



THE NEW McCLATCHY
TRANSLATING STRATEGY INTO ACTION

Mather Symposium | Tony Hunter

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Iconic Company



Legacy Journalism



Essential News and
Information



Talented Team

Dis•rup•tion

When forces outside your organization
wreak havoc on your business model

Trans•for•ma•tion

to capitalize on the opportunities
afforded by disruption

VISION

To become a digitally driven, sustainable, media company with value creation for customers at its core.

Focus on core, differentiated competencies / assets:

- Unique, essential local content
- Engaged audiences
- Distribution channels
- Strong local media brands
- People / talent

MISSION

To deliver differentiated news and information products to meet the needs of local market customers.

Key objectives:

- Maximize / optimize print revenues
- Strategically manage transition from print to digital
- Drive digital-only revenue / profitability



TURN TALK TO ACTION



Create a North Star; aligning all divisions with a single set of goals and strategies.



Lean in aggressively to local and digital products.



Improve revenue performance



Create value for our consumers



Leveraging tech to drive transformation



Create a culture that initiates and supports change and embraces diversity and inclusion.

INNOVATING FOR THE FUTURE



Orga·gility

the ability to drive new ideas to implementation
rapidly, and to pivot frequently

A black and white photograph of an astronaut on the moon, holding the American flag. A large, white, semi-transparent number '5' is overlaid on the image. The background is dark, and the astronaut is in the foreground, looking towards the camera.

5

1

A shared mission and vision

2

A culture of speed and action

3

A leadership team that inspires everyone to do their best work

4

Alignment and accountability

5

Competitive and innovative

TRANSFORMING THE BUSINESS MODEL



ADAPT

EVOLVE

REINVENT

Objective

Maximize / optimize print revenues

Strategically manage transition from print to digital

Drive digital-only revenue / profitability

Test

Adjusted algorithms to address revenue at risk from print customers

Actively manage revenue retention from print-to-digital conversions

Targeted price tests of digital-only subscribers between **25%** and **135%** (**new model**)

Findings

- Risk-adjusted price increases improve net yield from renewal increases by **5%**
- Reduces cost and time to CSR by reducing revert rate **7%**

- Targeted digital-only offers by customer segments retain more revenue and operating margin vs non-targeted offers

- Average **79% price increase** with **4.6% incremental stops** over no-increase group
- Low price sensitivity (**0.6%** increase in stop rate for each **10% increase in price**)

Actions

- Roll out of “Yield” algorithm to additional markets
- Further testing on different subscriber groups to improve results

- Refinement of transition offers to optimize revenue and profit retention
- Focus on maximizing revenue on conversions

- Targeted increases to digital-only subscribers
- Price testing across acquisition funnels

CONTACT DETAILS



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