

Mediahuis

Subscription Engine

Paul Verwilt, Mather's Symposium May 6th



Mediahuis today



 
1.100 €370 mio



 
1.900 €530 mio



 
720 €160 mio



 
320 €50 mio

A young company with deep roots



1656



1848



1893



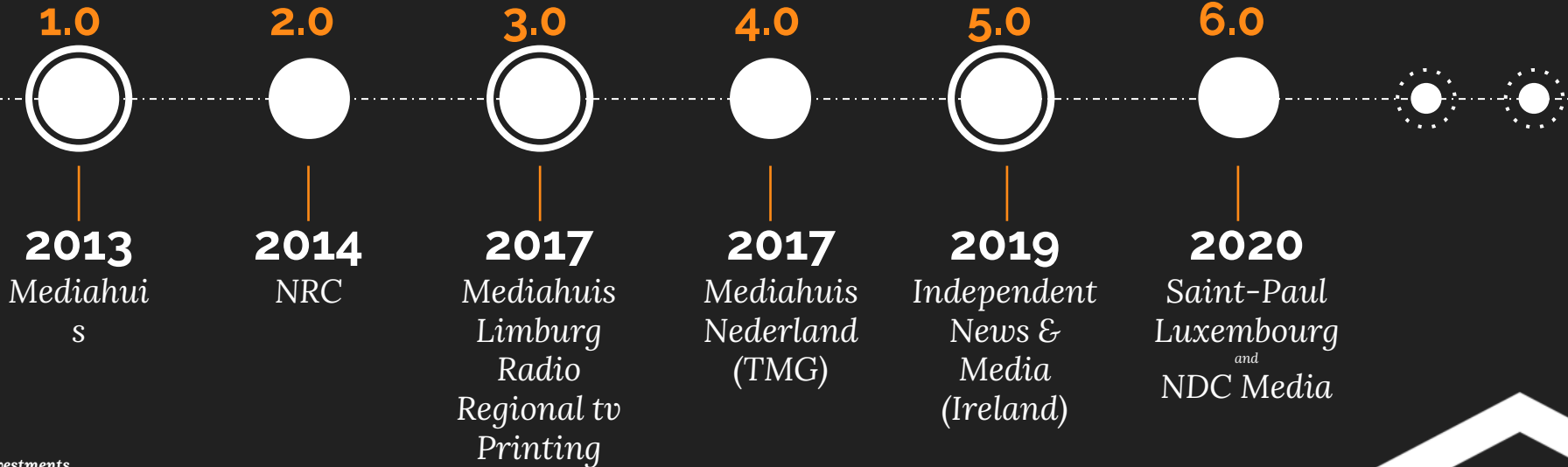
1905



1918



A rapid *evolution*



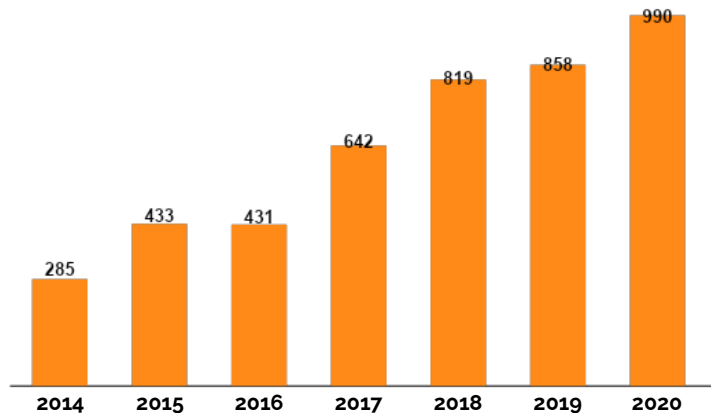
Divestments

- Sale Radio NL
- Sale 70% Keesing

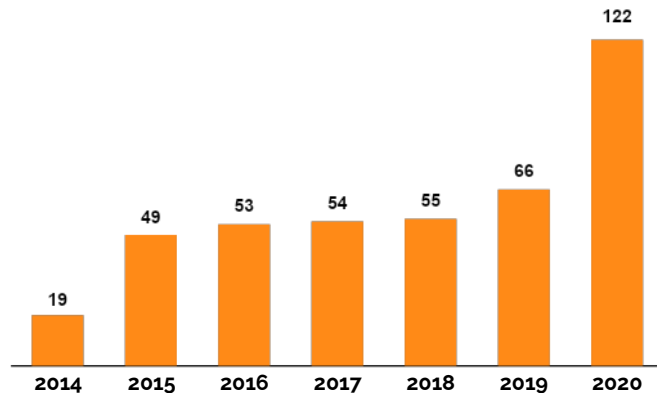
- Exit Keesing
- Exit Irish Daily Star
- Sale Real Estate Amsterdam

A strong financial trajectory

Revenue



Operational Result*



(*) REBITDA minus depreciations, exclusive amortization of allocated goodwill

“ Mediahuis
unconditionally believes
in independent
journalism and strong
relevant media that
make a positive
contribution to people
and society.



How do we ensure we build a sustainable business in the long run?



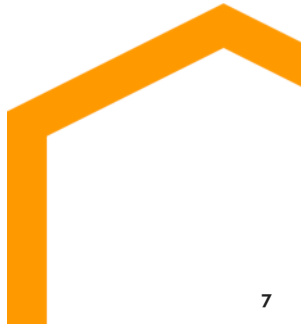
Compelling digital news experience



Valuable relationships



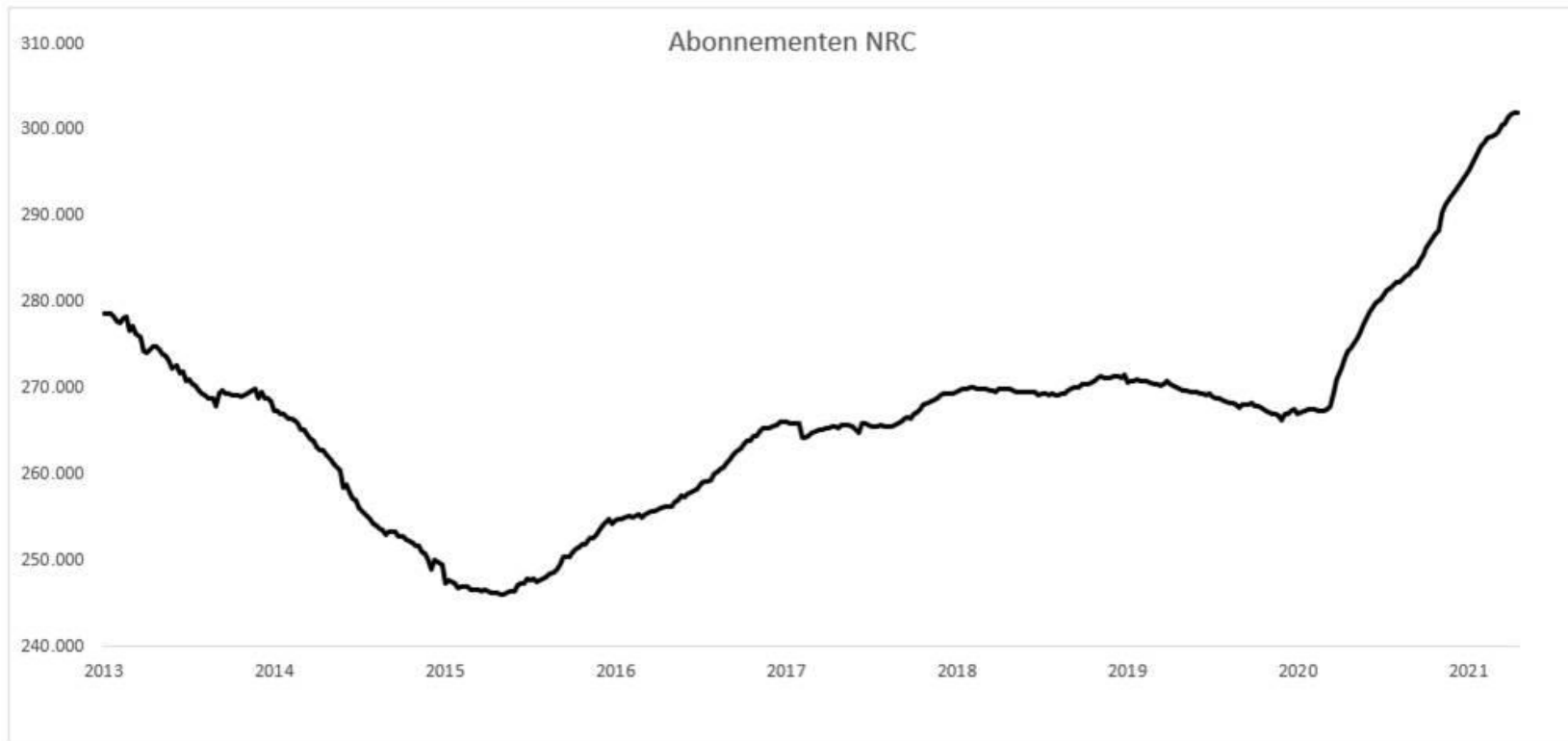
Digital performance & strategic advertising partnerships





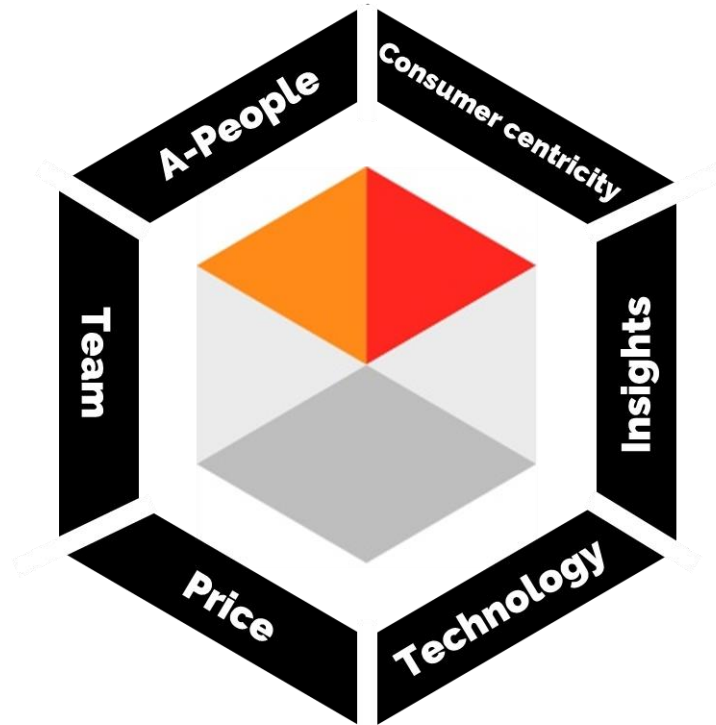
Building valuable relations

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Ingredients



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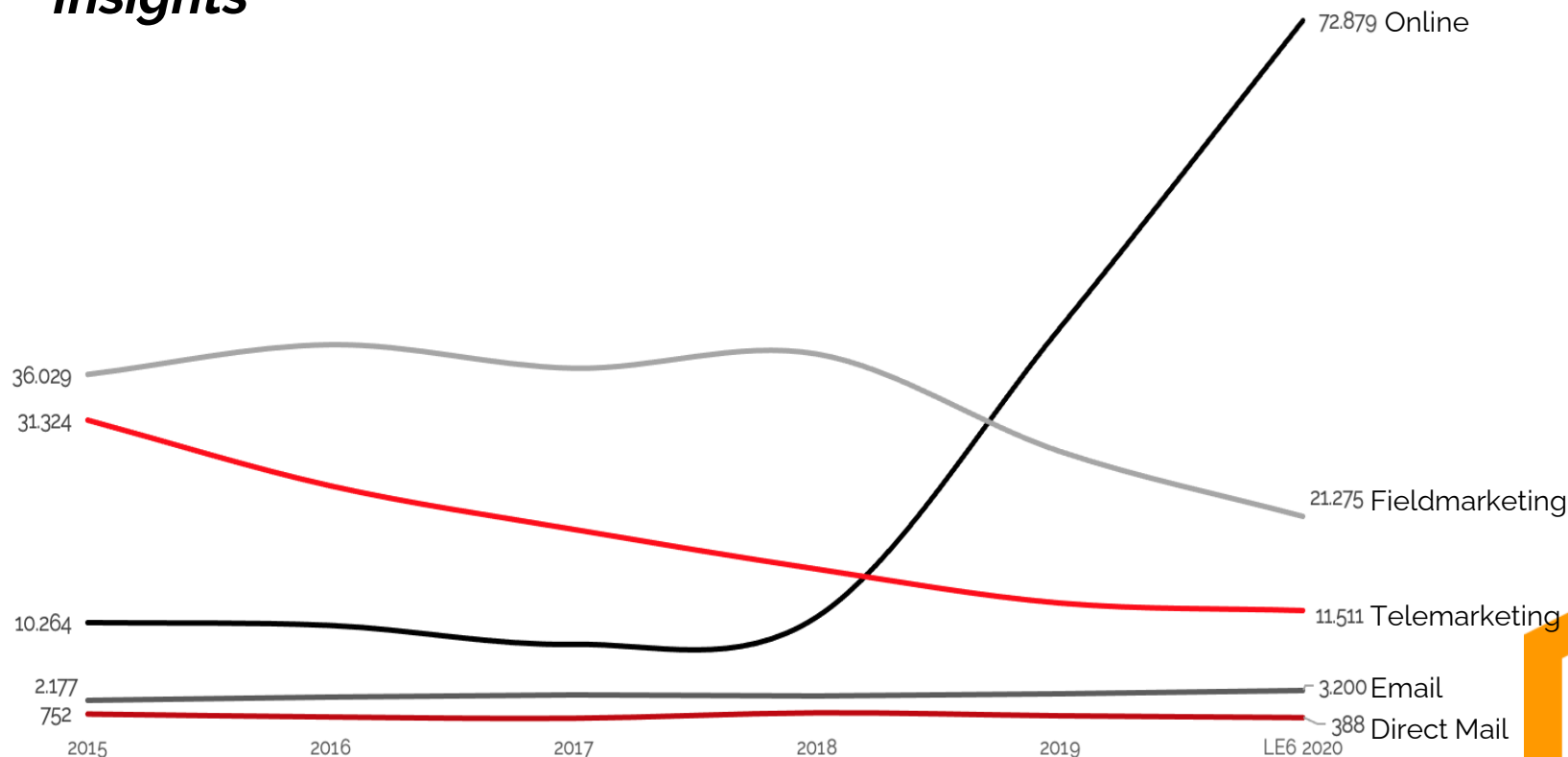
Consumer centricity

1. Mission and goal with broad appeal
2. Top management support
3. Visiting customers in multidisciplinary teams
4. Customer- centric projects and training
5. Road show with tangible results



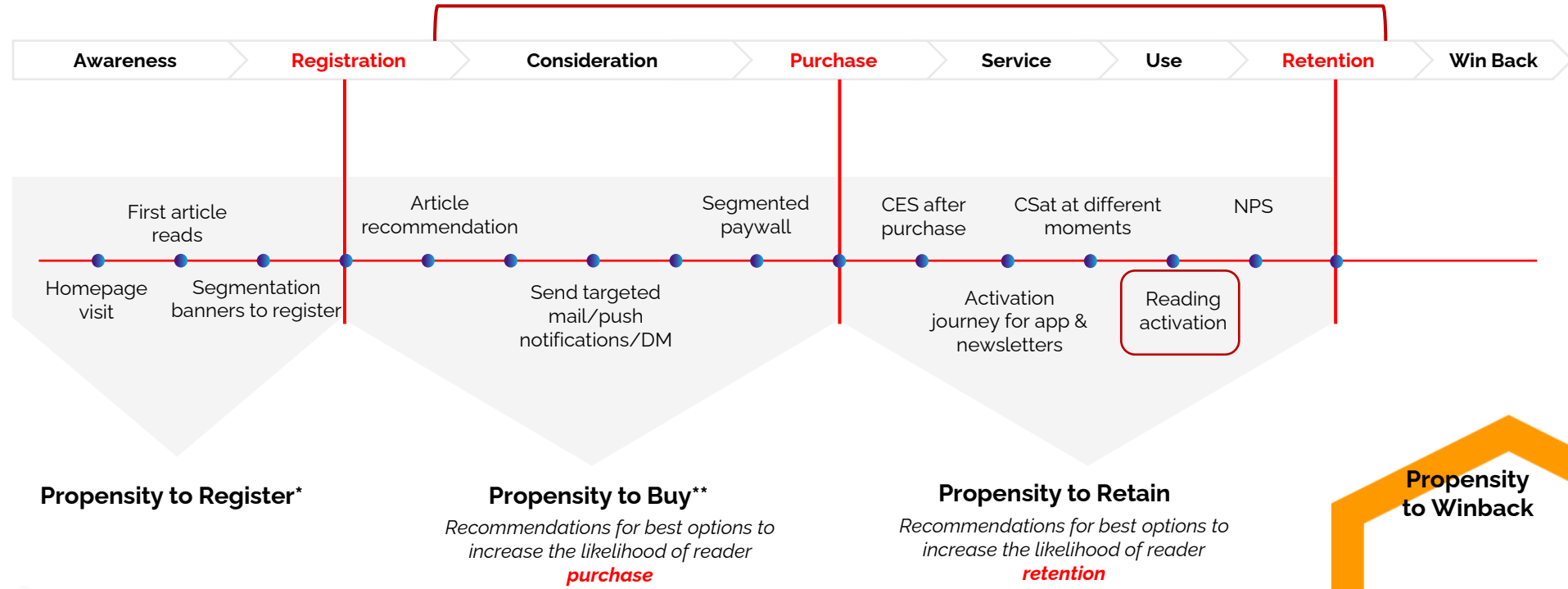
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Insights



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Insights



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Insights

Towards a more data-informed customer journey:

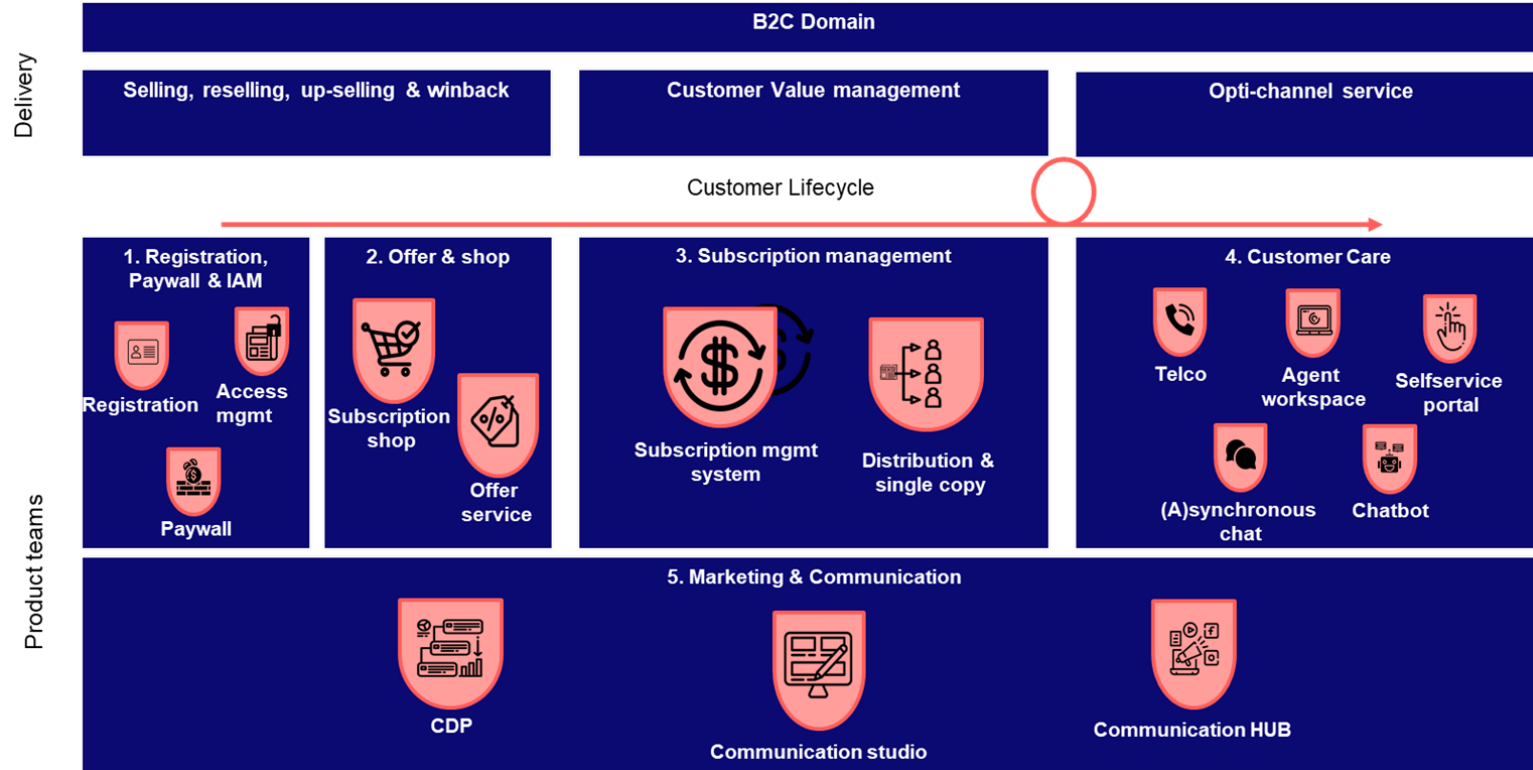
- Start with the simple things



- Then move to the more elaborate measurements and orchestration (with A/B)
 - Article DNA
 - Reader DNA
 - Churn Model
 - ...

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Technology



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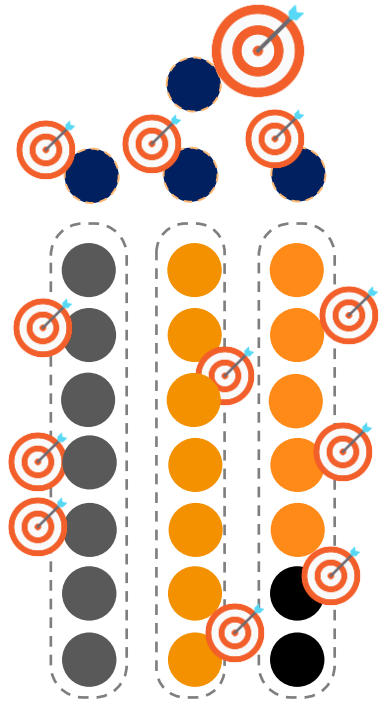
Pricing

- Forget about gut feeling
- Now we work closely with Mather on Market Based Pricing techniques
 - Maximize customer lifetime value while minimizing potential subscriber losses
 - Don't be afraid !
- Continuous A/B testing of the predictive pricing analytics
 - Real-time insight into our customer's response to pricing changes.

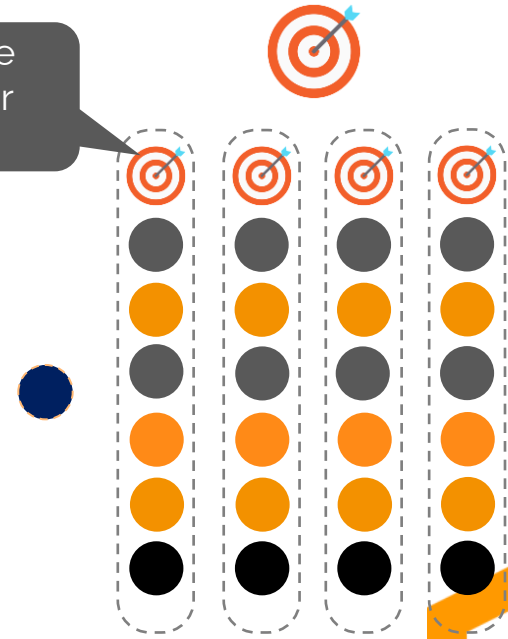
| | NHD | | | |
|--------------------------------|-----------|--------|----------|--------|
| all subscribers --> | Targets | | Controls | |
| Total Accounts | 66.008 | | 6.462 | |
| Active Accounts | 63.696 | 96,50% | 6.221 | 96,27% |
| Temp Stops | 85 | 0,13% | 10 | 0,15% |
| Futures | 0 | 0,00% | 0 | 0,00% |
| Stops | 2.227 | 3,37% | 231 | 3,57% |
| Incremental Stops | -0,20% | | | |
| Migrated to Mather | 58.497 | 88,62% | 6.131 | 94,88% |
| Gross Increase | € 0,89 | 11,73% | € 0,00 | |
| Net Increase | € 0,75 | 9,93% | -€ 0,01 | |
| Original Average Price | € 7,56 | | € 6,43 | |
| New Average Price | € 8,32 | | € 6,42 | |
| Net to Gross ratio | 84,68% | | | |
| Reverts | 5.198 | 7,87% | 60 | 0,93% |
| Revert to Price Below Original | 1.260 | 1,91% | 53 | 0,82% |
| Revert to Original | 3.399 | 5,15% | 0 | 0,00% |
| Revert to Price Above Original | 539 | 0,82% | 7 | 0,11% |
| Change of Service | 1 | 0,00% | 0 | 0,00% |
| Upgrades | 1 | 0,00% | 0 | 0,00% |
| Downgrades | 0 | 0,00% | 0 | 0,00% |
| Weekly Incremental Revenue | € 47.790 | | -€ 69 | |
| Cumulative Incremental Revenue | € 437.941 | | -€ 398 | |

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Team



Swiss army knife
teams with clear
goals



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A-people

Starts at the top

- A-players hire A-players. B-players hire C-players.

No concessions when hiring new people

- Both result-oriented and people-oriented
- Eager to learn, self starters who give energy
- Unanimity in decision making
- Assessments say 1,000 more than interviews

Zero concessions during (annual) review

- Would I hire this employee again?
- Would I hire myself again?

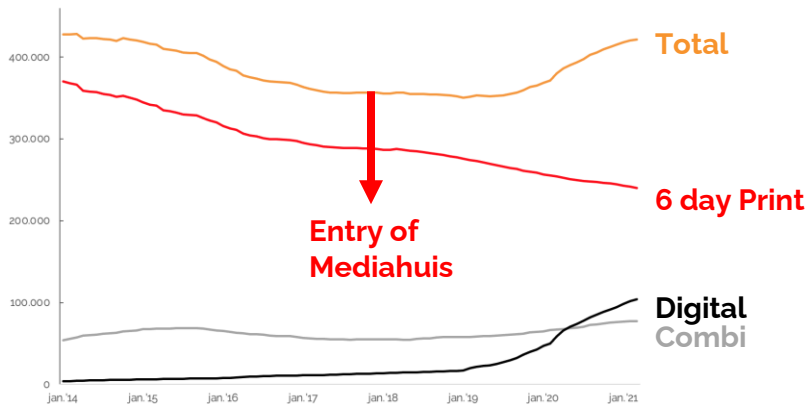




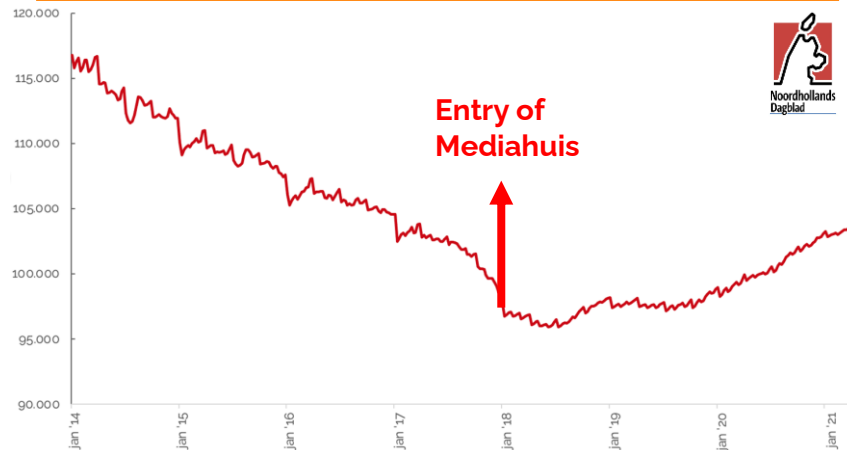
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Impact after acquisitions

Evolution of paid relations De Telegraaf



Evolution paid relations Noordhollands Dagblad



Discussion

Paul Verwilt, Mediahuis
Dustin Tetley, Mather Economics

