



CLV: What is your relationship worth?

Mather Symposium

Nov 3rd, 2014



What can you expect today?

- > CRT: Consumer Revenue Transformations
- > The 5 levers of CRT
- > Critical learnings



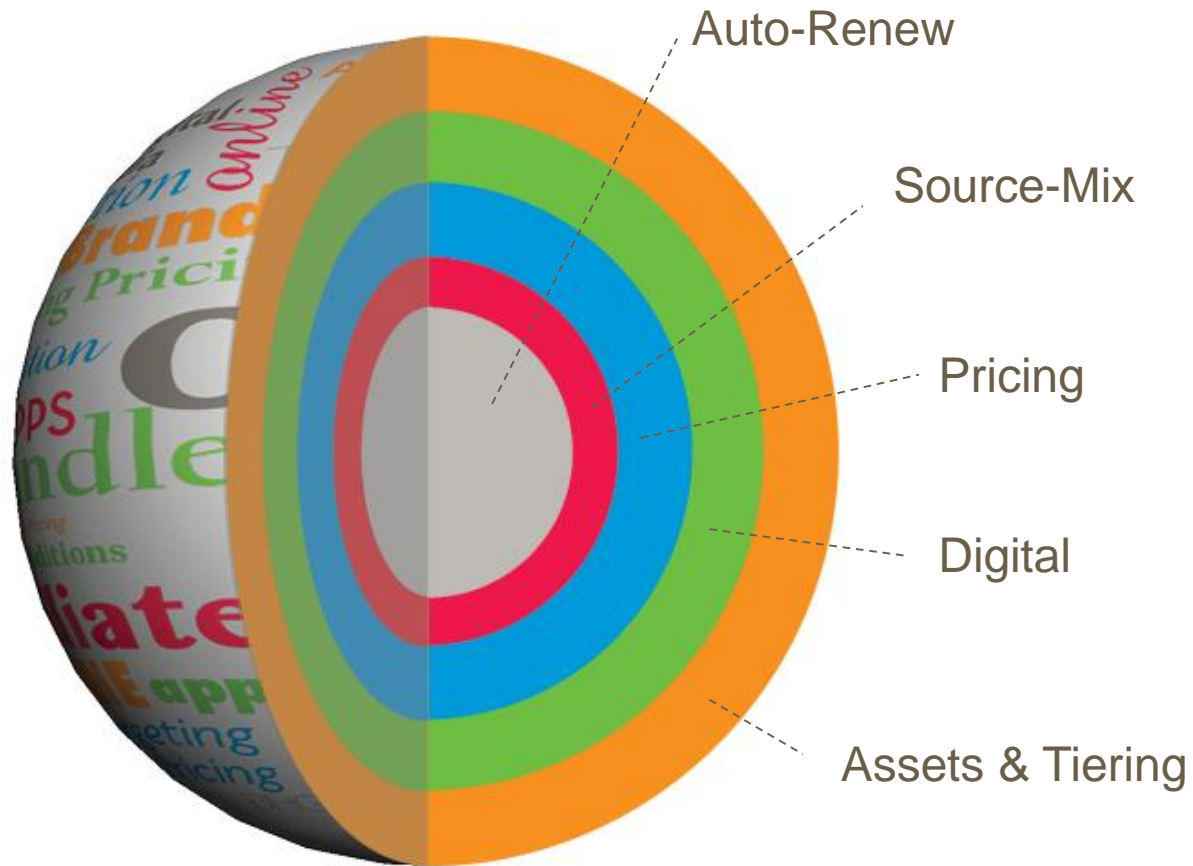
What is CRT... or what **isn't** CRT?

CRT spans technology, creative, content, financial and digital initiatives. The underlying tie is its focus to evolve the circulation business at Meredith to achieve **\$1 more** for each of our **30M customers**.





Focus on the five (5) core levers





Critical Learnings: Auto-renew + Source

- > Levers intrinsically tied to **over half** of 5yr upside
- > Acquisition (trade-offs)
 - Acceptance of **short-term losses** (15-20%)
 - **‘Flip’ strategy** required to optimize production + auto-renew
 - Expansion of **sources** (Traditional, Affiliate, etc.)
- > Retention
 - Exceeded goal of **100% increase** at conversion
 - **Process adaptation** critical to meeting goal
 - Multi-year retention assumed flat (results early Q3)



Critical Learnings: Digital + Bundle + Source

- > Softer near-term results
- > Technology limitations required investment
 - **Targeting:** product & auto-renew
 - Entitlement for **coupons, products** and **benefits**
 - NPC or increased acquisition?
 - Payment **optimization** by **device** (60% of traffic is mobile)
- > Leveraging assets
 - Looking to existing and **new products**
 - Strategic partnerships



Critical Learnings: Pricing

- > Elasticity: **>.8** originally modeled
- > Shifting the pricing strategy from segment to individual
 - Payment dynamics throughout series (A, 1, 4 and 7)
 - **Pricing thresholds** within **auto-renewal** series



Questions?