



7TH
Mather Economics
Symposium
SUBSCRIBER LIFECYCLE MANAGEMENT

Benchmarking Data-Driven Success.

*How the benchmarking tool
would shape McClatchy's
reader revenue strategy.*



Tim Franklin, Medill
Ed Malthouse, Medill
Shannan Bowen, McClatchy

The Subscriber Engagement Index

Benchmark

Segments

Churn D

Select Media

- Market 30
- Market 4
- Market 5
- Market 6
- Market 7
- Market 8
- Market 9
- Market X**

Benchmark: Market X (Tier-1)

CURRENT PERIOD
Feb, 2021

PREVIOUS PERIOD
Jan, 2021

Subscriber Engagement Index

Feb 1, 2021 - Feb 28, 2021

This Property	Benchmark
12.9	11.6

Subscriber Benchmark

Feb 1, 2021 - Feb 28, 2021

KPI's	This Property	Benchmark
Registered Reader Count	184,111	150,298
Subscribers Count	29,947	25,045
New Subscribers	628	672
Acquisition (%)	2.1%	2.7%
Subscribers Lost	765	715
Retention Rate (%)	97.4%	97.1%
Revenue per Subscriber (\$)	\$14.19	\$13.89

KPI's	This Property	Benchmark
Regularity (Average number of days)	12.9	11.6
Location: In-market (%)	72.0%	73.7%
Location: Out-of-market (%)	28.0%	26.3%
Device: Desktop (%)	47.4%	45.8%
Device: Mobile (%)	13.3%	14.6%
Device: Tablet (%)	29.1%	31.6%

Data Challenges Facing Local News

We know our *own* metrics for acquisition and retention, but **how do they compare to other local news organizations?**

Use Case: Comparing Benchmarks

Registered User Trends

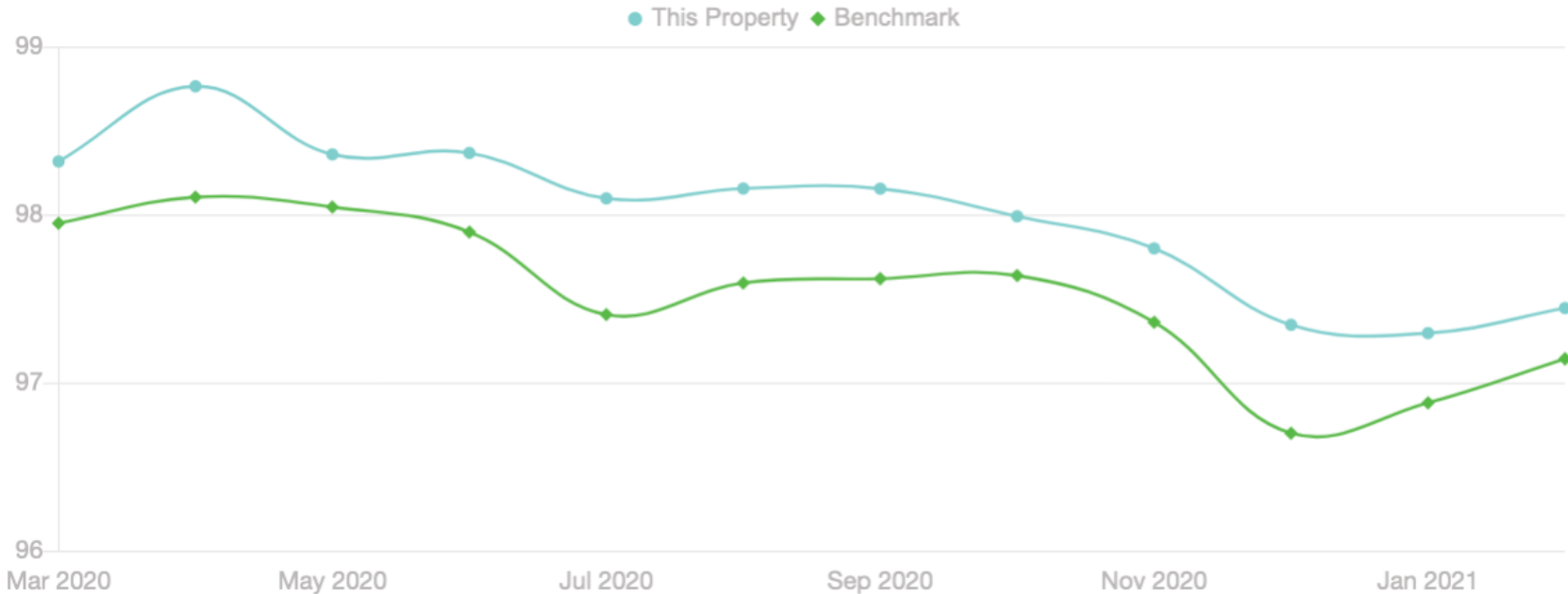
Trendline - Registered Readers Count



Use Case: Comparing Benchmarks

Retention Rates Over Time

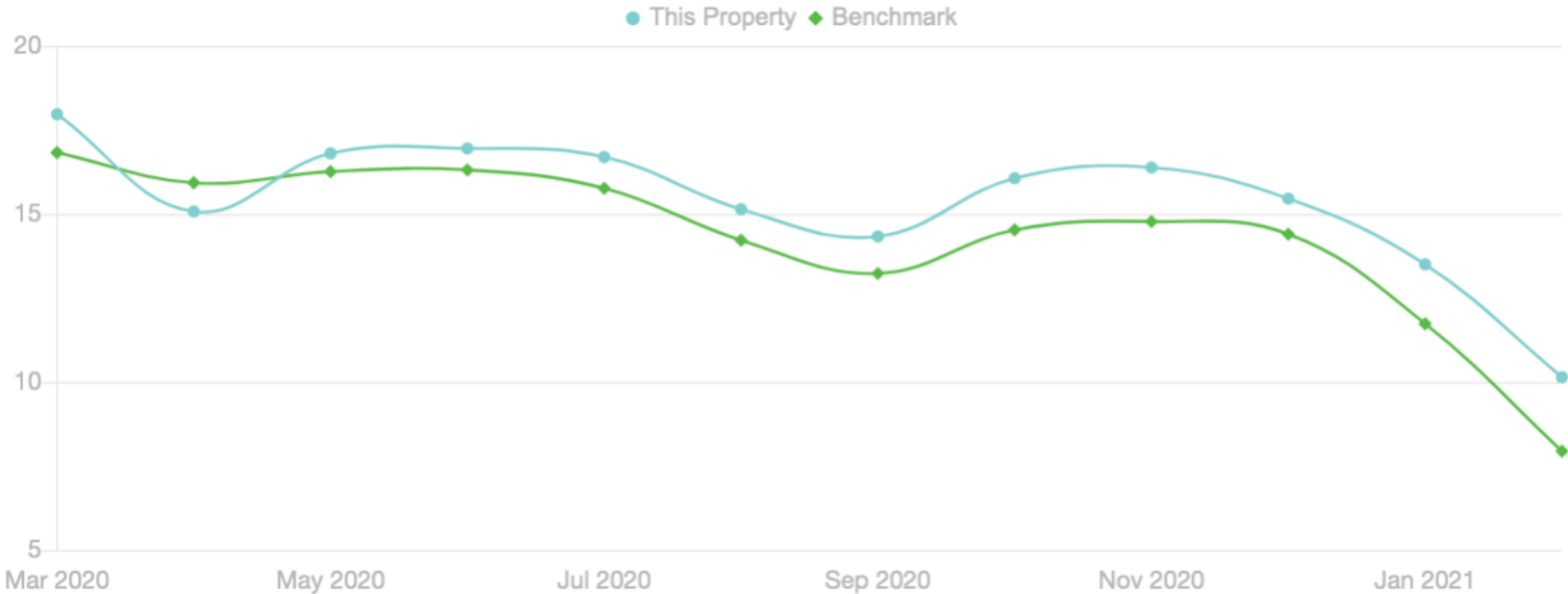
Trendline - Retention Rate (%)



Use Case: Comparing Benchmarks

Device Use Over Time

Trendline - App (%)



Data Challenges Facing Local News

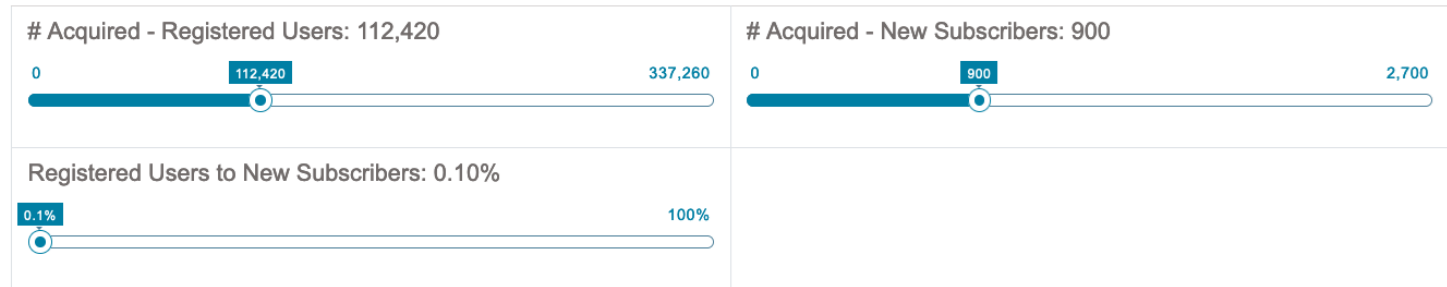
Data modeling skills are highly specialized, so **how can we explore outcomes for different scenarios on-the-fly?**

Use Case: Scenario Modeling

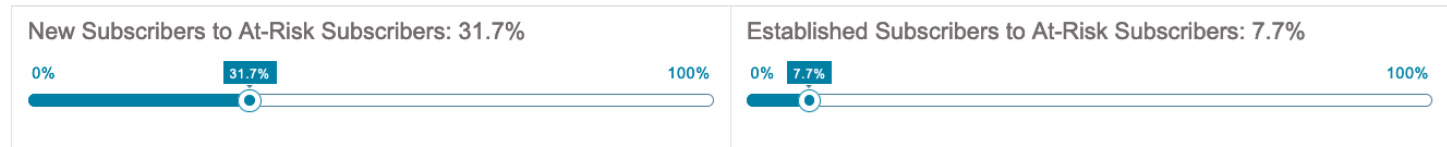
The What-If Reader Equity: Market X (Tier-1)



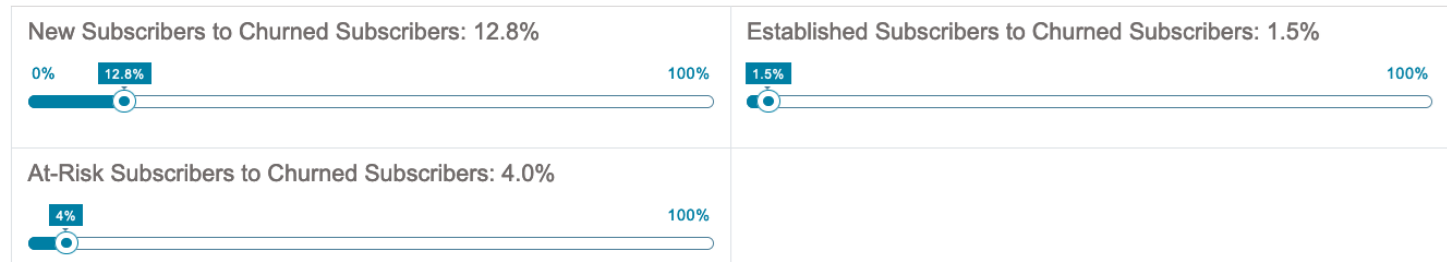
Acquisition (Per Month)



Soft Churn (Per Month)



Hard Churn (Per Month)

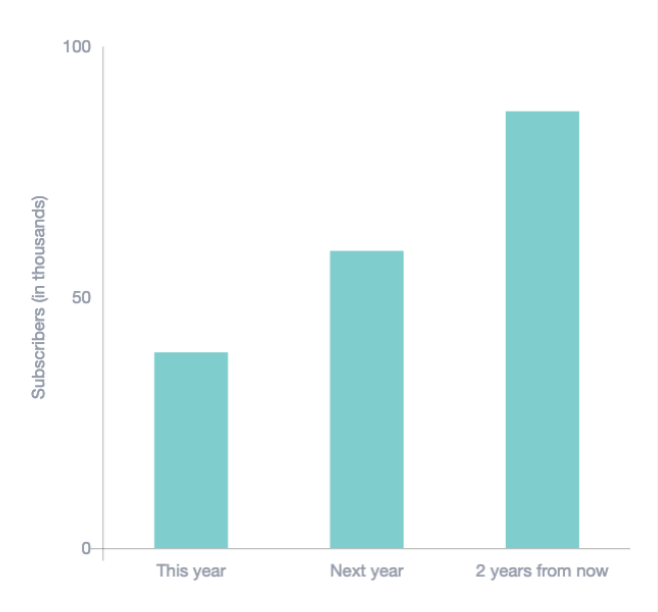


Use Case: Scenario Modeling

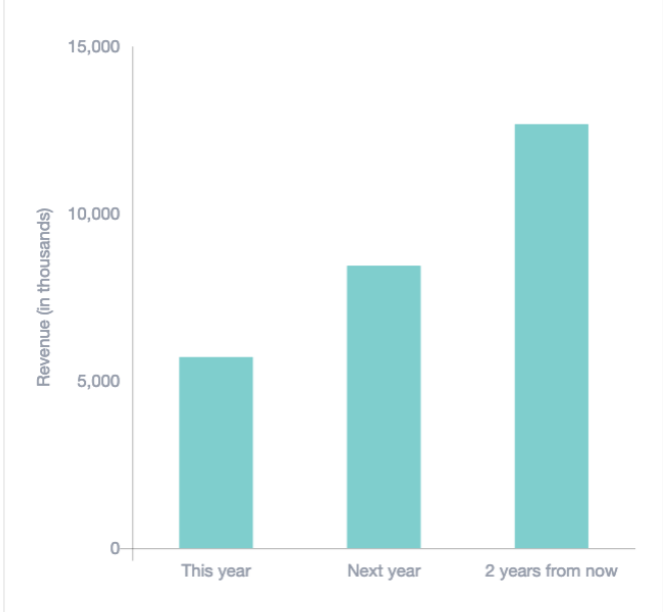
Results: Projected Subscriber Count And Revenue

Projected 3-year Subscriber Value
\$26,844,070

Projected Subscriber Count For 3 Years



Projected Revenue (\$) For 3 Years



Data Challenges Facing Local News

We have a custom churn model, but we need more context about **why a subscriber is at risk of leaving us.**

Use Case: Churn and Readership Drivers

Churn - Common Content

Predictors	Relative Importance
Education	-1.6
Immigration Racism	-1.5
Sports Pro Football	-1.3
Sports Pro Baseball	-0.9
Entertainment	-0.8
Breaking News	-0.7
Health	-0.6
National Government	-0.6
Sports High School	-0.5
Events	-0.5
State Government	-0.5
Openings Closings	-0.5
Nation World	-0.4
Sports College Basketball	-0.3
Local Government	-0.1
Animal	0.0

Regularity - Common Content

Predictors	Relative Importance
Health	10.6
Sports Pro Football	6.2
Local Government	6.2
National Government	2.6
Sports High School	2.4
State Government	2.3
Openings Closings	2.3
Celebrities	2.2
Crime Courts	2.1
Elections	1.1
Restaurants Dining	0.8
Tourism	0.7
Immigration Racism	0.5
Weather	0.3
Sports College Football	0.2
Trending Real Time Aggregate	0.1

Use Case: Churn and Readership Drivers

Sections Associated with Churn

Restaurants Dining	0.5
Celebrities	0.5
Local Communities	0.5
Environment	0.6
Sports College Football	0.8
Sports Other	0.8
Trending Real Time Aggregate	0.8
Crime Courts	0.9
Jobs Economy Finance	1.3
Transport Commuting Traffic	1.8
Real Estate Develop	2.6
Tourism	3.6

Sports Other	-1.0
Sports Pro Basketball	-1.3
Breaking News	-1.3
Entertainment	-1.4
Animal	-1.7
Events	-2.1
Jobs Economy Finance	-2.1
Education	-2.2
Corporate Local_Bus News	-2.2
Nation World	-2.3
Sports Pro Baseball	-2.8
Local Communities	-3.0

Use Case: Churn and Readership Drivers

Newsletter Engagement and Churn

Churn - NewsLetter

Predictors	Relative Importance
Subscriptions	-5.7
UnSubscriptions	2.7

Regularity - NewsLetter

Predictors	Relative Importance
Subscriptions	14.6
UnSubscriptions	-2.3

Data Challenges Facing Local News

We know what our subscribers and other audience segments are reading, but **what keeps them engaged and paying for our journalism?**

Use Case: Funnel Segmentation

Metrics Compared to Benchmarks

Segments Benchmark

Feb 1, 2021 - Feb 28, 2021

Segments	Readers (Count)	Readers Benchmark (Average)	Readers (%)	Readers Benchmark (%)	Revenue / Subscriber (\$)	Revenue / Subscriber Benchmark(\$)
Registered Non-Subscribers: Low Regularity	176,270	143,066	82.3%	81.6%	\$0.00	\$0.00
Registered Non-Subscribers: High Regularity	7,841	7,231	3.7%	4.1%	\$0.06	\$0.06
New Subscribers	628	672	0.3%	0.4%	\$15.44	\$12.19
Established Subscribers	20,683	16,124	9.7%	9.2%	\$14.45	\$14.26
At-Risk Subscribers	7,871	7,532	3.7%	4.3%	\$13.57	\$13.36
Churned Subscribers	765	715	0.4%	0.4%	\$12.67	\$12.57
Total	214,058	175,340	100.0%	100.0%	\$1.99	\$2.03

Using Medill's Index to Solve Gaps

- Helps us **democratize data** across McClatchy
- Provides the same view of metrics across different teams, **preventing siloed data**
- Builds **consensus on KPIs and targets**
- Helps us **model different scenarios** relevant to all teams
- Provides **context around churn**
- Gives **benchmarks from other publishers** that we wouldn't find anywhere else



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DISCUSSION

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