DIGITAL SUBSCRIPTION BENCHMARKS, BEST PRACTICES DURING COVID-19 PANDEMIC

By Arvid Tchizvhel, Sr. Director & Matt Lindsay, President

25 March 2020

During times of crises, media companies face a dilemma driven by their conflicting goals of serving their community and maintaining a sustainable business model. This conflict is exacerbated by the dramatic decline in print advertising, which places more importance on audience revenue for supporting the newsroom.

Common statements are:

- "My journalistic mission is to serve my community, first and foremost."
- "I don't want to be perceived as capitalising from a global emergency."
- "Now is not the time to think about business. We need to handle the crisis."

Fulfilling the journalistic mission is critical during this time, and its importance should not be understated. However, during difficult economic conditions like the COVID-19 pandemic, taking proactive and thoughtful action to ensure long-term business sustainability is even more important than during normal economic circumstances.

We have prepared early benchmarks to help guide digital revenue management.

Benchmarks on audience traffic and virus coverage

Overall, we are finding significant growth in online traffic, paywall sales attempts, conversions, and unique users. We are also finding an increase in overall audience engagement, as more unique users fall into the most engaged user segments. Known users grew by 10% in the last 30 days. (All data is from the Listener Data Platform for periods January 17-February 16 and February 17-March 17 of this year; it is from our clients worldwide, although it is heavily skewed to the United States).
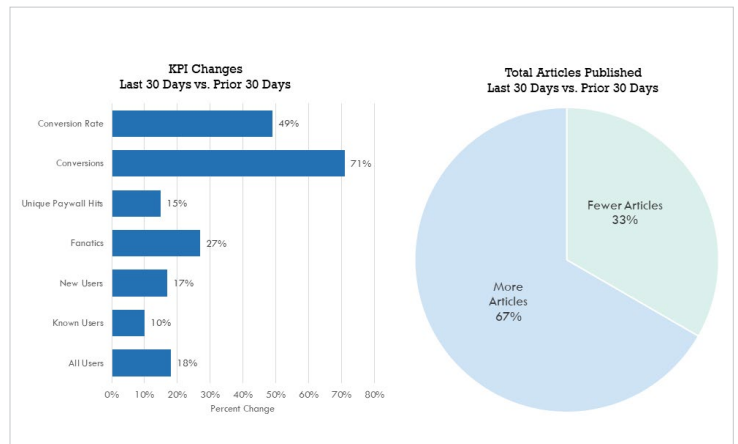

Chart 1 notes significant growth in volume, engagement, conversion, and subscriptions. KPI changes are noted from Listener data for the periods of January 17–February 16 vs. February 17–March 17. Chart 2 shows most publishers have increased their daily article production while one-third have reduced content.

Glossary of terms for the KPI changes chart:

- All users: Unique users over a 30-day period.
- Known users: Unique users who have at one point registered an account or opted in to e-mail newsletters and subscribers.
- New users: Users who have not been identified as repeat users' period-over-period.
- Fanatics: Mather Economics' highest engagement segment. This is tightly correlated with propensity to subscribe.
- Unique paywall hits: Unique users who encountered a restricted article (such as a premium or metered article).
- Conversions: Paid subscriber start via the digital channel either through the paywall, subscribe button, or e-mail marketing.
- Conversion rate: The ratio of unique paywall conversions vs. unique paywall hits.

The amount of content published daily has increased in two-thirds of publishers. This increase is primarily driven by COVID-19 coverage. The remaining third of publishers have published less content on average.

mather:

mather: insights
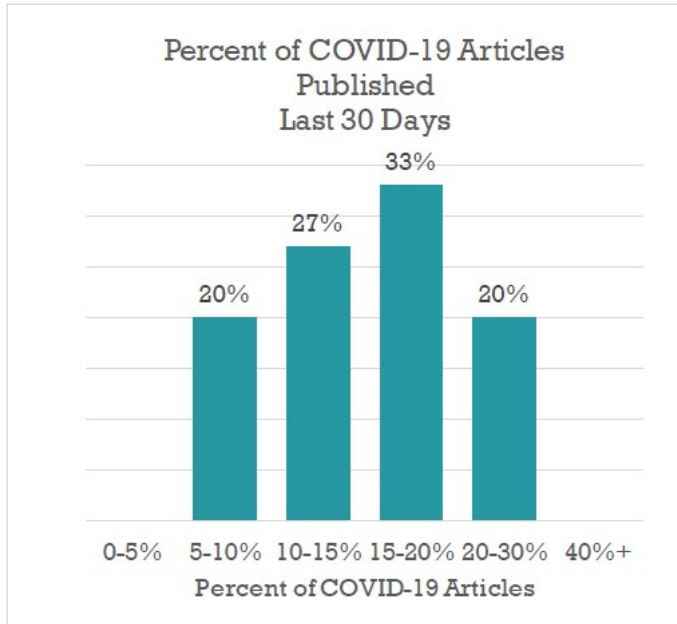
On average, 15% of articles published in the last 30 days are related to COVID-19. This is a histogram of the share of articles related to COVID-19 across publishers.

Effective tactics

The publishers translating their increased traffic into subscriptions are using the following tactics:

- Basic and breaking news related to COVID-19 remains free though it counts toward the metre.
- A registration wall is present on COVID-19 content to gather e-mail addresses and add known users.
- In-depth coverage remains behind the paywall, similar to premium content designation in other content areas.
- Active newsletter development and promotion (long-term and breaking news) is increasing engagement among new readers and non-subscribers.
- Paywalls remain active on their Web sites with limitations on other content remaining as it was prior to the pandemic.
- Several publishers are asking users to donate in some way, such as by sponsoring a subscription, donating to a good cause, or donating to the newspaper.
- Active outreach to print subscribers to encourage digital activation. The latest news is in digital format. Getting digital news helps reduce risks and challenges of home delivery.
- Use the influx of new users to a Web site as an opportunity to state editorial decisions related to the coverage and promote the value proposition of a subscription.
- For repeat non-subscribing readers, encouraging them to sample non-COVID-19 content to grow the relationship (via widgets, newsletters, banners, and other calls to action).

Activating new segments

To convert new readers, we advise creating audience segments to identify new users to the Web site over a rolling seven-day period. For instance, a "NEWLAST7" segment retargets new users with tactics to push them down the engagement funnel.

Among new audiences and non-subscribing existing readers, three levels of content engagement have been observed. Some users read COVID-19 content almost exclusively, others read it along with other content, and a third group appears to be searching for anything but COVID-19 content.

These three content engagement segments allow you to target anonymous and known users with relevant, personalised, content messaging to engage, acquire, and retain customers.

We are helping publishers identify and target these segments using "COVIDONLY," "COVIDFOLLOWER," and "COVIDINTEREST" segments. These targeting segments can be applied within the paywall, registration wall, ad server, e-mail system, and other marketing channels.

In conclusion:

Benchmark data will continue to evolve as the world adapts over the coming weeks and months. We will update these metrics regularly during the crisis.

Audience segment volumes for the new audience and COVID-19 content will be prepared along with testing and recommendations for campaigns at our clients' discretion. The segments may be used in the paywall, ad sever, e-mail system and any other marketing channel for engagement, acquisition, and retention tactics ■

About the Authors...

Arvid Tchivzhel is Senior Director of Product Development. He can be reached at arvid@mathereconomics.com.
Matt Lindsay is President at Mather Economics, business consultanty headquarted in Atlanta, Georgia, USA. He can be reached at matt@mathereconomics.com.