

KNOWING YOUR AUDIENCE: THE INCREASING IMPORTANCE OF DIRECT RELATIONSHIPS WITH YOUR READERS

A report on the Google News Initiative Subscriptions Academy EMEA 2023

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EXECUTIVE SUMMARY

Why knowing your audience is so important and what it really means.

Before today's era of digital news, publishers were limited in the ways they could understand their readers - including what, how much and when they read. The newspaper was simply printed and distributed to readers with little to no feedback loop, apart from the occasional letter to the editor or interaction with customer services.

The rise of the internet and growing sophistication of web analytics has enabled publishers to gain a much deeper understanding of their audience. Now, publishers are able to understand so much more about their audience and make data-informed business decisions based on that understanding. Audience data has enabled publishers to:

Improve their content strategy and value proposition, by focusing on content that has higher levels of engagement (e.g. by tracking page views or scroll depth).

Segment their audience into different groups, allowing them to send targeted marketing messages and adapt the customer experience (e.g. adjusting price levels based on engagement).

Change their ways of working to better meet audience needs, creating a product that people are happy to pay for (e.g. adjusting the publishing schedule to align with when readers come to the website).

Better monetise their audience, driving higher average revenue per user (e.g. demographic targeted advertising).

Understand and prioritise internal initiatives that have the biggest impact, improving the return on investment (e.g. using data to assess the success of new products).



At FT Strategies we have found **common issues** that prevent publishers from seizing the opportunity to develop a deeper audience understanding. These include:

■ **Technological infrastructure and data integration.**

Many publishers that we work with do not have a fit-for-purpose technology infrastructure (especially with respect to integration between systems). This means that publishers are often unable to derive insights on their audience at a user-level because of a disconnect between their CRM and web analytics data

■ **Limited data resource.**

Many publishers that we work with have either no or very little data resource. This is often because these highly desirable skills command high wages that some publishers may not be able to afford

■ **Cultural sensitivity.**

Many publishers that we work with are concerned about data causing issues within the organisation

This often manifests within the newsroom where there is concern of data being used to determine editorial output (impinging on editorial independence)

■ **Other priorities.**

Many publishers are focused on activities which have a tangible and immediate impact on the business. For example, writing a newsletter or improving conversion rates

With Google's support, the Subscriptions Academy addressed these challenges by helping publishers to understand the benefits of knowing their audience, and providing guidance about how to do it on a practical level.

Eight publishers from seven countries across the EMEA region have taken part in the programme over the past five months with the goal of advancing their subscriptions strategies.

This report captures our **key learnings** from the programme, including but not limited to:

- Collecting first-party data and using it to drive growth effectively must be part of a clear strategy aligned to broader business objectives
- It's critical to ensure audience data is structured and shared in accessible ways, so that all teams can understand it and put it to use
- The process of understanding your audience, meeting their needs and driving growth requires consistent experimentation and refinement

Case studies included in the report also provide practical examples of experiments that you can do yourself to develop your subscriptions business. These include:

- Launching initiatives to encourage more users to register, building the base of users whose characteristics and behaviours are known to your organisation
- Developing measures to understand engagement on a content-level
- Implementing internal structures and processes that enable data sharing and collaboration across departments

FT Strategies has helped many publishers build deeper relationships with audiences. We would be delighted to hear from you if you would like to work together on this topic at your business.



We hope that this report is a useful entry point for publishing executives and decision makers who want to understand the topic of direct audience relationships more deeply and begin implementing related practices into their business.



FOREWORD FROM GOOGLE

The Subscriptions Academy is a unique, practical five-month programme that helps publishers fast-track their revenue growth from subscriptions. Participants leave the programme with an ambitious reader revenue goal, a series of tangible experiments and an actionable plan.

Google News Initiative is proud to sponsor the programme as part of our ongoing partnership with FT Strategies. Together, we will support publishers in more than 50 countries over the next three years across topics that include Reader Revenue, Data and Product.



SULINA CONNAL
MANAGING DIRECTOR FOR NEWS
AND BOOKS PARTNERSHIPS FOR
EMEA, GOOGLE

Google News Initiative exists to support publishers in their efforts to produce impactful work for a wide range of news consumers and to help grow monetisable audiences. Reader revenue is a key component of that and we're grateful to FT Strategies and the participating publishers for their work over the last five months.

INTRODUCTION

Across the media industry, subscriptions are playing an increasingly important part in the composition of publishers' digital revenue.

The total number of digital subscriptions now exceeds 40 million worldwide, [according to FIPP](#), with steady growth expected in 2023 despite a challenging environment. Local media outlets and magazine publishers are also turning to recurring digital reader revenue models, despite previous scepticism. Fortune, National Geographic and Reach PLC are just a few notable examples.

There are a number of reasons why more publishers are turning to subscriptions or making investments to optimise their reader revenue strategy:

- A slowdown in the advertising market driven by lower consent rates for cookies and the reallocation of marketing spend from brand advertising to direct response
- Continued decline of print revenues (both consumer and advertising)
- Uncertainty around the impact of generative AI technology on publishers' business models
- Desire for recurring revenue to support strategic planning

Whilst a subscription model is desirable for many, executing it successfully is not straightforward and we see a number of

common challenges among publishers that we regularly work with:

- Difficulty outlining their value proposition, especially in terms of mission, quality or impact
- A focus on retaining subscribers through price cuts and special offers to the detriment of long term revenue
- A failure to understand the behaviours of lesser engaged readers and create innovative new products or services
- Slow adoption of insights and data, particularly in the newsroom, to address unmet audience needs

At FT Strategies, we believe that these challenges can be offset by publishers having a deeper, data-informed knowledge of their target customers.



AT FINANCIAL TIMES:

5.74X

Recognised users are 5.74x more valuable to the FT compared to unrecognised users

34%

Ad revenues are 34% higher for recognised subscribers vs. unrecognised subscribers

21.6X

A recognised user is 21.6x more likely to become a subscriber vs. an unrecognised user

The FT has assessed the value that recognised users create for publishers across subscriptions, engagement, product development and advertising.

Recognised users have an email address, marketing consent and demographic data (e.g. industry and job position) associated with their account. It is proven that there is significant value in deanonymising users:

The importance of cultivating direct relationships with readers was a key component of the Subscriptions Academy programme and is the focus of this report. We hope you enjoy it.

The [News Sustainability Project](#) is an industry research effort, led by the Google News Initiative and FT Strategies, to more deeply understand, measure and enable the drivers of publisher sustainability across the world.

Complete the diagnostic to see your sustainability readiness score and learn how you can improve.



ABOUT GNI SUBSCRIPTIONS ACADEMY EMEA 2023

Subscriptions Academy is an ambitious, intensive five month programme designed to help publishers build a more sustainable business.

About the programme

The programme has the following outcomes:

- 1** Revenue growth and sustainability
 - Demonstrate meaningful improvement to the subscriptions business
 - Increase confidence in news organisations' digital sustainability
- 2** Stronger digital journalism
 - Build relationships and learn from the experiences of other participants through mutual sharing and open discussion
 - Share learnings with other news organisations beyond the Academy

The programme is designed and led by FT Strategies and supported by Google's investment in a sustainable future for publishers.

About the scope of work

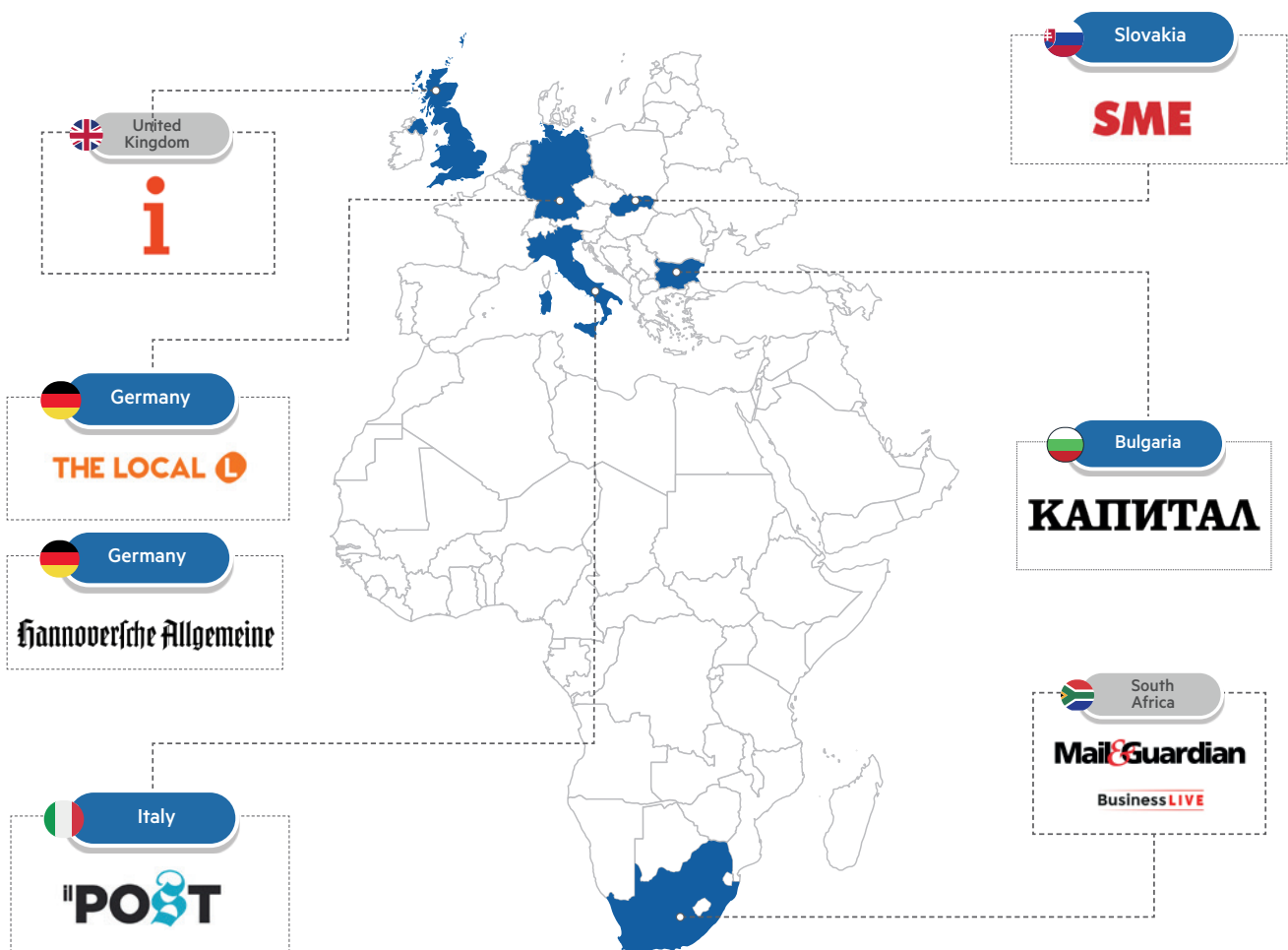
Throughout the programme, a team of FT Strategies consultants worked with project teams from each publisher to:

- 1** Produce a detailed diagnostic report covering audience analytics and subscriber data at each step of digital subscriptions, from traffic acquisition to subscriber retention, to understand areas of opportunity
- 2** Create a clear subscriptions goal using the North Star methodology to align leadership and empower staff
- 3** Start to build an internal culture that focuses on growing subscriptions through experimentation



About the cohort

The Subscriptions Academy EMEA 2023 cohort comprised eight publishers of varying sizes, countries and audiences, each with a unique purpose and proposition.



PART ONE

KNOWING YOUR AUDIENCE

Direct relationships with readers and first-party data

One of the most important steps in knowing your audience is developing direct relationships with your readers. Direct relationships are underpinned by first-party data: data collected directly from your customers on your own channels, such as your website or your app.

In this section, we will explain why collecting first-party data is critical, why it is becoming even more important and some steps that publishers can take to build their first-party data assets.

First-party data is valuable

Research conducted by FT Strategies for the the [News Sustainability Project](#) has shown a direct relationship between knowing your users and profitability. We found that 68% of “very profitable” publishers (those with an average profit margin of over 10%) recorded logged-in audiences of over 7.5% in the last six months. By comparison, only 12% of loss-making publishers recorded logged-in audiences of over 7.5%.

We also found a clear relationship between logged-in user rates and overall financial sustainability (see graph below). More information is available on the [News Sustainability Project website](#).

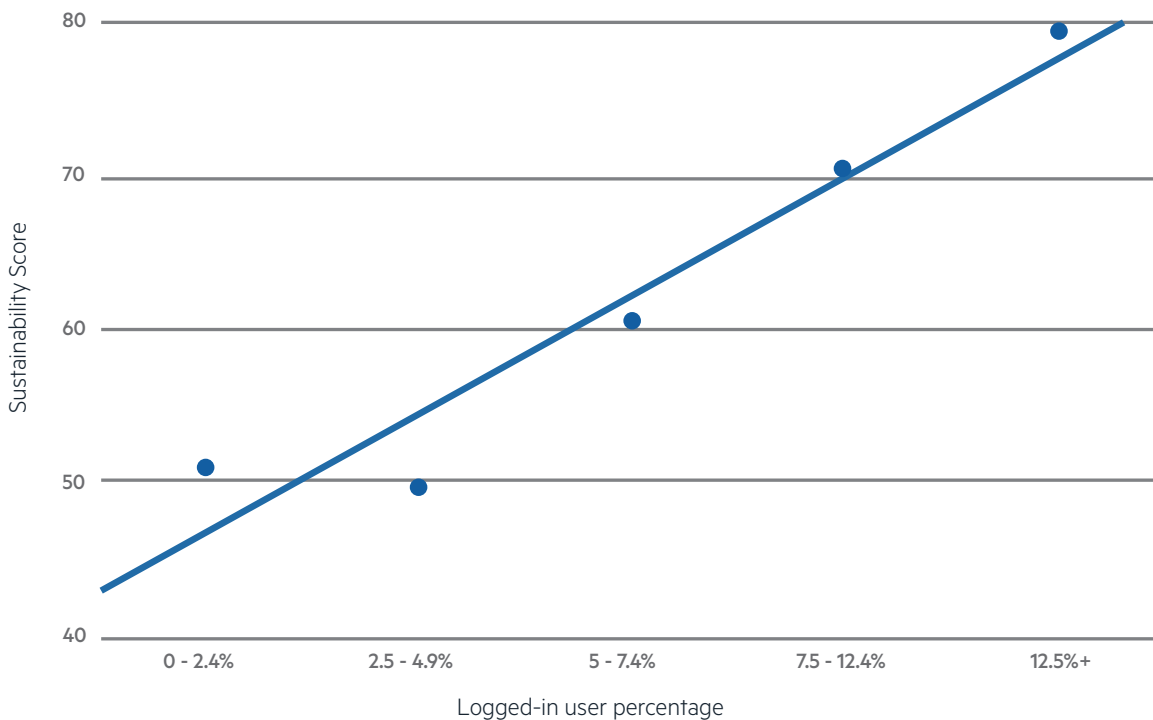


First-party data includes information that is **actively collected** from customers. For example, when people register an account, you might ask them to provide data like their name, email address, phone number, job title, industry and whether they consent for marketing.

It also includes data that is **passively collected** about how logged-in customers are using your services. For example, your analytics tools might collect information about a specific customer’s session length, and which articles they read.

KNOWING THE USER

Relationship between logged in user percentage and sustainability score



'Sustainability Score' is a composite measure of a publisher's performance with respect to their financial success, product, monetisation strategy and business foundation.

First-party data and having a direct relationship with users is important as it underpins three key aspects of publisher business models:

Converting more subscribers



Transitioning a user from “anonymous” to “known” or “logged-in” allows marketing teams to bring these readers back to the website and customise offers to those readers. Various industry case studies suggest that logged-in users are **3-40x more likely to subscribe** than anonymous readers.

Driving engagement via personalisation and tailored products



First-party data enables publishers to adapt and personalise user experiences - for example, making more relevant content recommendations or sending communications at suitable times. The FT has found that content personalisation **increases trial conversion rates by 10%**.

Increasing the value of advertising



First-party data allows publishers to more accurately target audience segments on behalf of their clients and also improve their reporting capabilities. This leads to higher advertising yield and improved client experience. The FT has found that first-party demographic data can **lead to a 45% increase** in CPMs.

FIRST-PARTY DATA IS BECOMING MORE IMPORTANT

As well as enabling the benefits outlined above, first-party data is becoming more critical because of several industry developments. These include changes in how browsers handle privacy, social media regulation changes, and the emergence of generative AI.



1 Browser Changes and Privacy Regulation

Privacy concerns and regulation are driving a change in online data collection that some are calling the “cookiepocalypse”. This term refers to the deprecation of third-party cookies in web browsers. Third-party cookies are small pieces of data that are stored on a user’s browser by websites. These cookies have been extensively used by advertisers and marketers to track user behaviour across multiple websites, target ads, and gather insights about user preferences.

Safari and Firefox have already taken steps to restrict the use of such technologies and Chrome is phasing out support for third-party cookies starting midway through 2024. Given that Chrome has a substantial lead in browser market share (currently over 60%), the scale of impact will be much higher.

The end of third-party cookies will likely see a decline in programmatic advertising (i.e. where advertisers purchase inventory to serve users with relevant ads via automated advertising auctions). It won’t be possible to tell who is and isn’t ‘unique’, impacting advertisers’ ability to know how many people their ads are reaching and from which demographic groups.



2 Social Media Changes

Social media companies, facing regulation around the world (including Europe’s Digital Services Act and Canada’s Online News Act), are reviewing the extent to which they showcase news within their platform. For example, in summer 2023, Meta announced that they had begun the process to end access to news on Facebook and Instagram for all users in Canada ([Meta](#)).

This represents a threat to publishers that are reliant on social media platforms as a source of traffic.

The latest Reuters Digital News Report highlights that over 30% of consumers say that social media is their main way of getting news online. Publishers must regain control over the distribution of their content and reduce reliance on social media as the primary source of traffic.



3 GenAI Search

Many of the implications for publishers remain uncertain. However, early examples of Generative-AI search experiences suggest that it could reduce traffic to publisher sites, due to limited references or links to source content.

Search is a vital source of traffic for news organisations, with over 25% of users saying that it is their primary gateway to the news. Therefore, as with social media changes, publishers should look to control the distribution of their content to prevent the potential for disintermediation.

As a result of these industry developments, **direct relationships are going to become even more valuable**. Direct relationships will allow publishers to secure future traffic to their websites, and make revenue sources such as subscriptions and advertising more viable. On the other hand, **large anonymous audiences are going to become less valuable**. As such, publishers should create a strategy to mitigate the impact of these developments and to future proof their business.

Tactics you can explore now:

- Grow first-party data assets (e.g. via registration)
- Prioritise demographic and contextual advertising over cookie-based behavioural targeting

Tactics to have on your radar:

- Explore “data clean rooms” and related technologies. For example, Google’s Privacy Sandbox promises to replace the traditional method of tracking individuals via third-party cookies. It introduces a “secure environment for personalisation” that prioritises user privacy



ESTABLISHING AN AUDIENCE DATA STRATEGY

First-party data and a deep understanding of readers allows you to more effectively reach audiences and target groups with bespoke tactics. To begin audience profiling an organisation must collect a range of data, develop user personas to bring readers to life, foster a customer-centric mindset, and finally leverage audience segmentation to identify growth audiences.

Step 1: Defining metrics

For data to become actionable, news organisations should identify key metrics which align with the goals of their business. Different areas of the business are likely to prioritise different metrics depending on their strategic objectives.

For instance, for a newsroom to understand their audience, metrics will be based on how readers are interacting with content (e.g. page views, scroll depth, visit length). In the same organisation, the most important metrics for the subscriptions team may be conversion and retention rates. And product teams may have a greater focus on user engagement and habit metrics.

Choosing clear metrics is essential for creating an organisation-wide data strategy. These metrics chosen will inform organisational goals, strategic decisions and the type of data you collect.

Step 2: Collecting data

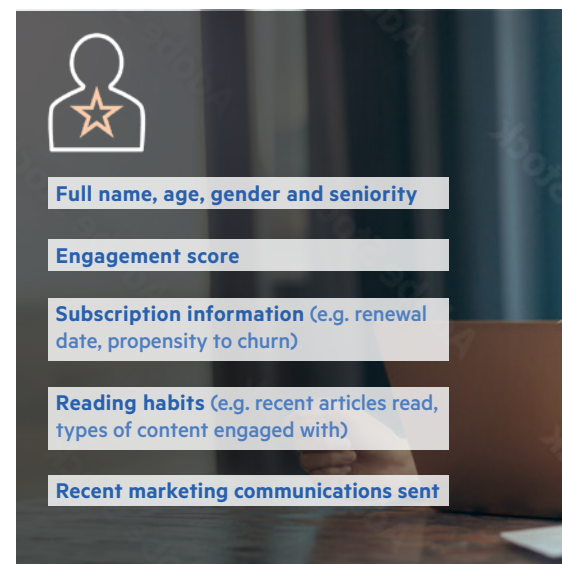
There are two main types of customer data: quantitative and qualitative. Quantitative data is numeric: such as how many users are visiting the site, or how many of your users are male. Qualitative data is descriptive: such as answers to an open-text question in a survey, asking why users like visiting your site.

Quantitative data is constantly being generated, it is often more objective than qualitative data, and can be used to draw statistically significant conclusions which drive decision-making.

There are a variety of tools and methods that can be used for quantitative data collection, and organisations will choose whether to enlist third party tools or build internal data collection systems based on their needs.

In many cases, the end goal is to have a Customer Data Platform with a persistent, unified customer database. Data can be pulled from multiple sources, cleaned and combined to create a single customer profile. This structured data would then be available for different teams and systems to utilise.

For instance, the end goal may be to have a customer profile with the following information :



Understanding individual readers in this way offers a huge range of opportunities for publishers. For example, it becomes possible to identify readers with dwindling engagement scores or high propensity to churn who can be targeted for re-engagement campaigns, or to look at an aggregated level for themes in content read by women.

To further enhance audience understanding, it's important to combine customer data with site metadata (e.g. content author, content section, format). Quantifying journalistic production using metadata can lead you to important insights, such as the demographics that are most likely to read certain authors, or to compare the quantity of article production to the traffic driven by those articles.

Qualitative data collection methods such as surveys can also be used to enhance audience profiling, through ongoing feedback loops that seek qualitative insights from readers.



Step 3: Analysis and insights

Once data is collected, the next step is to analyse it. Data analysis should be approached strategically. The first stage is to ensure the data collected is relevant and accurate, before combining and contextualising to unearth insights.

There are a variety of different areas of a news business which can be analysed such as:

- **Content:** which sections or authors drive the most page views?
- **Product:** where is poor user experience causing readers to leave the site?
- **Sentiment:** how do young readers feel about the brand?
- **Campaigns:** what is the click-through rate on different marketing emails?

Search for patterns and correlations in the data as these are key to identify trends in audience behaviours and preferences. Drill down into different demographic segments, content sections or products to provide deeper and more holistic insights.

Data visualisations are also key, to ensure any analysis can be understood by the target audience (e.g. editorial teams).

Data visualisations should be clear, straightforward and easily interpretable. Sharing visualisations and dashboards across the business may prompt differing viewpoints and further insights to explore. Data analysis should be a responsive process, where decisions made from data are monitored and iterated upon based on their outcomes. This dynamic approach is also crucial as audience behaviour and preferences shift over time.

Step 4: Using insights across the organisation

Different departments are driven by different needs and interests. As discussed earlier, different teams will be focused on different metrics, and insights should be shown to improve the workflows of each team.

For instance, data can be incorporated into editorial decision making to create an audience-led content strategy. This allows journalists and editors to understand which topics, angles and formats resonate best with their readers.

Meanwhile in the subscriptions team, the focus might be on identifying factors that lead to acquisition and churn. Insights into customer interaction with different products can lead to the development of new features - or new products entirely.

In many news organisations, the key to a successful data strategy is collaboration, education and iteration. There should be a cross-departmental effort to ensure that data-informed decision making is ingrained in the organisation's culture and drives effective strategies.

Finally, we believe that decisions should be data-informed, rather than data-led. Data should be used alongside business acumen and editorial expertise for decision-making.

INNOVATING WITH DATA TO DRIVE SUBSCRIPTIONS GROWTH

Once your audience data strategy is in place, there are many ways you can operationalise it to drive subscriptions growth. In this section, we examine some of the ways that publications like the Financial Times have used audience data to drive value across the business.

First-party data collection tactics

News publishers can increase their first-party data by encouraging anonymous users to register and remain logged in. There are various strategies that publishers can employ to build direct relationships with anonymous users, depending on their brand and audience profile. These include:

- **Close-out boxes:** publishers can have a pop-up on a webpage asking readers to register for free
- **Hard registration wall:** any page beyond the homepage requires an email address to access
- **Metered access:** after a set amount of articles, a pop-up can appear asking readers to register to continue reading on the site
- **Exclusive content:** publishers can have a registration wall for premium content, readers can unlock by registering and submitting personal information
- **Value-add features or products:** access to newsletters, reader comments, events and podcasts can be given in exchange for registration

However you drive registration, there are several tactical recommendations at the point of registration to give you the best chance of capturing first-party data:

- **Improve the visibility of your registration call to action.**
Your sign-up box should be easily discoverable, included across articles and above the fold of your website. Focus on inline for desktop and anchored formats for mobile. Use contrasting colours for the background of the sign-up box and the main call to action
- **Reduce the number of fields and use one click sign-up for newsletters and registration.**
Focus on asking for just one field (email) to remove sign-up friction. Enable autofill for the email field to populate previously saved email addresses in the browser
- **Highlight the benefits and value proposition of registration or newsletter subscription.**
This can include access to a number of free articles, specific newsletters, or a more personalised experience on the website when they're logged-in

Identifying user needs

With the data you collect from encouraging users to register and remain logged in, you can start to build profiles of archetypal users in your audience. These are derived from a combination of qualitative and quantitative user data.



I read the FT when I need to research something or clarify an opinion

I read the FT to educate myself and stay informed

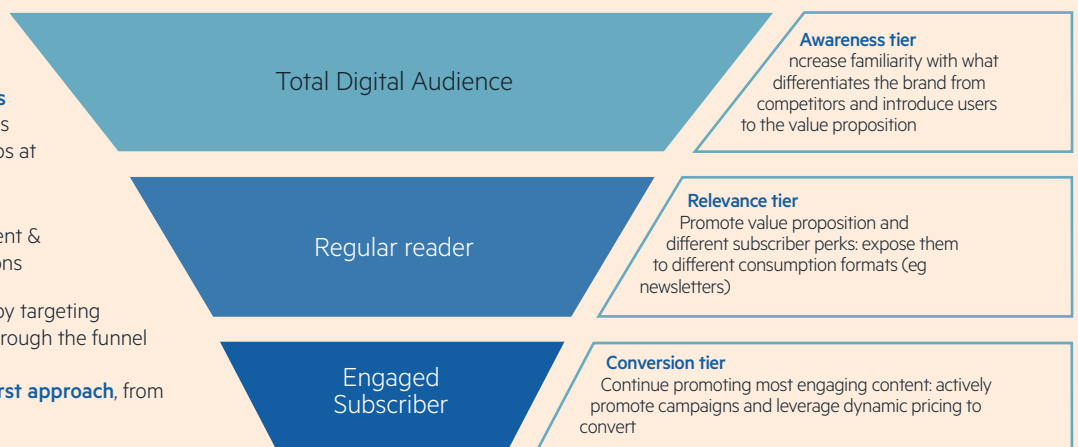
The FT uses surveys and user research to define personas that help guide content & product strategy. Across these personas, the FT considers people's motivations for engaging with the publication.

Product teams use the "Jobs to be done" methodology to understand customer motivations in terms of the wider "jobs" that they aim to achieve via the FT's products. Personas and 'Jobs to be done with' can be used to analyse how readers think about their satisfaction and to quantify how well your publication meets their needs.

Conversion funnel

Personas help:

1. Develop **engagement tactics that are specific** to the needs and behaviours of user groups at all stages of the funnel
2. **Increase confidence** in content & product development decisions
3. **Reduce cost of acquisition** by targeting tactics to encourage users through the funnel
4. Move towards a **customer-first approach**, from a product-centric one



Audience engagement tactics

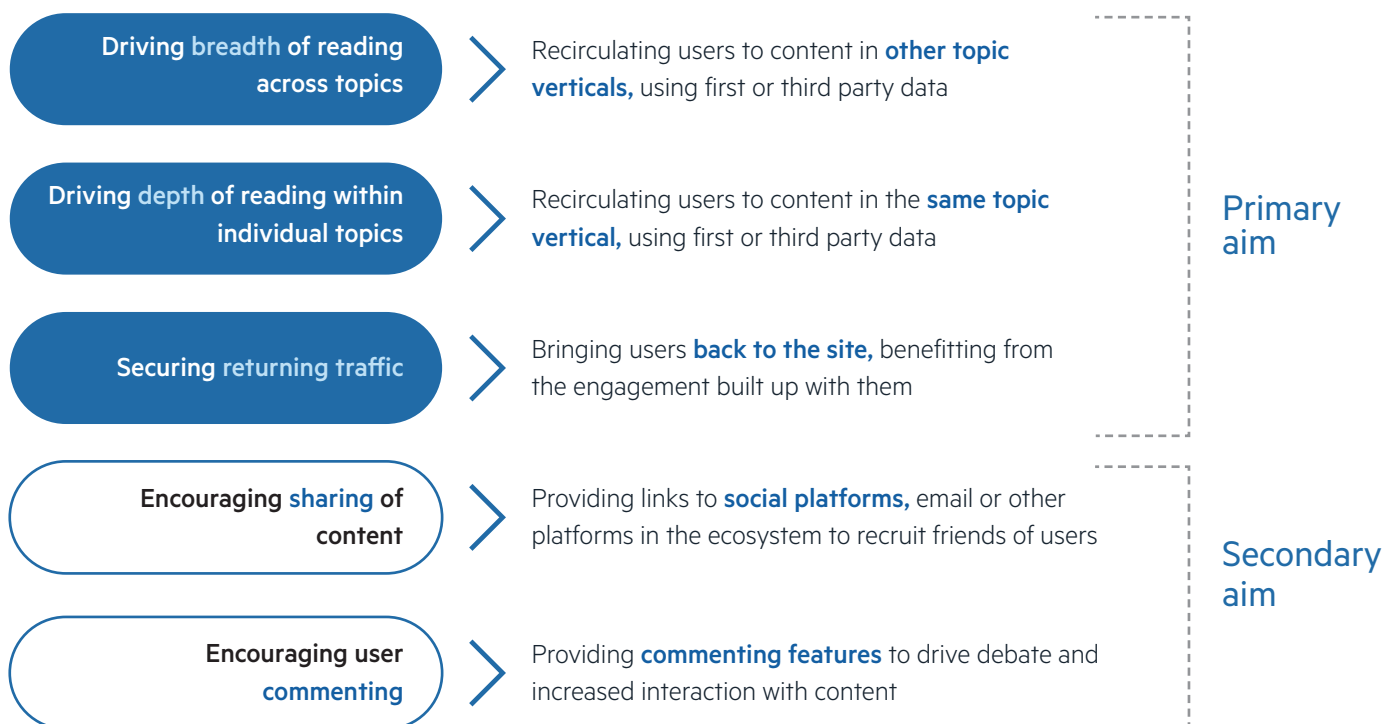
Data-driven segmentation lays the foundations for driving engagement and conversion across the user funnel, allowing you to develop tactics that are specific to the needs and behaviours of different user groups.

Engagement is critical here; it underpins all aspects of the reader lifecycle and directly impacts the commercial sustainability of publications.

Audience data enables one of the most effective engagement tactics: personalisation. Data about your readers and their content preferences can be used to recommend topics of interest and drive breadth and depth of reading. For example, MyFT (the FT's personalised view of the news), has been one of the publisher's most successful engagement initiatives to date: MyFT readers are 76% more engaged than regular FT readers.

First-party data can also be used to personalise onsite or email marketing. One effective method is to promote product features that are known to drive engagement. For example, if someone has not downloaded a publication's native app, they could be sent a personalised message onsite explaining some of the benefits.

There are five outcomes that publications should optimise for to increase user engagement:



Engagement metrics in the newsroom

To track how effective engagement tactics are, it's critical to have simple metrics that are shared across commercial and editorial teams.

At the FT, the Audience Engagement team is tasked with owning audience analytics in the newsroom. This team realised that editors and journalists are time poor, and presenting too much data was confusing. To help, insights are now shared in a way that complements senior editors' instincts - simple dashboards that surface only the most useful and relevant information.

The FT also developed new metrics specifically for editorial teams. Engagement is critical for success, with commercial and product teams making use of RFV (a measure of the overall engagement level of an individual reader).

However, editorial teams found it less helpful to know the engagement levels of readers. Instead, the newsroom leverages a content-focused metric called Quality Reads, which identifies which articles best engage readers. This metric allows editors to optimise the way they distribute content by understanding which themes and formats are driving most engagement from readers.



Tactics to optimise for subscriptions

Ultimately, all of these tactics contribute to increasing subscriptions - from improving conversion rates to increasing monetisation and retention.

1 Conversion

- First-party data is an important input for access model strategies and pricing analyses - allowing publishers to take a strategic approach to driving conversions and monetisation
- First-party data is particularly useful for optimising dynamic paywalls; the data can be used to train models to more accurately predict a visitor's likelihood to subscribe, which will improve conversion rates
- Audience data also gives publishers the option to personalise subscription offers in emails or on-site messaging. For example, some publishers have found that using the person's name in marketing communications, or previewing content topics they enjoy on the paywall helps to improve conversion rates

2 Monetisation

- An optimal reader monetisation strategy is based on structuring value propositions, tiers and pricing to align with audience needs, so first-party data and direct reader relationships are a huge benefit

- Segmentation is particularly useful for step-up pricing tactics - incrementally increasing a user's subscription cost to full price, based on that user's identified engagement level and propensity to renew or churn
- Publishers can also deepen their relationship with the most engaged subscribers and maximise lifetime value by upselling or cross-selling where relevant

3 Retention

- Publishers can use their audience data to understand what makes subscribers renew and what drives churn - then develop optimised experiences
- First-party data is an important input into propensity models that predict who is most likely to churn. Publishers can then mitigate the risk of churn, for example by offering a price freeze or a lower priced product that better meets that user's needs

PART TWO

SUBSCRIPTIONS ACADEMY PARTICIPANT APPROACHES



FT Strategies delivered Masterclasses to the Academy cohort that explored why building direct relationships with readers is so important, and covered the best practice on how to go about doing it.

Publishers identified ways to build and grow direct relationships with users, and various registration strategies became part of their North Star framework. Many set goals for reaching a certain number of registrations as well as building the data profiles of their current user base. Read below for the practical experiments that publishers ran to accelerate their journeys to more registered readers and subscribers:



Context

il Post is a digital native founded in 2010 and based in Milan, Italy. Being a challenger to legacy newspapers has helped it reach 1 million daily readers in just 2 years. The brand is associated with providing an independent perspective, standing out in an era where media bias is a concern.

Through member-funded journalism il Post has built a community of readers who share its vision to support free journalism. Many of these readers subscribe on a yearly basis to access il Post's paywalled content, such as the paid-for podcasts introduced in 2019.

Experiments

The Subscriptions Academy team tested whether:

- Developing a Quality Reads matrix helps il Post understand engagement drivers for content
- Introducing a best-of-week newsletter engages less engaged users.
- Targeting users who visit frequently with an on-site marketing campaign promoting registration benefits increases registrations
- Changing the colour of the subscription button impacts click through rates through A/B testing methodology

The tests showed that:

- Quality Reads is a relevant and reliable engagement metric. Shared with the newsroom, it can strengthen the link between commercial goals and content production
- The best-of-week newsletter doesn't sufficiently raise visit volume in less engaged users
- The on-site marketing campaign can gain registrations. However, the result fell short of projections
- The team successfully used A/B testing methodology to find that the 'control' outperformed the 'variant' colour

Programme impact

il Post embraced experimentation and is seeing its immediate results. The publisher created a plan to run smaller priority experiments before launching larger projects which are costly and onerous.

The team now has a process for designing robust experiments and sharing results and learnings across the organisation. It also launched interdisciplinary, cross-functional project teams to tackle major challenges and track progress towards the goal with key metrics.

Taking part in the programme has been a challenge to the way we have done things in the past. We have learned a lot and fast, and we have appreciated the FT team's effort to adapt their approach to our needs... it felt like Il Post and FT were on a journey together and that is much more than we expected.

GIANNI BARLASSINA,
HEAD OF DIRECT REVENUES





Context

Celebrating its 30th anniversary this year, Capital is a business specialist publication in Bulgaria with a reputation for quality reporting and independent opinion.

Pioneering the concept of digital subscription in Bulgaria since 2015, Capital's mission is to help economically active people make better decisions with the ambition to become *the most influential media organisation in Bulgaria, sustained by reader revenue from 30k subscribers by 2026.*

Experiments

The Subscriptions Academy team tested whether:

- Designing a bespoke trialist engagement process helps more customers convert to a full-price offer
- A compound metric can increase the newsroom's understanding of engagement and improve decisions on content
- Auto-selecting the 'remember me' button increases the proportion of logged-in registered users
- Introducing a non-compulsory second page during registration collects valuable demographic and socioeconomic data for targeted engagement and conversion tactics

The tests showed that:

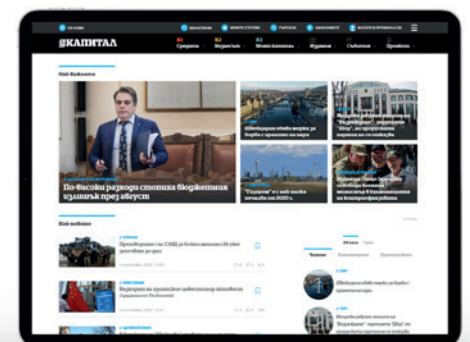
- The best tool to reduce trialist churn and improve RFV is a daily 'Top 3' stories newsletter
- Quality Reads is a reliable engagement metric and is relevant to the newsroom
- An auto-selected 'remember me' button improves the proportion of logged-in registrants
- A second registration page collects more first-party data, pending improvements for even better results

Programme impact

The programme empowered Capital to embrace testing and learn more about the complex discipline of measuring engagement. The North Star framework enabled Capital's team to work on discrete strategic projects across departments, while keeping sight of the bigger picture. As a result, the team manages its projects better and empowers its talent to make data-informed decisions. Crucial tools to achieve these results are the North Star Management Tool and a new governance structure.

The experience surpassed our expectations, not just in acquiring knowledge but in the profound impact on our organisational ethos. Every lesson felt like a revelation, every strategy a game-changer. We learned to harness the power of data and innovation in sync, and it was truly exhilarating to see our team rise with renewed vigour, underpinned by tangible business results."

MARIA TOYCHEVA,
DIRECTOR OF DIGITAL BUSINESS





Context

SME.sk is a Slovak online news platform established in 1993. It gained recognition for its investigative and independent journalism during domestic political and social change.

Back in 2011, SME was one of the first Slovak publishers to introduce digital subscriptions. Its growth has been spurred by its regional newsrooms, offering a unique 'national news in a local market' perspective.

SME developed a memorable North Star goal during the Subscription Academy to be the #1 source of high quality news in Slovakia, sustained by €4 million annual revenue from digital subscribers by 2028.

Experiments

The Subscriptions Academy team tested whether:

- Varying the placement of the barrier impacts subs and ad sales, as well as engagement with specific articles
- A '12-week Premium w/o ads' campaign at €12 leads to growth in subscriptions
- Varying the paywall design and placement can lead to more Premium subscriptions

The tests showed that:

- The article lock at 50% (variant) as opposed to 30% (control) had a positive effect on total revenue
- Discounting improves conversions enough that it outweighs the impact on revenue per user
- Showing the monthly Premium offer at the paywall led to more click throughs and conversions

Programme impact

Subscriptions Academy helped SME articulate their goals and emphasised the benefits of working as a cross-functional team. The North Star framework changed the way SME thinks about its future. Each project has a purpose within the plan, making the organisation more efficient.

An example of a 'quick win' is the smoother login for Google users. This resulted in 25% more registered users in a few days. SME are now able to track the behaviour of registered users and offer them more relevant content, leading to greater conversions in the long-term.

This program played a pivotal role in shaping our subscription journey. Thanks to this program, we are now equipped with the necessary tools to thrive in the increasingly competitive landscape of digital subscriptions. It's a must-have for any publishing house aiming to elevate their digital subscriptions.

PETER NAGY,
CHIEF MARKETING OFFICER





Context

Hannoversche Allgemeine Zeitung was founded in 1851, serving Hannover and its surrounding regions. Its readership is the local community who feel a strong connection to the brand.

Today, HAZ digital is a part of the daily routine of subscribers, adapting its content to different regions. This is enabled by a unique structure: one editorial team per region in the MADSACK Mediengruppe.

As a part of the programme, HAZ developed a North Star goal to *become part of the daily routine of 30,000 paying Plus (subscription plan) subscribers by 2026*.

Experiments

The Subscriptions Academy team tested whether:

- Making content easier to access increases the amount of registered users without subscriptions
- Replacing the newsletters' paywall with a registration wall increases newsletter sign-ups

The tests showed that:

- Showing a registration wall instead of a paywall to social visitors reduces the bounce rate and increases registrations
- A newsletter registration wall instead of a paywall can gain additional registrations. Targeting non-subscribers and improving the offer messaging can be a next step for this test

Programme impact

The Academy introduced interdisciplinary teams that develop hypotheses, run projects and track impact together. As a result, siloes were diminished and key stakeholder collaboration improved.

The business started collecting first-party data for engagement and conversion tactics. Namely, registration became a part of the HAZ customer journey, reducing the bounce rate and improving the likelihood of registrants becoming future subscribers.

Finally, the newsroom understood its effect on subscription sales and digital revenue due to a change in focus from volume metrics (e.g. page views) to engagement ones (e.g. quality visits).

Participation in the program was inspiring for us and opened up various new possibilities with which we could transform our market cultivation with regard to better target achievement. The development of a North Star framework has given us good insights into this kind of approach and we are sure that we want to continue working in this way in the future. The support from FT Strategies was perfect, challenging and a lot of fun.

TAJNA BERTRAM,
HEAD OF B2C DIGITAL MARKETING





Context

Founded in 1985, the Mail & Guardian is a quality investigative and comment news publication, based on a culture of editorial independence and excellence. It became the first news organisation in South Africa to launch a website in 1994 and now serves 1 million unique visitors a month.

As a part of the programme, Mail & Guardian developed a North Star goal to *reach 10k paying subscribers by the end of 2024 while remaining a trusted and democratically aligned publication.*

Experiments

The Subscriptions Academy team tested whether:

- A registration wall increases the number of registrants and improves the brand's first-party data
- AI assistance improves SEO tagging and headlines

The tests showed that:

- Users are willing to give up their data in exchange for paid content. Further on-site analysis revealed opportunities to improve the UX
- There is a positive correlation between the number of SEO tags and search traffic

Programme impact

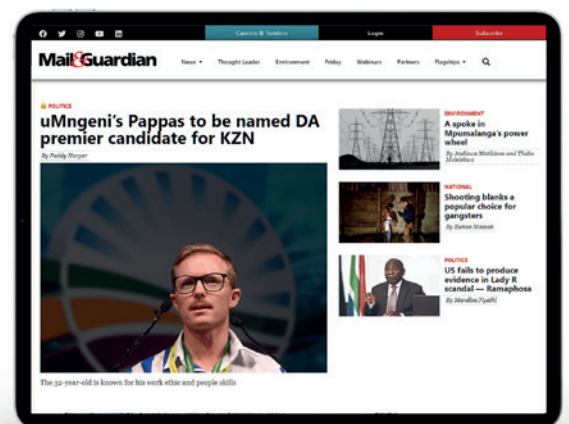
Through the Academy's North Star framework, the Mail & Guardian team were able to design a strategic path to sustainability. This was made possible by the improved collaboration and increased buy-in between commercial and editorial teams.

Mail & Guardian embraced the Test & Learn mindset, reaping the benefits of a structured approach to designing, running and evaluating tests.

Furthermore, the publication is collecting first-party data for improved engagement and conversion tactics. Registration is now part of the Mail & Guardian's journey and can improve the relationship between business and users, leading to greater conversions in the long term.

The FT Subscription Strategies programme has accelerated the Mail & Guardian's move to a reader revenue model. It showed us where we were, helped us carve out a scary but achievable goal, provided tools to get us there, and hammered in the importance of organisational communication and buy-in to get to our north star. The team feels great about our progress and is excited for the journey ahead.

SCOTT PETER SMITH,
CHIEF DIGITAL OFFICER





Context

BusinessLIVE is a national publication in South Africa, published by Arena Holdings, focused on business and politics news and analyses. Although BusinessLIVE launched a digital subscriptions offering in 2016, the first of Arena Holdings' titles to launch a paywall, since then reader revenue has not been focal point and growth has stagnated.

Experiments

The Subscriptions Academy team tested whether:

- A clear call to action message increases the number of registrants who will share their data
- Interviews or surveys increase the depth of data that registrants will share

The tests showed that:

- When BusinessLIVE should collect first-party data
- How to optimise data infrastructure to improve the use of data internally and for future experiments

The team will use these insights to improve the registration process for both data collection and user experience to improve audience profiling.

Programme impact

Remarkable results were reached with the initiatives, recording a 14% increase in subscribers over the 5 months of the Subscriptions Academy.

BusinessLIVE undertook numerous new initiatives, ranging from content and product improvements to organisational changes. Examples include improving the UI/UX of platforms, collaboration between Data and Editorial teams and the development of a governance structure focused on reaching the North Star subscriptions goal.

Our teams are now working in more collaborative environments. It felt tough. And then inspiring. The fact that we are now integrating workflows and teams has been enabled by being part of this programme. It has more than exceeded our expectations. It has changed how we do business. We have started experiments - something we have never done before. We are talking to our readers - something we have hardly done before.

JESSICA LEVITT,
AUDIENCE LEAD





Context

The Local, founded in 2004 as a digital native publication, runs news websites in nine European countries targeting internationals living abroad. After a period of growth following the launch of a subscription model in 2018, The Local has been seeing acquisition rates slow and churn rates increase, mirroring industry trends.

In this programme, their focus was the German edition, aiming to expand their subscriber base to underpin a strategic shift towards growing and retaining reader revenues.

Experiments

The Subscriptions Academy team tested whether:

- Registrants could be increased if those who were unlikely to subscribe were presented with a registration wall instead of a paywall
- Engagement would be increased through the same tactic

The tests showed that:

- Users who were given the option to register for content did so - increasing first-party data and engagement from users who may otherwise have left the platform
- Many of those users also went on to subscribe

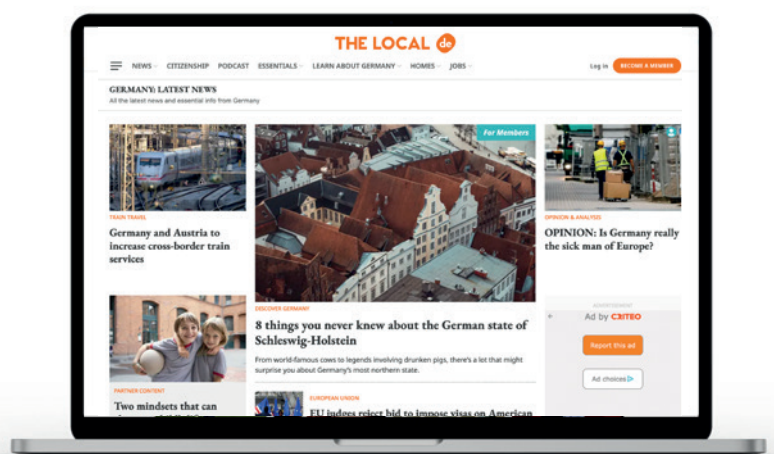
The team will continue monitoring the engagement and conversions of these registrants while replicating learnings across other titles.

Programme impact

As a result of the programme, The Local's leadership team set subscriptions targets and started implementing initiatives to achieve them. The experiment resulted in 1,500+ new registrants over the 4 weeks of the experiment.

The Subscriptions Academy was a fantastic learning experience for The Local's small but nimble team. It was invaluable to have external experts evaluate our subscriptions business and identify opportunities for improvement. But perhaps the most useful part was the tools that the team at FT Strategies gave us to develop our business after the program; the North Star framework has given us a basis to plan for sustainable subscriptions growth well into the future.

NICHOLAS RABBIDGE,
HEAD OF PRODUCT AND MARKETING





The programme showed us what i's ecosystem could be, and the cultural rigour and process needed to achieve our long term goals. At times, the hill to climb seemed daunting but broken down into smaller masterclasses made it easier to digest, giving us the confidence we'd get there, and more importantly, where to focus our efforts.

HARRY FAWKES,
HEAD OF DIGITAL SUBSCRIPTIONS

Context

i, a daily and weekend paper, website and app, provides an essential briefing to its audience in the United Kingdom.

The team launched a digital subscription offering in 2022 and in the past year has built capabilities around audience understanding and experiments. The team's goal during the Academy was to develop tactics to further accelerate i's growth.

Experiments

The Subscriptions Academy team tested whether:

- A Quality Reads metric would increase the organisation's understanding of engagement drivers
- A homepage subscription offer pop-up would get more click-throughs than a static banner

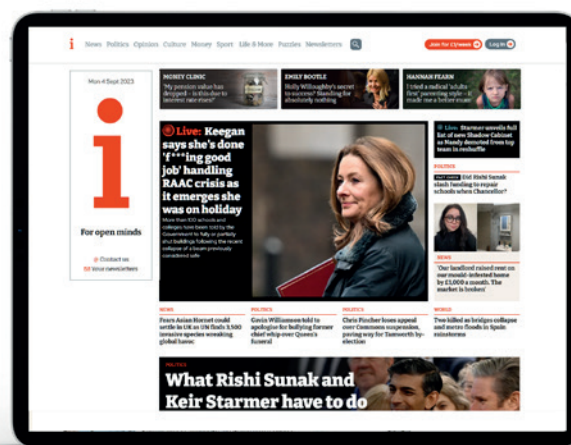
The tests showed that:

- The Quality Reads metric was a reliable indicator of content-related engagement drivers
- There are other pages and user segments that it would be effective for the team to focus conversion tactics on

Programme impact

i adopted the North Star methodology to establish a path towards an ambitious subscription goal. The team also implemented a bespoke governance structure to ensure the whole organisation is aligned with the goal and making progress towards it.

Developing a Quality Reads metric also means the i team has a strong foundation on which to develop and test further engagement-driving tactics, to accelerate their growth.



CONCLUSION

In this report, we have demonstrated that knowing your audience is critical to publishers building a sustainable subscriptions model. We have shown why prioritising the collection and use of first-party data should be a component of all publishers' strategies, including some examples of how to do it in practice.

We have also shared a number of case studies from the Subscriptions Academy participants which provide inspirational examples to the rest of the industry.

Many publishers continue to face significant challenges with respect to the collection and use of audience data. However, it is clear that the industry is starting to invest in understanding their readers, and is translating that knowledge into commercial success.

We are hopeful that others can follow in the footsteps of our Subscriptions Academy cohort – creating more valuable products for their readers and establishing sustainable business models – which enable the creation of quality, independent journalism for years to come.

Growing audience understanding

We're delighted to announce that the Subscriptions Academy will run again in 2024, thanks to Google's support.

Register your interest by filling out this short form on the FT Strategies website and someone will get in touch with you to share more information and discuss your suitability.

ACKNOWLEDGEMENTS

FT STRATEGIES

FT Strategies

FT Strategies is a boutique consulting firm within the Financial Times. Staffed by the experts who successfully transformed the FT's business model in the face of disruption, FT Strategies works with organisations looking to innovate using data, helping build sustainable digital businesses. Find out more at ftstrategies.com.

The Financial Times

The Financial Times is one of the world's leading business news organisations, recognised internationally for its authority, integrity and accuracy. The FT has a record paying readership of more than 1.2 million, three-quarters of which are digital subscriptions. It is part of Nikkei Inc., which provides a broad range of information, news and services for the global business community.

Google News Initiative

The Google News Initiative (GNI)

The Google News Initiative represents Google's largest-ever effort to help journalism thrive in the digital age. Through its partnerships, programs and products, the Google News Initiative works with thousands of organisations worldwide to support quality independent journalism, financial sustainability, and development of new technologies that drive innovation.

Google allocated \$300 million over three years to energise these collaborations, and to lay the foundation for new products and programs for a diverse set of news publishers, to benefit the entire ecosystem. This includes supporting thought leadership on topics like consumer revenue, advertising and data that are critical to the future of the news industry.

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