Let’s start with journalism
160m
monthly unique browsers globally

1bn
monthly page views

Traffic peaks
▶ 2016 Brexit
▶ US election
▶ Trump Inauguration
▶ 2017 UK election, Grenfell and terror attacks
▶ 2018 Guardian relaunch, Carillion collapse
▶ Stephen Hawkings, start of Cambridge Analytica Files
The Guardian’s mission has never been so important
However...
The Guardian cuts 250 jobs and considers first compulsory redundancies

Guardian newspaper losses accelerate amid industry's advertising struggles

The Guardian's parent company is poised to unveil a record loss

Guardian Media Group hit with record £173m loss

Guardian cutbacks: 250 staff to go, 30,000 square feet 'shed' events space at King's Cross scrapped

The Guardian's digital growth goes into reverse as losses balloon to £180m
Print advertising in continued decline

Print loss vs digital gain in national news brands (£)

**Print**
- £695m (2017 (f))
- £607m (2018 (f))
- ▼ £88m

**Digital**
- £224m (2017 (f))
- £225m (2018 (f))
- ▲ £1m

Source: Ender analysis 2017 estimates and forecasts based on AA/WMIC.
Growth of platforms

The digital platforms continue to dominate the media landscape

Google and Facebook: 96%
Rest of the market: 4%

Share of growth in UK digital ad spend 2017

Source: Emarketer 2017
Ongoing tech-led disruption

Video and live video
Influencers and UGC
New formats of storytelling
Personalisation

New forms of distribution
Targeted, contextual advertising
Messaging and notifications as a platform
Centrality of data
2015/16 forecast

*(£100m) Annualised EBITDA loss

£210m

Revenue

£288m

Cost

GNM EBITDA

(£78m*)
This is serious...
## Relationship strategy

<table>
<thead>
<tr>
<th>Values</th>
<th>Honesty</th>
<th>Integrity</th>
<th>Courage</th>
<th>Fairness</th>
<th>A sense of duty to the reader and the community</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Guardian purpose</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The purpose of Guardian journalism is to use clarity and imagination to build hope. We will develop ideas that help improve the world, not just critique it; we will collaborate with readers, and others, to have greater impact; we will diversify, to have richer reporting from a representative newsroom; we will be meaningful in all of our work; and, underpinning it all, we will report fairly on people as well as power and find things out.</td>
</tr>
<tr>
<td><strong>Vision</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>A growing and far deeper set of relationships with our audience will result in a re-imagining of our journalism, a sustainable business model and a newly-focused digital organisation that reflects our independence and our mission</td>
</tr>
<tr>
<td><strong>Strategic aims</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>We will build a more meaningful set of relationships with our readers to play a larger role in their lives and to improve our journalism; We will see our readers become members and make a significant contribution to our business model; We will restructure our advertising business to align GNMPs growth with the growth in the market; We will take significant cost out of the organisation to reflect economic circumstances and we will reshape the organisation to achieve the unity and agility we need</td>
</tr>
</tbody>
</table>

*The Guardian*
Horizon 1
Fix core business and defend market position

Horizon 2
Embed & differentiate around relationships

Horizon 3
Relationships with readers sustain us

March 2019
The Distribution vs Destination Challenge
Anonymous to known

Users with a daily habit

From awareness to monthly habitu als

Weekly habitu als

...and it enables us to build relationships with our readers

Which can be undertaken at any consumption stage

Journey starts with content consumption

- Supporters
  - Contributor
  - Subscriber
- Participants
  - e.g. someone who comments, goes to events etc.
- Advocates
  - e.g. shares content
Our progress to date

1. We have over 800k supporters - including subscribers, members and contributors.

2. We now reach over 10m regular browsers every month.

3. Driving up programmatic revenues and yields.

4. We are continuing to reduce our losses - on track to break even next year.
GNM EBITDA

- (57)
- (38)
- (19)
- (0)

- Reflects initial halting of spend in H2 when annualised cost base was approaching £300m and headcount of c.2,000

- Advertising declines offset by membership/newsstand

- Savings from voluntary redundancy programme and other cost initiatives

- Growth of membership, contributions and subscriptions

- Improved advertising market in H2

- Cost reductions and initiatives

- Reader revenues continue to fuel yoy revenue growth

- Stabilisation in advertising revenues

- Operational cost savings from move to tabloid

- Investment in data and infrastructure
Planning for the future...

Single owner / shareholder

The Scott Trust

Guardian Media Group

Guardian | The Observer
Delivers journalism, core purpose, supported by reader and ad revenues

GMG Ventures
Provides long-term innovation and strategic learnings

Corporate Development
To explore opportunities which unlock value in the medium term

Endowment
Provides long-term financial sustainability

The Guardian
What have we learnt...
The Paralysis challenge
1. Purposeful business

1. Purpose of a business is its reason for being.

2. Unites all stakeholders in common goals and values.

3. Generates trust and enables value creation.

4. Proven to help companies better innovate, invest, serve customers and engage employees.
2. Move fast

"Experiment faster than the competition - Jeff Bezos"

Now

January → December

Annual planning

Future

1. Quarterly sprints
2. Quarterly sprints
3. Quarterly sprints
4. Quarterly sprints
3. Culture is everything

Diversity and inclusion

Values and behaviours
4. Trust your instincts

1. What you should be doing and must not ignore.
2. What you dream of doing but never do.
3. What people tell you to do and you listen.
4. What people tell you to do and you ignore.
5. F***k it... Let's just do it.
Questions