Towards a sustainable digital business model
About me

Head of Sales and Marketing at Politiken

Astrid Jørgensen
aj@pol.dk

2012-2018
Digital subscriptions specialisation, freemium and metered

2013-2015
Initiator of Freemium Summit – Bild (DE), Aftonbladet (SE), VG (NO) and Ekstra Bladet (DK)

Contact

LinkedIn: in/astridjoergensen

Digital subscriptions specialisation, freemium and metered

Head of Sales and Marketing at Politiken

About me
Brugen af sociale medier i nyhedsorganisationer

Nicolai Puggaard Hansen
Digital Marketingspecialist, Politiken
CURRENT REVENUE STREAMS?
How many users in 2021 to sustain current advertising business?
Brugen af sociale medier i nyhedsorganisationer

Nicolai Puggaard Hansen
Digital Marketingspecialist, Politiken
Brugen af sociale medier i 
nyhedsorganisationer

Nicolai Puggaard Hansen
Digital Marketingspecialist, Politiken

Other revenue streams of volume and scale?
Denmark's largest paid newspaper (readership) •
Part of JP/Politikens Hus •
Metropolitan (Copenhagen bias) •
Politics, society and a strong emphasis on culture •
Social liberal •
Denmark's largest paid newspaper (readership) •
ONE AUDIENCE

- Modern community-oriented
- Divided (mainly age-driven) into print and digital.
- Only limited overlap.

POLITIKEN
PRINT
622,000 weekly

POLITIKEN
DIGITAL
817,000 weekly

BOTH PLATFORMS
97,000 weekly
PAID CONTENT LAUNCH 2013

25 metered model
25 free articles / month

Monthly price (after € 1.5 trial):

• € 6 in 2013
• € 10 in 2016

POLITIKEN
LEARNINGS

• Cheating was too easy
• Lack of shared focus internally
• Too low price point / unrealistic ambitions on number of subscribers
• Impossible to scale to a sustainable business in a niche language market

LEARNINGS

Metered model

6€ (2013) => 10€ (2016) / month

Loyalty club & events (‘Plus’, ‘Live’)

Complete archive from 1884

Full access to e-paper edition

Website access... and more:

Premium model

Dec. 2016 –

SHiFT TO PREMIUM

6€ (2013) => 10€ (2016) / month

Loyalty club (‘Plus’)

No e-paper access

Website only access

Metered model

Dec. 2016 –

SHiFT TO PREMIUM
CURRENT ABOVE-THE-LINE PRODUCTS

- **€74 / month**
  - Digital
  - + Print 7/7

- **€90 / month**
  - Digital all week
  - + Print Sat-Sun

- **€140 / month**
  - Digital only
MONTHLY PRICE POINT

International colleagues

Danish market

€20 month

€40 month

Source: Mediet Bias (bias.nu)
External message: Full price and full access

Internal message: A transformation you believe in

newsroom engagement in the business is key
Brugen af sociale medier i
nyhedsorganisationer
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For a high price
E-paper as justifier
Our target group, the digital heavy users (20-45) knows the e-paper exists. But most of them do not use it. So why bother?

Know and use the Politiken's e-paper?
- 41%
- 38%
- 18%
- 5%
- 19%
- 8%
- 15%

Know, but have never used the Politiken's e-paper
- 56%

Know and have used, but do not use Politiken's e-paper anymore
- 11%

Do not know Politiken's e-paper
- 19%
Because the target group, when asked, actually long to be newspaper readers!
Our e-paper has value in target audience:

- A finished and prioritized product
- Most important current topics
- Background and perspectives instead of news flow
- Stimulates focus and concentration
- Offline access
- Handy, recognizable format
- Fits a daily routine
- No waste of paper and it doesn’t pile up in the mailbox
- Mobile and always available
- Handy, recognizable format
- Fits a daily routine
- Stimulates focus and concentration
- Offline access
- No waste of paper and it doesn’t pile up in the mailbox
- Mobile and always available
Anonymous
User
Banners

Newsletter
subscriber
Banners,
maybe
a
lead
or permission

App download

May be a push-
notification

Registered
user
Banners,
full
name,
maybe
a
permission +
newsletter

Registered
subscriber
Banners,
full
name,
address,
maybe
a
permission +
newsletter

Trial
subscriber
Print, digital or
a combination
Banners,
name
and address.
Permission and
newsletter

New
subscriber
Print, digital or
a combination
Banners,
name
and address.
Permission and
newsletter

Anonymous
User
Banners
Our approach so far

#1 content campaigns
#2 retargeting (content)
#3 retargeting (tactical)
#4 campaigns (tactical)
#5 lead collection (tactical)
FACEBOOK PRICING

Source: PHD Media, Denmark

Danish Media Agency customers
• Control your ad spend
• Weekly follow ups
• Facebook aided telemarketing
• Lead prepping
• Lead acquisition
• Constant campaign mode

TAKEAWAYS
Operationalise it

Make it dynamic

Ensure Customer Lifetime Value (CLV)

Control your ad spend
<table>
<thead>
<tr>
<th>Month 1-6 Profits</th>
<th>VAT Regulations per product</th>
<th>Share of &gt;30 subs (50% discount)</th>
<th>Cost Per Acquisition</th>
<th>New customers (per product)</th>
<th>Ad spend (per campaign)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLV CALCULATOR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Brugen af sociale medier i nyhedsorganisationer

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Year out campaign
Year out campaign

299,- (40€) up front

Next 40€ payment after 3 months
Demography

49 år:
Year out 299,
3 months
1st month 299,
51 år:
Year out 299,
3 months

AGE
RETENTION: 1 kr. vs. 299 kr.
Brugen af sociale medier i nyhedsorganisationer

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CHURN PREDCITION
Pageviews per 1000 subscribers, March-October 2017

Churners
Non-churners

Pageviews first 31 days
ARE SUBSCRIBERS VIA "BLOCBUSTER" ARTICLES MORE LIKELY TO CHURN?
NO.
### Graferne viser andelen af tilbageværende kunder på baggrund af konverterede sektioner. Alle data tager udgangspunkt i abonnementstatus d. 1 november 2017.

<table>
<thead>
<tr>
<th>Artikel</th>
<th>Tilbageværende kunder</th>
<th>Konverterede kunder</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAMLET</td>
<td>28%</td>
<td>34%</td>
</tr>
<tr>
<td>TOP 20</td>
<td>28%</td>
<td>31%</td>
</tr>
<tr>
<td>SPORT</td>
<td></td>
<td>26%</td>
</tr>
<tr>
<td>REJSER</td>
<td></td>
<td>27%</td>
</tr>
<tr>
<td>IBYEN</td>
<td></td>
<td>27%</td>
</tr>
<tr>
<td>UDLAND</td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td>FORBRUG</td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td>OG LIV</td>
<td></td>
<td>31%</td>
</tr>
<tr>
<td>INDLAND</td>
<td></td>
<td>27%</td>
</tr>
<tr>
<td>KULTUR</td>
<td></td>
<td>27%</td>
</tr>
<tr>
<td>DEBAT</td>
<td></td>
<td>27%</td>
</tr>
</tbody>
</table>

**STAYING CUSTOMERS COMPARED TO CONVERTING ARTICLE SECTION**
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converting article

significantly reveals

user preferences

CONVERTING ARTICLE
Grafene viser forbruget i samme sektion som den konverterende artikel i forhold til gennemsnitlig forbrug fra abonnenter (indeks 100). Periode 1. marts til 31. oktober.

- Kultur: 352
- Debat: 171
- Indland: 135
- Udland: 120
- Forbrug og liv: 164
- Ibeyen: 149
Reader Behaviour / Customers converted from culture

Period: 1. mars til 31. oktober. Samlet antal sidevisninger på de 6 sektioner fra abonnenter, der konverterede på kultur: 387,776

- Forbrug og Liv: 76
- Udlænding: 76
- Debatt: 94
- Indland: 91
- Kultur: 149
- Forside: 103

Graph showing reader behaviour for different sections.
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old and dying subscriber base?
AGE - NEW SUBSCRIBERS


<table>
<thead>
<tr>
<th>16-24 år</th>
<th>25-29 år</th>
<th>30-37 år</th>
<th>38-45 år</th>
<th>46-59 år</th>
<th>60+ år</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.145</td>
<td>1.202</td>
<td>1.455</td>
<td>1.553</td>
<td>2.114</td>
<td>1.202</td>
</tr>
</tbody>
</table>

AGE: 2020
CHURNERS: TO WHAT EXTENT WOULD YOU MISS POLITIKEN IF IT DIDN'T EXIST?

Vilje savne Politiken, hvis det ikke fandtes

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
<th>56+ år</th>
<th>36-55 år</th>
<th>18-35 år</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>70</td>
<td>56</td>
<td>66</td>
<td>81</td>
</tr>
</tbody>
</table>

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PREMIUM = loss of TRAFFIC?
GROWTH IN PAGEVIEWS: INCREASE COMPARED TO 2016
TREND: PAGEVIEWS FROM NON-SUBSCRIBERS INCREASE AS WELL.

<table>
<thead>
<tr>
<th>Month</th>
<th>Share of Pageviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>26%</td>
</tr>
<tr>
<td>September</td>
<td>25%</td>
</tr>
<tr>
<td>August</td>
<td>26%</td>
</tr>
<tr>
<td>July</td>
<td>25%</td>
</tr>
<tr>
<td>June</td>
<td>27%</td>
</tr>
<tr>
<td>May</td>
<td>27%</td>
</tr>
<tr>
<td>April</td>
<td>27%</td>
</tr>
<tr>
<td>Mars</td>
<td>27%</td>
</tr>
</tbody>
</table>

Subscribers' share of pageviews:

TREND: PAGEVIEWS FROM NON-SUBSCRIBERS INCREASE AS WELL.
A/B TEST - STOP SIGNS

TEST A: Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

TEST B: 4 paragraphs visible

PARAGRAPHS VISIBLE

Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

TEST A: Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

TEST A: Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

TEST A: Help - Vote for the mean der er like mogen der men der er like mogen der.

PARAGRAPHS VISIBLE

Help - Vote for the mean der er like mogen der men der er like mogen der.
Results

Kilde: Google Analytics – den 17. januar to.m. 6. februar 2018

TEST A:

Pageviews 1.223.967
Visits to shop directly after A 5.143 (+5,3%)
Sales immediately after A 316 (+9,5%)

TEST B:

Pageviews 1.221.558
Visits to shop directly after A 5.407 (+5,3%)
Sales immediately after A 221.558 (+9,5%)

(4 paragraphs visible)
Brugen af sociale medier i
nyhedsorganisationer

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