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ORGANISING FOR SUBSCRIPTIONS GROWTH

Report on the Google News Initiative Subscriptions Academy Europe 2022

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EXECUTIVE SUMMARY

The Subscriptions Academy Europe helps news publishers accelerate their reader revenue streams.

The programme is a collaborative effort by the Google News Initiative (GNI), the International News Media Association (INMA) and FT Strategies, taking eight news publishers on an eight-month journey through three phases.

These phases are: Discovery to diagnose strengths and weaknesses in the existing subscription model, North Star to build a subscriptions-focused strategy, and the Test & Learn phase to develop the experimental mindset and culture of ongoing improvement in the capabilities required to be a leading subscriptions-focused digital news publisher.

The overarching methodology FT Strategies teaches during the programme is the North Star Framework. This is the methodology used by the Financial Times to reach 1 million subscribers in 2019, a year ahead of schedule, and to grow to over 1.2 million subscribers since. The framework comprises an ambitious goal, outcomes critical to success, hypotheses to achieve these, and experiments to prove or disprove the hypotheses.

The overall methodology is explained in the first Subscriptions Academy report, 2020's **Towards your North Star**. Last year's report, **The Art and Science of Experimentation for Growth**, outlined our approach to testing hypotheses. The North Star framework is supported by a solid governance structure, which is the focus of this report on the third edition of the programme.

Wherever on the subscriptions journey a publisher is, achieving growth requires an efficient operating model to overcome a number of roadblocks

Publishers who commit to transforming their business, and who embrace subscriptions as the primary focus for their strategy, face a number of common roadblocks to success. These include, building alignment and breaking down historical silos, becoming reader-centric, developing an experimental culture, and overcoming deficiencies in tools & capabilities.

To overcome these common roadblocks, publishers should focus on four key principles that underpin an organisation's ability to organise effectively around a North Star goal, or any other strategic framework to help them achieve subscriptions growth.

There are **four areas** you need to be good in to get organised and achieve growth in subscriptions



Aligning around these principles will help programme participants to achieve longer-term success alongside the immediate benefits of the Subs Academy programme.

FT Strategies helped each of the publications participating in this year's Subscriptions Academy to build the governance structures and processes to support the culture necessary to achieve subscriptions growth. Publishers also identified ways to grow their reader revenues, and began to experiment in these areas, using the design and implementation methodology taught during the programme.

These techniques will help publishers achieve the growth that is necessary to achieve their ambitious subscriptions goal, in the context of a low-growth advertising environment, that will ensure the future sustainability of quality independent journalism.

Subscriptions Academy Europe is a joint venture between:

Google News Initiative

FT STRATEGIES

inma
International News Media Association

INTRODUCTION

The news landscape has experienced unprecedented change over the past two years, making the second edition of Subscriptions Academy Europe, and the approaches it teaches, more relevant than ever to its participating publishers.

Why Subscriptions Academy?

Reader revenue continues to be an indispensable strategy for news organisations to ensure that their journalism and brands will continue to thrive amongst new audiences in the digital age and also to guarantee their future business sustainability.

COVID-19 showed that quality journalism remains vital to our society and the public interest, while the emerging cost of living crisis and the ongoing war in Ukraine have continued to emphasise the impact of independent and impartial news reporting. The digital-only news subscriptions market grew 37% from Q1 2021 to Q2 2022.¹

Furthermore, extreme increases in paper prices are causing news companies to re-evaluate their print operations, increasing the importance of digital subscriptions as a main driver of reader revenue.

However, making the journey towards a secure digital subscription revenue stream is no simple task and publishers of all sizes across Europe, and globally, operate under risk as they implement new strategies.

- Across the world, we see declines in engagement: news websites' market penetration has almost halved since the pandemic peak, from a 4.1x multiple of users to in-market households in Q2 2020 to 2.3x in Q2 2022, and 38% of news consumers say in 2022 that they actively avoid the news, compared to 29% in 2017.
- A spike in subscription cancellations combined with traffic declines might slow growth: monthly digital-only churn increased by 34% in Q2 2022 compared to Q1 2021.
- Consumer purchasing behaviours are changing: for example, 74% of consumers are 'trading down', including delaying purchases and switching to lower-priced brands.

Subscriptions Academy helps publishers meet these challenges and build sustainable digital revenue streams, not only by focusing on the fundamentals of the reader lifecycle, from traffic acquisition to subscriber retention, but also by building a reader-first strategy and a unified, collaborative culture. This will ensure that a publisher's entire organisation is travelling along its North Star journey as one.

DZIENNIK
GAZETA PRAWNA
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OBSERVADOR

JutarnjiLIST

Hamburger  Abendblatt

THE IRISH TIMES

Handelszeitung

la Repubblica

DER SPIEGEL

About the GNI Subscriptions Academy Europe 2022

The eight-month programme is a collaborative effort by the Google News Initiative (GNI), the International News Media Association (INMA) and FT Strategies.

The Subscriptions Academy Europe 2022 comprised eight publishers of varying sizes, countries, and audiences, drawn from the incredibly diverse print and digital news organisations across the continent.

This report focuses on the capabilities that publishers need to embed a North Star methodology in their organisation, and the practical activities that they can undertake to do so.

To learn more, please refer to:

- FT Strategies' report on last year's first edition of the European Academy, [Towards your North Star](#) and [The Art and Science of Experimentation for Growth](#).
- INMA's reports on engaging audiences with relevant content and experiences: [A Personalisation Primer for Media Companies](#), and [What Gen Z + Media Need From Each Other](#)
- The further resources and exercises in the global [GNI Reader Revenue Playbook](#).



PART ONE

Building an effective subscriptions-focused organisation

Defining and agreeing a North Star framework is just the first step on the road to success in subscriptions; publishers must also have the capabilities to meet their ambitious goals, harnessing the power of their entire organisation.

IDENTIFYING ROADBLOCKS

News publishers who commit to transforming their business, and who embrace subscriptions as the primary focus for their strategy, face a number of common roadblocks to success. These roadblocks to building a North Star or other strategic implementation framework have a common feature: they all in that they all involve changing the internal mindset of the organisation.

Whether using a North Star framework, or another implementation methodology, publishers who develop a strong governance structure will stand a much better chance of achieving subscriptions growth by overcoming these four roadblocks.

Building alignment and breaking down historical silos

A profitable subscriptions model is a demanding goal that requires focus and resource from the entire organisation. To compete in a crowded subscriptions field, products must be fully optimised to subscriber wants and needs, meaning that the entire content strategy must be aligned with the subscriptions objective.

Many publishers are still at the early stages of building that alignment from all departments, from the newsroom as the vehicle of that core offering, via marketing and product teams, to finance and HR. Some newsrooms, for instance, are still focused on chasing volume, having not shifted to the value-driven approach necessary to grow subscriptions.

Being reader-centric

Many news organisations *think* they are reader centric, but this often proves not to be the case. In fact, many remain product-centric: dealing in audience averages and not using the right metrics. The challenge is measuring and driving reader engagement, and taking a properly segmented view of audiences.

When publishers cannot isolate growth audience segments (i.e. readers who are engaged and likely to convert) from fly-by traffic, they cannot effectively measure the impact of their actions, leading to poor subsequent decision-making and a reduced likelihood of achieving their ambitious goals.

Developing an experimental mindset

Publishers often test a lot of their activity, but a high volume of testing does not necessarily mean that a culture of experimentation is present. Often, testing programmes suffer from a lack of prioritisation, proper iteration, and buy-in from all parts of the business.

One of the most common mistakes is to start an experiment without a clear and evidence-based understanding of the problem that needs to be solved. Defining the problem correctly in the first place is just as important as designing a robust and rigorous experimental set-up. An experiment should also systematically result in shared learnings across the entire organisation.

Deficiencies in tools & capabilities

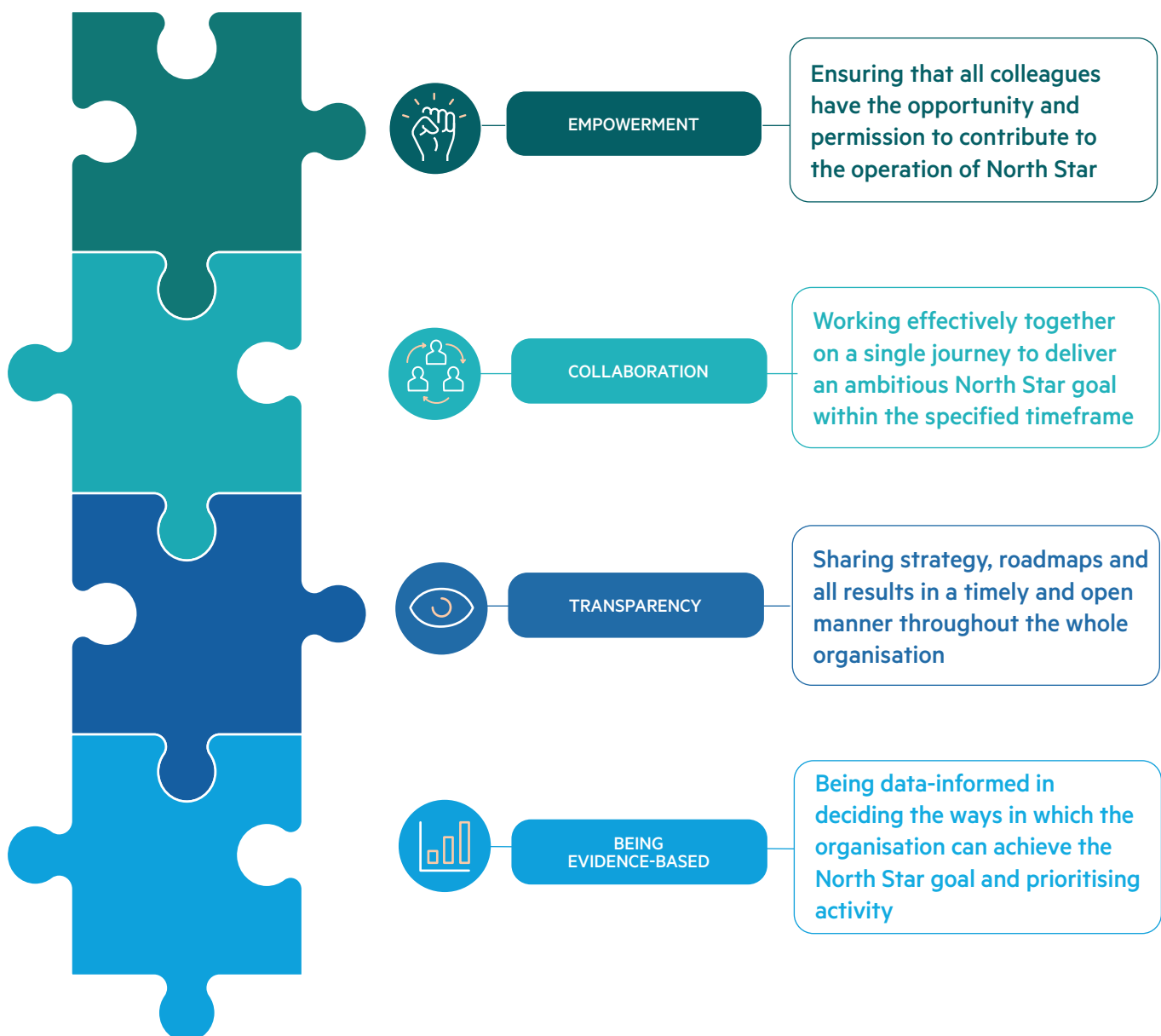
Analysing performance and optimising metrics across the customer lifecycle requires data systems and capabilities. Often, however, publishers do not have robust structures in place to store and analyse subscriber and reader behaviour data, such as central data lakes and data analysis platforms.

Data silos, accentuated by the coexistence of legacy, proprietary and 3rd party platforms, stand in the way of a unified view of readers. Due to a lack of native testing capabilities within most critical platforms (CMS, paywall), poor connectivity between systems and little experimentation routine in place, most publishers are not able to run tests without significant effort.



ORGANISATION PRINCIPLES

To overcome these common roadblocks, publishers should focus on four key principles that underpin an organisation's ability to organise effectively around a North Star goal, or any strategic framework to help them achieve subscriptions growth.





Empowerment

One important feature of organising for growth is that new processes and structures devised by publishers should not load more administration and resource pressure onto colleagues. Staff at news organisations, and indeed all businesses, already have enough meetings and committees to deal with, so organising for growth should focus on preserving what already works well and improving what doesn't.

Nor is organising for growth about providing additional targets on top of those that already exist in a business. Having more targets and KPIs can often cause more confusion among staff, rather than providing clarity.

It is important to deal with these questions at the point at which a North Star or another strategic framework is adopted, so that there is a clear structure and mandate to operate in a new or improved way.

In any change such as this, leadership has a vital role to play; all staff must feel that they have the permission and encouragement to embrace the new strategy fully.

Whether it is North Star or a similar way of working, the new approach must be the primary structure in place. In implementing such a structure, an organisation's leadership must be the primary agent of change. Leadership must be visible and show its sponsorship and championing qualities.





Collaboration

In news publishing businesses there are often some natural barriers to collaboration built into the fabric of the organisation. For example, departments often work in their own silos to some extent, be that the newsrooms, tech departments, display advertising teams, or newer subscriptions functions. This is a natural occurrence in complex organisations operating in a fast-developing market.

In the news industry, these silos are exacerbated by the historical and deliberate separation of “church and state” - the division between any commercial operations and editorial - which makes alignment in many publishers that much harder.

However, to go on a journey towards a subscriptions-based North Star goal, teams must work together in tandem, and prioritise collaborative practices to accelerate towards their ambitious targets.

Publishers have found ways to do this already, by putting different teams on the same committees and in the same meetings together, but there is still room for improvement. Collaboration is about building a deeper culture in which collaborative practices can thrive, rather than focusing on the physical aspects of teams working together.

There are many ways to do this, some of which we explain below, however a common thread is that they focus on the sharing of ideas rather than merely facilitating administrative tasks. This helps facilitate understanding and collaboration across teams.



Transparency

Any new strategic framework that a publisher adopts should seek to promote faster learning and more impactful short-term results. The hypothesis prioritisation and experimentation methodology that forms an integral part of the North Star framework, as we explained in our report on the Subscriptions Academy last year, is a prime example.

A culture of learning and failing fast is important as businesses learn more from failures than from successes. The insights from all experiments should be shared as widely as possible throughout an organisation to ensure that all parts of the business share a common knowledge base. This will help all colleagues to develop more ideas, and better ones.

However, transparency goes beyond the provision of results, encouraging a willingness to engage with them, and using the insights to refine day-to-day activities. Leadership should also be open about strategy: what is new, how it is progressing, and how it will develop. Change is a challenging prospect for all businesses, and transparency facilitates the introduction of new ways of working.



Being evidence-based

Communicating results to ensure transparency is an important step, but data and insights have a much broader role to play in a strategy framework; they must also fuel decision-making on an ongoing basis.

Being customer-centric and identifying the best and most useful data is more important than identifying a great volume of data. It should be a priority to define clear KPIs for each department that will help to drive a change in behaviour.

These data can be used by central strategy teams to prioritise potential initiatives on a like-for-like assessment basis, helping teams to understand why hypotheses are being tested in the order they are. This in turn enables all colleagues to have better ideas for growth, building on the hypotheses the business is already testing.

When looking to adhere to these four principles, it is important to remember that this should involve the entire organisation. Leadership teams must create the environment for all of these to happen, but it is incumbent on all staff to contribute.

The main benefit of the North Star strategic framework is that it cascades in a practical and executable way to all staff at all levels, and is a proven accelerator for subscriptions growth. If all staff in a business can map their day-to-day activities to a single goal on a common journey, the businesses will be in the best position possible.



PRACTICAL INITIATIVES

Talking about the four principles of organising for growth in general terms at a senior level in a business is a good first step towards success, but there are practical steps to take to ensure widespread adoption.

With over 15 years of experience of building a subscriptions business at the Financial Times, and with FT Strategies having worked with hundreds of publishers, there are many ready examples of concrete initiatives that publishers can implement to become better organised.



Empowerment

Recruit a network of North Star champions to socialise the methodology

All parts of an organisation must live the new strategic direction a business takes. At the same time, it is human nature to fear change and rally against it - especially when this will threaten or disrupt established practices.

Recognising different cultures within an organisation and putting socialisation methodology in the hands of the wider workforce is a good way to overcome this.

We have seen many publishers establish a **network of 'champions'** for a new strategy, spanning all departments, using them to explain the new methodology and provide a feedback mechanism for adaption to best suit the organisation.

Create dedicated resource to implement the North Star framework

It is essential to ensure a new strategic framework is adopted widely by an entire organisation, but there must be a central point of responsibility for delivery. Typically, when an initiative is 'everyone's responsibility', in practice this means that it ends up being 'no one's responsibility': a common failing in collaborative or matrix structures.

The role of a centralised function is two-fold: to focus on the mechanics of delivering the framework and to provide accountability for measurable success. Crucially, time must be set aside for this function as a formal part of job roles.

Publishers should appoint a **North Star leader** to head this group, and could even require a new hire or skillset to do so.

Ensure that leadership plays an active and visible role in embedding the North Star

Ultimate responsibility for ensuring that a new strategic framework is adopted widely by an entire organisation is that of the leadership team. It is their task to create a culture such that staff feel that they have not only the permission to engage with the new strategy, but also the excitement and willingness to do so.

It is through strong leadership that North Star does not become just another layer of administration in the business.

The team responsible for initiating the new strategy should run an **intensive education programme for the board** to ensure that all leaders are clear on the vision. In turn, the board should advocate the new strategic vision regularly to the entire business.

How the FT enables cross-departmental empowerment?

*Jon Slade, Chief Commercial Officer,
Financial Times*

We launched our cross-departmental approach to subscriptions investment and growth at the FT in 2019, so we're now at the end of year four. Originally we called it 'missions', and now we call it our 'pillar' structure. In 2018 we ran a deep piece of research across all teams, from senior to junior colleagues, and scored ourselves out of 100 across 10 key subscription disciplines to see how far we could call ourselves a 'digital subscription business'.

We scored well, but the comment that came up the most in terms of what was getting in the way of the highest scores, was alignment and cross-departmental prioritisation. We decided we needed to address this head-on, so we built a 'mission' structure.

The missions we selected represented the core dimensions, or disciplines, of our subscription business: acquisition and onboarding; engagement and retention; and underlying technology capabilities. If we boiled it all down, that's broadly what our subs business does.

We quickly found that the needs of Editorial weren't sufficiently represented in those missions, so we added Editorial Tools and Storytelling as a fourth dimension. More than anything, this approach has delivered alignment as the main benefit. We now find it easier to allocate investment, decide on priorities, and conclude on outcomes and metrics of success. In turn that reduces tensions and meeting times. In short, we move faster.

To publishers looking to address similar challenges with an analogous structure, I would say "don't hesitate". Without such an approach, your skills silos get deeper and deeper, and it gets even harder to collaborate!

Be open with one another about the need for doing it, and ask all staff to contribute to an initial piece of work to identify how to work more collaboratively, or indeed what the problems might be that work against alignment. Start small - try a few product-specific missions, like around audio, for example. Learn what works and what doesn't, then build up over time.

This approach has delivered alignment as the main benefit. We now find it easier to allocate investment, decide on priorities, and conclude on outcomes and metrics of success. In turn that reduces tensions and meeting times. In short, we move faster.



Collaboration

Ensure that all departments are able and willing to ideate and launch initiatives

Publishers already appreciate the value of collaboration, but in practice this is often limited to meetings where all departments are represented, but in which cross-functional collaboration is not realised fully.

North Star offers the opportunity to work towards common goals and the shared tasks to do so, but this must be reflected in the structures that are built to support the strategy.

Publishers should, without question, ensure that all departments are represented on working groups, but a good way to encourage full participation is to appoint a head of each group and to **rotate the chairmanship** around each department in turn.

Centralise your roadmap planning processes to ensure consistency of delivery

Sharing ideas is a core tenet of collaboration, but departments must also be able to support each other in delivering the various initiatives in the strategic plan.

Often, when implementing a new strategy, experiments and other new ways of working fail because not all stakeholders are consulted in good time, leading to misalignment. This can also happen when the annual plans of each different department are created in isolation.

Publishers should use the North Star framework as an opportunity to plan all activity using a **single centralised roadmap** of key activity using the risk / impact prioritisation methodology. This will ensure the timely delivery of experiments and also be able to accommodate short term tactical initiatives..

Create ways for all colleagues to contribute the best ideas for growth

Collaboration and empowerment are built at the leadership level in an organisation and cascade down to other levels, but it is vital that the best ideas are also allowed to percolate upwards from the staff to the top of the leadership pyramid.

Colleagues working on experiment projects on a daily basis are likely to be the best source of innovative ideas thanks to their close engagement at a practical level. These ideas should be passed upwards and assessed as part of the ongoing action plan.

Publishers should find ways to promote collaboration through the active sharing of ideas at an operational level, for example using **problem-solving working forums and hackathons**.

How to get diverse departments to collaborate better?

*Ross Wilmot, Head of Consumer Marketing,
Independent Digital News and Media Limited
(The Independent, Subs Academy 2020)*

After launching our North Star in 2020, we assembled a group consisting of influential members from key teams across the business and explained to them our North Star goal and the framework required to get us there. Breaking the goal down into its individual components (sub goals, hypotheses, and experiments) really emphasised the collective responsibility and contribution that would be required to achieve our ultimate goal of reader revenue growth.

Initially, the various departments were generally enthusiastic because it gave us all something to aim for. Some were slower than others to commit fully but that was more due to other areas of focus. The key was to emphasise the benefits of focusing on engagement as it directly influences all aspects of the business and our daily work.

To overcome potential slow adoption of the methodology, we started to introduce more discussions around the KPIs we were trying to move. That helped them see the impact that our work was having on improving performance. We have also streamlined the working groups slightly to focus on the two key areas - acquisition and retention, with engagement being a key theme throughout.

We started out with a transformation group as well, but we found that there was a lot of crossover with the other groups. We also split discussions into short and long-term projects / experiments as some initiatives naturally roll over from quarter to quarter.

I'd advise other publishers to persevere and work to overcome roadblocks. It takes time to find a format that works so don't be afraid to communicate to the wider business that this is a constant work in progress and members of all groups have an opportunity to help shape it. Ultimately, you want these discussions to feel as productive and creative as possible.

It takes time to find a format that works so don't be afraid to communicate to the wider business that this is a constant work in progress.



Transparency

Openly talk about progress towards the North Star goal and management's commitment to the process

The prospect of change can be a daunting one for many working in an organisation that is adopting a new strategic focus. However, there are ways for senior leaders to create the environment required to embed a North Star methodology in an organisation swiftly and successfully.

The key to this is constant and open communication throughout the lifespan of the first iteration of an organisation's North Star. This begins with launching the new strategy in a way that shows all staff that they have the permission to fully embrace the new way of working.

Publishers should therefore consider a significant opening statement of intent when introducing the new strategy and its supporting structures. We have previously seen publishers achieve great impact with, for example, an **explanatory 'roadshow'** around different departments or publications, and writing an **internal 'manifesto'** to communicate the aims of the strategy.

Share and explain results, including both successes and opportunities to learn

After successfully launching a new strategy, continued efforts to embed it in an organisation rely on proving its effectiveness. Management teams must continue to teach the wider organisation about the methodology and communicate progress.

This does not rely solely on making information available, although this is an important first step. Colleagues must also be encouraged to participate in a 'self-service' approach to accessing and using insights.

Creating a North Star and results space on an intranet portal and telling data stories about experiment results in a **regular all-company newsletter** are useful ways for publishers to socialise the framework and its results.

Collect feedback actively from staff on the relevance and success of the North Star process

Knowing whether a new strategy is a success relies on effective feedback loops being established to monitor progress in all quarters of a business.

In the same way that a publisher should be reader-centric and develop approaches that meet the needs of its audience, the same publisher should listen to staff and adapt the framework to suit the best parts of an existing workplace culture.

Publishers should **survey staff regularly** on the ease of adoption of the new strategy and report the results back to the business in an open way.

Using data to promote transparency in an organisation.

Hannah Sarney, Head of Audience Engagement, Financial Times

Try to make the data as accessible as possible, but always put the numbers in context.

Every week for the past six years, we have sent an email to all staff with the subject line What did well and was interesting this week. It provides key KPIs and tells data stories. We are fortunate to have access to a lot of data and, in turn, insights and the email is a useful and time-effective way to share the highlights with large groups of people.

It allows us to own the data narrative, as much as possible and, in turn, help to guide conversations about our audiences and engagement opportunities. It's pleasing to see the insights forming the basis of conversations around the company and it has also helped to raise the profile and understanding of our audience engagement team and its role in the business.

Other publishers who are looking to promote transparency through better sharing of data should bear two things in mind. Firstly, they should make sure that they communicate clear narratives, as conflicting insights quickly lead to mistrust. Secondly, they should try to make the data as accessible as possible, but always put the numbers in context. At the FT, for example, we always make sure the topic or desk-relevant benchmarks are attached to the key metrics for a story.

That means that you don't need to be staring at the numbers all day to tell whether the figures are good, bad or as expected, and whether you should consider acting on them.



Being evidence-based

Tie day-to-day business activities to desired outcomes

Reaching an ambitious goal by achieving key outcomes is at the core of the North Star methodology. However, progress towards these targets must be rooted in the reality of day-to-day operations.

Businesses rightly continue to work in departmental structures rather than aligning around outcomes, as the latter are more subject to change than the broad competencies and roles that define departments. Furthermore, outcomes typically span multiple departments and require close monitoring to ensure rapid progress.

Publishers should therefore consider using an **objectives and key results (OKR) framework** to tie team and individual activities to the delivery of key North Star outcomes.

Socialise key metrics to all departments

Demonstrating real progress to all colleagues is a vital part of ensuring wide adoption of a North Star methodology. There are key targets built into the goal and outcome layers, and experiment results are an important way to socialise the framework in the first instance.

Publishers can use techniques already in place to convey content and audience insights to diverse departments. Taking advantage of existing communication routes will make the new strategy seem more familiar.

Using **dashboards** to communicate North Star KPIs to the wider business is an example of such a route that most publishers will already have in place.

Score hypotheses by risk and impact, involving many colleagues

In our experience, publishers are capable of generating a great number of ideas about how to grow their business. However, they often struggle to weigh different ideas against each other and prioritise them effectively.

All staff should be encouraged to come up with new ideas and hypotheses, but they also need to understand why some of their ideas will not be explored in the short term in order to cut out non-essentials and speed up growth. Their ideas need to be heard and recognised.

Publishers should adhere to the **risk and impact methodology of prioritising hypotheses**, and do this exercise in large cross-functional groups as far as possible to increase understanding of it across the wider organisation.

Implementing OKRs in a business.

Philip Ostrop, Head Of Product Development, Lensing Media (Ruhr Nachrichten, Subs Academy 2021)

We introduced OKRs and our North Star around the same time, but they had nothing to do with each other at first. OKRs were created as a 'guerrilla' move in the product team; they helped to focus the team, but of course there was a lot of friction with the rest of the organisation because different teams worked according to different methods. In addition, many felt that the OKRs had to be done in addition to the normal day-to-day business.

We then extended OKRs to more teams, and now the OKR movement is spilling over from the B2C part to the B2B part of our organisation. At the same time, our company's top management has introduced the North Star from a high-level view.

Now we have our North Star to finance our newsroom using digital subscriptions by 2025. We reverse engineer from this North Star. Our leadership team delivers annual objectives in five different areas: Customer, Product, Culture, Tech and Finance. Within these areas, the individual teams set up their OKRs quarterly, co-ordinating with each other.

The everyday OKR practice in the teams is then somewhat different. The product team, for example, uses the OKRs for the bi-weekly team meeting. The only topic is the progress of the key results and what we may have to do differently to be successful.

We find that maintaining this flexibility helps to embed OKRs within individual teams, recognising the way they work on a day-to-day basis. A mixture of rigorous adherence to the OKR processes with some spontaneity is key.

Thinking about our experience of implementing OKRs for the first time, I'd advise other publishers that a lot of communication is necessary. In the beginning, many teams saw the OKRs as additional to-dos to their day-to-day business. Of course, this is nonsense!

The OKRs should enable everyone to focus and say "no" to other topics if they do not feed into the OKRs. You have to overcome or break through this situation. Above all, be patient and stick at it; It must have taken us a year, four quarterly cycles, but it has been worth it in terms of helping us be evidence-based in our work.

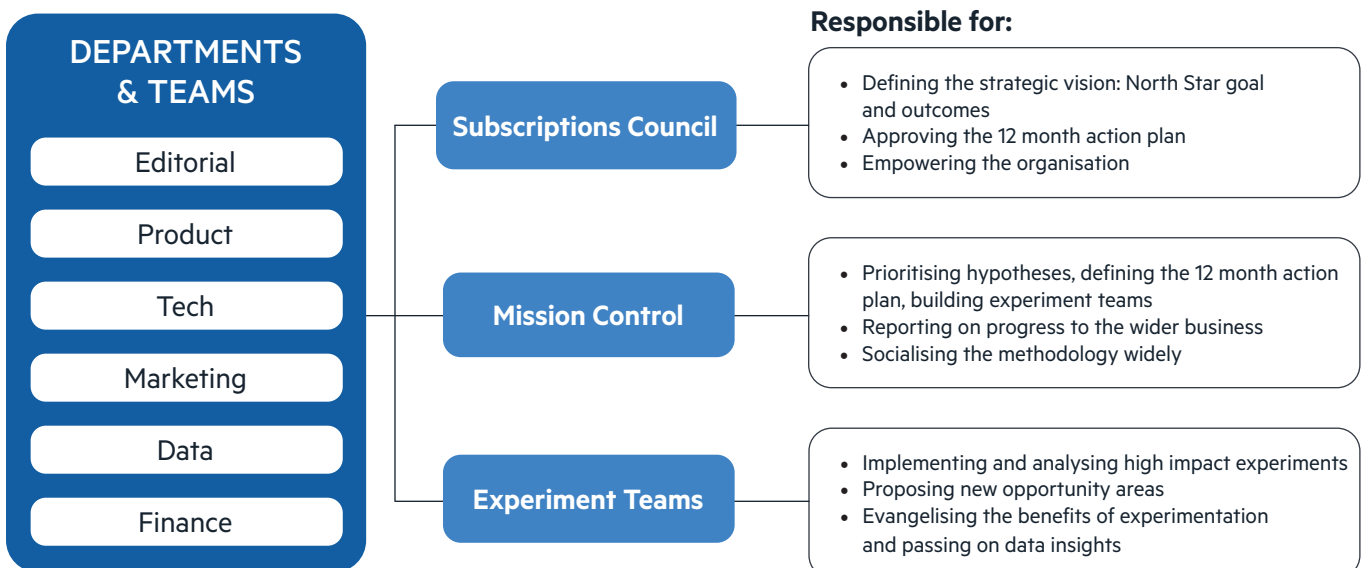
OKRs should enable everyone to focus and say "no" to other topics if they do not feed into the OKRs. You have to overcome or break through this situation.

CREATING A GOVERNANCE STRUCTURE

Adhering to the underlying principles of organising for subscriptions growth and having a series of practical initiatives to make these principles real are just the first steps in embedding a North Star framework. Appropriate structures are in place to promote the principles around the organisation and deliver the initiatives.

The publishers participating in the Subscriptions Academy Europe 2022 each developed their own structures to embed the North Star frameworks that they designed during the programme. These were created according to their own unique and specific challenges and needs, but generally drew inspiration from the governance structure that the Financial Times uses to deliver its own ambitious North Star goal.

The Financial Times model consists of three of three complementary layers, each with an important role in achieving good governance:



The Subscriptions Council

operates in parallel to the main board, looking exclusively at subscriptions within the Financial Times' diverse revenue mix. It is comprised of senior leaders drawn from all departments, for example the Editor, Chief Product and Information Officer, Chief Commercial Officer and others.

The role of this group is to set the tone in the business for North Star to thrive in the organisation. It does this by communicating the vision regularly, in all communications sent to the wider business and by ensuring that the appropriate resources are provided to the layers below.

It also sets annual progress on the key North Star outcomes and sets headline OKRs for each of these. The group meets quarterly and also performs a key advisory role to support the Mission Control group.

The Mission Control

group ensures that the day-to-day mechanics of the North Star framework operate in a smooth manner. Consisting of senior managers and other key stakeholders, for example the Director of Business Analysis, the Finance Director, and the Principal Engineer, its primary function is to manage the 12-month action plan and commission experiments to test the most impactful hypotheses that will drive Financial Times on to our ambitious goal.

This group is also responsible for the socialisation of the methodology, encouraging wide participation and ensuring that relevant information is provided to all departments. It also manages the reporting on progress and relays this performance data to the Subscriptions Council. Meeting weekly, this group is the heartbeat of our North Star framework.

Experiment teams

are built according to the requirements of the 12-month action plan, with analysts and other key participants taking part depending on the precise requirements of the hypothesis being tested. These groups are responsible for designing and running impactful experiments and ensuring that relevant insight is provided to feed into Mission Control's assessment of risk in each hypothesis.

This group also has a vital role as a source of new ideas. Working at the coal face of experiments means that experiment teams are best placed to identify new opportunities and pass these upwards. In a well functioning North Star governance structure empowerment flows from the top of the pyramid, but new ideas must also rise up to be incorporated into the future roadmap.

At all levels, it is vital that all departments are represented. This enables roadmaps to be planned in tandem and a diverse range of opinions taken into account.

PART TWO

Subscriptions Academy participant approaches

FT Strategies helped each of the publications participating in this year's Subscriptions Academy to build the governance structures and processes to support the culture necessary to achieve subscriptions growth.

Publishers also identified ways to grow their reader revenues, and began to experiment in these areas, using the design and implementation methodology taught during the programme.



ABOUT DZIENNIK GAZETA PRAWNA

Dziennik Gazeta Prawna is the largest legal and business daily newspaper and website providing information on the most important domestic and overseas events in Poland, as well as the latest changes in the areas of law, taxes and finance. The first paper edition of Dziennik Gazeta Prawna was published in 1994.

It launched its first dynamic paywall at the end of 2020. Its current challenges are to build a coherent product across print, website and e-paper, increasingly seeking to migrate readers from print to digital. To do this, ongoing projects include further development of the paywall strategy and developing new digital product propositions and a broader digital transformation programme.

EXPERIMENTS

Dziennik Gazeta Prawna has recently undertaken a number of significant tests to drive its ambitious growth programme:

- The ways of working collaboratively introduced during Subscriptions Academy have already made a difference. The core team has managed to connect key stakeholders who previously tended to work separately, and has built an interdisciplinary team that is focused on reader revenue.
- Furthermore, the newsroom now is beginning to understand that it can have an effect on subscription sales and headline digital revenue thanks to a new focus on engagement metrics, such as RFV, rather than volumetrics such as page views. A key element of this is the better communication of data across the organisation.

Learning to paddle together in the canoe, involving the newsroom, marketing, e-commerce, and advertising departments has really helped us to communicate better internally.

ARKADIUSZ WALUS, DIGITAL MARKETING MANAGER

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

The ways of working collaboratively introduced during Subscriptions Academy have already made a difference. The core team has managed to connect key stakeholders who previously tended to work separately, and has built an interdisciplinary team that is focused on reader revenue.

Furthermore, the newsroom now is beginning to understand that it can have an effect on subscription sales and headline digital revenue thanks to a new focus on engagement metrics, such as RFV, rather than volumetrics such as page views.

A key organisational element of this is the better communication of data across the organisation which also feeds into a joint roadmapping initiative across departments. This is a central feature of the new governance structure that the core team has pioneered.

Hamburger Abendblatt



**FUNKEMEDIEN
GRUPPE**

ABOUT HAMBURGER ABENDBLAT

Hamburger Abendblatt is a heritage brand that maintains a strong relationship with its core readers. As one of the strong drivers of growth in Funkemedien's stable of twelve brands, the publication finds itself in an ambitious transformation phase.

The main challenge Hamburger Abendblatt has set itself is to find new and younger (35- to 55-year old) readers to fuel its ambitious growth agenda. To do this, it will focus on its regional and local service, continuing to be a reliable source of high quality news for the citizens of Hamburg.

EXPERIMENTS

Hamburger Abendblatt identified internal change in the newsroom as one of the main factors of success in attracting a younger audience. To start to promote new ways of working in the newsroom, the core team focused on data democracy to change the existing mindset.

The team hypothesised that having an editorial KPI which is easier to understand for journalists would be a gateway to them embracing further KPIs later, and in turn to work in a more reader-centric way. The team has experimented by installing quality reads in newsroom dashboards and monitoring changes in attitude using feedback from newsroom focus groups, including a control set of journalists.

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

Subs Academy has brought together teams from various offices in Germany. In particular, the programme has helped to promote collaboration by breaking down historical silos and the core team now feels more confident that it can create a state-of-the-art product of which all departments are proud.

The Subs Academy programme has helped us to create a better roadmap to guide our activity over the next year and beyond. Crucially, it combines the opportunity to take advantage of important quick wins and, but also to tackle our more complicated challenges.

CORDULA SCHMITZ,
DEPUTY EDITOR-IN-CHIEF



Handelszeitung



ABOUT HANDELSZEITUNG

Handelszeitung has a 160 year legacy of profound business news coverage in Switzerland. It is currently in the transformation process from being a weekly newspaper into being a digital-first business news offering.

Its North Star goal is to be the leading business insights destination in Switzerland, reaching over 25,000 paying digital subscribers by 2027. It aims to achieve this by encouraging readers to adopt the habit of consuming more content, more often, by creating a unique value proposition and premium product experiences, and by increasing brand awareness and loyalty.

EXPERIMENTS

As part of the Subscriptions Academy, Handelszeitung ran an experiment focusing on registration, creating a value exchange of seven days free access in return. The hypothesis was that showing a registration wall instead of a paywall in premium articles to non-logged-in users in return for free access to premium content would increase the registered user base significantly.

The team also measured user engagement on site and any subsequent increase in subscription conversion rates thanks to increased consumption of premium content.

The results of the experiment were very promising:

- Onsite registration rates increased fourfold
- Conversion rates for the registration value exchange beat a previous test with a 4 week free trial offer

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

Handeszeitung has embraced the experimentation methodology and is seeing immediate results. It has created a product roadmap based on prioritised

hypotheses and now minimises risks by running smaller experiments before launching bigger projects with high costs and development efforts.

The team now sticks to a structured experiment design process and is working on promoting transparency by sharing experiment results and learnings across the organisation. It has also launched interdisciplinary, cross-functional project teams to tackle its major challenges and implemented OKRs within our organisation to structure and track our progress towards the North Star goal in a better way.

The many practical and inspiring examples of how the FT has achieved its success have helped us get clarity on the path ahead in terms of structuring for success.

**TILMAN STALLEICKEN,
STRATEGIC LEAD FOR PAID CONTENT**



ABOUT IRISH TIMES

The Irish Times has delivered top quality news, opinion and analysis since it was first published in 1859 and this endures to this day as it continues our transition from print to multiplatform publishing while upholding the journalistic principles which has earned the publication its reputation as Ireland's paper of record. It launched a successful digital subscriptions model in 2015 and has consistently sought to innovate and learn on its subscriptions journey.

Accelerating digital subscriptions growth is the key priority for the business and one it considers fundamental to our future revenue goals and our future as a quality news publisher. By attracting and retaining a larger volume of digital subscribers, it believes it can create a sustainable future and one that allows us to provide readers with a best-in-class news service.

EXPERIMENTS

The Irish Times prioritised two experiments as part of the Subscriptions Academy, both achieving positive results and providing insight for follow up tests in the near future.

The first tested the hypothesis that locking certain content behind the paywall after 24 hours would contribute to an increase in the number of conversions, allowing the Irish Times to get more 'bang for buck' from content which continued to attract engagement.

The experiment led to a notable increase in subscription sales relative to the baseline state, with just a slight reduction in pageviews due to the locking of content after 24 hours.

The experiment discovered that the curation of London-themed content drove both more pageviews and engagement from London readers than regular content. Additionally, it found that the paid promotion of London articles to London readers is more than twice as efficient from a marketing spend perspective as promoting non-London-themed articles.

The programme has helped us to develop our strategic focus and build a long term goal, while also giving us the methodology and tools to break the goal down in a manageable way.

CLIONA MOONEY, SUBSCRIPTIONS
AND READER INSIGHTS DIRECTOR

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

Subscriptions Academy has helped the Irish Times articulate their goals more clearly and has reiterated the benefits of working as a cross-functional team to work together on a common goal. A three-tier North Star governance structure is being developed which will oversee and implement experiments and subscriptions activity in future.

The team is developing a range of initiatives aimed at improving collaboration, starting with organising 'lunch and learn' sessions to communicate North Star and Subs Academy insights to the wider organisation.

JutarnjiLIST



ABOUT JUTARNJI LIST

Jutarnji list is a national daily newspaper launched in 1998, targeting ambitious readers who want to bring positive change to their lives and society. Its website is ranked second in Croatia by traffic, with digital advertising being a major contributor to the brand's revenue mix. In spring 2021 Jutarnji launched its freemium subscription offering reaching 2,000 digital-only subscribers after the first year, a quarter of the print subscription figure.

During the programme Jutarnji list developed a North Star goal of reaching 20,000 subscribers in 5 years by becoming the most respected newspaper in Croatia for quality objective journalism. The key focus for the future is to grow the audience base and their engagement with journalism informed by readers' needs.

Younger and female readers represent a significant share of the audience, but their engagement is significantly lower than that of the older male readership. Building on products that target those groups will help Jutarnji list create a stable readership base for the future and also help to improve the quality of its journalism.

EXPERIMENTS

Jutarnji list ran one major experiment during the Academy, testing the hypothesis that aligning app pricing with the regular subscription price, will increase app usage and drive more conversions.

In the first tranche of results, the pricing unification did not have a significant impact on page views but did improve retention and conversion rates, suggesting that unified pricing has benefits. This insight will inform follow-up experiments in this area.

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

Subscriptions Academy has helped Jutarnji list start to organise better for subscriptions growth. It has increasingly learned how to work in cross-departmental teams, helping teams to overcome the 'relay' model in which each department runs its own leg on the subscriptions journey.

The core team is now also more disciplined in launching initiatives, connecting business goals to precise steps required to achieve them. A team of colleagues from editorial, product and data has been formed in order to work on initiatives generated during the programme, for example educating newsrooms and senior management on the North Star methodology and providing access to key data.

During the programme, broader sections of our organisation have been confronted with the necessity to focus and prioritise. As conflicting priorities within the organisation are an obstacle to achieving results, this is an important step forward.

CLIONA MOONEY, SUBSCRIPTIONS
AND READER INSIGHTS DIRECTOR

OBSERVADOR



ABOUT OBSERVADOR

Based in Lisbon, Observador is a Portuguese digital-only newspaper founded in 2014. It developed a memorable North Star goal during the Subs Academy programme: the '1-25-50' goal for financial sustainability. This means being the number one Portuguese news group for innovation by in 2025, and to have 50,000 subscribers.

Observador's major focus to achieve this is developing a data-driven mindset throughout the company. It wants to make more informed decisions about everything it does, including new interactive forms of content, articles, and partnerships.

EXPERIMENTS

Observador ran two experiments involving different teams during the Subscriptions Academy programme. The first involved the tech, data and marketing teams, exploring the opportunity of sending personalised recommendations based on readers' consumption behaviour to reduce churn.

The second experiment involved the newsroom, data and marketing teams, to find out whether giving article engagement data to journalists would result in the production of higher quality articles. In both experiments, the results will take time to mature, but further experiments in other areas have been included in the roadmap for immediate testing.

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

Observador recognises that its future challenges relate to engagement, and how this concept relates to acquisition, conversion and retention. Measuring engagement is a complex discipline to instil in an organisation, but the programme has given Observador the confidence to do so through a better approach to testing, for example with new paywalls, pricing structures, user experience, and persona development.

The core team also recognises that it is important to develop a much closer relationship between all departments. As a result of the programme, Observador believes that it can manage its projects better and empower decision-making to take advantage of the great talent it has in the business.

The impact of the programme has been to give us the time we needed to sit down with different people from different departments and discuss topics, like engagement or the future of subscriptions, that always used to get delayed. It has shown us the importance of data and all the things we can do with the right knowledge.

CATARINA CABRITO,
DIGITAL MARKETING MANAGER

la Repubblica



ABOUT LA REPUBBLICA

Gedi is the leading online publisher in Italy with two national titles including La Repubblica, ten local newspapers and other media, totalling 9-million daily unique browsers. La Repubblica has shifted its strategy in recent years moving from focusing on traffic levels towards subscriptions.

This trend, common in many countries and for many publishers, means that the business has had to think in a new way about processes, content production and distribution, and the relationship with its audience. La Repubblica recognises that having a measurable target and a supporting strategy is a key driver of building a robust and sustainable relationship with readers based on the quality of its journalism.

EXPERIMENTS

During the Subscriptions Academy, La Repubblica focused on implementing a test-and-learn mindset by working on optimising the paywall. The team ran a series of combined tests aimed at measuring the different variables that affect a reader's purchase decision: length of trials, trial pricing, the wording of the call to action, and more.

The experiments yielded two major results. The first was about the actual content of the tests: La Repubblica now better understands the key factors it needs to have under control when building the paywall. The second one was more methodological; designing a set of experiments is the best way to build the knowledge necessary to develop and improve its practices.

Subs Academy has given us an opportunity to reflect on our goals, our tools, our skills, and overall on our digital operations. Being guided by the FT Strategies team has been an opportunity to highlight our strengths and our weaknesses and to assess what we need to reach our ambitious goals.

FILIPPO DAVANZO,
HEAD OF DIGITAL UNIT

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

La Repubblica is undergoing major transformation processes. Structuring this transformation by having a clear goal and a deep understanding of what is at stake, is a better way to navigate the future and is an important output of the programme.

The team recognises that it has important internal challenges to address. The most immediate and impactful initiative it is launching is to build a better way of sharing data and information among the various teams with a stake in La Repubblica's digital development. It understands that this is the only way to create a common purpose and a shared vision for its future.

DER SPIEGEL



SPIEGEL
Gruppe

ABOUT LA REPUBBLICA

Der Spiegel turned 75 years old in 2022, but admits that it was late to the subscription game, having started SPIEGEL+ in 2018. It currently generates €75m annual revenue from digital subscriptions, the largest of its income streams.

To continue its growth trajectory, Der Spiegel has an ambitious roadmap including plans to develop business-to-business subscriptions, improve its app proposition, incorporate more dynamic content and personalisation, and to focus on using engagement data in the newsroom.

EXPERIMENTS

During the Subscriptions Academy, Der Spiegel designed and launched two experiments, making progress towards different sub-outcomes in your North Star framework.

The first focused on removing distractions from the paywall and making the offer more obvious, aiming to increase checkout flow starts and conversions. The team undertook multivariate testing of four different paywall designs, identifying a winning option that generated significantly more paywall click throughs than before.

The second experiment explored the impact of adding an annual offer to the paywall on conversions, hypothesising that as Der Spiegel is a strong, legacy brand with a large recurring readership base, many readers may already be willing to commit to an annual offer if given the opportunity.

Results have been promising, resulting in some planned follow-up experiments to refine the approach.

The programme has helped us to shift from an output focus to an outcome focus within the company. A better approach to experiments and working in an agile way will help us to speed up our product development.

VALENTIN ESPAGNÉ,
SENIOR MANAGER TESTING & GROWTH

ORGANISATIONAL CHANGE AND PROGRAMME IMPACT

The Subscriptions Academy programme has helped bring clarity to Der Spiegel's thought processes. The diagnostic deep dive phase helped the team to realise what the important drivers of success in the business really are, and how to improve them through learning from best practice.

The immediate tasks for the team are to implement the methods and tools that it acquired during the programme. It will repeat the analysis phase internally so that the senior leadership team can have a similar immersive experience as the core team did during the programme.

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.



International News Media Association (INMA)

The International News Media Association (INMA) is a global community of market-leading news media companies reinventing how they engage audiences and grow revenue in a multi-platform environment. The INMA community consists of nearly 20,000 members at 900+ news media companies in 82 countries. Celebrating its 90th anniversary in 2020, INMA is the news media industry's leading ideas-sharing network with members connected via conferences, reports, webinars, and an unparalleled archive of best practices.

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