

GNI Subscriptions Lab

Megaconference Update



February 18, 2020

The GNI mission

Proprietary + Confidential

Google News Initiative

Our effort to build a stronger future for journalism

Elevate and
strengthen
quality
journalism

Evolve business
models to drive
sustainable
growth

Empower news
organizations
through
technological
innovation

Engage actively with key industry stakeholders

GNI guiding questions

Proprietary + Confidential

Objective

Guiding questions

Elevate and
strengthen quality
journalism

How can we **elevate quality journalism** and original reporting on our platforms and the web?

How can we help improve the **media literacy** of online users?

How can we help newsrooms leverage technology to **transform reporting and editing**?

Evolve business
models to drive
sustainable growth

How can news orgs succeed with **subscriptions and contributions**?

How can news orgs of all types achieve **digital advertising success**?

What are the models that will support **local news**?

How can **data and machine learning** accelerate business transformation?

Empower through
tech innovation

How can we accelerate **global innovation** in the news ecosystem?

How can **audio, video and new formats** be a meaningful contributor to financial success?

Engage actively with
key stakeholders

How can we ensure that **diversity, equity and inclusion** is not an afterthought?

How can we **systematically partner** with the ecosystem to inform our strategy?

GNI highlights to date

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Coalitions to fight
misinformation, advance
innovation in news

**FIRST
DRAFT**



**RE-
VERSO**



450k journalists trained
across 60 countries



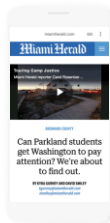
Local Experiments with
McClatchy, Archant,
Berkeleyside



ARCHANT
Berkeleyside

McCLATCHY

Launched and implemented
Subscribe with Google



100+ Innovation Challenge
projects selected in 39
countries

RED/ACCION

Frontier
MYANMAR

TEMPO.CO



elfaro
**Women's
AGENDA**

MUCKROCK

80+ projects funded to
support video innovation

Brut.



TheGuardian

CBC
東森綜合

An anchor program: GNI Labs

Proprietary + Confidential



Cohort-based consulting programs that group multiple publishers together over several months to tackle a shared challenge or opportunity

The global GNI Lab lineup

Proprietary + Confidential

Consumer Revenue



**GNI Subscriptions
Lab**

**GNI Membership
Lab**

Advertising Revenue



**GNI Advertising
Lab**

Data & Technology



GNI Data Lab

Product & Audience



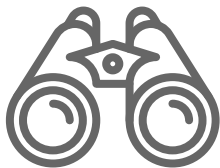
GNI Audience Lab

GNI Design Lab

GNI Subscriptions Lab: Overview

- An **ambitious, intensive nine-month experience** with US & Canadian publishers to help them define an ambitious vision for their digital subscription business and build the engine to take them to their goal
- Addresses **every step of the digital subscriptions process** -- from discovery to conversion to retention
- Target outcomes:
 - Increase in **digital subscriptions revenue** and ongoing growth rate
 - Improvement in **key subscriptions metrics** (e.g. conversion, retention)
 - Successful **implementation** of technical and business recommendations
 - Adoption of '**continuous improvement scorecard**' into standard operating practice

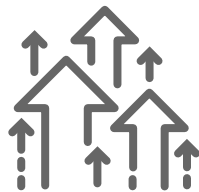
GNI Subscriptions Lab: Key phases



Discovery

Understand where you stand on the maturity curve and size the opportunity

Marketing sizing
Full diagnostic



Prioritization

Set a strategic direction and start tackling the highest ROI projects

ST recommendations
Long-term strategy



Build, test, learn

Forge a new path by experimenting and finding what works in your market

Experiment framework
Scorecard

Required publisher commitments



Digital subscriptions is a **strategic priority**



Senior management is bought in



‘Skin in the game’ operationally



Willingness to share knowledge with ecosystem

GNI Subscriptions Lab: Partners

THE BALTIMORE SUN



SOUTHEAST
MISSOURIAN

THE BUFFALO NEWS



» TORONTO STAR «

» thestar.com «

The Columbus Dispatch

Portland Press Herald
Maine Sunday Telegram
pressherald.com



The Post and Courier
postandcourier.com

GNI Subscriptions Lab: Sharing the findings

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GNI Subscriptions Lab: A global program

Google News Initiative Subscriptions Lab

US & Canada

*Launched in March
2019*



Latin America

*Launched in October
2019*



Europe

Launched last week!





GNI Subscriptions Lab

Impact and Key Themes From the Lab

February 18, 2020

Google News Initiative



Subscription Lab Impact



Over \$7.8 million in Subscription Customer Lifetime Value Generated per Year

\$7.8M

Incremental Customer Lifetime Value Per Year

55%

Increase in Digital Subscribers YoY

43%

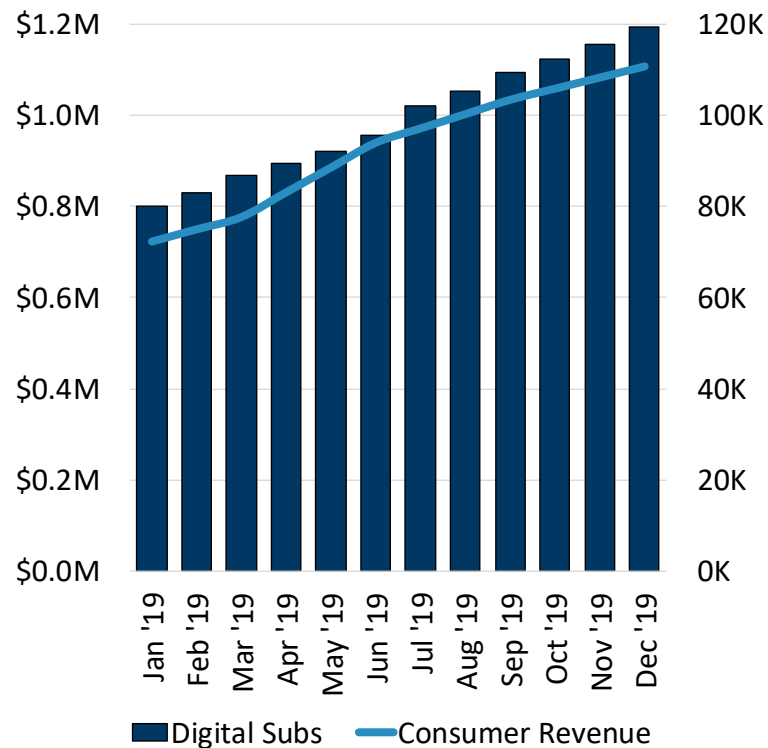
Increase in Avg. Monthly Consumer Rev.

59%

Increase in Avg. Monthly Subscriber Starts

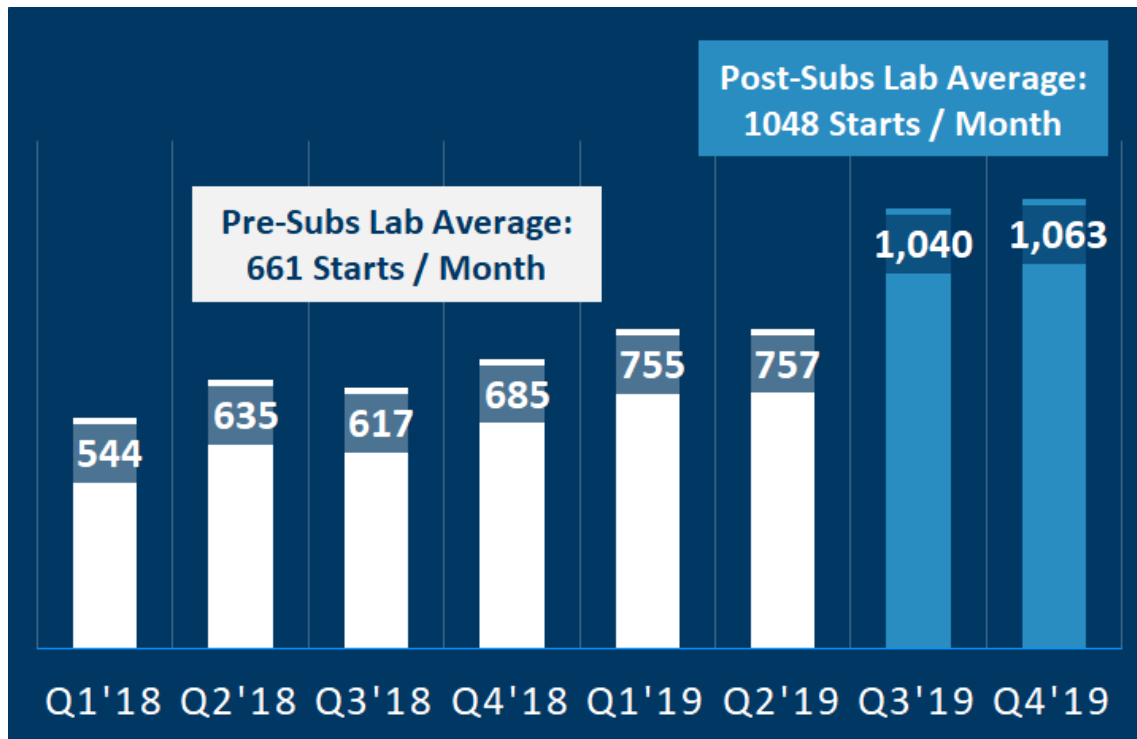
19%

Decrease in Avg. Monthly Churn



Lab Has Seen Significant Increases in New Subscribers...

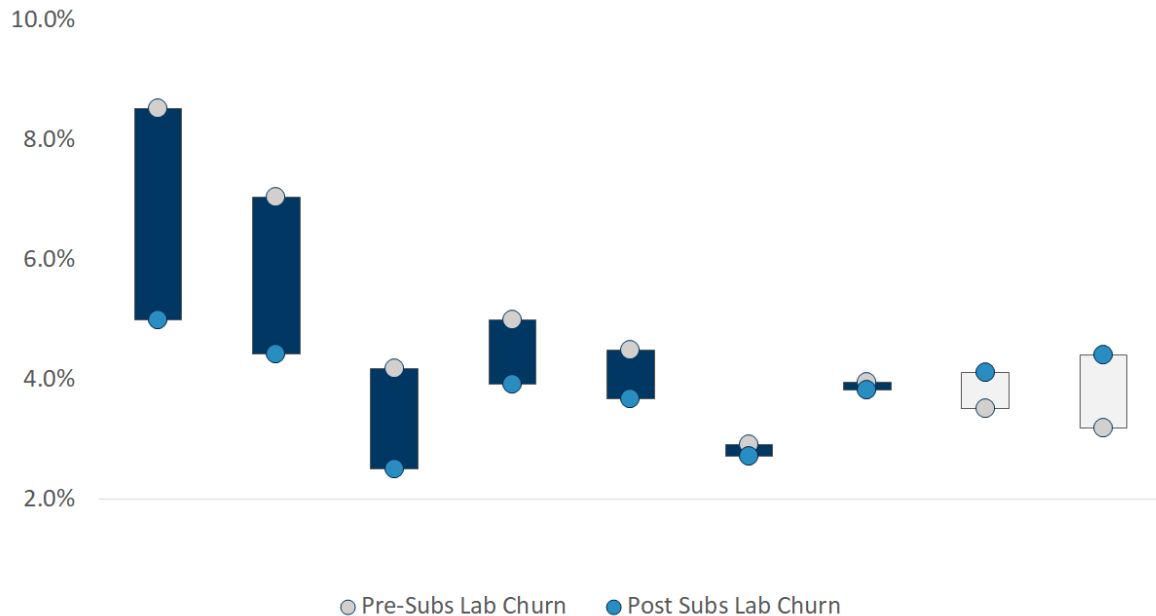
**Average
Digital Sub
Starts per
Month up
nearly 60%**



While Also Reducing Subscriber Churn...

**Average
Monthly
Churn for
Digital Subs
Down 19%**

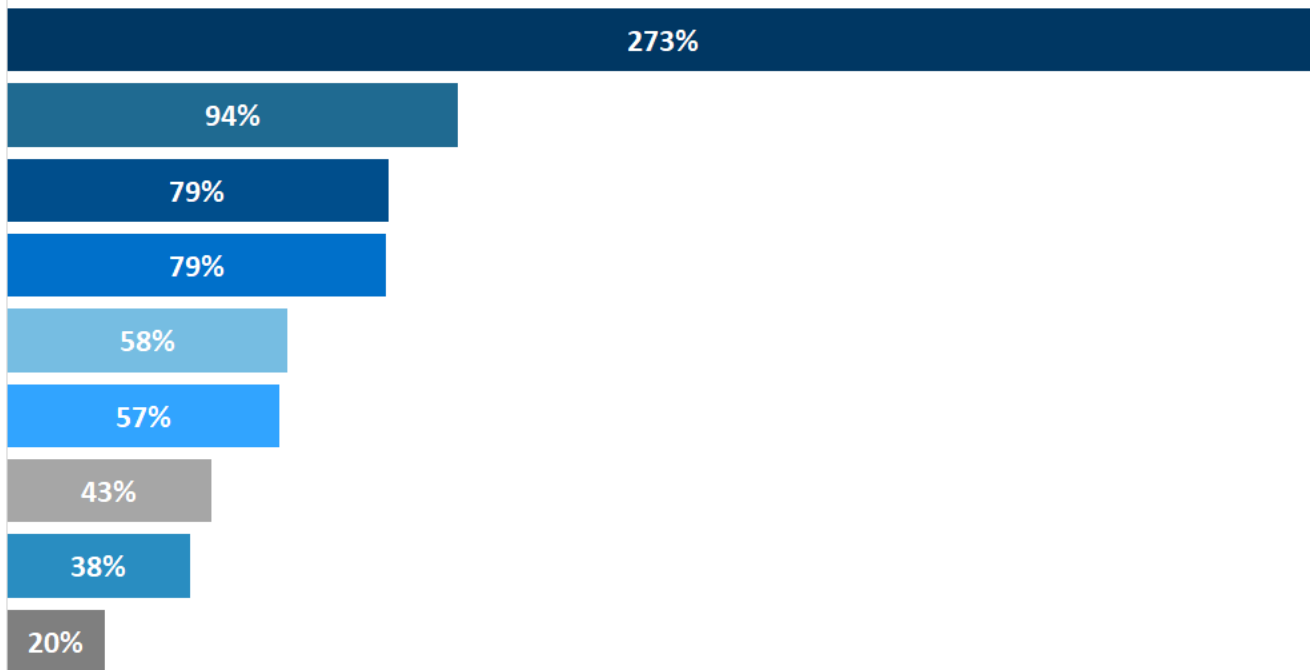
Publisher Monthly Churn %



What a Difference a Year Makes...

**Overall
Digital
Subscription
Revenue Up
Nearly 50%
YOY**

Range of Revenue Growth YOY for Lab Publishers



Key Themes





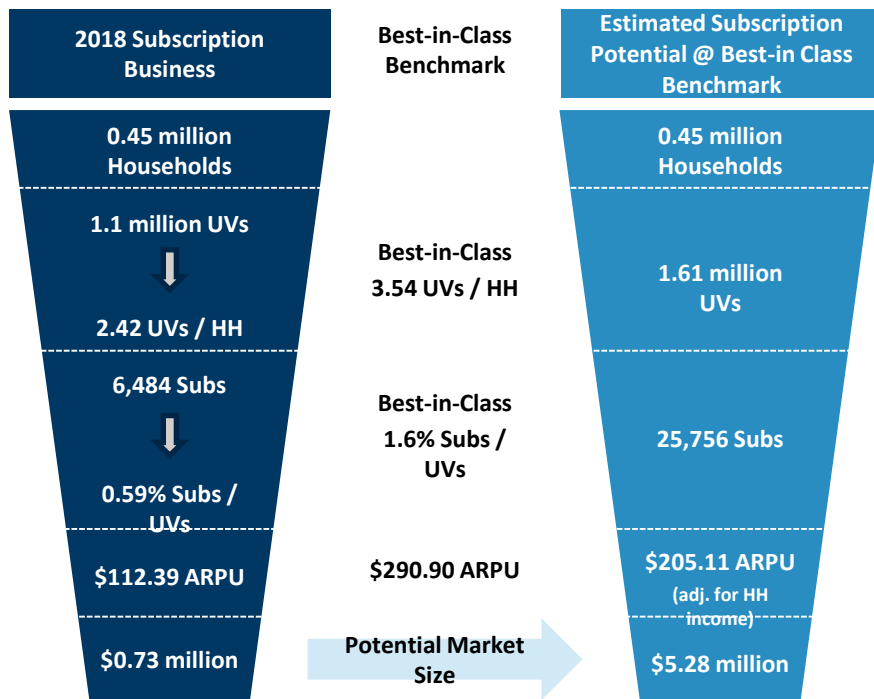
Key Themes

- 1 **Building Confidence**
- 2 **Changing Mindset**
- 3 **Digital Readiness**
- 4 **Bias Towards Action**
- 5 **Power of Benchmarking**

Confidence in Future Potential for Digital Subs

**Large
Potential for
Digital Sub
Revenue
Supports
Focus and
Investment**

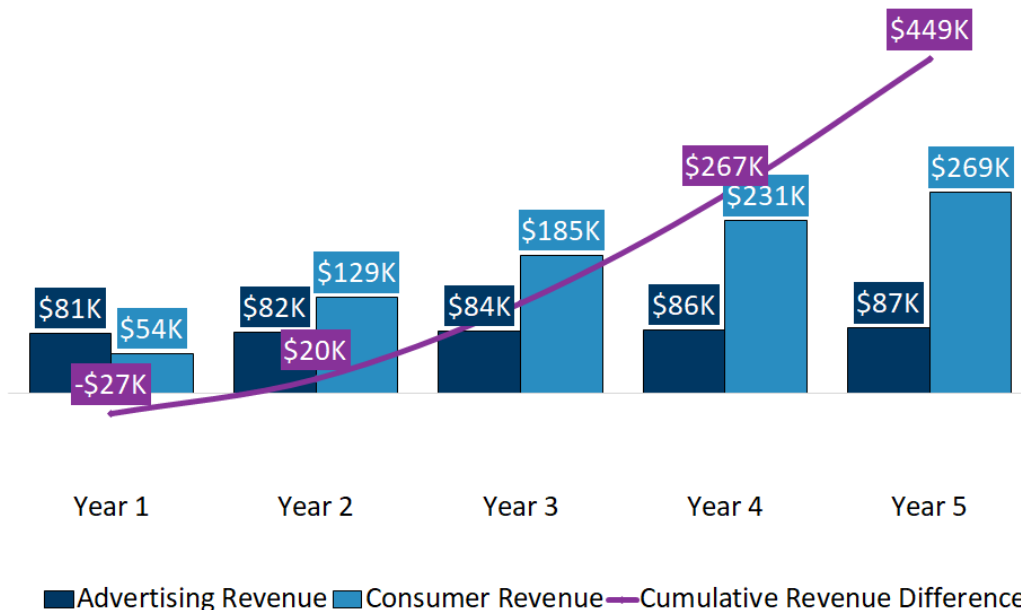
Market Sizing Analysis



Mindset Around Long-Term Growth Potential

Subs Lab
Modeling
Shows Subs
Revenue is
Usually
Greater in
Long Run

Tightening of Paywall Revenue Analysis



Increasing Print Subscriber Digital Readiness

**Digitally
Ready Print
Subs Are a
Large Part of
Long Term
Digital
Revenue**

Digital Readiness Scorecard



Experimenting Across the Subscription Funnel

Gain Insights
and Drive
Continuous
Growth
Through
Experiments

Audience



Pay Model



Product | CX



Subscription Management



THE BALTIMORE SUN



1st Article Newsletter
Modal
Free Site
Recirculation
Registration Wall



The Post and Courier
postandcourier.com

The Columbus Dispatch

Reduced Meter Count
Added Premium
Content Paywall
Propensity Based
Dynamic Pay Model



Express Checkout



Redesigned Landing
Page

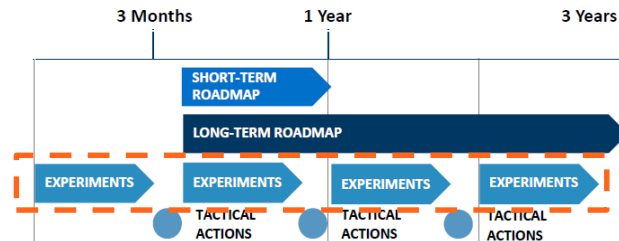
Portland Press Herald
Maine Sunday Telegram
pressherald.com

THE BUFFALO NEWS

Digital-Only
Mondays

Targeted Price
Increases

Roadmap Approach



Power of Benchmarking: Understanding the Metrics that Matter and Focusing on the KPI Gaps



1

AUDIENCE
PENETRATION



2

VISIT
FREQUENCY |
SITE DEPTH



3

REGISTRATION



4

PURCHASE
INTENT



5

PAID
SUBSCRIBER
CONVERSION



6

MONETIZATION
| ENGAGEMENT



7

RETENTION

Metric	Target
UVs per Household	3.0x – 5.0x
Visits per UV	2.0+ / Month
Article Count Distribution	Varies by Paywall
Page Speed	D: 50+ M: 25+ ¹
% of “Known” UVs	5% +
Emails per UV	5% +
Unique Click Open Rate	30% +
Payflow Efficiency	75% +
Meter Stop Rate	5% - 7%
Paid Stop Conversion Rate	0.5% +
Starts Net Sub Growth per UV	0.1% 0.08%
Effective ARPU	\$10 -\$15 / Month
Digital Revenue per UV	Market Dependent
Digital Activation Rate	75% +

1. As calculated by Google's Page Speed Insights tool

Publisher Benchmark Report

F T I
CONSULTING

Google News Initiative

LocalMedia
association

CRITICAL PUBLISHER BENCHMARKS FOR DIGITAL SUBSCRIPTION SUCCESS

PERFORMANCE OF NEWSPAPER PUBLISHERS
ACROSS THE SUBSCRIBER JOURNEY
AUGUST 2019



EXPERTS WITH IMPACT™

Google News Initiative

GNI, FTI and LMA thank the
10 newspapers that worked
together over the last 10
months to build and foster a
belief that digital subscriptions
can lead to a sustainable
future

Google News Initiative



LocalMedia
association