From data to value

How data, insight and analysis inform Amedia’s editorial development
Norway’s largest local media company

**Founded in 2012:** A new company from merger of A-pressen and Edda Media

Owned by the **Amedia Trust**, a self-governing foundation, since 2016

- **73 newspapers; 72 local titles** and **1 national**
- **5 printing plants** in Norway and **6 printing plants in Russia**
- Owns **20% of MittMedia**, Sweden’s largest local media company with **28 newspapers**
- **11 distribution companies** in Norway

Number of employees: **2,095** (Norway: **1,713**)

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*EOY 2018, all local titles*
EBITDA 2018:

467m

NOK €48m
$55m

Weekly reach + 30 %
2.2 mill

Digital ad growth + 40 %
NOK 427 mill
€44m, $50m

Digital subscriptions + 30 %
212,000
# Growing across the board

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2019*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Increase in # of digital subscriptions</td>
<td>77,000</td>
<td>159,000</td>
</tr>
<tr>
<td>2</td>
<td>Increase in registered users tied to a subscription</td>
<td>435,000</td>
<td>540,000</td>
</tr>
<tr>
<td>3</td>
<td>Increase in logged-in share of page views</td>
<td>53 %</td>
<td>61 %</td>
</tr>
<tr>
<td>4</td>
<td>Increase in younger customers</td>
<td>61 %</td>
<td>69 %</td>
</tr>
<tr>
<td>5</td>
<td>Improved per customer revenue on digital subscriptions</td>
<td>1,800</td>
<td>1,950</td>
</tr>
<tr>
<td>6</td>
<td>Profitable paper positions through cost adjustments</td>
<td>60</td>
<td>62</td>
</tr>
</tbody>
</table>

*January 2019. Includes Nettavisen*
The first choice in local content generating willingness to pay

Sustainable user revenue

“A media knows me best and offers the best effect – in all of Norway”

From data to value
The first choice in local content generating willingness to pay.

Sustainable user revenue.

“Amelia knows me best and offers the best effect – in all of Norway.”

From data to value.

Product development.
Editorial development

Sustainable user revenue

"Amedia knows me best and offers the best effect – in all of Norway"

Product development

From data to value

Ad sales
① Get them to log in
From data to value

1.2m registered user accounts
And growing. 30% of all adult Norwegians. Deep demographic data on all

570,000 weekly logged-in users
And growing. Deep demographic data on all

1,000 user touchpoints logged per second
Deep demographic & interest data on every single user

Enabling us to model those who aren’t logged in

aID: “Norway’s largest media panel”
Modelling based on our data strengths

Known users + data on content (metadata) = quality of knowledge about the reader

Logged-in users

Increase log-ins

Modelling

Illustrative value

Degree of user knowledge

(1: Who the reader is)
Modelling based on our data strengths

Known users + data on content (metadata) = quality of knowledge about the reader

Illustrative value
Share of articles with female names, per topic

660,000 articles, 21 months production across 64 local newspapers
Modelling based on our data strengths

Known users + data on content (metadata) = quality of knowledge about the reader

Quality of classification in our journalism
(2: What the content is about)

Quality information about the reader
(3: What the reader actually reads)

Increase log-ins
Modelling

Improving metadata/Modelling

Degree of user knowledge
(1: Who the reader is)
Set the right diagnosis & offer the right medicine
First: The more you read, the less you churn

- Reads plus-stories less than every other day: 7-12% churn
- Reads plus-stories more often than every day: 5-6% churn
- Reads every day: 3-4% churn
Amedia’s hierarchy of editorial needs

Organization, leadership and culture
Crucial for succeeding with everything else

Write enough well-read stories every day
More than anything else to keep and recruit subscribers

Be first on breaking news
Crucial to make subscribers and non-subscribers revisit

Produce the right videos
There’s a substantial willingness to pay on certain video content, and it should be a natural part of your journalism

Hit the right target groups
To recruit young subscribers and other crucial target groups in your most important geographies

New formats
Podcasts, Voice, Instagram, etc.
Amedia’s hierarchy of editorial needs

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New formats
- Podcasts, Voice, Instagram, etc.
Since 2016, we’ve been working closely with our newsrooms

- On organizational issues, including leadership and culture
- On how to make the content more relevant to readers
- On explaining Amedia’s strategy and making the editors own the strategy
- We work to empower the editor-in-chief. The editor is the key to engage the entire newsroom
Meet the editorial development department

- The editorial development department’s main task is to support the newsrooms to improve their editorial content and attract new audiences.
- The department has expertise in editorial management, data journalism, video, data analysis and qualitative analysis.
- 9 of 11 employees in the department have a journalistic background and have previously worked in local media.
- “Data is our superpower.”
2015: Editorial/readership analysis

What we produced most of, turned out to be the least read

Culture was the largest content category, but only 2.6% of "Plus" content was being read.

2015 analysis in subscriber base
Q1 2019: Editorial/readership analysis

Interest: Avg. share of read stories in category per user w access to subscriber content
Q1 2019: Editorial/readership analysis

Interest: Avg. share of read stories in category per user w/ access to subscriber content

- Publishing more stories than interest indicates
- Publishing fewer stories than interest indicates

Categories:
- Sports
- Crime, law and justice
- Economy, business and finance
- Culture, arts & entertainment
- Transport
- Disasters, accident and emergency incident
- Politics
- Medicine & health
- Housing and real estate
- Nature and environment
- Education
- Leisure
- Weather
- Labour
Average numbers aren’t telling the whole story

Stories categorised with “Politics”
What do we find when we look closer?
In the case of politics:

**The stuff that works:**

- Revelations – the stories politicians and administrators don’t want you to read
- Stories that explain how politics have direct consequences in people’s lives
- Stories where we get to meet those affected by the policies

**The stuff that doesn’t:**

- Politicians that want to spread a message/campaigning
- Archive photos
Visible, concrete consequences

How many are directly affected?
How many can identify with those affected?

Lena is on stage when a classical children's book becomes theatre.

New toll stations can cost you almost 200 dollars a year.

For Mette and Øyvind, the dream home has become a nightmare.

Here's Drammen's eagerly awaited boutique shop.
How to make an important story well-read

Visible, concrete consequence

Municipality heading towards deficit in 2018

Municipality heading towards deficit in 2018. May close school

May close school. Children face 70 kilometre bus ride every day

How many are directly affected?

How many can identify with those affected?
Doubled readership in politics, higher readership in all categories
Feeding the beast
Write enough well-read stories every day
More than anything else to keep and recruit subscribers
The “plus”-reader

Our most important editorial metric
Volume actually matters:

On a good day, we publish a host of stories that appeals to different subscribers.
A poor day: we fail when we have too little to offer

March 9th: 12 “plus”-stories read by more than 1,000 subscribers

<table>
<thead>
<tr>
<th>Tittel (med lenke)</th>
<th>+Plus-readers</th>
<th>Slettetvendt</th>
<th>Ant. som faller av</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Megilensurering blåser opp venten av kiegående [dashboard]</td>
<td>2 809</td>
<td>2 410</td>
<td>48.5</td>
</tr>
<tr>
<td>2. Venter på pengene før praktiskom [dashboard]</td>
<td>2 794</td>
<td>1 550</td>
<td>52.1</td>
</tr>
<tr>
<td>3. Nå vent men i spening [dashboard]</td>
<td>2 161</td>
<td>0 55</td>
<td>52.6</td>
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<tr>
<td>4. Strategie veier og flere utfordringer i borgersamfunnet [dashboard]</td>
<td>1 897</td>
<td>1 047</td>
<td>53.1</td>
</tr>
<tr>
<td>5. Her kjører busset forst kilometer med til fast uierhet - jeg har sett unken leve, men ikke i det umerkede [dashboard]</td>
<td>1 754</td>
<td>1 047</td>
<td>52.7</td>
</tr>
<tr>
<td>6. Da polisens spisset DNA-registret to år etter valdetiden, kom gjennombruddet [dashboard]</td>
<td>1 639</td>
<td>1 177</td>
<td>51.5</td>
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<tr>
<td>7. Føringen åpner av spisset ny aktivitetshall [dashboard]</td>
<td>1 471</td>
<td>544</td>
<td>51.3</td>
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<tr>
<td>8. Kompisene blir rivaet på søndag [dashboard]</td>
<td>1 430</td>
<td>2 127</td>
<td>49.5</td>
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<tr>
<td>Ikke bare de femste TV-utgivene på top 3 - årets er som kroketebru [dashboard]</td>
<td>1 340</td>
<td>444</td>
<td>50.0</td>
</tr>
<tr>
<td>10. Kurt har olje: barna rydde sne. Så sette buksen seg fast i slette-sten [dashboard]</td>
<td>1 042</td>
<td>1 144</td>
<td>50.0</td>
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<tr>
<td>11. Kjerstil tøv - jeg har altid mykt mot Bergen [dashboard]</td>
<td>1 022</td>
<td>1 404</td>
<td>54.4</td>
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<tr>
<td>12. Den slik fornyttet ut [dashboard]</td>
<td>894</td>
<td>1 127</td>
<td>51.3</td>
</tr>
<tr>
<td>13. - hans har afsett oss så 「engang [dashboard]</td>
<td>723</td>
<td>1 054</td>
<td>55.0</td>
</tr>
<tr>
<td>14. NIK-serie om å være i Norge [dashboard]</td>
<td>189</td>
<td>500</td>
<td>53.0</td>
</tr>
<tr>
<td>15. &quot;+AV&quot; vil lytte på målmenåer [dashboard]</td>
<td>135</td>
<td>1 038</td>
<td>51.4</td>
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<tr>
<td>Løren skyder eleven å bruke brevene sine [dashboard]</td>
<td>679</td>
<td>1 406</td>
<td>46.8</td>
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<tr>
<td>Kompenasjonstrenger har utelaten en betydelig økning i sosial profit, må vurderez på nytt [dashboard]</td>
<td>627</td>
<td>508</td>
<td>55.9</td>
</tr>
<tr>
<td>17. - har ikke vi ganger [dashboard]</td>
<td>515</td>
<td>1 322</td>
<td>39.1</td>
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<tr>
<td>Bombe kan svært bli norsk statsborger - jeg tror ikke jeg skal flytte [dashboard]</td>
<td>408</td>
<td>1 258</td>
<td>41.8</td>
</tr>
</tbody>
</table>
Readership tracks the amount of well-read stories a newsroom writes every day

- Bergensavisen started the year publishing about 10 well-read articles a day and ~8,000 plus readers
- In the end of year, BA wrote on average 14 well-read articles pr. day reaching an average of 11,000 plus readers a day
And “plus”-readership tends to correlate with development of subscriptions

- A rise in plus readership means that new subscribers establish a reading habit and become loyal
- Sales are **worth little, long-term** without an increase in readership
Hit the right target groups

Recruit young subscribers and other crucial target groups in your most important geographies
Growth is now coming from our younger readers

- Sales/churn by age cohort
- New sales, February 2019
  (numbers are indicative for levels since summer 2018)
Best-selling stories more and more often contain younger sources

195 sales (RB)
144 sales (TB)
143 sales (FB)
137 sales (Nordlys)
122 sales (Nordlys)
121 sales (BA)
116 sales (BA)
114 sales (BA)
110 sales (Nordlys)
109 sales (Hadeland)
A few more words on gender

Share of articles w/ female names, per topic

Share of articles w/ male names

660,000 articles, 21 months production across 64 local newspapers

A few more words on gender
Gender equality in sources sell subscriptions

Relationship between share of female names in articles and share of female subscribers across Amedia’s 19 largest newspapers
Newsrooms are able to follow which stories female readers tend to read
Gender and age as basis for tests on personalisation

(It seems to work quite well)
Key takeaways
Data is transforming the business
Controlling the data is a prerequisite for insight

Prioritise organization and news first
There’s a hierarchy of needs in editorial development – make sure you prioritise right

Better journalism leads to better results
Amedia’s 2018 EBITDA: €48m/$55m and 13% margin