Hearst Newspapers: Subscription Growth Success

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Hearst Metro Newspapers
Digital Subscriber Growth: 2019-2021

On Track to Exceed 300,000 Digital Subs by the End of 2021
Metros' Cumulative Gross Digital Starts (000s)

- **2019**: 1,000 starts per week
- **2020**: 3,000 starts per week
- **2021**: 4,000 starts per week
Key Drivers of Digital Starts

Omni-Channel Campaigns
Run monthly promotions with urgent, limited-time offers

Paywall Optimizations
Improve productivity via meter settings and user experience

Lead-Generation
Grow top-of-funnel in concert with newsrooms

B2B Subscriptions
Extend reach with institution-wide deals

Paid Marketing
Expand external channels at profitable costs-per-start
Key Drivers of Digital Starts

Omni-Channel Campaigns
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Paywall Optimizations
Improve productivity via meter settings and user experience

Lead-Generation
Grow top-of-funnel in concert with newsrooms
Longer Intro Offers Drive More Starts and Revenue

<table>
<thead>
<tr>
<th>Introductory Offer</th>
<th>Starts Per Day</th>
<th>12-month Retention</th>
<th>12 Months’ Revenue from 1 Day’s Starts</th>
</tr>
</thead>
<tbody>
<tr>
<td>99¢ for 12 weeks</td>
<td>2x</td>
<td>same</td>
<td>40% lift</td>
</tr>
</tbody>
</table>
Paywall KPIs

Unique Visitors \times \text{Paywall Stop Rate} \times \text{Conversion Rate} = \text{Paywall Starts}

- **Unique Visitors**: Non-subscribers visiting HNP premium sites
- **Paywall Stop Rate**: % of those visitors who exceed their article limit and hit paywall
- **Conversion Rate**: Of those who hit paywall, % who go on to subscribe
Paywall Performance Trend

2020 HNP Paywall Trend

- Paywall Stop Rate: users stopped by paywall
- Conversion Rate among users stopped by paywall

Performance improved by:
- Enhanced designs
- Appealing offers
- Optimized meter
Paywall Productivity

The “Paywall Productivity Index” blends Paywall Stop Rate and Conversion Rate into one metric that shows how many starts we derive from every million users.

2020 HNP Paywall Productivity Index
Starts per Million UVs
Paywall Optimizations: Recent Win

Control: Inline Paywall with Article Preview

After losing thousands of donations this year due to the coronavirus pandemic, San Antonio’s blood bank is reporting critical shortages in blood products that could jeopardize surgeries and the treatment of trauma patients.

The South Texas Blood and Tissue Center, which supplies blood to hospitals across the region, has seen low inventories that can only immediately fulfill about half of hospital orders for Type O blood, which is used for emergency transfusions.

Test: Overlay with No Article Preview

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94% Increase
# Lead Generation: Offsite Key for New Unique Leads

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique Leads Captured</td>
<td>500K</td>
<td>700K</td>
</tr>
<tr>
<td>Cost Per Lead</td>
<td>$0.62</td>
<td>$0.67</td>
</tr>
</tbody>
</table>

Unique leads grew 40% YoY from offsite channels.

**CPL increased in 2020** due to change in strategy – quality over quantity.

**Content-to-capture forms** on Facebook best performing.
Lead Generation: Onsite Grows Newsletter Engagement

Exit Ads  | High-impact interstitials on exit to new or unknown prospects

Prospect Onboarding  | First 30 days the most important for moving down funnel

Signup Page Designs  | Overhauled so easier to maintain and track