

# 7 Best Practices for News Publisher Sustainability

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The first version of this blog post appeared in 2014, and an update [was written in 2018](#). Many of the tasks mentioned in 2014 and 2018 are still included, but a few have changed considering new innovations and best practices. These recommendations apply to both print and digital products.



## CONTENT

Understand what content you are publishing that your core audience is reading

Data on audience content consumption is an incredibly valuable resource that Publishers are using to transform their digital and print products to better serve their core audiences. Creating more of the content that is valuable to your most loyal audience has been found to increase engagement, customer retention, and customer revenue. Content can have economic value from audience revenue, either from acquisition or retention, and advertising revenue. In the case of investigative journalism, economic value is created from brand building, which builds value and trust for other content.



## DATA

Capture the right data on your digital and print business

Publishing across platforms, including print, mobile web, standard browser, native application, and tablets is a data-intensive business. Publishing has always been a platform business, acquiring an audience to sell advertising, and it will continue to be so in the digital era. The increasing value of first-party data for advertising makes an audience data strategy imperative. When deciding what data to capture, start with the end in mind. How are you going to use this data in your business to make money?



## PAYWALL

Have an aggressive premium content, registration, and paywall strategy

Dynamic paywalls are helpful but not a critical part of your subscription acquisition strategy. Having a combination of premium content that is available only to subscribers, a registration wall that provides access to additional content and other features, and a paywall that only permits one or two articles per month is a dominant strategy relative to a dynamic paywall for most publishers. For publishers with scale, dynamic paywalls can help build your relationship with readers in the middle of your engagement distribution. Anonymous visitors should receive a tight paywall as should readers with very high engagement.



## PRICE

Implement a targeted subscription renewal pricing program

Many of you know Mather Economics for our work in this area, which we call [Market Based Pricing](#). Much as airlines sell tickets at different prices, Publishers should not have the same price for all subscribers.

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Individuals vary in their ability and willingness to pay for your products. Forcing one common pricing path on all subscribers overcharges customers that are not able, or are not willing, to pay the stated price, which will cause them to stop their subscription. The one-size-fits-all price undercharges some customers that are willing to pay more and overcharges others that would subscribe at a lower but still profitable price point. Price elasticity declines over time as subscribers become more engaged and loyal to your product. Age and income groups are also correlated with price elasticity as are subject-matter interests and online behaviors.



## CUSTOMER LIFETIME VALUE

Calculate dynamic customer lifetime value (CLV) for current and potential customer

Knowing which customers are the most profitable enables publishers to focus on acquiring and retaining these individuals. Retention varies significantly by customer, which affects expected profits by customer over time. Print customers that live in areas with high density close to the distribution facility cost less to serve than others in low-density far-away locations, which will drive future distribution area and network decisions. Similarly, customers that are often targeted by advertisers, both digitally and in print, yield much more revenue than those that are not. Combining these variable revenue and costs with expected retention by customer to determine the expected operating margin will identify significant variance between high-profit and low-profit customers.



## CHURN

Estimate propensity to churn and implement targeted retention campaigns by customer

Customers have significant variation in their likelihood of stopping their subscription, particularly the digital version due their shorter tenure with your products relative to the print platform. Implementing retention campaigns to all customers in the same way, and at the same point in their lifecycles, is an inefficient use of resources. Combining propensity to churn with customer operating margin enables the most effective targeting of retention resources.



## PRODUCT

Charge a “high” subscription price for your digital-only products

In price tests with digital only products with many publishers, we have observed that price elasticity for digital only subscribers is comparable to print subscribers of similar tenure, meaning that publishers have pricing power with digital-only products. Many publishers’ digital-only prices are low relative to their print prices, although we are working with many publishers to raise prices to their digital-only subscribers. One important benefit of this strategy is that it maintains revenue and margins from subscribers migrating from print to digital platforms.

There is far more innovation and digital transformation taking place in 2021 than in 2014 and 2018, in part due to the significant news cycle and pandemic disruption during 2020. I am optimistic that the next post in this series, to be posted around 2024, will reflect the state of the industry as one of optimization and growth instead of dramatic transition.

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