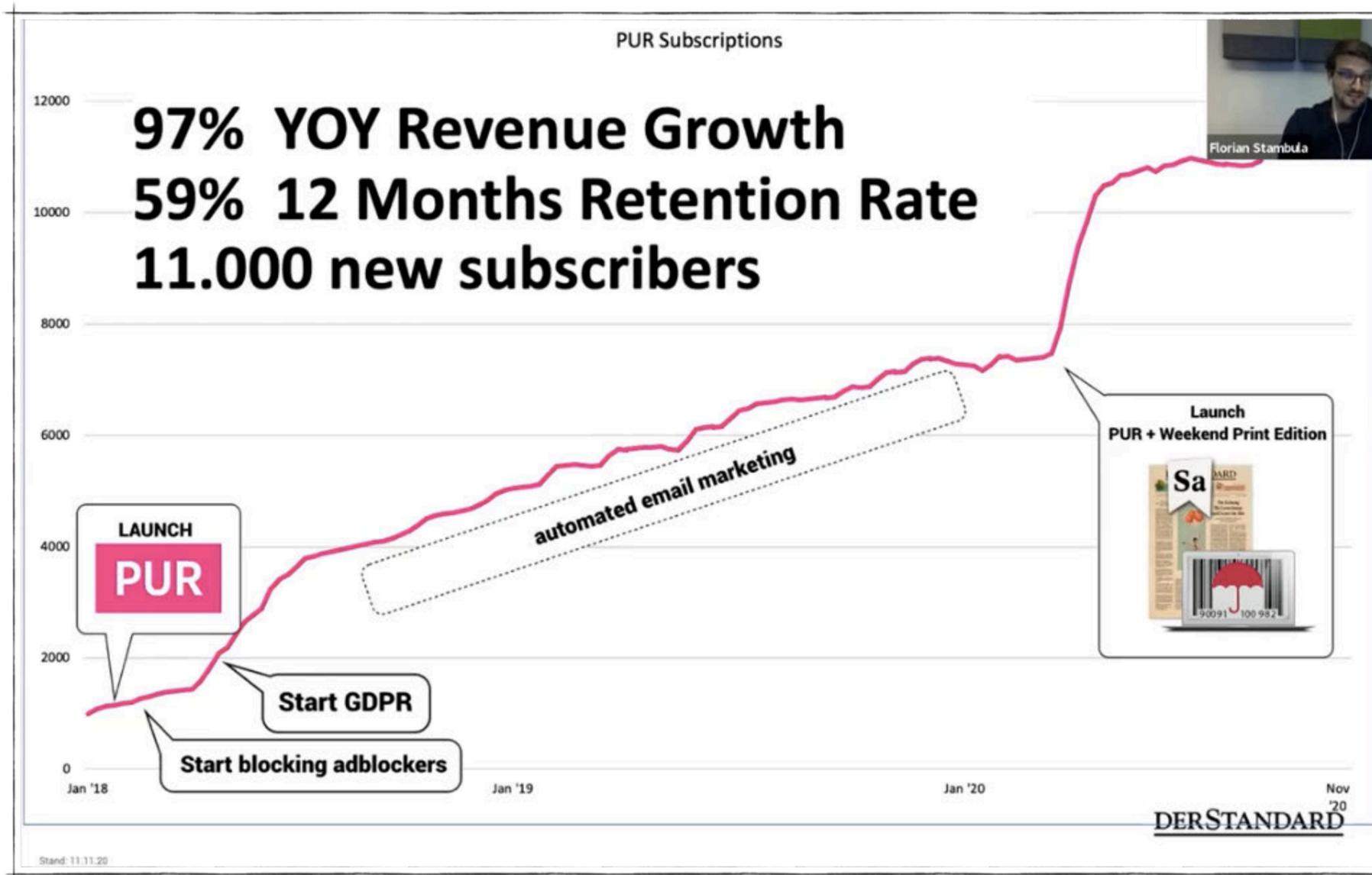
“

Going into this, some argued that users with ad blockers would leave us in droves and never come back. But that's not what happened at all.

*- Florian Stambula, Head of Digital Subscriptions,
Der Standard, Austria*



PUR results



Taking into account user feedback at the end of last year, Der Standard bundled the PUR subscription with the weekend print edition at a competitive price, which led to a bump in subscriptions.

Since the launch, Der Standard added **11,000 new PUR subscribers** to its existing **70,000 print subscribers**.



**PUR +
Wochenende**

**derStandard.at PUR +
STANDARD Wochenendausgabe**

**Jetzt 3 Monate um nur EUR 6,-
statt EUR 12,- / Monat**

BESTELLEN

Paywall or no paywall?

Der Standard has also been playing with the thought of launching a paywall, but ultimately opted for a **Guardian-inspired model** instead offering contributions.

- More than 20% of Der Standard revenue comes from digital advertising
- About 50,000 monthly active users **write more than 1.2 million user comments per month**, driving half of Der Standard's online traffic
- Der Standard's journalistic mission is to provide quality journalism and a place of public discourse to as many as possible

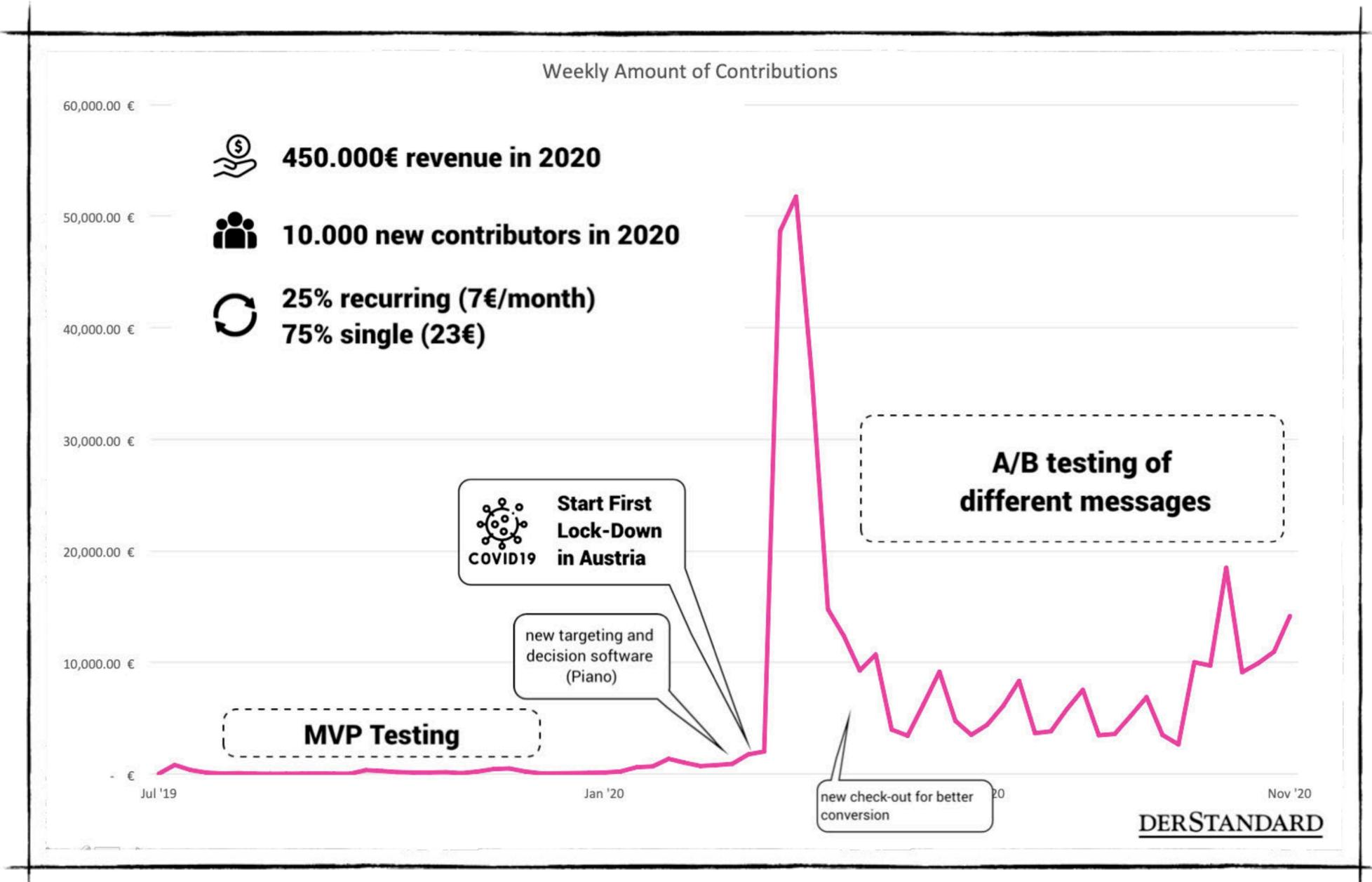
'Der Supporter'



“We started a small project called Der Standard Supporter whereby users could contribute money and become Standard Supporters and receive basically nothing but our gratitude, but no content would be behind the paywall.”

-
- Users can choose between a **recurring or a single contribution**, and either select a default amount or decide themselves how much they want to pay.
 - The initial phase lasted about six months, targeting a small audience to see if it would be feasible to pursue it, and what it takes to scale it, **with the goal of converting one percent of the targeted group.**
 - When COVID hit, Der Standard, suffering from a big loss in ad revenue, **ramped up the contribution messages.**

Der Supporter results



“So far, contributions account for less than one percent of our revenue but we hope to grow it into a sustainable revenue stream over the next couple of years,” Stambula said.

“But for the next couple of months, we will still treat it as kind of a discovery product, just trying to learn and trying to understand as much as possible about why users contribute, what their problems are, what would make people contribute again, and just build it up from there.”

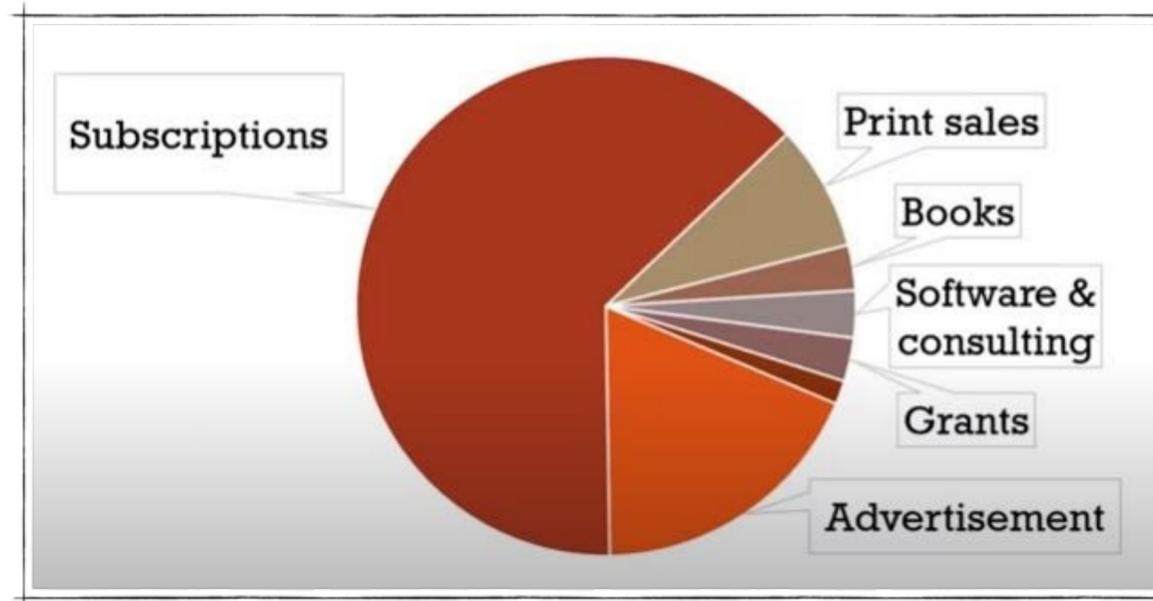
DENNÍK N'S JOURNEY TO PROFITABILITY

One of the newest newspapers in Slovakia, Denník N was founded in 2014 by a group of 50 journalists after their original newspaper was “shut down by the oligarchy.” In 2018, the same group of journalists founded their second newspaper in the Czech Republic.

Ever since its launch, **Denník N has been almost entirely run on digital reader revenue.** “We knew right from the launch that we would face problems with advertising due to the oligarch influence,” said **Tomas Bella**, Head of Digital.

Ninety-five percent of the brand’s subscriptions are digital.

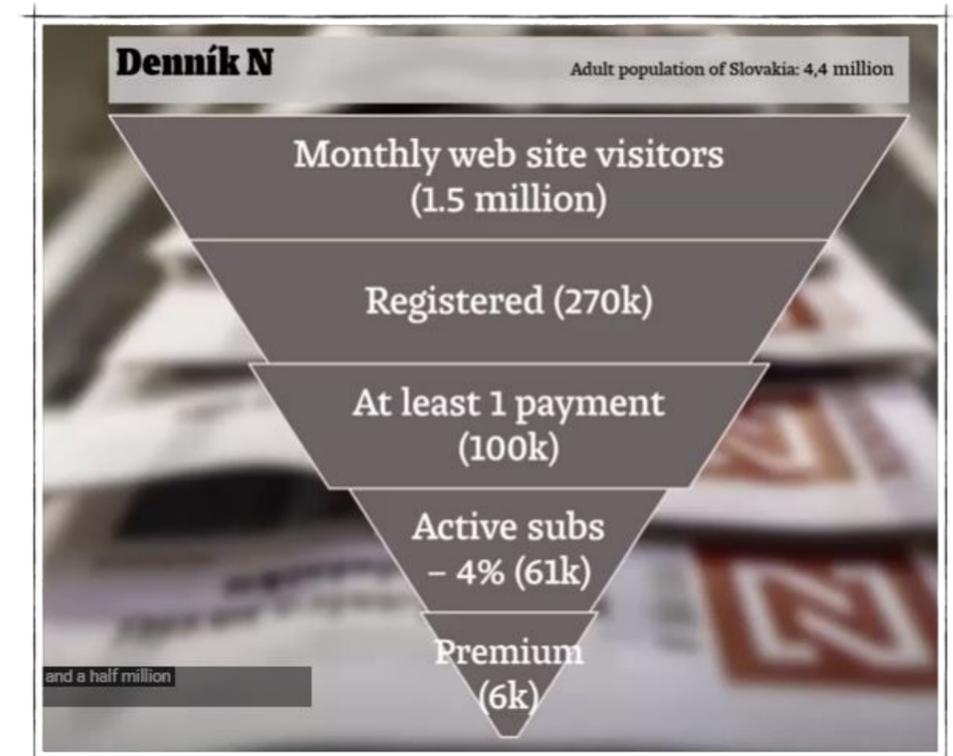
The model and results



Denník N offers a **freemium subscription model**. The website's left hand-side panel comprises long-form articles focused on politics and investigative reporting, all behind a paywall. The right-hand side panel of the website houses short, hard news stories that attract traffic.

After being in business for 6 years, Denník N currently has **1.5 million unique readers**, which is one-third of the Slovakian population.

The brand has **61,000 active subscribers** that translates to 1.5% of the population of Slovakia.



€1 million profit in 2020



After being in loss for the first two years, the brand has found its feet and expects a profit of **€1 million** this year.

Two priority areas

1. **Quality journalism & accountability:** The brand launched with 50 journalists and did not have departments for marketing, advertising sales or management. **The journalists and reporters were shareholders** and it came down to them to take care of the business aspect in addition to their editorial duties.

“Their editorial job is not to be separated from the business side because **if we don’t sell enough subscriptions, we will stop existing,**” said Bella.

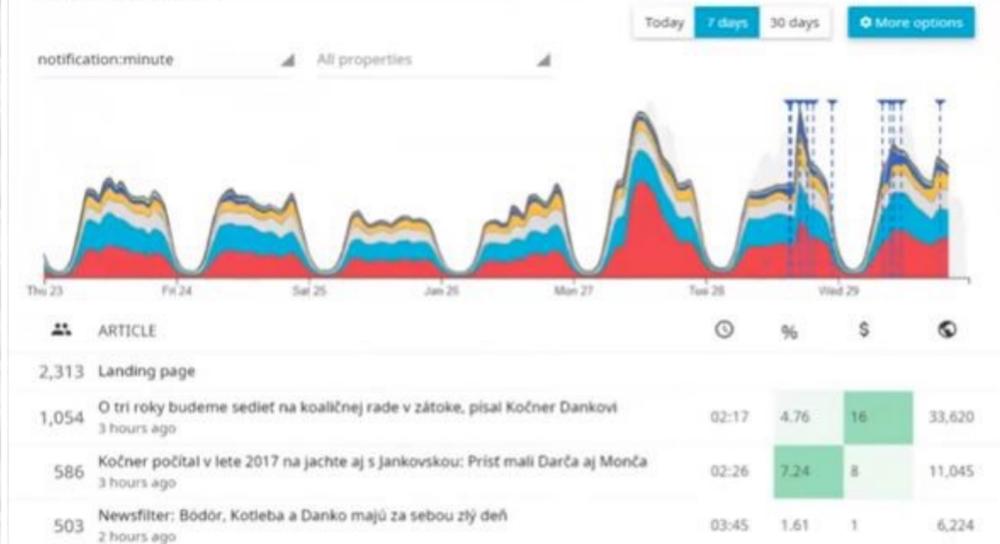
Reporters receive daily e-mails listing the ranking of their articles and how many subscriptions each article managed to garner. The brand also has a dashboard that reflects the performance of articles and the conversion rates.

Najpredávanejšie články:

Posledných 24 hodín

1. [Autobusom vozi Nórov a napísal o tom knihu: Slovák jazdí naschvál ako blázon. Nór je iba nepozorný – Denník N](#) **16 x 185.53 EUR**
2. [Prochádzka v prvom rozhovore po roku a pol: Koniec v politike som si zaslúžil, bol by som dobrý ústavný sudca – Denník N](#) **4 x 19.96 EUR**
3. [Olympijský newsfilter: Nóri dominujú, ich deti športujú pre zábavu a majú zakázané rátať si výsledky – Denník N](#) **3 x 63.86 EUR**
4. [V Zemplínskej Širokej vyhral Richard Raši. Stačí to na vyhlásenie nových volieb? – Denník N](#) 2 x 158.87 EUR
5. [Príbeh stredoškolača, ktorý 11 dní nespál. Vytvoril rekord, no mal halucinácie a bol paranoidný – Denník N](#) 2 x 32.93 EUR

Concurrents: 8,908



2. Subscriptions software:

The brand launched their first payment cycle within two days of being set-up.

After 2 years, with the help of Google grants, the company decided on publishing all its software as open source. This software is being used by the company and is also available for free usage to publishers. Currently, about 30 publishers are using it.

Open-source tools for publishers

Readers' Engagement and Monetization Platform

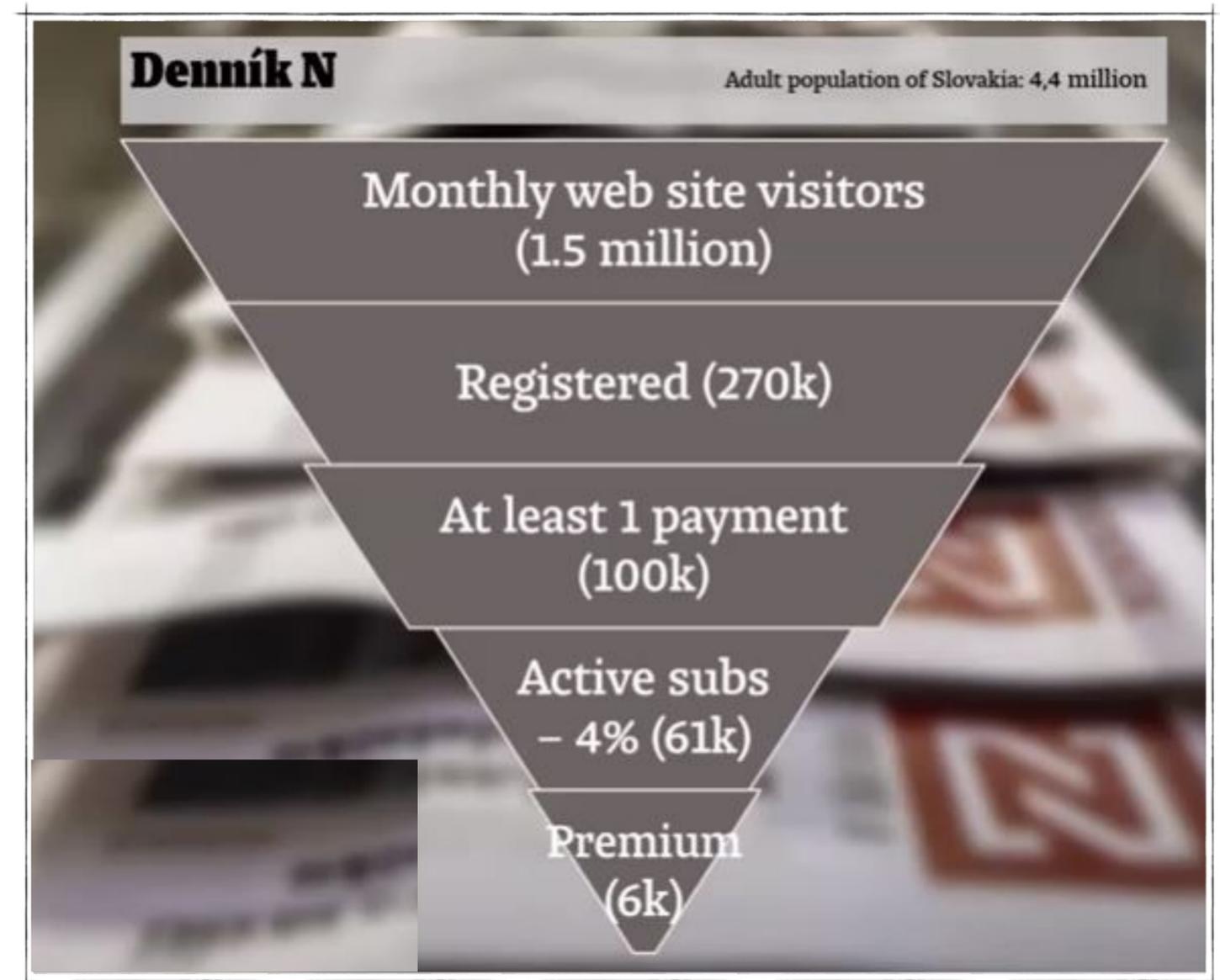
We developed a set of open-source tools to help publishers understand and monetize their audience better, market their content and sell their services. We've tested the software on our website, the websites of our two partners, and released it as an open-source, allowing any other publisher to use it for free and contribute with their own improvements.

- Monetization-focused analytics
- A/B testing for publishers
- E-mail marketing
- On-site marketing

DIGITAL NEWS INITIATIVE

How does the software help subscriptions?

- Machine learning to predict churn rate/retention
- Tools to create reader segments
- Creates subscription types
- Combines specific subscription plans with relevant landing pages
- Creates campaigns, personalised promotions and offers
- Automatic retention analysis
- Newsletters and campaigns



Making retention front of mind

In its 6 years of existence, the company has dabbled in **250 kinds of subscription plans** to gauge the right plan for the right reader segment (students, pensioners, old and new users). Bella said that while most publishers know how to sell subscriptions most are not mindful of tracking the progress six months down the line. “Thanks to coronavirus, **our subscription numbers jumped**, but three months on the retention was worse than what we usually see. Four months from then, the rate has again normalised.”

First subscription month / number of subscribers	PERIODS (31-day intervals after first subscription according to)							
	0	1	2	3	4	5	6	
2019-08	4611	100.0%	99.9%	81.8%	75.8%	74.3%	74.4%	76.8%
2019-09	3040	100.0%	99.5%	85.3%	81.4%	80.9%	81.8%	81.8%
2019-10	4280	100.0%	98.6%	77.4%	73.7%	75.0%	74.8%	71.7%
2019-11	2276	100.0%	99.5%	83.7%	82.5%	82.1%	79.3%	76.3%
2019-12	2658	100.0%	99.4%	87.2%	85.3%	82.8%	80.4%	78.8%
2020-01	3557	100.0%	99.7%	87.3%	82.1%	79.1%	77.2%	74.9%*
2020-02	3449	100.0%	99.9%	85.3%	79.4%	76.5%	73.6%*	80.2%*
2020-03	6590	100.0%	99.8%	78.2%	71.8%	67.9%*	74.2%*	
2020-04	3431	100.0%	99.7%	77.7%	70.8%*	65.2%*		
2020-05	2419	100.0%	99.8%	82.8%*	74.4%*			
2020-06	1998	100.0%	99.5%*	83.5%*				

ABOUT PROTECMEDIA

[Protecmmedia](#) is an international company specialised in software development and consultancy for the media. We have more than 40 years' international experience, with over 500 clients in 30 countries around the world.

As technological partners, we accompany our clients in their digital transformation. Through innovation in technologies and intelligent services, we make the work of publishers easier and improve their productivity.

We provide integrated solutions that cover **editorial processes, audiences and advertising** to optimise processes and enable media to obtain **new revenues** and make their **digital content** profitable.

Protecmmedia remains at the **technological forefront** with a studied forecast of the sector's progress, something that allows our team to be able to develop the most relevant functionalities in the face of new needs.

THIS REPORT HAS BEEN PRODUCED BY THE **INSIGHTS TEAM** AT WAN-IFRA AS
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WAN-IFRA
ROTFEDER-RING 11
60327 FRANKFURT AM MAIN
GERMANY

CEO: VINCENT PEYRÈGNE

COO: THOMAS JACOB

DIRECTOR OF INSIGHTS: DEAN ROPER

ANALYSIS: BRIAN VESELING, DEAN ROPER,
NEHA GUPTA, SIMONE FLÜCKIGER

EDITING: BRIAN VESELING, DEAN ROPER

DESIGN: NEHA GUPTA