Reader Revenue Playbook

The playbook, exercises, and workshops are informed by insights from more than 50 publishers around the world and represent the collective expertise of our trusted partners and the Google News Initiative:

Subscriptions Labs	Contributions Labs	Industry Associations

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Welcome to the Reader Revenue Playbook!

Welcome to the Google News Initiative (GNI) Reader Revenue Playbook! The playbook and its accompanying exercises are meant to help news organizations address the strategic and tactical decisions required for building and strengthening a digital reader revenue model. The playbook is designed to guide you through a few key questions:

- **Does a digital reader revenue model make sense for your news organization?**
- **What are the key factors for building and strengthening a reader revenue model?**
- **How do you select a digital reader revenue model that aligns with your product and readers' needs?**
- **How do you develop a clear value proposition that addresses readers' needs and deepens your news organization's relationship with the community it serves?**
- **What improvements can your news organization make across the user funnel?**
- **How do you set digital reader revenue-centered goals for your news organization and develop a plan that enables long-term reader revenue success?**

Our collective experience working with news organizations around the world has consistently reinforced that there is no one-size-fits-all solution. As a result, this playbook is designed to provide news organizations with a structured approach to think through the key decisions, trade-offs and investments involved in building and strengthening a reader revenue model. We hope it provides your news organization with a more informed understanding of its reader revenue goals, key target metrics for achieving those goals, and tactics to improve performance against those metrics.

Throughout the playbook, you'll find interactive exercises that aim to bring its insights to life. For instance, with our Opportunity Sizing exercise, you can develop a better understanding of the key factors that inform a reader revenue model and your news organizations' reader revenue opportunity. With our User Funnel Diagnostic, you can compare your own organization's reader revenue metrics to industry benchmarks and identify tactics to improve performance.

You'll also find lessons and best practices from the more than 50 news organizations across the world that have participated in GNI reader revenue programs and labs in the last two years.

The most important lessons we've learned from our partners are that being successful with a reader revenue model requires deep understanding of readers' information needs, building a strong value proposition focused on those needs, clearly and consistently communicating that value to readers, compelling those readers to financially support your news organization, ensuring that it's easy for them to do so, and nurturing those relationships over the long run. It also requires building an organization that is ruthlessly focused on and committed to those objectives.

That journey can be a long one. For some of the news organizations we've worked with, the transition can take years if not decades. But it's achievable. For many news organizations, converting just 3-5% of readers into paying subscribers or contributors can support long-term sustainability.

The playbook and accompanying exercises serve as a distillation of everything we've learned about reader revenue through Google News Initiative Labs and programs. As the GNI's work evolves, we'll continue to refresh the playbook with new insights, learnings and benchmarks. We hope this playbook can help you feel more confident about your digital reader revenue journey. Thank you for allowing us to take this journey with you.

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Chapter 1

An introduction to reader revenue

What are different types of reader revenue models?

A reader revenue model is a business model in which some or all revenue comes from the direct financial support of readers. Over the past few years, a number of terms have emerged in reference to reader revenue models, including subscriptions, contributions, memberships, donations and micro-payments. Given that there are often different definitions across the industry on what each of these terms mean, we'll begin by providing the definitions we'll be using in the playbook.

Contributions

We use Contributions to refer to a reader revenue model where publishers encourage readers to contribute or donate to the news organization without restricting the core content on their digital property to any reader. Often, contribution models encourage readers to provide a one-time or recurring (often monthly) contribution or donation. Examples of news organizations with contribution models include The Texas Tribune (US), The Guardian (UK), La Silla Vacía (CO), Frontier Myanmar (MM) and El Faro (SV).

A consistent theme across all contribution models is that the value exchange between the news organization and reader is not primarily rooted in access to content as it is with subscription models. Rather, readers financially support the news organization because they value the content and believe it needs to exist and be accessible to all readers. News organizations with contribution models can choose to provide additional content (i.e., member-specific newsletters or podcasts) as an added benefit of their membership program (a topic we'll explore later in the playbook) but will make their core news content available to all readers.

Subscriptions

Subscriptions are a reader revenue model where a news organization requires recurring financial payment for full access to content. Examples of news organizations with subscription models include The Wall Street Journal (US), Estadão (BR), and The Ken (IN). Subscription models typically take on a few different forms:

Restricting access by article count: Publishers restrict access to content based on the number of articles a reader consumes over a specific period of time (typically 30 days). If a reader attempts to consume beyond that article threshold, they will need to purchase a subscription. For example, setting a paywall at five articles means that a reader will need to subscribe if they want to consume more than five articles during that 30-day period. When publishers refer to setting their meter or paywall meter, they are referring to how many articles they provide for free before requiring a reader to subscribe. Examples of publishers who restrict access by a fixed article count include The Atlantic (US), The New York Times (US), The Post and Courier (US), Folha de S.Paulo (BR), Estadão (BR) and Nikkei (JP).

Some publishers use a dynamic paywall where the meter adjusts based on each user's demographics or engagement behavior. For example, a user with a higher number of visits over multiple months might see a "tighter" or lower paywall than a user with lower levels of engagement. This solution can optimize subscriptions by showing offers more quickly to those with a higher likelihood to subscribe, while preserving pageviews from readers that have a lower likelihood to subscribe.

Restricting access to premium content: Some publishers with subscription models make some news content available to all readers and designate specific news content as premium, which can only be accessed with a subscription. Typically, publishers that take this approach place content behind a paywall that they believe is attractive enough to entice readers to subscribe based on historical reader engagement of content or feedback from readers through surveys or interviews. Examples include news organizations like Estado de Minas (BR), Le Monde (FR), Jota (BR), The Ken (IN) and Politico (US).

Restricting access to all content without a subscription: Some publishers require readers to purchase a subscription to access any content on their website. This model is sometimes referred to as a hard paywall. Publishers with a hard paywall might still choose to offer free trials to their readers in order to promote their subscription offers or tease their content by providing the first few sentences or paragraphs of an article for free. Examples include The Wall Street Journal (US), Financial Times (US) and Reforma (MX).

Hybrid subscription models: A number of news organizations build subscription models that combine features from the other subscription models mentioned above. For instance, some news organizations restrict access to certain categories of content while implementing a paywall tied to the number of articles consumed. One example is Nexo Jornal (BR).

An emerging trend across the industry has been news organizations using a subscriptions and contributions model simultaneously. For example, the Local Media Association recently tested a contributions model with more than 200 North American publishers who collectively raised U.S.$1.6 million. Across all publishers testing the model, roughly 70% of the contributions came from existing subscribers.

Membership

We use Membership to refer to the package of value added benefits that publishers offer their subscribers or contributors. It is the "program" that publishers with either subscriptions or contribution models use to communicate their value and deepen their relationship with subscribers or contributors. As we'll discuss later in the playbook, for some organizations, viewing subscribers or contributors as "members" can be a useful step in retaining them and reducing churn.

Later in the playbook, we'll provide a full list of membership benefits we've seen news organizations offer, discuss how to select benefits that might be a good fit for your readers and consider how to market and position your membership program to make it more attractive to readers. Examples of membership programs include La Silla Vacia's (CO) SúperAmigos (or "Super Friends") program or the membership program from The Rivard Report (US).

There are a few variations on reader revenue models that we wanted to acknowledge here but will not cover in-depth.

Micropayments

A pricing model in which readers can purchase access to content at the article level.

Bundling

An approach to subscriptions where readers can subscribe to a news organization alongside a subscription to another product or service, typically at a discounted price across both properties. Some news organizations bundle noncompetitive subscriptions. For example, The New York Times (US) and Nexo Jornal (BR) offer a joint subscription. Other organizations bundle services such as entertainment or even legal services with their news subscriptions. Examples include Reforma (MX) which bundles movie rental credits, Grupo Nacion (CR) which bundles streaming gym videos and El Mundo (ES) which bundles access to a legal counseling service.

Crowdfunding

A specific type of a contribution model where capital to launch an effort is raised through the collective efforts of a community. Noteworthy examples of news organizations that were able to launch through crowdfunding include Krautreporter (DE) and Tortoise Media (UK). News organizations that have relied on a crowdfunding strategy to initially raise capital have often been able to use the initial campaign as a foundation for a more lasting contribution model.

Is reader revenue right for your news organization?

While this is a playbook about how to approach digital reader revenue, this business model is not right for every news organization. Here are some questions to help determine if reader revenue is right for your news organization:

Do you have loyal readers?

News organizations can get a preliminary sense of how many loyal readers they have by looking at the current behavior of their digital audience. For example, how many readers do you have who come to your properties more than 8 times per month? If you are able to get a meaningful percentage of those return visitors to pay, are there enough of them to justify the time and investment you spend on building a reader revenue model?

If your percentage of highly engaged readers is low, you might be better served by focusing on strengthening content or developing the reader base before building a reader revenue model. Later in this playbook, we'll talk about News Consumer Insights and how you can use it to identify the percentage of "Loyal Readers" and "Brand Lovers" in your current reader base. We'll also discuss some methods you can use to estimate your digital reader revenue opportunity.

Does your audience have a culture of financially supporting news organizations?

Although studies have shown an increasing willingness from readers to pay for news content, news organizations will likely need to educate their readers on why providing direct support for news content is important. This is particularly true for news organizations in emerging markets where there may not be a well established culture of financially supporting news content. As we've seen with Página 12 (AR), Dennik N (SK), or The Ken (IN), reader revenue success in an emerging market is possible when news organizations offer their readers robust value propositions.

Later in this playbook, we'll share some tips on strengthening content, selecting value added benefits and effectively marketing and positioning your memberships to make the case for reader revenue to your readership.

How do you select a reader revenue model?

If digital reader revenue is right for your news organization, the next step is to choose a model. Here are some factors to consider when choosing between a digital subscription and contribution model.

Reliance on advertising revenue

There are two critical questions for news organizations currently relying on advertising revenue:

- How important is advertising revenue to your current business model?
- How important is that revenue to the long-term success of your news organization?

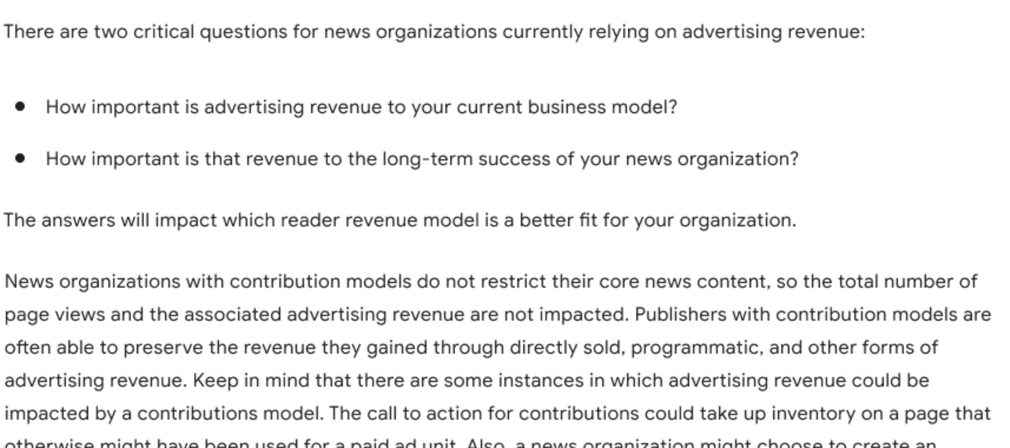
The answers will impact which reader revenue model is a better fit for your organization.

News organizations with contribution models do not restrict their core news content, so the total number of page views and the associated advertising revenue are not impacted. Publishers with contribution models are often able to preserve the revenue they gained through directly sold, programmatic, and other forms of advertising revenue. Keep in mind that there are some instances in which advertising revenue could be impacted by a contributions model. The call to action for contributions could take up inventory on a page that otherwise might have been used for a paid ad unit. Also, a news organization might choose to create an ad-free experience as a part of its membership program. Additionally, some readers may assume a news organization is fully funded by advertising and therefore not consider contributing.

In subscription models, news organizations lose the advertising revenue that might have come from page views on content they've restricted. News organizations that are heavily reliant on advertising revenue could lose that revenue in the short term if they move to a subscription model. Moving too quickly to a subscription model or without considering the impact on advertising revenue can threaten long-term sustainability. There are strategies to limit the risk of creating a paywall. As we mentioned before, some publishers use a dynamic paywall, which changes the paywall meter based on a reader's engagement to more precisely optimize net revenue and minimize unnecessarily trading off ad revenue. There are a number of frameworks and methods publishers can use to understand the impact of a paywall on their advertising revenue. In the GNI U.S. & Canada Subscriptions Lab, FTI Consulting helped publishers conduct a trade-off analysis to evaluate the impact of tightening their paywalls on advertising revenue. We'll revisit this framework later in the playbook.

Some publishers have also reported that implementing a subscription model has allowed their organizations to attract more premium advertisers for their inventory. Advertisers see the presence of a robust subscriber base as evidence of a strong relationship between readers and a news organization's brand. Other publishers have been able to better monetize their inventory thanks to the richness of first party data enabled by a reader revenue model.

In other cases, news organizations choose to incur short-term revenue losses due to projections of their digital advertising revenue over time. The short-term trade-off is worth shifting to a model that will be core to their business in the long run. In an analysis from FTI Consulting during the GNI U.S. & Canada Subscriptions Lab, subscriptions revenue for the publishers in the cohort was projected to be greater than advertising revenue over a five-year period. For publishers making the shift from being advertising revenue reliant to reader revenue reliant, timing the transition to balance short- and long-term interests is crucial.



FTI Consulting's five year projection of subscription & advertising revenue across the US Subscriptions Lab cohort shows that subscriptions revenue is greater in the long run

Alignment with brand values

When selecting a reader revenue model, publishers also need to take into account how a reader revenue model aligns with readers' perceptions of their core brand values.

A news organization that is not-for-profit or focuses on an underserved topic or geography might be well-positioned to ask their readers for financial support through a contribution model. Additionally, news organizations that are independently owned might be able to better signal to their readers that reader contributions are essential to their long-term sustainability. Readers of news organizations that are owned by large media or business conglomerates may assume that their contributions aren't crucial to the long-term sustainability of the news organization.

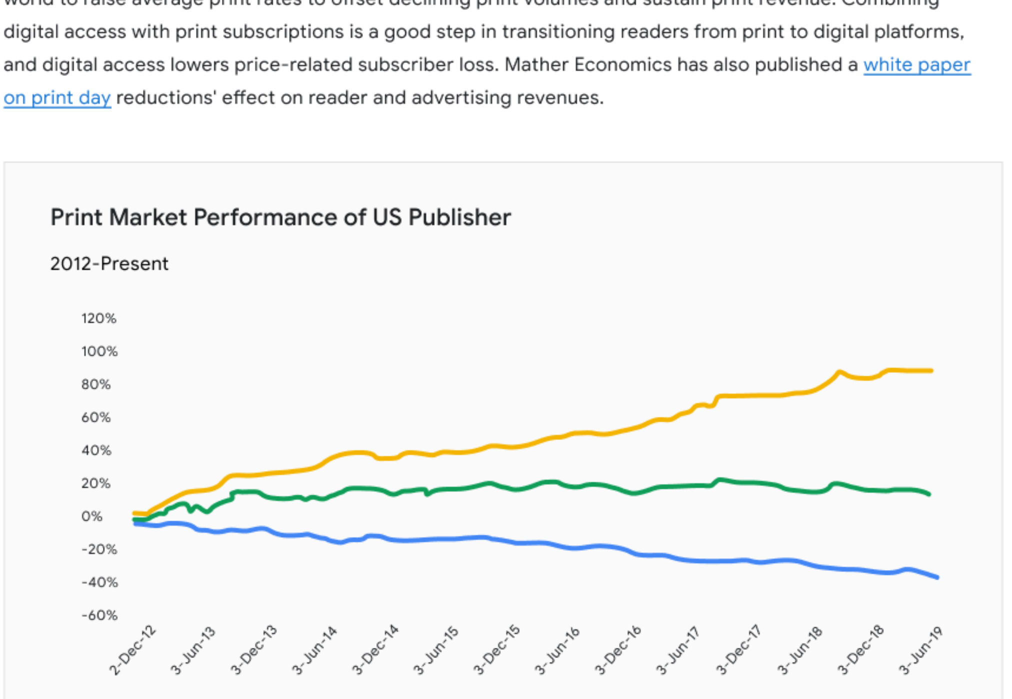
On the other hand, news organizations that are part of larger companies or that have a history of financial success might find it more difficult to make the case for a contributions model. These news organizations may find that a subscriptions model is a better fit. We should note that some larger news organizations like BuzzFeed News have explored contributions, making the case to their readers that financial contributions ensure that the content they produce is available to everyone.

Ensuring that your marketing and messaging is authentic to your organization is critical, whichever model you choose.

Existing print businesses

For publishers with legacy print subscription models, the average revenue per user for a print subscriber can be higher than the average revenue per user for a digital subscriber. Migrating print subscribers to digital can come at a substantial cost for these organizations.

Targeted pricing strategies can extend the revenue from print products to provide publishers more time for digital revenue growth to occur. Mather Economics, for instance, has worked with publishers around the world to raise average print rates to offset declining print volumes and sustain print revenue. Combining digital access with print subscriptions is a good step in transitioning readers from print to digital platforms, and digital access lowers price-related subscriber loss. Mather Economics has also published a white paper on print day reductions' effect on reader and advertising revenues.



A snapshot of the print performance of one of Mather Economics' clients. The US publisher above has been able to keep print revenue steady with price increases even as volume has declined, providing more time to embrace digital transformation.

Turning to digital reader subscriptions might be one of the few growing revenue opportunities for legacy newspapers in some markets. According to research completed by FTI Consulting, digital subscriptions in the U.S. grew at a two-year compound annual growth rate exceeding 60%, while other revenue categories were relatively flat or significantly declined.

What are key factors for making a reader revenue model successful?

Publishers we've worked with highlight the factors below as critical to building and strengthening a reader revenue model.

Understand your readers' needs.

As with any effort that requires building strong relationships, the reader revenue journey should begin with a deep understanding of your readers' needs, particularly their information needs. This means understanding what your readers want and need to consume to live more informed and better lives. You have to know how and when they prefer to consume that information and the value they currently get (and would like to receive in the future) from your news organization. Developing a reader-centric mindset doesn't necessarily require large budgets or a dedicated research team. Later in this playbook, we'll discuss simple methods news organizations can use to develop a deeper and more complete picture of their readers' needs.

Commit to building your product around your readers' needs

News organizations routinely tell us that it's not enough to understand readers' needs; it is also critical to commit to meet and, ideally, exceed them. Successful news organizations that we have worked with have a clearly defined value proposition, commonly focused on providing readers with the information they need to make more informed decisions about their lives and communities. Whether subscriptions or contributions, reader revenue strategies start with creating high-quality content that readers will find essential to their lives. A number of news organizations we've spoken with found it important to differentiate their product from other available news sources, particularly as information is increasingly commoditized.

Communicate your value proposition to the right audience segments at the right time and the right place

It's also critical to inform your readers of the value you provide and to do so effectively. This means investing in positioning, messaging and marketing your reader revenue program so that it's front and center for potential subscribers and contributors.

Make it easy for your readers to subscribe or become a member

Later in the playbook, we'll refer to the importance of a cleanly defined and well-managed user funnel — the process of growing your readers, engaging your readers, converting those readers into subscribers or contributors and retaining those subscribers or contributors. As an organization, it's essential to make that journey as seamless for your readers as possible. We'll discuss tactics you can use and key metrics you should track to ensure you're creating the most effective user journey.

Reinforce your reader relationship in smart ways to increase retention

Your relationship with a subscriber or contributor doesn't end with conversion. It's crucial to remind your subscribers and contributors why they have a paying relationship with your journalism — effectively, why you're essential. Like any relationship, keeping it strong and healthy requires care and attention over time. The most successful membership programs create opportunities to surprise and delight paying customers throughout the relationship. Surprise and delight moments aren't just nice to have; they're a critical business tactic. As FTI Consulting and Mather Economics will attest, it is much more costly to acquire a new paying user than it is to retain an existing one.

Commit to reinforcing your reader revenue goals across your company

The news organizations with the strongest reader revenue businesses have company wide commitments to reader revenue, reinforced from the top down. The New York Times (US) saw its greatest subscriptions growth in the several years after publishing its 2020 Report, which expressed a commitment to being a reader-first organization and set the ambitious target of 10 million paying subscribers. Those strategic aspirations have guided every subsequent decision and have been a critical factor in its success. Reader revenue success is hard; it's only through working together that news organizations can be successful. Later in the playbook, we'll discuss how to set reader revenue goals and identify the target metrics and tactics that can help achieve them.

Experiment and iterate

There is no one-size-fits-all solution. Building a culture that creates space for and rewards experimentation will give you the ability to find strategies that work for your organization and readers. Ensure that your experiments are informed and data-driven. Experiment frequently, learn and iterate.

Chapter 2

Establish your reader revenue foundations

Publishers we've worked with have routinely stressed the importance of understanding the potential financial opportunity with reader revenue in order to make a case for reader revenue within their organizations or inform planning discussions.

In this section, we'll identify methods you can use to assess what the opportunity might look like for your news organization. Remember that any projection of your reader revenue opportunity is an estimate using the data available at the time, not a guarantee. We recommend against using the exercise below as a precise forecast. Rather, the exercise should be used to develop and guide your thinking.

We'll use the opportunity sizing exercise below to map out your potential reader revenue in one year. Along the way, we'll identify the core metrics that drive reader revenue and different approaches for assessing those metrics in your business. In the simplest version of the exercise, potential reader revenue opportunity is calculated using the following factors:

- **Monthly active users**
- **Monthly active user growth rate**
- **Conversion rate**
- **Average digital reader revenue per user**
- **Churn Rate**
- **Existing subscribers or contributors (for news organizations with active reader revenue models)**

Exercise 1 : Estimate your reader revenue opportunity.

You can use the exercise on the interactive version of the playbook on the GNI website.

The exercise is aspirational and meant to inform what might be possible given the current realities of your business.

We'll start with a simple question: Are you interested in subscriptions or contributions?

Subscriptions

Exercise 1

What is your goal for monthly active users?

There are two approaches you can use to calculate this number:

1. If your organization is new or if you are interested in an aspirational sense of what's possible, use the approach recommended by FTI Consulting below. Potential monthly active users are equal to the number of in-market households in the geographic community your news organization serves multiplied by a fixed ratio of unique visitors per household you aspire to. You can calculate your target monthly active users by answering the following questions:

- How many households are in your community?
- Do you consider yourself part of a:
  - Small news market with fewer than 500,000 households with a primary focus on a specific local community?
  - Large news market serving 500,000 households or more, or do you focus on a topic that has national or international relevance?

Calculate your target monthly active users by multiplying the number of households in your market by either three, if you are in a small news market — or five, if you are in a large market or focus on a topic with national or international relevance.

Number of Households X Ratio of Unique Visitors Per Household = Total Monthly Active Users Goal

2. Use your historical data. Use either your monthly active users from last month or the average monthly active users over the last three or six months. Take this approach if your news organization is mature and you feel confident you've been able to discover the full extent of your audience.

What is your goal for monthly active user growth rate (month over month)?

- To calculate your monthly active user growth, we recommend using your historical data. You can also provide the average growth rate over the last six months. Growth rate equals monthly active users last month divided by monthly active users from the previous month minus 1.

What is your goal for conversion rate?

There are three different approaches to approximate your conversion rate goal. Remember, conversion rate is the percentage of total monthly active users that are subscribers.

1. Use an industry benchmark. You can use FTI Consulting's target benchmark of 4% if you're serving a small news market or 2% if you're serving a large news market. The conversion benchmark can be even higher for smaller news organizations. For instance, FT Strategies found that 6% was a more suitable benchmark for publishers from smaller markets in Europe it worked with in the GNI Europe Subscriptions Lab.

2. Ask your readers. Some news organizations use surveys in order to understand the market potential. Here's how news organizations in our labs have asked their readers.

- "On a scale of one to five, how willing would you be to subscribe to this news organization?" You can use the percentage of respondents who answered with a four or a five to calculate your news organization's aspirational conversion rate. (News organizations who use surveys prefer to disregard all answers below a score of four, given that respondents have been shown to overstate their willingness to subscribe in surveys.) Later in this playbook, we'll discuss how you can survey readers.

3. Use your historical data. Some publishers with more mature subscription models use their conversion rate from the most recent month.

What is your goal for average digital subscription revenue per user (monthly)?

A helpful way to think about this metric is as the average price of your digital subscription for readers. There are three different approaches to approximate your average digital reader revenue per user.

1. If you'd like to use industry benchmarks, it will likely vary depending on where your news organization is based.

  - If you're in a developed country, you can use FTI Consulting's benchmark for small news markets of U.S.$10 per month or large news markets at U.S.$15 per month.
  - If you're in an emerging market, Mather Economics suggests a benchmark between U.S.$5 and U.S.$7 per month.
  - You'll also want to take into account additional factors such as the strength of your local economy and currency exchange rates in determining an average revenue per user that makes sense for your news organization. For instance, FT Strategies in the GNI European Subscriptions Lab noticed that in countries like France and Spain, the figure is often in the $10-12 range even for larger news markets.

2. Ask your readers. Here's how news organizations in our labs have asked their readers.

3. Use your historical data. If you have a mature subscription model and feel your average price has stabilized, you can use your current average subscription price for readers.

What is your goal for churn rate (monthly)?

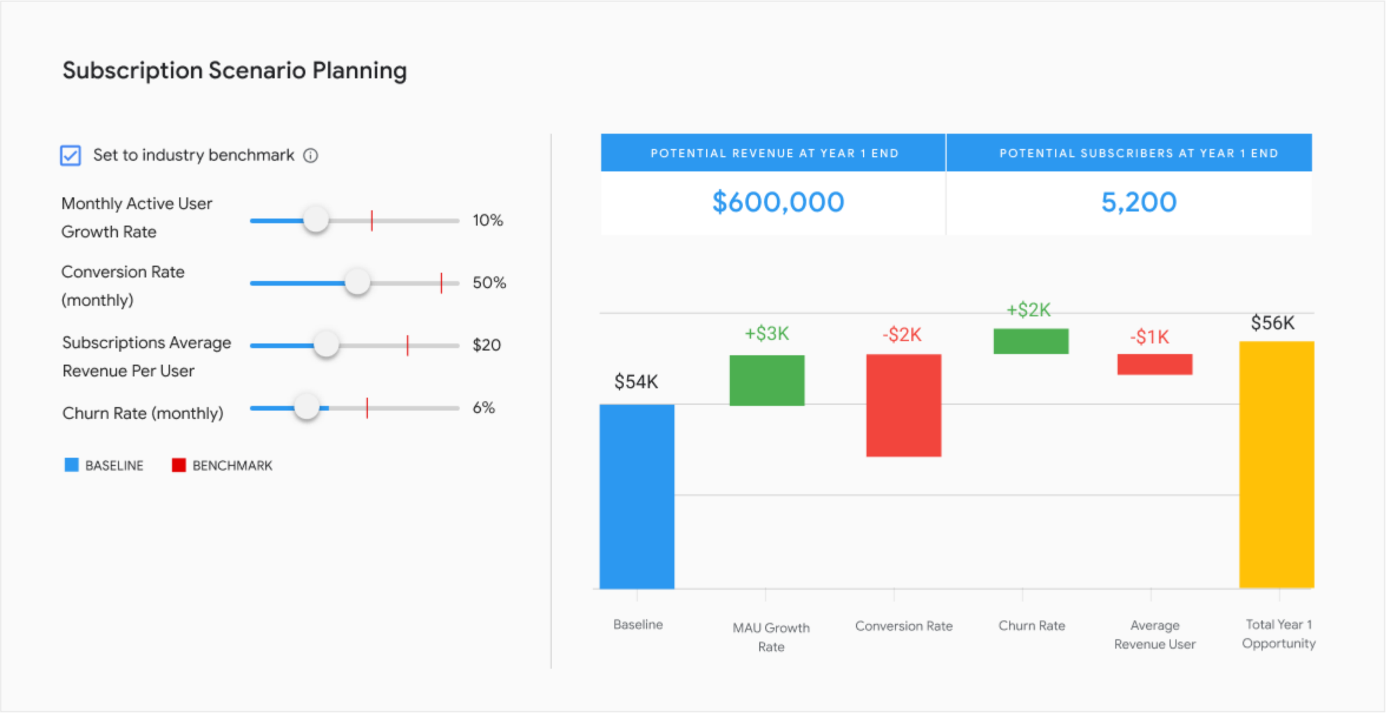
Churn rate is a metric that your news organization uses to measure the percentage of your subscribers at the end of the prior month that have terminated their subscription and are no longer a part of your subscriber base. It's the most effective metric you can use to determine retention but also is important in the context of sizing your reader revenue opportunity.

There are three different approaches to approximate your churn rate.

1. Use industry benchmarks. If you'd like to use an aspirational monthly churn rate, we recommend a rate between 3% and 5% based on the expertise of FTI Consulting, Mather Economics and FT Strategies.

2. Use your historical data. For news organizations with established subscription models and that feel like you have done everything you can to optimize retention, you can use your historical data to calculate your monthly churn rate. Using this approach, churn rate equals subscribers from two months ago who stopped subscribing at the end of the month divided by the total number of subscribers at the end of last month.

Now, enter the numbers you've calculated in the opportunity sizing exercise:



Contributions

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- How many households are in your community?
- Do you consider yourself part of a:
  - Small news market with fewer than 500,000 households with a primary focus on a specific local community?
  - Large news market serving 500,000 households or more, or do you focus on a topic that has national or international relevance?

Calculate your target monthly active users by multiplying the number of households in your market by either a ratio of three or five. If you are in a small news market, use a ratio of three for unique visitors per household. If you are in a large market or focus on a topic with national or international relevance, use a ratio of five.

Number of Households X Ratio of Unique Visitors Per Household = Total Monthly Active Users Goal

2. Use your historical data. Use either your monthly active users from last month or the average monthly active users over the last three or six months. Take this approach if your news organization is mature and you feel confident you've been able to discover the full extent of your audience.

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- To calculate your monthly active user growth, we recommend using your historical data. You can also provide the average growth rate over the last six months.
  - Growth rate equals monthly active users last month divided by monthly active users from the previous month.

What is your goal for conversion rate?

There are three different approaches to approximate your conversion rate goal. Remember, conversion rate is the percentage of total monthly active users that are contributors.

1. Use an industry benchmark. News Revenue Hub, which focuses on growing contribution revenue primarily for non-profit news organizations, identified 1.7% as a target conversion rate.

2. Ask your readers. Here's how news organizations in our labs have asked their readers.

- "On a scale of one to five, how willing would you be to contribute to this news organization?" You can use the percentage of respondents who answered with a four or a five to calculate your potential conversion rate. (News organizations who use this method prefer to disregard all answers below a score of four, given that respondents have been shown to overstate their willingness to contribute in surveys.) Later in this playbook, we'll discuss how you can survey readers.

3. If you already have a mature contributions model in place, you can use your own data to calculate your conversion rate.

- Conversion rate equals number of contributors at the end of last month divided by last month's unique monthly active users.

What is your goal for average contribution revenue per user (monthly)?

A helpful way to think about average contribution revenue per user is how much money you receive on average from a contributor. There are two different approaches to approximate your average digital contribution revenue per user.

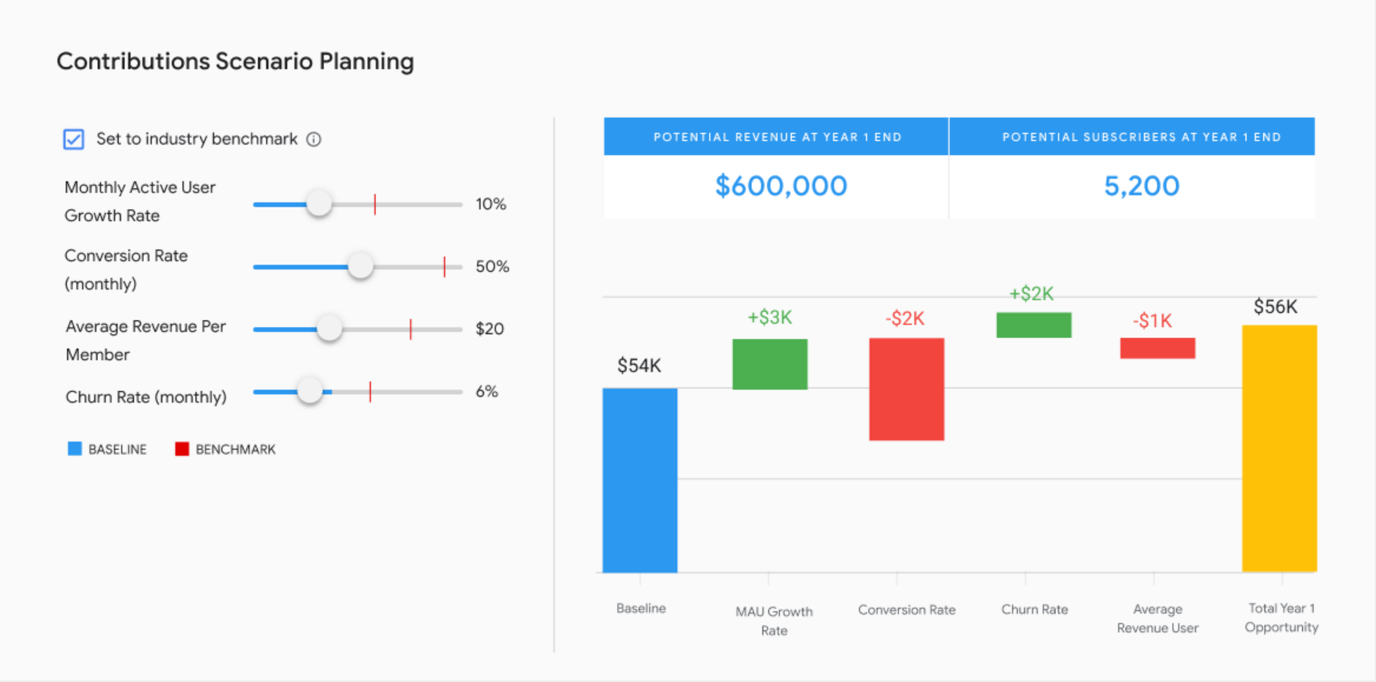
1. Use industry benchmarks. You can use News Revenue Hub's benchmark of U.S.$9 per month, their median average revenue per user for contribution news organizations. (Best-in-class performance is U.S.$16.66 per month.) If you're in an emerging market, based on our experience with the Latin America Contributions Lab, we would recommend U.S.$4.50 to U.S.$6 depending on market conditions and exchange rate.

2. Ask your readers. Here's how news organizations in our labs have asked their readers.

- "If you're willing to contribute, how much would you be willing to contribute each month for your subscription?" Many news organizations we've worked with offer a few price options to choose from in the survey and recommend calculating the average average from only those that provide a score of four or five on the survey question we referred to previously: "On a scale of one to five, how willing would you be to contribute to this news organization?"

It's important to note that contributors are more likely to make a single annual contribution than a recurring monthly one. If you're using actual data, for the purposes of the model, you will divide the annual contribution by 12 so it corresponds with the monthly benchmarks we provide here. Additionally, over a one year time horizon, churn rate is a less relevant metric for contributions. News organizations will typically assess which percentage of their contributors become recurring members on an annual basis.

Now, enter the numbers you've calculated into the opportunity sizing exercise:

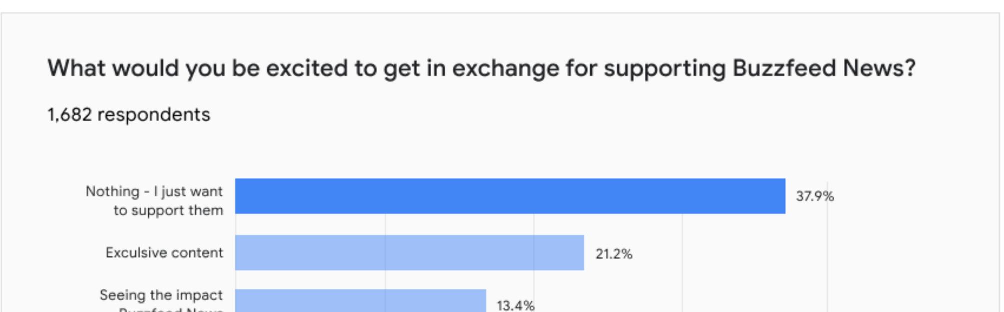


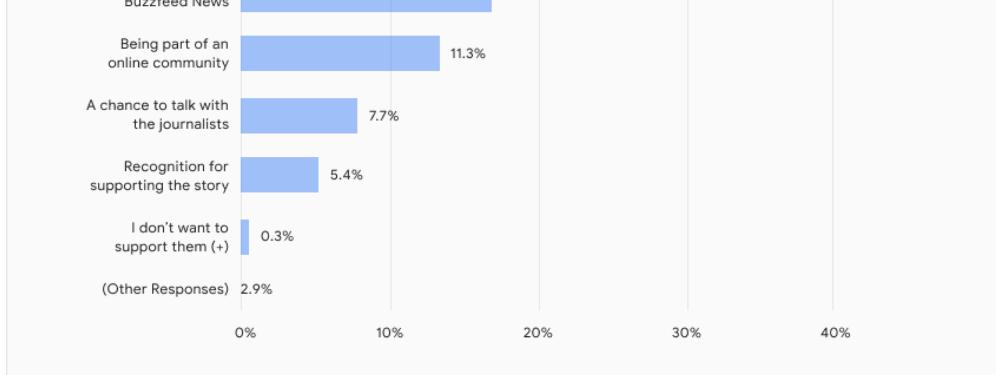
At this point, you should have a preliminary understanding of your reader revenue opportunity and some of the key metrics that drive it. The next step in building your foundation is understanding your audience. Later in this playbook, we'll take a look at additional metrics that provide a more nuanced understanding of reader revenue and provide the opportunity to see how your news organization is currently performing on those metrics against industry benchmarks.

How you can use surveys and interviews to understand reader needs

The simplest way to understand your readers' needs is to ask them. Across our News Consumer Insights engagements, U.S. Subscriptions Lab and our Latin America Contributions Lab, surveys were crucial to helping news organizations refine and hone the value proposition of their reader revenue model.

In News Consumer Insights Engagements with BuzzFeed (US) and The New Yorker (US), both news organizations effectively used surveys to inform their marketing and the reader revenue benefits they offered. Buzzfeed, for instance, launched a survey with readers which indicated that there was an appetite for supporting a memberships model and that a significant portion of respondents didn't expect value-added benefits for their support.

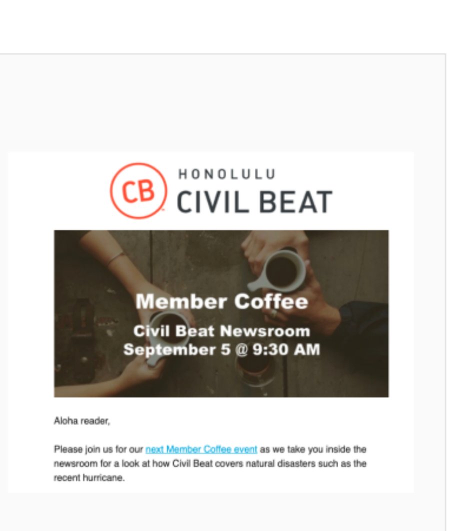




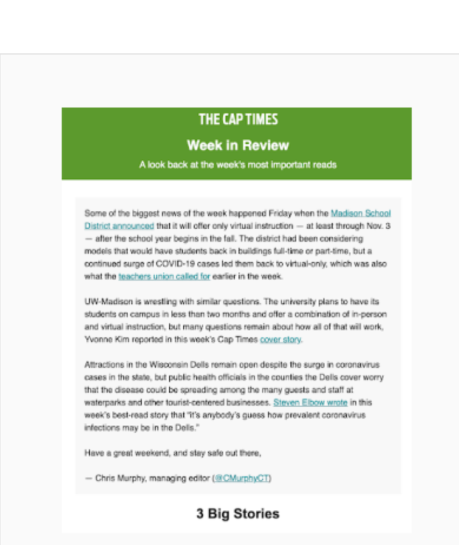
Survey Buzzfeed News sent its readers to inform their contribution model

Across our Contributions Labs, interviews and surveys were critical in informing publishers' decisions on the price readers were willing to contribute at, messaging to employ in positioning the memberships program, and benefits that should be packaged. Later in the playbook, we'll share some of the memberships programs those insights helped build.

The News Revenue Hub found that surveys can be as important for influencing journalistic and product decisions as they can be for developing membership programs. For the Honolulu Civil Beat (US), survey responses showed that contributors were interested in discussing local public affairs with the newsroom staff, which led to the development of a monthly coffee series. For the Cap Times in Madison, Wisconsin (US), surveys showed that respondents preferred a daily morning newsletter instead of a newspaper on their doorsteps, which led the newsroom to dedicate resources to developing their existing daily newsletter. As a result, readers have become more engaged, the email list has grown, and the newsletter has helped increase contributions.



Monthly coffee series for members of Honolulu Civil Beat



Daily morning newsletter for members of The Cap Times

In the GNI Europe Subscriptions Lab, Dennik N (SK) used surveys to better understand why premium members chose to subscribe. 69% of premium members chose "I want to support Dennik N" as the most frequent answer, which led the news organization to emphasize support for journalism in their marketing materials, in contrast to their previously planned strategy of emphasizing benefits.

Below we provide a set of questions you can ask to get structured feedback that can inform the value proposition of your reader revenue model. In particular, we'll focus the conversation on the sorts of questions you can ask in surveys or interviews to get a better understanding of readers' needs across some key dimensions:

Across each category, be sure to tailor these questions to help answer specific questions your news organization might have. In deep dive interviews, you'll have the opportunity to have conversations with more nuance and depth. You can run Google Surveys for free across your site and properties. Here is a survey with the sample questions we cover below. We include 19 questions below to provide an exhaustive list of what you could ask your readers. However, we recommend limiting the survey to just the questions that are essential for your news organization to ensure that more readers complete the survey.

Product & Content

Here are some of the questions to grow your understanding of the alignment between your current product and content mix and how readers want to receive news:

Sample Questions

- **How do you prefer to receive news content?**
  Options could include article, video, infographic, web story and podcast.
- **Where do you prefer to receive news content?**
  Options could include SMS or text, newsletter, desktop website, mobile app, mobile website and social media.
- **When do you prefer to receive news content?**
  Ask about times of day, such as morning or evening and frequency like daily or weekly.
- **What specific types of content do you value most from our news organization?**
  List the types of content you provide such as local, editorial, explainer, sports or international.
- **Are there specific writers or columnists at our news organization you value most?**
- **Are you getting the news and information you need from our news organization?**
  Scale of one to five from "Strongly no" to "Strongly yes."
- **What is something you get from our news organization that you don't get from others?**
- **What is something you get from other news organizations that you don't get from us but would like to?**
- **What else would enrich your experience with our news organization?**
- **If our news organization ceased to exist tomorrow, would you feel you've lost a source of information you couldn't find anywhere else?**
  Scale of one to five from "Strongly no" to "Strongly yes."

Willingness to Pay

Here are two questions to include in your survey:

- **How willing would you be to subscribe (or contribute) to this news organization?**
  Scale of one to five from "Extremely unwilling" to "Extremely willing."
- **What would you be willing to pay each month?**
  Provide a menu of pricing options that are relevant to your market.

Selecting value added benefits for your membership program

In the GNI Latin America Contributions Labs, conducted with 24 publishers across the region, participating publishers surveyed readers and asked them to rank the three benefits that would most likely encourage them to contribute or subscribe:

- **The opportunity to provide feedback on the editorial process, such as suggesting topics for the newsroom to write on.**
- **Access to member-only podcasts.**
- **Access to member-only events.**
- **Access to member-only newsletters.**
- **Visit the newsroom or meet journalists.**
- **Access to content before nonmembers.**
- **Ability to chat with journalists.**
- **Ability to meet other readers in person.**
- **Access to ad-free content.**
- **Access to fact-checking resources.**
- **Access to educational opportunities.**
- **Receive publisher branded merchandise.**
- **Receive discounts on events, hotels and restaurants.**
- **Not interested in receiving benefits; just interested in supporting strong journalism.**

While the list above is exhaustive, we recommend limiting the number of benefits you offer in your survey or interview guide to those your news organization would like to and are able to offer. Limiting the number of choices to nine or fewer can also prevent respondents from being overwhelmed with options. As we'll discuss later, we recommend including value added benefits in your membership program only if you can provide them without straining existing resources.

Marketing & Messaging

You can also use surveys to get a deeper understanding of the sorts of messages and marketing that might resonate most with your readers. In the GNI Contributions Labs, news organizations included the following question and answers in their surveys:

Which of these messages most resonated with you on why you would consider subscribing or contributing?

a. Quality news is critical to our democracy
b. I want to be a more engaged community member
c. I want to access to more quality content
d. I want to keep the news organization independent
e. I want to support the causes I care about
f. I want to support important investigations
g. I want to connect with my favorite journalists
h. I want to be more informed on stories that matter

Understanding which messages most resonate with your respondents can provide a deeper understanding of what your readers value about your news organization. That understanding can help inform your marketing and messaging strategy, including the copy and language you use in promotional material and calls to action.

User experience and design

You can also use the survey to get a better understanding of whether your readers have a good experience on your website. Here are a few potential questions:

- **Is the website easy to use?**
  Consider using a scale of one to five from "Not easy" to "Very easy."
- **Are you able to quickly find the information you need?**
  Consider using a scale of one to five from "Not easy" to "Very easy."
- **How is the experience on mobile?**
  Consider using a scale of one to five from "Not easy" to "Very easy."
- **How is the experience on desktop?**
  Consider using a scale of one to five from "Not easy" to "Very easy."
- **Is the website engaging?**
  Consider using a scale of one to five from "Not easy" to "Very easy."

Below you'll find additional materials from some of our partners, which will provide other helpful tips to keep in mind as you develop your surveys and interview guides:

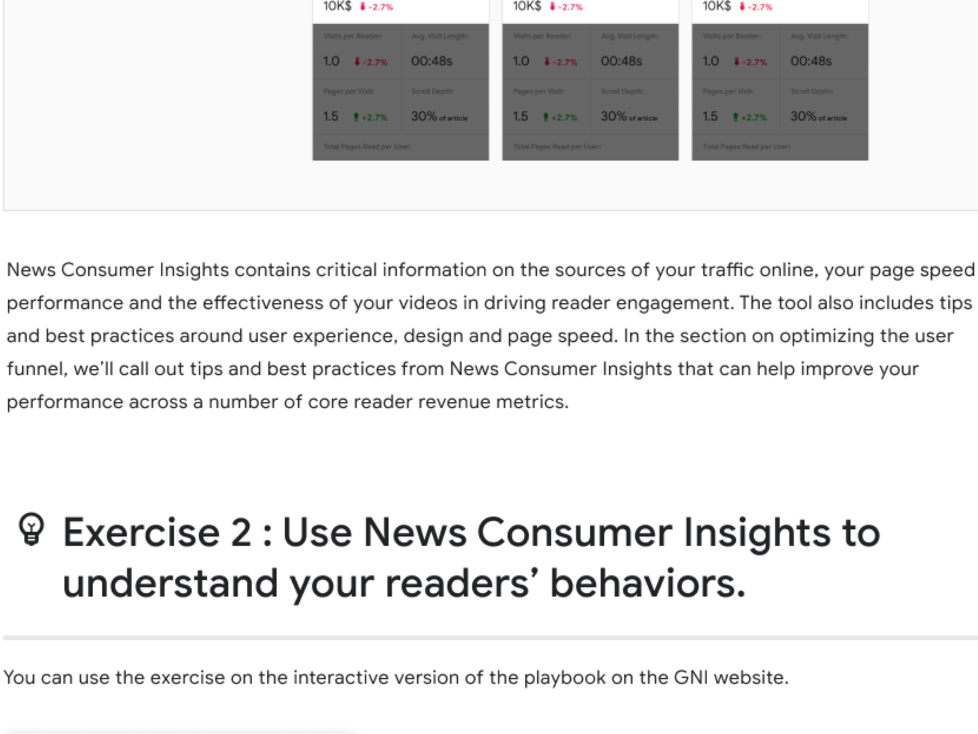
Membership Puzzle Project Survey techniques →
News Revenue Hub's tips on survey questions →
Membership Puzzle Project's Best practices for conducting interviews with engaged readers →

Use analytics to understand readers' behaviors

Understanding your current readers' behaviors on your website can also provide important information to refine your value proposition.

If you have Google Analytics, you can use News Consumer Insights to get a deeper understanding of reader behavior in the following ways:

- Your readers are categorized into three audience segments :
  - Casual readers that visit your site one to two times per month.
  - Loyal readers that visit three to 14 times per month.
  - Brand lovers that visit 15 or more times per month.
- For each audience segment, you'll see the average page views per user, average session duration, sessions per user and page views per session.
- Based on this data, the tool provides a user value score for each segment and benchmarks for how publishers are performing against similar-sized news organizations.



News Consumer Insights contains critical information on the sources of your traffic online, your page speed performance and the effectiveness of your videos in driving reader engagement. The tool also includes tips and best practices around user experience, design and page speed. In the section on optimizing the user funnel, we'll call out tips and best practices from News Consumer Insights that can help improve your performance across a number of core reader revenue metrics.

Exercise 2 : Use News Consumer Insights to understand your readers' behaviors.

You can use the exercise on the interactive version of the playbook on the GNI website.

Exercise 2

News Consumer Insights

Try It Now

Across the GNI Subscriptions and Contributions Labs, news organizations interested in understanding the differences between readers at different levels of engagement included an additional survey or interview question that enabled them to map survey respondents to News Consumer Insights segments:

How many times per month do you visit the news organization?

- One to two times.
- Three to 14 times.
- 15 or more times (at least once every two days).

By adding this question, publishers were able to develop profiles of the average casual reader, loyal reader and brand lover in a reader revenue context. Some used that data to inform the development of different tranches of membership, mapped onto the needs of each of the audience segments or to focus on providing benefits designed for loyal readers and brand lovers. Others eliminated survey responses from casual readers altogether when sizing their reader revenue opportunity, given that it would be unlikely that readers with such low levels of engagement would become subscribers or contributors.

With information your news organization has collected through surveys, interviews and analytics, you should be able to begin identifying opportunities to strengthen your value proposition below. Be as specific as possible when describing what your readers want, what you currently offer and identifying the gap. This will enable you to meaningfully address that gap through specific tactics and measures.

Exercise 3 : Identify opportunities to strengthen your value proposition

You can use the exercise on the interactive version of the playbook on the GNI website.

Exercise 3

Category	What your readers want?	What you currently offer?	What's the gap?	How can you close the gap?
Product & Content	• •	• •	• •	• •
Membership Program	• •	• •	• •	• •
Marketing & Messaging	• •	• •	• •	• •
User Experience	• •	• •	• •	• •

In the next section, we'll share some tips we've learned from our partners on strengthening your product, selecting your value added benefits and messaging and positioning your membership program. You can continue updating this chart as you progress through the playbook.

Chapter 3

Develop and communicate your value proposition

In this section, we'll discuss how to develop and effectively communicate the value proposition of your reader revenue program. We'll cover three topics:

- Strengthening journalism for reader revenue
- Selecting benefits for your membership program
- Marketing and positioning your membership program

Strengthening journalism for reader revenue

The core of a successful reader revenue strategy is providing an experience that readers are willing to either pay for or financially support. That begins with providing quality journalism and an experience aligned with your readers' needs and expectations.

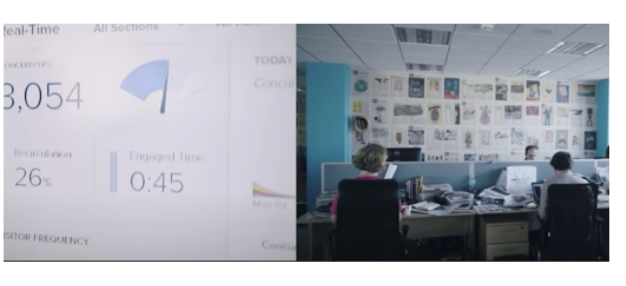
Focus on content readers are willing to financially support

The survey, interview, and analytics exercises in the prior section should give your organization a clearer understanding of your readers' information needs and the sort of content they may be willing to pay for. For many publishers we've worked with, this has meant prioritizing different types of content than when they focused solely on digital advertising revenue and growing overall pageviews.

A year after launching a digital paywall for WIRED Magazine (US), WIRED's Editor-in-Chief Nicholas Thompson published a piece reflecting on lessons learned and shared the list of articles that drove the most subscriptions during the year. Thompson was surprised to find the list included some articles that did not have significant readership. A number of the publishers we've worked with in our labs have echoed similar lessons, citing in-depth pieces that resonate with brand lovers and loyal readers as being crucial to their reader revenue model in a way that they may not have in a digital advertising context where pageviews was the primary focus. For these organizations, the shift towards reader revenue models has led to investments in ambitious pieces of reporting like Estadao's (BR) analysis of children that are or aren't adopted in Brazil or La Nacion's (AR) piece on a submarine that had gone missing.

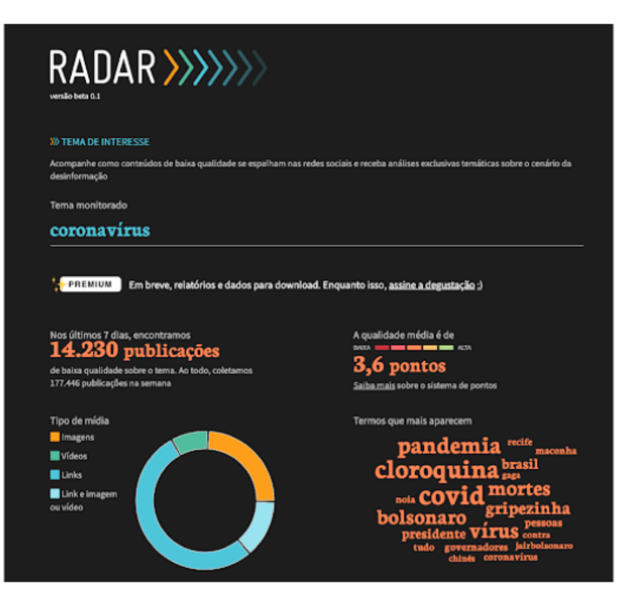
Estadao's interactive piece on adoption in Brazil

The importance of developing content that emphasizes deep engagement vs. reach was also demonstrated in a Digital News Innovation Fund project that supported Dennik N, a digital startup in Slovakia that used an open source software and subscription platform to enable journalists to connect directly with their readers. By learning what the audience considered to be quality content, journalists were able to determine what their readers were ultimately prepared to pay for. Subscriptions grew and the news organization moved from "fighting for its own survival to thinking much bigger" in the words of its co-founder, Tomas Bella.



You can learn more about Dennik N's innovation story here.

For Aos Fatos, a digital news organization devoted to fact-checking in Brazil, focusing on readers' needs meant the development of a brand new service. Radar, the service launched with support from the Digital Innovation Fund, uses a smart dashboard and exclusive reports to provide members with real-time information on misinformation. Focused on the information needs of companies, NGOs, universities and news outlets, the service has also been a critical component of the growth of Aos Fatos' membership program.



Aos Fatos' Radar dashboard to provide members with real-time information on spread of misinformation in Brazil

Bring metrics into the newsroom

For some news organizations, the shift towards prioritizing content that readers are willing to financially support has led to bringing metrics into the newsroom. Below, we've called out some of the metrics we've seen publishers track to assess if readers are meaningfully engaging with content:

- Average time spent on an article
- Scroll depth: the percentage of the article a reader scrolls through
- Quality Reads: The Financial Times has developed a composite metric called "Quality Reads" which measures the percentage of readers who read more than 50% of an article, as approximated by time spent on an article and article length.
- Path to conversion: a metric developed by Mather Economics that assesses the overall percentage of articles a news organization produces that were on subscribers' 30 day journey before converting
- Percentage of an article's pageviews that led to conversion
- Tracking of articles that most frequently led to subscriptions or contributions

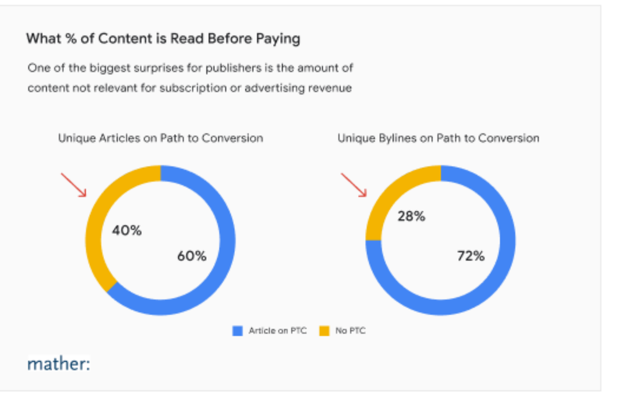
Many of the news organizations participating in our labs share performance against these metrics in dashboards prominently displayed within the newsroom or during editorial meetings. In the GNI Europe Subscriptions Lab, for instance, FT Strategies found that more advanced publishers like VLT (SE) and La Croix (FR) empowered their journalists with clear actionable metrics like "quality read" so they had a clearer understanding of what content was resonating with readers.

We've also seen increasing use of metrics-focused tools in the newsroom. Examples include Chartbeat, Omniture, Google Analytics, and many other tools. The Google News Initiative has developed Realtime Content Insights, a tool which allows news organizations with Google Analytics to better understand trending articles on their website in real time and know what's trending in their region. Dainik Jagran (IN) used RCI in order to prioritize topics that people were looking for during India's 2019 General Election, resulting in a 16% increase in returning users and an 11% increase in daily pageviews. Similarly, Rappler (PH) experienced a 20% increase in average monthly readers and an 8% increase in the number of articles read per visit year-over-year since using RCI to inform editorial decisions.

Realtime Content Insights dashboard displayed in Dainik Jagran's newsroom

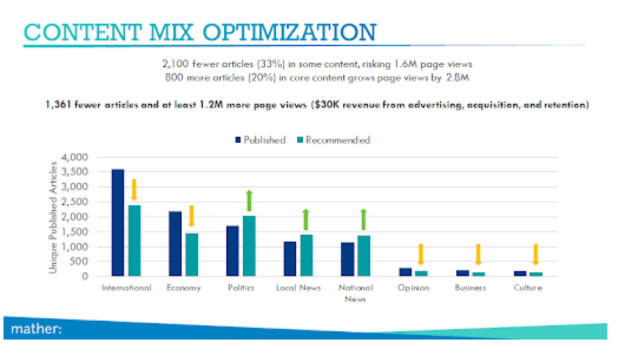
We've also seen newsrooms use path-to-conversion analysis to understand which article content types (or journalists or columnists) lead to conversion and which articles don't. Mather Economics in their work with our Subscriptions Labs performed a path to conversion analysis in which they were able to identify the topic areas or columnists whose articles led to conversion. The "path to conversion" metric developed by Mather Economics measures the full impact of content on subscription conversion. The metric takes into account all conversion sources (email, voluntary, newsletter, paywall, subscriber-only content), as opposed to just last-click, and uses a 30-day lookback period to attribute an article as a part of a reader's path to conversion.

The Listener Data Platform from Mather Economics reports that an average 35% of unique articles published in a given month and 28% of unique bylines are not read by users who purchase subscriptions.



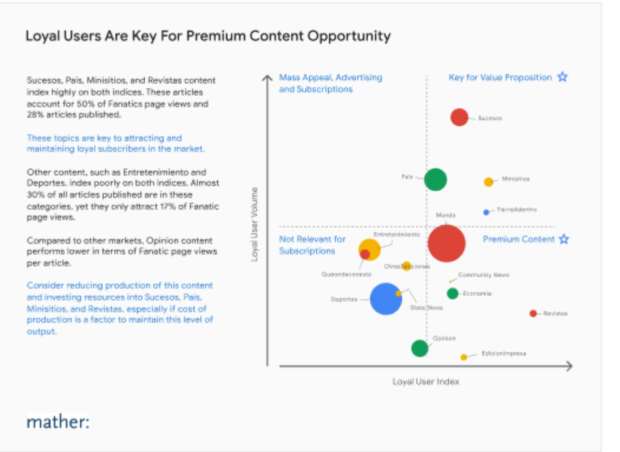
Percentage of articles and bylines on subscribers' path to conversion for Mather Economics' Listener Data Platform clients

In the GNI Latin America Subscriptions Lab, Mather Economics found that the majority of articles produced across the cohort did not lead to a subscription event. This led publishers in the cohort to place increased emphasis and focus on those article types and columnists. To stretch the thinking of the news organizations we worked in the Latin America Subscriptions Lab, Mather Economics quantified the potential impact of a slightly different content mix. Using an approach to align content mix, outlined in this white paper, Mather Economics identified U.S.$360K annually in incremental revenue opportunity for one Brazilian publisher. By reducing production in content not relevant for reader revenue and focusing on content critical to growing subscriptions, the publisher could produce 1,361 fewer articles (reducing over 2K in non-performing topics and growing 800 in core topics). The table below shows an anonymized version of the recommended changes in primary topics.



Mather Economics' content mix optimization analysis for a Brazillian publisher from the Subscriptions Lab

Another methodology used by Mather Economics in the Latin America Subscriptions Lab was determining the best content to test as premium (subscriber-only). Publishers in Europe set almost half of all content as premium. North American publishers have begun testing up to 10% of premium content in 2020, which is likely to grow rapidly. In the Latin America Subscriptions Lab, news organizations began experimenting with small tests of premium content, indicating a large opportunity to boost new subscription starts. The approach is outlined in the chart below. For instance, content in the lower-right quadrant is considered a "low-risk / high-reward" opportunity for premium content. These content studies are of course directional and only as strong as the taxonomy and content tagging implemented by journalists and enabled by the tech stack. But content or topic-level analysis should lead newsrooms into further analysis across other criteria (i.e., sub-categories, article types, wordcount) Mather Economics notes that on the margin, an individual article may be ripe for premium content in any of the quadrants and testing is always encouraged.



Example of Premium Content Analysis from Mather Economics for Latin American publishers in Subscription Lab

It's important to stress that while content analyses like the ones described above can surface powerful insights, news judgment should ultimately govern editorial strategy. For instance, there may be some newsworthy events (covering council meetings, court cases etc.) that don't lead to subscriptions or contributions but that are still critical to fulfilling the mission of the news organization.

As we've routinely heard from publishers, while deeper integration of metrics into the newsroom can help, the most essential step is ensuring that newsroom editors are encouraged to provide space for reporters to produce quality, original content that feels essential to readers. This also means providing journalists and reporters with flexibility to experiment and produce new forms of content.

Telling stories in formats readers prefer

News organizations we've worked with have routinely emphasized the importance of experimenting with new formats. Using interview, survey, or historical engagement data, these news organizations have focused on content formats that readers have indicated they would prefer to receive content in. In some cases, this has led to the creation of dedicated teams for infographics, video, data journalism, newsletters and podcasts — all of which are responsible for pulling stories from across the newsroom and working with journalists to produce quality content.

As we've often heard though, investing in new formats and ensuring high quality content is difficult and can be costly. So, it's important to experiment and test whether those new formats and content types truly meet readers' information needs. Responding to readers' needs can mean interviewing the reporter responsible for the story to provide more background information through a podcast (for example, The New York Times' The Daily) or producing videos where you ask the newspaper's editor questions about recent news topics and coverage (such as the work of El Espectador). It can also utilize formats like an interactive map of phone recordings surrounding the murder of a special prosecutor (La Nación) or a visual timeline of a major plane crash (Reuters).

For some news organizations, this has meant the launch of a new app. In our Asia Pacific Digital News Innovation Fund, Iwate Nippo, a legacy publisher in Japan launched an app targeted at elderly news subscribers. The app helped attract new sponsors and led to an increase in new subscribers, the first increase it had seen in some time.

Whatever format they chose, for many of the news organizations we've worked with, branching out beyond text-based articles was an important component in delivering high quality content for their readers and fully utilizing the potential of digital as an editorial medium.

Selecting Value Added Benefits

Selecting the right value-added benefits for your memberships program can be an important component of a successful reader revenue model.

For instance, Frontier Myanmar (MM), a news organization Google supported through the Asia-Pacific Innovation Challenge was able to launch a successful membership program launch, in part due to the membership benefits they selected in response to reader feedback (i.e., a 50% discount on the print edition, access to a daily briefing, a Myanmar-language media monitor email and invitations to monthly events).

Frontier Myanmar's Membership Program, informed by reader interviews and surveys

It is important to stress here that the most important priority for news organizations should be on deepening relationships with readers. We encourage news organizations to think of benefits as another tool in their arsenal to deepen relationships with readers they serve, but it shouldn't happen at the expense of compromising the quality of the journalism they produce.

In their experience working with publishers, both Membership Puzzle Project and News Revenue Hub stress that benefits should never be seen as a substitute for developing strong relationships with readers. Newsrooms must provide high-quality journalism that readers value. Benefits work best when they reinforce the core value proposition of news organizations (i.e., ability to comment on articles or other content, talk to journalists and participate in events on key topics).

Exercise 4 : Use the benefits worksheet to strengthen your membership program.

You can use the exercise on the interactive version of the playbook on the GNI website.

Below, we call out examples of value added benefits we've seen news organizations across the world use to strengthen their membership programs.

Exercise 4

Provide subscribers or contributors with exclusive access to:

- [ ] Chat or text with journalists or newsroom editors.
- [ ] Comment on articles and other content.
- [ ] Visit newsrooms.
- [ ] Preview content.
- [ ] Receive newsletters made only for members or subscribers.
- [ ] Participate in the editorial process by voting on upcoming topics for investigation or reporting.
- [ ] Attend events held by the news organization such as roundtable discussions with journalists or political figures.
- [ ] View digitized archival content.
- [ ] Receive discounts on print editions of newspapers.
- [ ] Have ad-free experiences on websites.
- [ ] Receive training or educational materials.
- [ ] Receive discounts on goods and services, such as show tickets, hotels and restaurants.
- [ ] Receive branded merchandise.

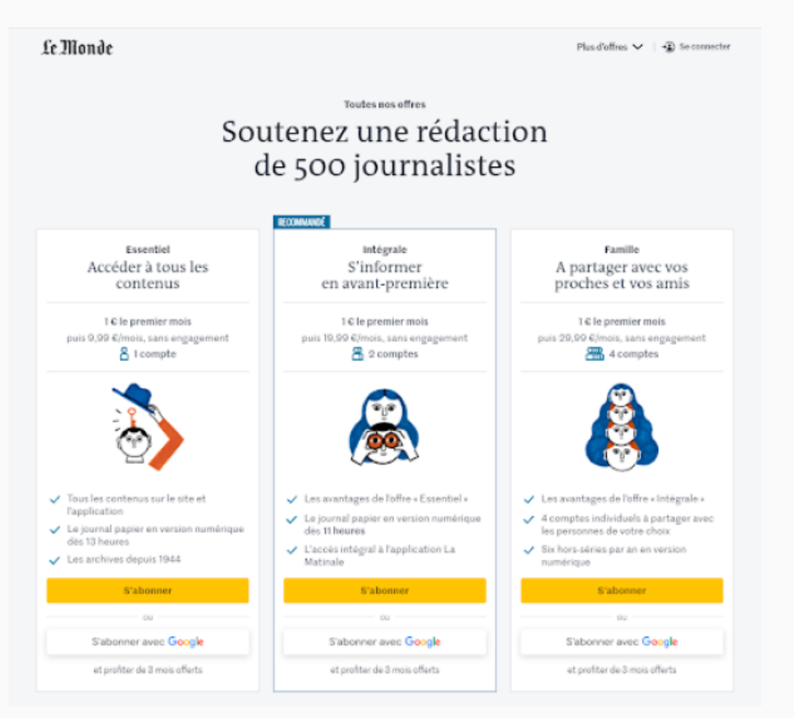
We encourage news organizations to provide benefits that are a good fit for readers based on insights collected from surveys and interviews. Some of the benefits listed above — such as the attending events held by the news organization — are likely to appeal to more committed readers. For less committed readers, the value might need to be more transactional, such as discounts or merchandise.

Some news organizations provide tranches of memberships, with different benefits for each tranche. In the GNI Contributions Lab in Latin America, publishers split their memberships programs into tiers, with different offerings:

Examples of Membership Programs

C. elCOLOMBIANO	Invitations to weekly meetings in newsrooms, becoming a blogger for the day, access to newspapers' archives
la opinión	Guided tour of our printing room, Access to exclusive podcasts, Access to historical photograph archive, access to content for children
LA SILLA VACÍA	Weekly WhatsApp voice notes, ability to influence editorial process, chat with editors
REPÓRTER BRASIL	Ability to participate in exhibitions of documentaries and videos, participate in polls to choose investigations
AzMina revista	Ability to chat with journalists, influence editorial direction of news organization
EL LITORAL	Access to comment thread
Frontier	Daily briefings, Myanmar-language media monitor, monthly frontier events

Through the Digital News Innovation Fund in Europe, Société éditrice du Monde's (FR) project used deep reader insights to launch a three-tiered subscription program, which led to improvements in both subscriber acquisition and retention.



Le Monde's tiered subscription program

Both News Revenue Hub and Membership Puzzle Project recommend that too many tiers or options can often cause confusion for readers and that clarity of messaging could be more important than providing tiers of benefits. Your news organization can use multiple tranches if there is a real opportunity to provide a differentiated offering for different segments of your readership, based on reader feedback. What's most important is finding a membership program that makes subscribing or contributing a more attractive proposition for your readers.

A great resource for creative approaches to developing a membership culture can be found at the Membership Puzzle Project. In addition to providing numerous resources and thought pieces on building membership programs, the Membership Puzzle Project has helped fund membership experiments in 17 countries across the world.

Marketing and positioning your membership program

Research from the last few years consistently indicates that readers are willing to contribute when publishers provide the right calls to action.

News Revenue Hub found that 65% of survey respondents were willing to contribute as long as they were either asked to contribute or educated on the value of contributing. During the first four months of the COVID-19 pandemic, clients of News Revenue Hub raised U.S.$4 million from their readers.
In the 2018 Reuters Digital Report, 22% of those surveyed say that they would be prepared to donate to a news organization if they felt that organization could not cover its costs in other ways. Additionally, they said they might be more willing to give if they were educated about publishers' needs. According to a 2019 Pew Research Center study funded by Google, 71% of respondents believe that local media news organizations are doing well financially, suggesting a significant disconnect between perception and reality. Fourteen percent of respondents said they had paid for local news in the past year.

Both studies indicate that an important component of marketing and positioning your reader revenue model is clearly educating your consumers on the value you provide and why your news organization is worthy of your support. We've seen publishers use in-house banner ads to convey their purpose and relevance, use paragraphs at the end of every article to remind readers of their mission or voice their values by focusing editorial topics on specific campaigns. The News Revenue Hub has seen success by putting a conditional call-to-action at the top of every newsletter: one version displays a thank-you message to current donors, and the other uses mission-driven language to ask everyone else for a monthly donation. Other news organizations like The New York Times (US) in their "The Truth is…" campaign and The Washington Post (US) in their "Democracy Dies in Darkness" campaign used brand campaigns to clearly articulate their values as a news organization and why it was important for readers to support them.

In the GNI Contributions Lab Latin America, we worked with publishers to develop messaging and marketing campaigns that:

In the GNI Contributions Lab Latin America, we worked with publishers to develop messaging and marketing campaigns that:

A Aligned with what readers value about the news organizations according to survey and interview data.

B Aligned with the mission and the values articulated by the news organization.

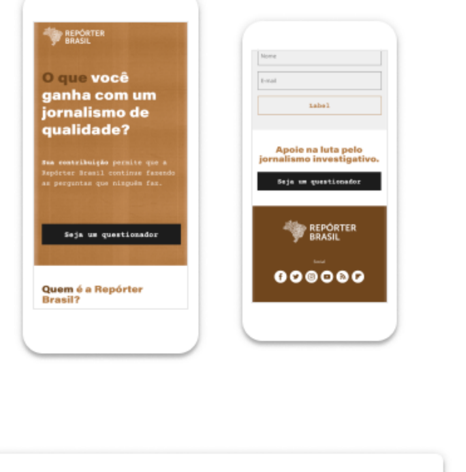
C Reported the tangible impact that reporting has had on the community.

D Articulated what makes the news organizations different from others.

The last factor — differentiation — is particularly significant in the context of an industry where information can quickly become commoditized. Here are a few examples from news organizations that participated in the Latin America Contributions Lab:

Repórter Brasil

"In the fight for truth. With independent investigative journalism, we are together in the fight against social injustice."



Crónica

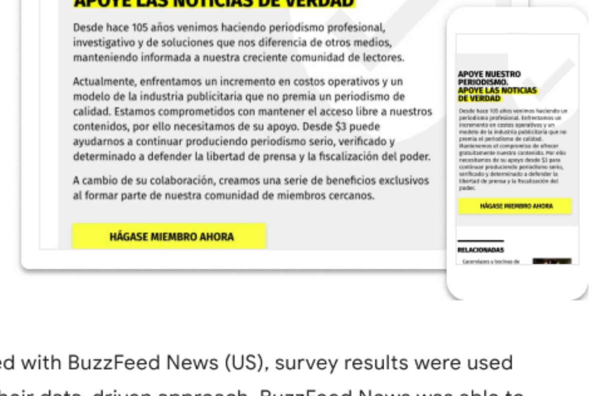
"We need the support of the people to put responsible, original and unconditional journalism into practice. It's time to help each other."

El Litoral

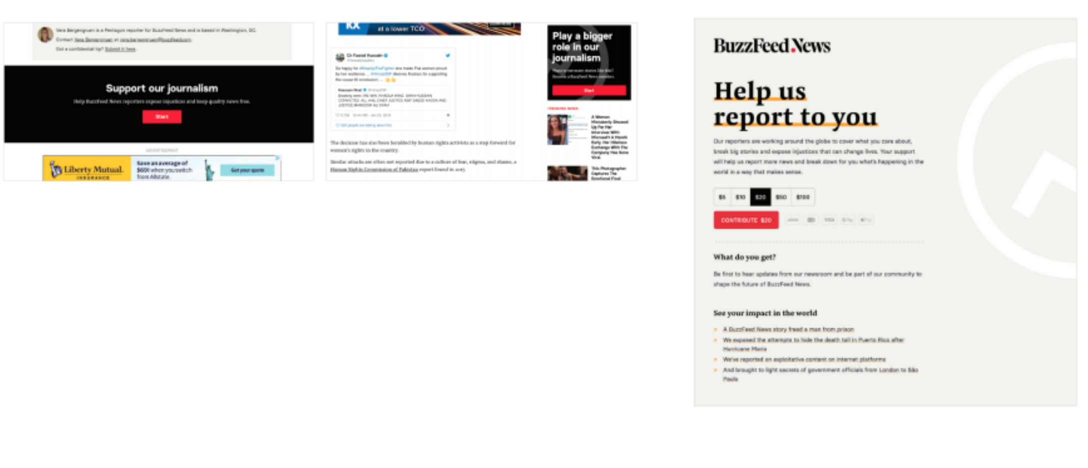
"We build El Litoral together. We are a benchmark for quality and truth, a diversity of voices, and credible, accessible information. Be part of the millions who trust our content."

La Prensa Gráfica

"Support our journalism. Support real news. We need your support to maintain free access to all of our content and to continue producing serious, verified journalism determined to defend freedom of press and check abusive power."



In a News Consumer Insights engagement conducted with BuzzFeed News (US), survey results were used to shape message tone and content. As a result of their data-driven approach, BuzzFeed News was able to launch a new revenue stream with an average U.S.$20 contribution in only a few months.



Exercise 5 : Refine your value proposition.

You can use the exercise on the interactive version of the playbook on the GNI website.

Now, we invite you to take a moment to revisit the value proposition worksheet we introduced earlier. Based on the tips in the last three sections, add additional ideas for how you can close the gap across each of the areas below. Be sure to be as specific as possible.

Exercise 5

Category	What your readers want?	What you currently offer?	What's the gap?	How can you close the gap?
Product & Content	• •	• •	• •	• •
Membership Program	• •	• •	• •	• •
Marketing & Messaging	• •	• •	• •	• •
User Experience	• •	• •	• •	• •

Chapter 4

Optimize your user funnel

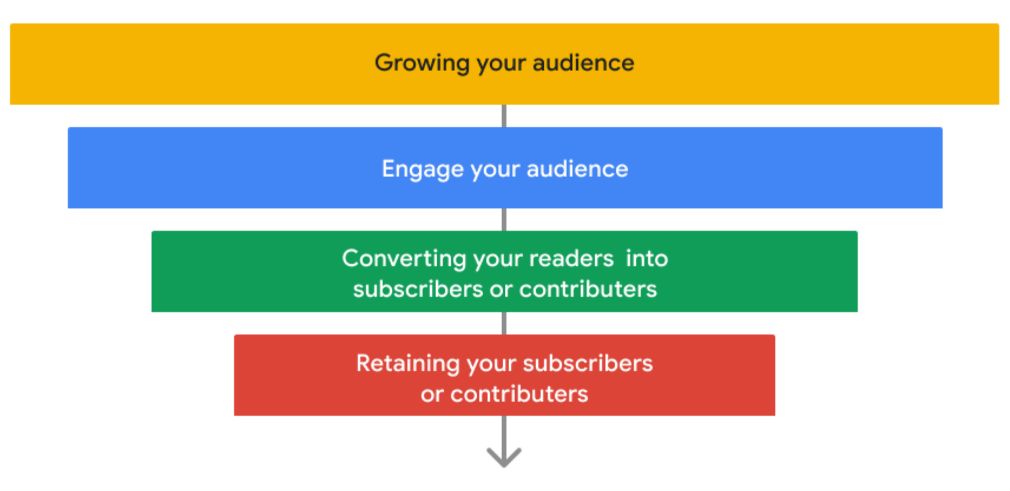
At this point, we've discussed some of the key decisions you will need to make about your product and content, value-added benefits for your membership program, and marketing and positioning for your reader revenue model. Now, it's time to think about ways you can make it easier for your readers to become subscribers or contributors by optimizing your user funnel.

When the average news organization needs to convert between 3% and 5% of their reader base to be successful, every optimization a news organization can make to simplify or smooth the user journey to subscriptions or contributions can be crucial to long-term success. To put it differently, being able to convert one additional reader out of every 100 that visits your website can be the difference between a successful reader revenue strategy and an unsuccessful one.

Getting that right means focusing on four areas:

- Growing your reader base
- Engaging your readers
- Converting readers into subscribers or contributors
- Retaining subscribers or contributors

Critical Metrics Across the User Funnel



Growing your audience	Engage your audience	Converting your readers into subscribers or contributers	Retaining your subscribers or contributers
Key Metrics	**Key Metrics**	**Key Metrics**	**Key Metrics**
• Monthly Active Users • Monthly Active User Growth Rate	• Average visits per user • Average pages per user • Average page speed • Newsletter opt-in rate • % of known readers	Contributions & Subscriptions • Penetration Rate • Reader Revenue ARPU Subscriptions Specific • Meter Stop Rate • Paid Stop Conversion Rate • Payflow Efficiency • Print-to-Digital Activation Rate	• Churn

In this section, we'll provide:

- A view of the key metrics you should focus on across each part of the funnel
- Relevant target benchmarks for those metrics (where available)
- Tactics you can use to improve your performance across those metrics
- Case studies of news organizations across the world who've had success

Growing your readers

Key Metrics	Tactics to improve
Core Metrics • Monthly Active Users • Monthly active user growth rate.	• Improve structured data to improve discovery • Perform an analysis on how readers are getting to your website and focus on high-performing channels. • Ensure you have included and are properly tagged in all news aggregators. • Strengthen your social media asset placement on your website. • Ensure your content is optimally positioned on audio, video and voice. • Invest in marketing to bring readers to your site.

Growing your reader base (or top of the funnel) is an important part of creating a meaningful reader revenue business. Increasing the size of your reader base provides your news organization the flexibility to convert readers at a lower percentage and still yield meaningful reader revenue.

For growing your readers, there are two key metrics to track:

1. **Monthly Active Users**

   Monthly active users refers to the number of users that visit your website during the course of a month. Earlier in the playbook, we discuss some of the methods you can use to understand your potential monthly active users based on the opportunity presented by your market.

2. **Monthly Active User Growth rate**

   We define this as "Monthly Active Users last month divided by Monthly Active Users from the previous month minus 1."

Improving your performance against those metrics requires investing in tactics across a number of channels. Here, we share tactics to grow your reader base, with a focus on how you can use Google products and tools.

Improve structured data on your website.

- Learn more about using the Structured Data Testing Tool from News Consumer Insights to identify any errors and warnings, deploy appropriate markups and track impact in the Google Search Console.
- Learn more about how Google Search works. Google often accounts for more than over half of referral traffic to publishers' websites.

Perform an analysis on how readers are getting to your website and focus on high-performing channels.

- Use News Consumer Insights to see where your traffic is coming from — organic search, direct, social, referral, email, paid search, affiliates, display — and your conversion rate across each of these sources. This will help you focus on the channels that increase your readership.

Ensure you're included and properly tagged in all news aggregators.

- Ensure your inclusion in Google News.
- Publish on Google Play.

Strengthen your social media strategy.

- Learn how to strengthen your social media strategy from News Consumer Insights by improving the position, relevance and look and feel of your social media assets on your website. In the GNI Europe Subscriptions Lab, VLT (EU) made all articles free for the first hour when sharing on social networks is typically at its highest in order to increase traffic to the website and drive recurring direct visits. The overall impact of expanding reach led to a 20% increase in subscriptions.

Ensure your content is optimally positioned on audio, video and voice platforms.

- Ensure your podcasts are discoverable on Google.
- Build your presence on YouTube.
- Learn how to build actions on Google Assistant.

Invest in advertising to bring readers to your site.

- Learn how to grow your audience with Google Ads.

Engaging your readers

Key Metrics	Benchmarks	Tactics to improve
Core Metrics • Average visits per user • Average pageviews per user • Average page speed • Newsletter opt-in rate • Percent of known readers.	• **Avg. visits per user:** 1.9 (Mather Economics) to 2.3 (FT Strategies). • **Avg. pageviews per user:** Average Page views per user: 3.6 (FT Strategies) to 4.1 (Mather Economics) • **Average page speed score:** Desktop: 50-plus (FTI Consulting) to 60-plus (FT strategies) Mobile: 25-plus (FTI Consulting) • **Newsletter Opt-in Rate:** 10% (News Revenue Hub) • **Percent of known readers:** 5%-plus (FTI Consulting) • **Average unique days per unique user:** 1.6 (Mather Economics) • **Average minutes spent per page:** 2:15 (Mather Economics) to 2:27 (FT Strategies)	• Newsletter Optimization • Web Push Notifications • Re-circulation Strategy • Mobile Speed • Video Engagement • Mobile optimization

Across our GNI Subscriptions and Contributions Labs, investing in improving engagement with readers has routinely been identified as one of the most significant enablers of a successful reader revenue model.

There are a few key metrics to focus on for improving engagement:

1. **Average visits per user**

   This metric refers to the average number of times across a given time period that a user visits the publishers' sites. In the GNI Subscriptions Labs in the U.S. & Canada and Latin America, FTI Consulting and Mather Economics found that "average visits per user"was the engagement metric with the strongest correlation with willingness to subscribe.

2. **Average pages per visit**

   This metric refers to the average number of pages a user reads per visit. Improving this metric focuses news organizations on depth of engagement with readers and increases the likelihood that readers encounter subscriptions or contributions call-to-actions.

3. **Average page speed**

   This metric reflects how quickly a website page loads. Google's Page Speed Insights can provide a page speed score for your website and will also include a number of potential tactics you can implement to improve your score. Page speed is a critical metric for news organizations with advanced reader revenue models. For example, the Financial Times conducted experiments to understand the impact of page speed on user engagement. Artificially adding delay to baseline load time, they found a significant impact on visit depth and overall engagement. In the initial week of the test where users experienced a one second delay, there was a 4.9% drop in the number of articles read compared to the control group. The difference grew to 7.2% when the delay was extended to three seconds for the experimental group. The experiment and ensuing analysis has allowed the Financial Times to put a monetary value on speed by correlating it with engagement and subscriptions.

4. **% of known readers**

   This metric is defined as "Known" Unique Visitors as a percentage of Total Unique Visitors. Known unique visitors include digital and print subscribers, registered users, and email capture visitors. Across the GNI Subscriptions Labs in the U.S .& Canada and Latin America, FTI Consulting and Mather Economics identified known readers as being significantly more likely to convert.

Beyond the metrics listed above, many news organizations have developed their own composite engagement metrics. In the GNI Europe Subscriptions Lab, FT Strategies has worked closely with publishers to develop an RFV metric (Recency/Frequency/Volume), similar to the one that the Financial Times uses. The Independent (UK) developed an "APV" metric, which combined active days, consumption of premium content and volume, as an indicator of a propensity to subscribe; the larger the score, the higher the likelihood of a reader subscribing. For the FT Strategies, the creation of composite metric enables a singular focus for a news organization and a common language across product, editorial and marketing teams.

Here are a number of tactics you can use to help improve engagement:

Newsletter

Newsletter: In the GNI US & Canada Subscriptions Lab, newsletter subscribers were 10 times more likely to convert to digital subscriptions than anonymous visitors. When The Buffalo News (US) focused on growing their newsletter subscriber base, they found that more than 14% of their digital subscribers came from the newsletter subscriber base. In the GNI Europe Subscriptions Lab, Gazeta Wyborcza (PO) observed that non-subscribers that signed up for a newsletter led to 34% more page views and spent 37% more days in a month on the website than in the month before signing up. The increases across recency and frequency suggest a higher likelihood to subscribe.

Buffalo News' newsletter, which became a crucial part of their broader subscription strategy

There are a few ways to improve the performance of your newsletter opt-in rate.

- Learn how to improve visibility for your newsletter call to action, reduce the number of fields required and use one-click sign-up in the News Consumer Insights Handbook. By implementing these recommendations, WRAL.com (US) increased newsletter subscribers by 15% over 12 months.
- Offer personalized or member-only newsletters to make signing up to a newsletter more attractive to readers.

Registration wall

Setting up a registration wall is an effective way to capture emails and serve your readers with opportunities to subscribe or contribute. Across participants in the GNI Subscriptions Labs , there was a high correlation between registered users and visit frequency. Furthermore, across the cohorts, the introduction of a registration wall did not have a negative impact on traffic. One registration tactic employed by Dennik N (SK) in the GNI European Subscription Lab was to encourage "super-fans" to recommend the newspaper to their friends. In total, subscribers shared 250K+ links with friends, leading to 70% of readers registering.

Web push notifications

The News Consumer Insights team has found that targeted web push notifications can have a 25% clickthrough rate and an opt-in rate between 5% and 15%. This can be a powerful tool to drive readers on mobile devices back to your website for multiple visits.

- Learn how to build your own web push notification or work with a third party, improve the design of your prompts and fine-tune your native and custom prompts strategy in the News Consumer Insights Handbook.

Recirculation strategy

A great way to ensure that your readers consume more articles per visit is with a recirculation strategy that highlights additional content for readers to consume.

- Learn how to maximize the visibility of recommended content, employ a sticky header and implement advanced recirculation formats in the News Consumer Insights Handbook.
- Portale Bambini (IT) improved user engagement and loyalty by promoting relevant content and improving on-site recirculation, leading to a 7% increase in sessions and a 75% increase in pages per session.

Page speed

Fifty percent of all readers will leave a page if it takes three seconds or longer to load.

- Use Google's Page Speed Insights to receive a page speed score for your website. The score will also include a number of potential tactics you can implement to improve your score.
- FTI Consulting recommends a score of over 50 for desktop and over 25 for mobile.
- In the European Subscriptions Lab., FT Strategies found that Dennik N received a score of 98+, in part because they avoided implementing any feature that would impact page speed.
- You can use Google Lighthouse to improve the quality of web pages, remove resources that are unnecessary, optimize your images and enable lazy loading. Learn more in the News Consumer Insights Handbook.
- Implement Accelerated Mobile Pages. After implementing AMP optimizations, Tribunnews (ID) experienced a 34% uplift in overall mobile web revenue, a 6.3x increase in monthly AMP revenue and a 600% uplift in monthly AMP pageviews.

Video engagement

Studies suggest users spend 88% more time on a website that has video. Ensuring that your video presence is optimized is important.

- Learn how to grow your video player presence, make the video player the primary focus of the page, optimize your autoplay setup and unlock recirculation within your videos in the News Consumer Insights Handbook.

Optimize landing pages on mobile

Improve the performance of your mobile landing page.

- Learn how to optimize your landing page on mobile by pinning content above the fold, improving the look and feel and ensuring that your page loads quickly.

Converting your readers into subscriber or contributors

Key Metrics	Benchmarks	Tactics to improve
Core Metrics • Conversion rate • Meter stop rate (percent of unique users who hit the paywall versus total unique users.) • Paid stop conversion rate (unique users who subscribe versus unique users who hit the paywall). • Average revenue per user (ARPU). **Other Metrics:** • Payflow Efficiency • Print-to-Digital Activation Rate	• **Conversion Rate:** Subscriptions: 2–4% (FTI Consulting & Mather) Contributions: 0.8–1.1% (News Revenue Hub) • **Meter Stop Rate:** 5–7% (FTI Consulting) 5% LATAM, 7.8% globally (Mather Economics) • **Paid Stop Conversion Rate:** 0.5% (FTI Consulting) 0.9% (Mather Economics) • **Digital Reader Revenue Average Revenue Per User (ARPU) Developed Markets:** Subscriptions: $10–15 (FTI Consulting) Contributions: $9–15 (News Revenue Hub) • **Emerging Markets:** Subscriptions: $5–7 (Mather Economics) Contributions: $3–5 (GNI Contributions Labs)	• Set a tighter paywall • Run meter experiments to better understand tradeoffs • Implement a dynamic paywall • Optimize payflow • Improve subscriptions or contributions call-to-action • Providing Exit Intent Promo Offer • Implement dynamic pricing based off engagement • Run Pricing tests • Implement tiered pricing

While all news organizations need to focus on growing and engaging readers, the conversion and monetization metrics described above are of specific concern to news organizations with reader revenue models. Given the complexity of each metric, we'll walk through each in detail in this section.

1 Meter Stop Rate

This metric indicates the percentage of unique users who hit your subscription paywall. (Meter stop rate equals unique users who hit the paywall in a month divided by total monthly active users.) This metric is only relevant to news organizations with subscription models.

While we've noted a target benchmark of 7.6% (Mather Economics) above, publishers with a hard paywall or with a significant amount of premium content will likely see significantly higher meter stop rates.

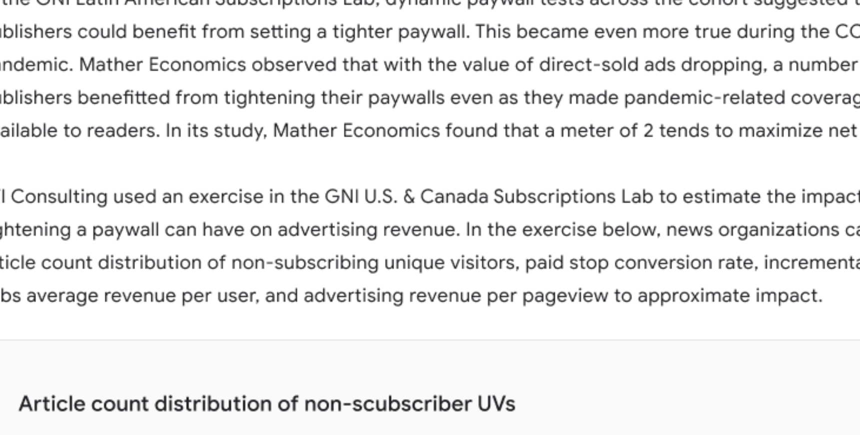
If your meter stop rate is significantly higher than the target benchmark, your paywall might be too tight and you are potentially trading off advertising revenue (unless you also have a high paid stop conversion rate). If your meter stop rate is too low, you could miss opportunities to convert readers into subscribers.

Here are a number of tactics you can use to help improve meter stop rate performance:

Set a tighter paywall:

In the GNI Latin American Subscriptions Lab, dynamic paywall tests across the cohort suggested that most publishers could benefit from setting a tighter paywall. This became even more true during the COVID-19 pandemic. Mather Economics observed that with the value of direct-sold ads dropping, a number of publishers benefitted from tightening their paywalls even as they made pandemic-related coverage freely available to readers. In its study, Mather Economics found that a meter of 2 tends to maximize net revenue.

FTI Consulting used an exercise in the GNI U.S. & Canada Subscriptions Lab to estimate the impact that tightening a paywall can have on advertising revenue. In the exercise below, news organizations can use the article count distribution of non-subscribing unique visitors, paid stop conversion rate, incremental subs, subs average revenue per user, and advertising revenue per pageview to approximate impact.



This chart shows the number of articles a nonsubscriber views in a month for a news website.

Trade-off Example: Analysis of Paywall Meter Tightening

Monthly Unique Visitors (A)	1 Million	Page Views Lost (1 per UV) (C)	80K
Percentage of UVs Affected by Paywall Change (B)	8%	Advertising Revenue per PV (H)	$.050
UVs Impacted (C)=(A)X(B)	80K	Advertising Revenue Lost (J)=(C)X(H)	$4K
Paid Stop Conversion Rate (D)	.25%	Net Revenue Benefit of Tightening Paywall (G–J)	$19,200
Number of Subs Added per Month (E)=(C)X(D)	200		
Annual Revenue of Sub with ARPU of $8/month (F)	$96.00		
Annual Subscription Revenue Impact (G)=(E)X(F)	$19,200		

FTI CONSULTING

[Top] This chart shows the number of articles a nonsubscriber views in a month for a news website.[Bottom] Using the data on the left, along with monthly active users, paid stop conversion rate, incremental subscribers and advertising revenue per page view, a publisher can estimate the impact of tightening the paywall.

Run meter experiments to better understand trade-offs

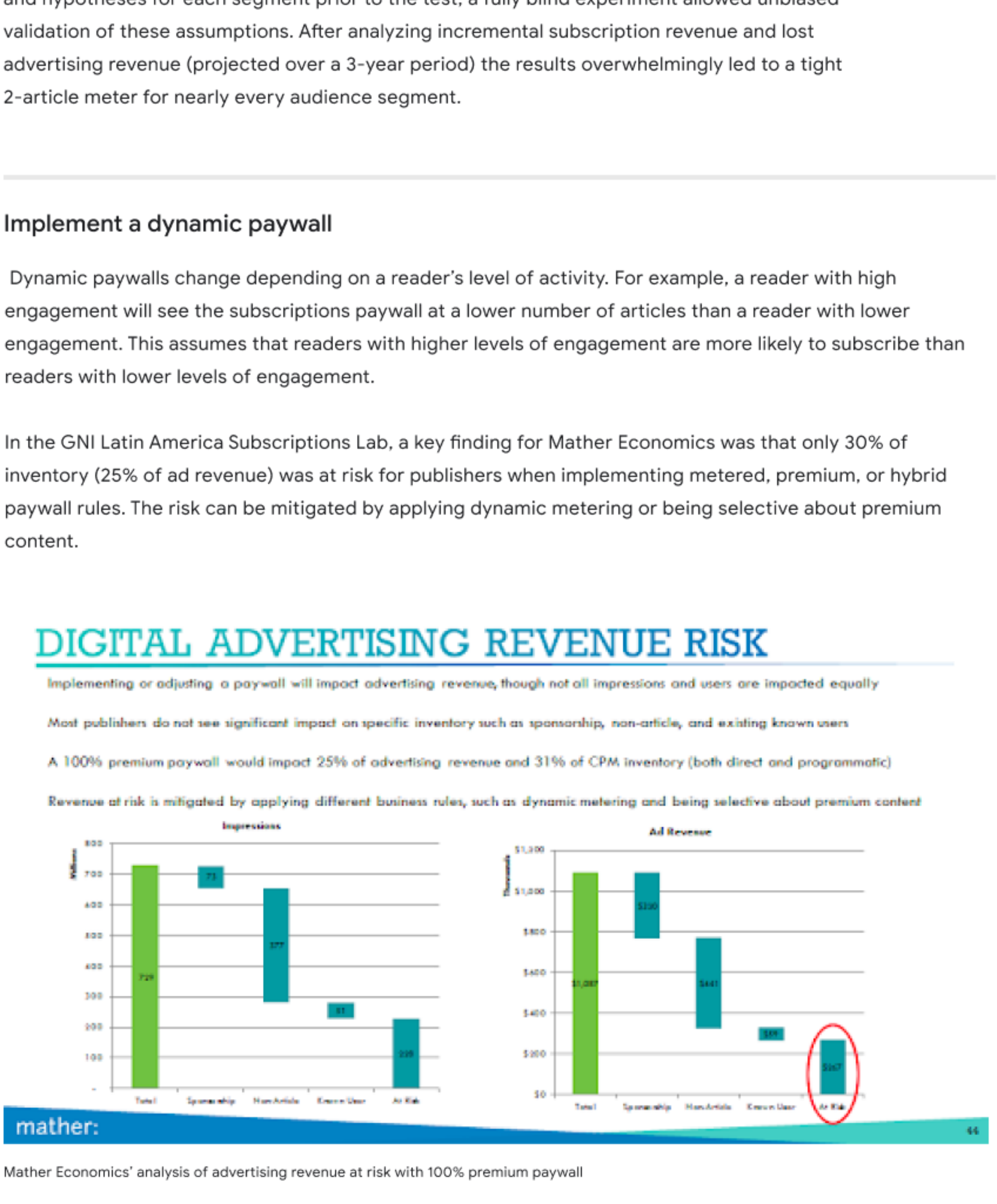
We'd recommend that all publishers looking to fine-tune their paywall meters run A/B tests to develop a more informed sense of which meter setting would optimize the mix between advertising and subscriptions revenue.

As part of the GNI Latin America Subscriptions Lab, Mather Economics led dozens of A/B tests using its Listener™ data platform to measure the incremental lift in conversions and lost advertising dollars from different paywall tactics. With one of the partners, Mather Economics led a full dynamic meter paywall test measuring article meters of 2, 3, 4, 5, 6, 7, and 8 evenly across the entire audience. Though Mather Economics had designated propensity segments and hypotheses for each segment prior to the test, a fully blind experiment allowed unbiased validation of these assumptions. After analyzing incremental subscription revenue and lost advertising revenue (projected over a 3-year period) the results overwhelmingly led to a tight 2-article meter for nearly every audience segment.

Implement a dynamic paywall

Dynamic paywalls change depending on a reader's level of activity. For example, a reader with high engagement will see the subscriptions paywall at a lower number of articles than a reader with lower engagement. This assumes that readers with higher levels of engagement are more likely to subscribe than readers with lower levels of engagement.

In the GNI Latin America Subscriptions Lab, a key finding for Mather Economics was that only 30% of inventory (25% of ad revenue) was at risk for publishers when implementing metered, premium, or hybrid paywall rules. The risk can be mitigated by applying dynamic metering or being selective about premium content.



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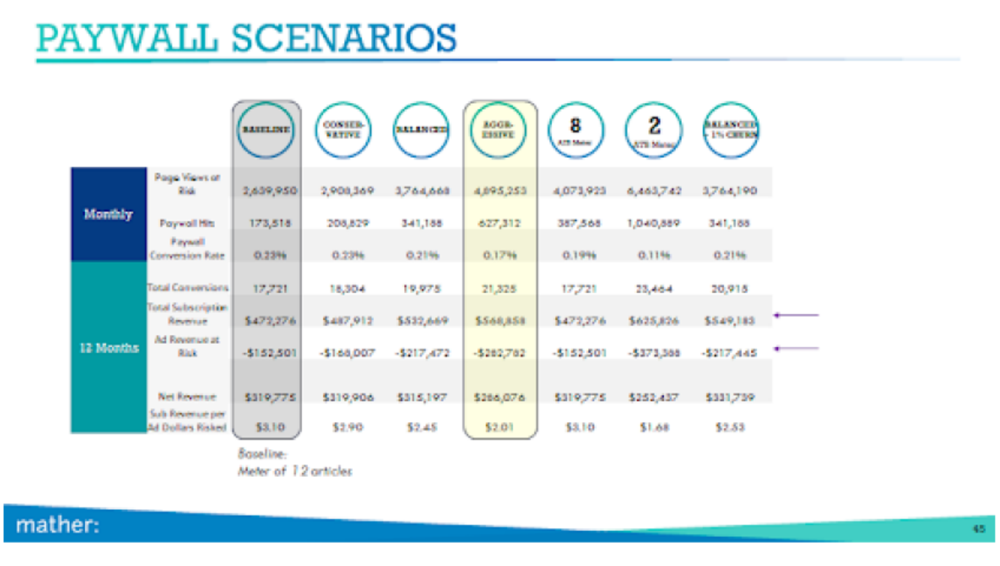

[illegible]

2 Paid stop conversion rate:

[illegible]

[illegible]

Here are a number of tactics you can use to help improve paid stop conversion rate:

Optimize payflow

[illegible]

Improve your call to action

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Exit intent promo offer

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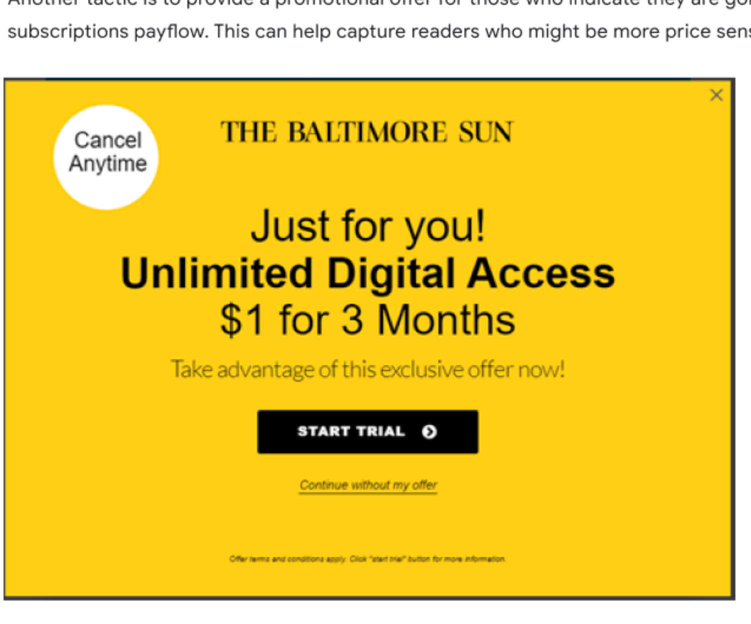


[illegible]

3 Average digital reader revenue per user

[illegible]

[illegible]

- [illegible]
- [illegible]

Here are a number of tactics you can use to help improve average reader revenue per user:

Implement dynamic pricing based on engagement

[illegible] Tribune Interactive in the U.S. is one publisher using this strategy for digital subscriber renewal pricing.

Run pricing tests

In lieu of dynamic pricing, publishers can run A/B tests to understand which prices lead to higher subscription conversions or contributions. Acquisition price tests can be designed for different sales channels to ensure statistically representative groups are presented with the alternative offers. Online tests can be implemented using tools such as Google Optimize. Newsletter offers can be targeted using reader attributes, and email campaigns can also be tested using A/B groups.

Implement tiered pricing

Across both subscriptions and contributions, news organizations can implement tiered pricing models for different tranches of their subscriptions and contribution programs. As we've mentioned earlier, the prices you offer can be informed by surveys you run with your readers to understand their willingness to pay across different levels of engagement. For example, Dennik N (SK) created a mid-tier price focused on offering improved content related to economic news and converted 50% of low-tier subscribers to the mid-tier.

Two other subscription metrics for conversion include:

Payflow efficiency

This metric equals new subscribers through payflow divided by unique visitors who start the payflow, where the payflow is the web portal(s) through which non-subscribers purchase subscriptions. These web portals can typically include subscription selection, personal information capture and billing information capture. Poor performance on this metric could suggest an opportunity to simplify your payflow.

Print to digital activation rate

This metric provides a measure of how effectively you're able to activate your print subscribers as digital subscribers, and is calculated by dividing digitally activated print subscribers by total print subscribers.

Retaining your readers

Key metrics	Benchmarks	Tactics to improve
• Churn rate per month	**Digital-only Subscriptions Churn Rate:** • less than 3% (FTI Consulting) • 4.3% (Mather Economics) • 4%-5% (FT Strategies)	• Email targeting • Automated retention touchpoints • Reinforce value proposition

As we've discussed before, it is often more costly to acquire a new paying user than it is to retain an existing one. Your relationship with a subscriber or contributor doesn't end with conversion. It's crucial to remind your subscribers and contributors why they have a paying relationship with your journalism — effectively, why you're essential. Like any relationship, keeping it strong and healthy requires care and attention over time.

The core metric to focus on for retention is churn rate: the percent of subscribers or contributors who end their paying relationship each month. We've included target benchmarks for retention from the GNI Subscriptions Labs — which vary from 3% to 5%. For contributions, we do not provide a monthly churn rate target in part because a significant percentage of contributors provide one-time or annual donations. On average, News Revenue Hub observed that a little more than half of one-time contributors were retained for their client base from the prior year.

Some news organizations have developed their own customized metrics to measure churn. VLT (SE), a participant of the GNI Europe Subscriptions Lab, has developed a score specifically focused on predicting churn. The development of the metric allowed the news organization to identify pain points (i.e., subscribers receiving too many notifications), editorial priorities (i.e., women churning more frequently), and which reader segments to focus on.

Across both reader revenue models, there are a few tactics news organizations can use to retain their subscribers or contributors.

Email targeting

Email targeting of subscribers who are disengaging can be a powerful way to prevent churn. In the GNI Subscriptions Lab in Latin America, for example, sending subscribers who were beginning to disengage a series of emails led to a 30% decrease in churn for El Espectador.

Emails series called "Why so lost?" sent out by El Espectador to disengaged subscribers

Automated retention touchpoints

Many publishers discuss the importance of running a 100-day campaign with newly onboarded subscribers to remind them of the value of their subscription and to minimize the churn. Enabling regular and frequent touchpoints with readers early in the relationship is crucial to putting the relationship with the subscriber or contributor on strong footing.

In the GNI US & Canada Subscriptions Lab, FTI Consulting helped the Southeast Missourian implement a robust 30-day onboarding campaign made up of five emails (welcome message, newsletter we offer and how to opt-in, letter from publisher, request to download the app). The full list of optimizations Southeast Missourian implemented throughout the Lab led to 81% increase in overall digital subscriptions. In the GNI Europe Subscriptions Lab, news organizations like Gazeta Wyborcza or Kurier began onboarding their subscribers with a welcome message from the editor-in-chief and, in some cases, have journalists "lead"the whole onboarding process for a subscriber to create a personal connection.

One key insight found by Mather Economics is that subscribers who converted from premium (subscriber-only) content may retain as much as 20% lower compared to subscribers who converted from a traditional article-based meter or voluntary subscribe action. Thus, targeted onboarding and retention strategies are critical to maximize the longevity of each hard-earned new subscriber.

Reinforcing value proposition

We routinely hear from publishers that effective retention requires coordination and collaboration between the business and newsroom sides of the organization — in addition to working with product to absorb feedback — to serve the needs of and deepen the relationship with subscribers and contributors. Communicating that value effectively and finding ways to deepen the relationship by strengthening your membership program is critical to continue cultivating a long-term relationship with readers. For some publishers, this has also meant a focus on strengthening value proposition. For example, El Mundo (ES), a participant of the GNI Europe Subscriptions Lab, has been able to improve retention by providing discounts and bundling their subscriptions with legal counseling services.

Identifying areas of improvement across the funnel

Now that we've taken a look at key metrics and tactics to improve performance across the funnel, you can use the User Funnel Diagnostic below to track your news organization's performance and identify areas for improvement. Feel free to fill out the following columns where you have data available to track your current performance against benchmarks.

(Note: none of the data you input in the dashboard will be collected or stored.)

Exercise 6

Exercise 6 : Use the User Funnel Diagnostic to see how you're performing across key metrics

You can use the exercise on the interactive version of the playbook on the GNI website.

Engagement Metric	Tactics
Average Visits per User • 1.9 (Mather Economics) to 2.3 (FT Strategies)	• Build your own web push notification or work with a 3rd party to do so • Improve the UX of your prompts • Fine-tune your native vs. custom prompts strategy Learn how in the News Consumer Insights Handbook.
Average Pages per Visit • 3.6 (FT Strategies) to 4.1 (Mather Economics	• Implement advanced re-circulation formats • Maximize visibility of recommended content • Employ a sticky header Learn how in the News Consumer Insights Handbook.
% Known Unique Visitors • 5%-plus (FTI Consulting)	• Set up a registration wall to capture emails
Newsletter Subscriber Rate • 10% (News Revenue Hub)	• Improve visibility and position for your newsletter call-to-action • Reduce number of fields needed to sign up • Use one-click sign-up • Offer personalized or member-only newsletters Learn how in the News Consumer Insights Handbook.
Average Time Spent • 2:15 (Mather Economics) to 2:27 (FT Strategies)	• Maximize visibility of recommended content • Employ a sticky header • Implement advanced re-circulation formats Learn how in the News Consumer Insights Handbook. • Ensure that your video presence is optimized • Grow your video player presence • Make the video player the primary focus of the page • Optimize your autoplay setup • Unlock re-circulation within your videos Learn how in the News Consumer Insights Handbook.
Page Speed (Use Google's Page Speed Insights to receive a page speed score for your website.) Desktop: • 50+ (FTI) • 60+ (FT strategies) Mobile: • 25+ (FTI Consulting)	• Use Google Lighthouse to improve the quality of web pages, remove resources that are unnecessary, optimize your images, and enable lazy loading. Learn more in the News Consumer Insights Handbook. • Implement Accelerated Mobile Pages • Optimize your landing page on mobile — pinning content above the fold, improving looking and field, and ensuring that your page loads quickly

Conversion & Monetization Metrics	Tactic
Conversion Rate: • Subscriptions: 2-4% (FTI Consulting & Mather) • Contributions: 0.8-1.1% (News Revenue Hub)	Improving your overall conversion rate requires implementing tactics from across all the other metrics, in addition to implementing the choices we cover in the "Develop and communicate your value proposition" section.
Meter stop rate • 5-7% (FTI Consulting) • 5% LATAM, 7.8% globally (Mather Economics)	• Set a tighter paywall • Run meter experiments to better understand trade-offs • Implement a dynamic paywall that will change depending on a reader's level of activity
Paid stop conversion rate • 0.5% (FTI Consulting)-0.9% (Mather Economics)	• Optimize your checkout flow by implementing social logins, simplifying registration, enabling autofill, and limiting the amount of fields you ask for. Learn how in the News Consumer Insights Handbook. • Improve the messaging, look and feel of your subscriptions call to action to make subscribing more Learn how in the News Consumer Insights Handbook. • Provide a promo offer for those subscribers that indicate they are going to exit the subscriptions payflow
Average Reader Revenue Per User Developed Markets • Subscriptions: $10-15 (FTI • Contributions: $9-15 (News Revenue Hub) Emerging Markets • Subscriptions: $5-7 (Mather Economics) • Contributions: $3-5 (GNI Contributions Labs)	• Implement dynamic pricing based on engagement • Run A/B tests in lieu of dynamic pricing to understand which prices lead to higher subscription • Implement tiered pricing models for different tranches of your subscriptions and contribution

Retention Metrics	Tactic
Churn Rate: Digital-only Subscriptions Churn Rate: • 4%-5% (FT Strategies; Mather) • 3% (FTI Consulting)	• Focus on subscribers who are dis-engaging with email outreach • Enable regular and frequent touchpoints with readers early in the relationship • Reinforce your value proposition with members

Now, using the usering funnel diagnostic and the content from this section, identify the narrowed down list of tactics you are interested in implementing to improve your performance across each metric. Pay particular attention to metrics where you are currently underperforming.

	Growing Readers	Engaging Readers	Converting Readers To Subscribers Or Contributors	Retaining Subscribers Or Contributors
Tactics				

Investing in your tech stack

Improving your performance across these target metrics often requires investments in technology. Building software and processes that meet your business needs is a complex topic, and the solutions can vary drastically across regions and countries. To help news organizations understand what is available, we've asked participants in the GNI Reader Revenue Labs to compile a list of technology solutions that address their needs. It's important to note here that the list below isn't a complete set of solutions for each area, merely the ones that were used by publishers across GNI programs. In the catalog, we identify the systems publishers purchased, the role they play, and off-the-shelf solutions that are available.

Solution	Why is it important?	What solutions are available?
User Registration & Identify Management System	System that allows you to register users and manage and track identities on your website.	Gigya, HNP Realm, Janrain, MG2, NewsCycle, Piano, Town News
Content Management System	A system that allows you to publish and manage content.	Arc, Brightspot, Chorus, Drupal, Ghost, Newspack, Squarespace, Wordpress
Subscription Management System *Subscriptions only	A one-stop, end-to-end subscriptions solution	Piano, ARC, Subscribe w/ Google (partial), Zuora
Payment solutions	Allows you to manage reader access to the paywall.	Braintree, Google Pay, Mercado Livre, Mercado Pago, PayPal, PayU Stripe, Square, Subscribe with Google, UOL (PagSeguro)
Paywall solutions *Subscriptions only	Allows you to manage reader access to the paywall.	BounceEx, Elastic Search, Kafka, NewsCycle, Piano, WordPress, Zephr
Testing toolkit	Enables you to conduct A/B testing.	Optimizely, Google Optimize, MailChimp (for email A/B testing)
Data and analytics suite	Provides data on your reader behavior on website, including information on key segments.	Audience Explorer, Chartbeat, Google Analytics (plus News Consumer Insights), Google Analytics 360, Mather Listener, NewsCycle, Omniture, Parse.ly, Second Street
Customer relationship management system	Keep track of all of your subscriber or contributor information.	Airtable, Google Sheets, Hubspot, Pico, Sugar CRM, Salesforce, Steady
Video hosting solution	Host videos on your website.	Brightcove, YouTube Player for Publishers
Productivity platform	Platform that your organization uses to work on, share and store documents, spreadsheets and notes.	Google Drive, G Suite, Microsoft 365
Email and newsletter management solution	Manage email relationships with customers and distribute content via email publishing.	Constant Contact, Engaging Networks, Mailchimp, Sailthru, Substack
Social media management	Manage your social media strategy across multiple channels from a single portal.	Buffer, Hootsuite, SocialFlow, Sprout Social

If you're a smaller organization looking to build out a reader revenue model, we recommend this piece from the Membership Puzzle Project, which discusses tech stack options, how to make decisions on investing in technology and what's necessary to have as opposed to nice to have. As the article mentions, there are a few items you should be sure to explore good solutions for: a CRM (customer relationship management system), CMS (content management system), payment solution and an email newsletter management solution.

Across either contributions or subscriptions, consider whether software is:

- Open-source.
- Free.
- Off-the-shelf.

Investing in technology is critical for news organizations. However, making technology work for the specific needs of your news organizations can be even more important. If you don't have a dedicated technology team (frontend, backend and full-stack developers), you might need to hire developers to perform specific functions. This could include, for instance, writing code for a third-party API to create a bridge between two systems or customizing an off-the-shelf solution to fit specific needs. For example, the News Revenue Hub built integrations that connect CRM, newsletter management and payment systems to optimize contributions, create more targeted messaging and automate common tasks.

Plan for long-term success

The activities have so far helped you to:

- Size your reader revenue opportunity.
- Deeply understand your readers' needs.
- Evaluate your product and content strategy in a reader revenue context.
- Select value added benefits for your membership program.
- Understand how to market and position your reader revenue model.
- Identify user funnel metrics where you'd like to improve and tactics to do so.

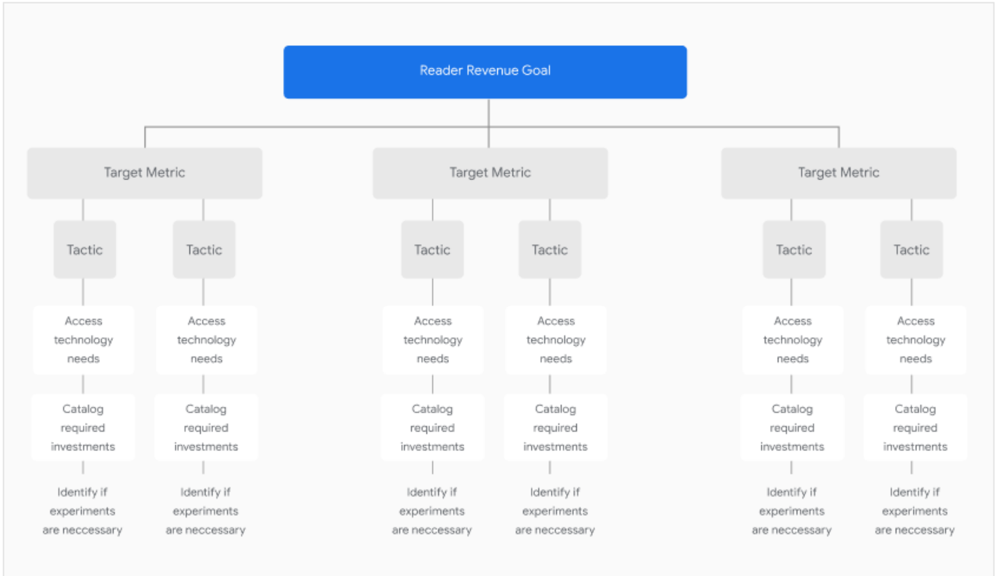
These activities are important steps for setting a strong foundation to launch a reader revenue model. For many publishers though, the turning point on their reader revenue journey was when the organization's leadership set an ambitious long-term reader revenue goal, a vision it could use to energize and inspire the entire organization. In this section, we'll discuss how to set that reader revenue goal and how to build a plan that can help your news organization orient toward it.

Specifically, we will discuss how to:

- Establish a long-term goal.
- Confirm the target metrics that enable you to achieve your reader revenue goal.
- Catalog tactics for achieving your target metrics.
- Identify experiments and create a project plan.

The full exercise enables news organizations to develop a framework that anchors operational activities in a strategic context and focuses the entire organization on achieving certain outcomes key to long-term success.

Setting long-term reader revenue goals



Earlier in the playbook, we discussed a market sizing exercise that your news organization can use to estimate reader revenue opportunity. That exercise was meant to help tether your news organization's reader revenue objectives to what's achievable over the next year. However, for many of the world's most successful news organizations, setting long-term goals for their reader revenue models means setting an aspirational goal. Often, this has meant setting ambitious stretch goals that pushed the news organization beyond what it thought was possible. For The New York Times, achieving 10 million subscribers by 2025 has become a galvanizing goal for the entire company. For the Financial Times, the organization set a target of 1 million subscribers, which it was able to achieve one year ahead of schedule.

Set your news organizations' reader revenue goal by assessing what your news organization needs the reader revenue business to be for long-term sustainability. You can quantify this goal as either the number of subscribers / contributors or the overall subscriptions or contributions revenue you drive. All other metrics you pursue should feed into this main goal.

How do you answer the following questions three years from now?

- How much revenue do you want to drive through reader revenue?
  - Some news organizations answer this by projecting their current revenue streams (e.g. advertising, reader revenue, events) over the next 3 years. Based on that outlook, they anchor a reader revenue goal to offset losses in other revenue streams. Other news organizations build the goal from evaluating their current market potential and the historical outlook of their business. News organizations interested in this approach can use our Opportunity Sizing tool.
- How many subscribers or contributors will you need to acquire to reach that goal?
- What percentage of your overall revenue will come from reader revenue?

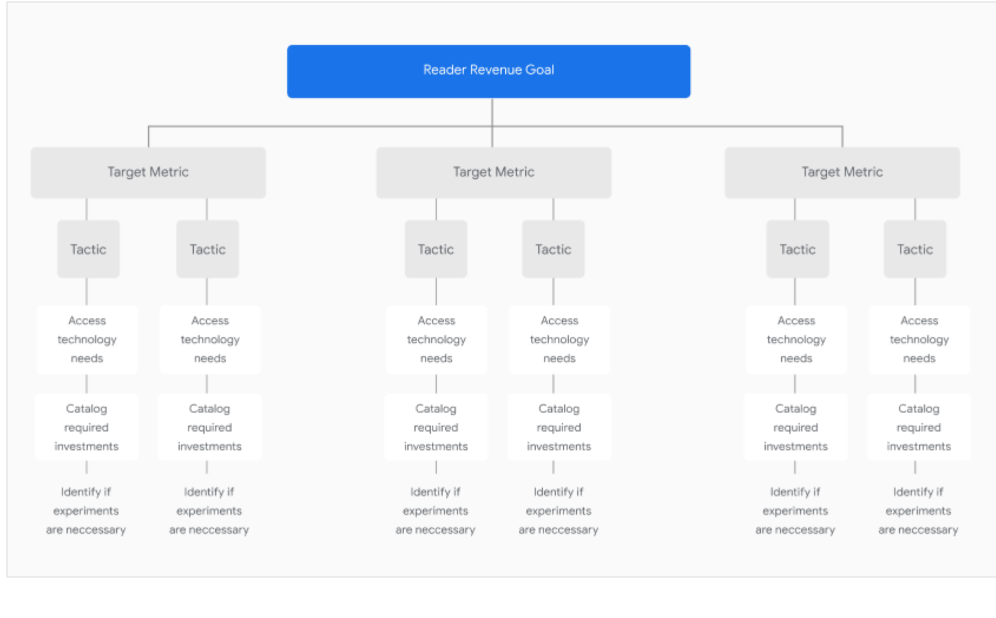
In the GNI Europe Subscriptions Lab, FT Strategies used a similar framework referred to as a "North Star exercise" to create an holistic plan for growing a news organization's reader revenue:

Given the tradeoffs news organizations often have to make in pursuing reader revenue goals, the articulation of a single north star metric was crucial for building full alignment across functions. In the GNI Europe Subscriptions Lab, FT Strategies worked closely with cross-functional project teams representing the business and newsroom sides of the organization to set an ambitious North Star Goal the entire organization -- with the support of senior leadership -- could galvanize around, and develop a framework linking the long term vision with a short-term experimental roadmap.

Exercise 7 : Use the goal setting exercise to set your long-term goals

Exercise 7

You can use the exercise on the interactive version of the playbook on the GNI website.



Setting target metrics.

In this section, we'll discuss how to identify the target metrics that can help your news organization reach its reader revenue goal. We'll return to the opportunity sizing exercise that we used earlier in the playbook to size your reader revenue opportunity. This time, however, we'll encourage you to use your news organization's own data in the scenario tool to identify target metrics where you're currently underperforming and target metrics with a significant impact on your reader revenue.

For those who haven't launched a subscriptions or contributions model, we invite you to still fill out the model below with numbers that could make sense for your business to help refine your target metrics.

Exercise 8 : Use the opportunity sizing exercise to confirm your target metrics

You can use the exercise on the interactive version of the playbook on the GNI website.

Are you interested in subscriptions or contributions?

Subscriptions:

Exercise 8

How many monthly active users did you have last month?

What is your monthly active user growth rate (month over month)?

Monthly active users growth rate equals monthly active users last month divided by monthly active users from the previous month minus 1. You can also provide the average growth rate over the last six months.

If you already have a subscriptions business, how many existing subscribers did you have at the end of last month?

If you have a subscriptions business, what is your conversion rate?

Conversion rate equals number of subscribers at the end of last month divided by last month's unique monthly active users.

What is the average digital reader revenue per user?

Typically, this is the average price of your digital subscription for readers net of discounts.

What is your churn rate (monthly)?

Monthly churn rate equals subscribers from two months ago who were no longer subscribers last month divided by total number of subscribers last month.

Do you want to add more advanced metrics to the model? Understanding how you're performing against these four variables can lead to a more nuanced understanding of your conversion rate and lead to key insights to improve your performance.

What was your average number of visits per user last month?

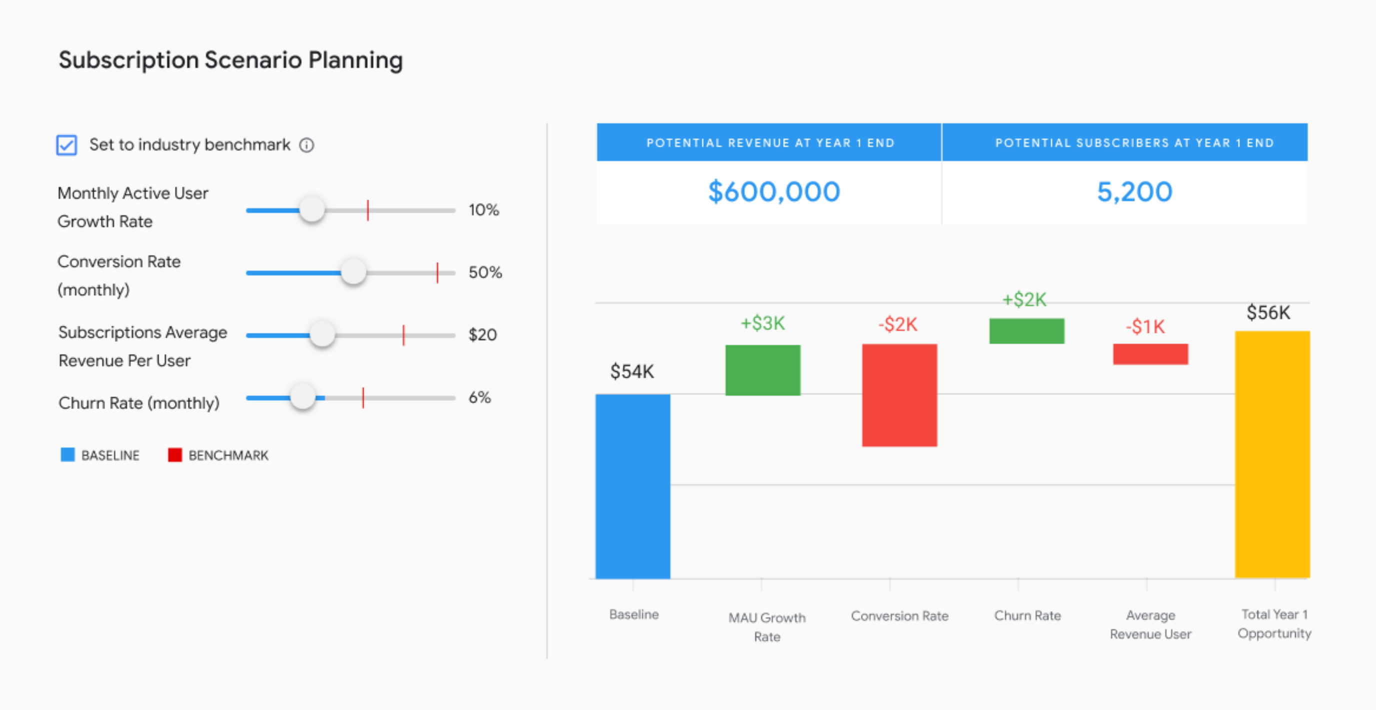
How many pages on average did each user visit?

What was your meter stop rate?

Meter stop rate equals monthly active users that hit paywall last month divided by unique monthly active users last month.

What is your paid stop conversion rate?

Paid stop conversion rate equals new subscribers (starts) through a paywall last month divided by monthly active users that hit a paywall last month.



Contributions:

How many monthly active users did you have last month?

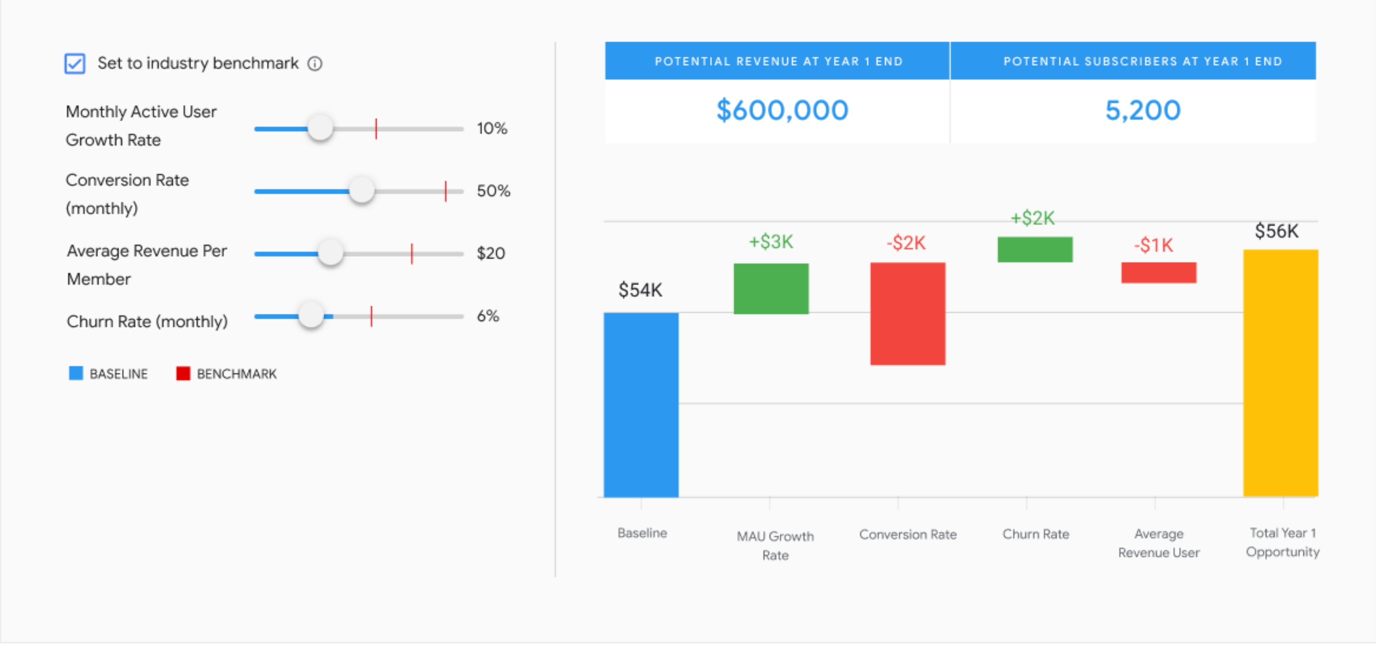
What is your monthly active user growth rate (month over month)?

Monthly active users growth rate equals monthly active users last month divided by monthly active users from the previous month. You can also provide the average growth rate over the last six months.

If you already have a contributions business, how many existing contributors did you have at the end of last month?

If you have a contributions business, what is your conversion rate?

Conversion rate equals number of contributors at the end of last month divided by last month's unique monthly active users.



Feel free to use the model to test out different scenarios, with an eye towards finding a meaningful one year revenue goal that puts you on a good path to your north star goal. Once you have a scenario you like, you can set your targets for each of the metrics below.

1 year goals

Total Conversion Rate

Total Reader Revenue

# of Total Subscribers / Contributors

Subscriptions

Monthly Active Users

Average Revenue Per Subscriber

Churn Rate

Conversion Rate

Meter Stop Rate

Paid Conversion Rate

Pages Per Visit

Visits Per User

We've also called out additional metrics from the User Funnel Diagnostic that might not directly drive reader revenue but have a significant impact on your ability to be successful.

Newsletter Subscriber Rate

% of Known Users

Page Speed

Average Time Spent

Contributions:

Monthly Active Users

Average revenue per contributor

Conversion rate

Churn rate (for recurring contributors)

We've also called out additional metrics from the User Funnel Diagnostic that might not directly drive reader revenue but have a significant impact on your ability to be successful.

Newsletter Subscriber Rate

Average visits per user

% of Known Users 767

Average time spent

Page Speed

Average pages per visit

Of the target metrics you've identified above, prioritize the ones where either you are underperforming or that you believe are most critical to success over the next year. This exercise should provide you a sense of what might be possible within a year and the sort of performance across core metrics you'll need to see to achieve that goal.

Remember that the exercise above is meant to start you on your reader revenue journey; as we discussed earlier, some news organizations eventually develop unique metrics to focus on. FT Strategies recommends a metric used by The Financial Times to fuel its subscription growth, called "RFV", which combines reader engagement recency, frequency and volume into a single score.

Cataloging tactics for achieving your target metrics

Let's take a step back and take a look at the output of prior exercises from this playbook.

Category	What your readers want?	What you currently offer?	What's the gap?	How can you close the gap?
Product & Content				
Membership Program				
Marketing & Messaging				
User Experience				

	Growing Readers	Engaging Readers	Converting Readers To Subscribers Or Contributors	Retaining Subscribers Or Contributors
Tactics				

The exercises should have provided an emerging understanding of the set of tactics you'll need to implement improved product and content, value added benefits for your membership program, marketing and positioning, user experience and your user funnel in a reader revenue context.

It's time to map those tactics onto the target metrics your news organization will focus on.

Exercise 9 : Use the goal setting exercise to identify tactics

You can use the exercise on the interactive version of the playbook on the GNI website.

Exercise 9

For each of those tactics, it's helpful to think through the following dimensions:

- Assess your technology needs for those tactics. (See above for a starting point)
- Catalog the investments you might need to make to implement that tactic.
  - How much will it cost over 1 year?
  - What portion of that cost is fixed versus recurring?
- Determine if there is any unproven hypothesis you need to test with an experiment before implementing the tactic.
  - If so, what's that experiment?

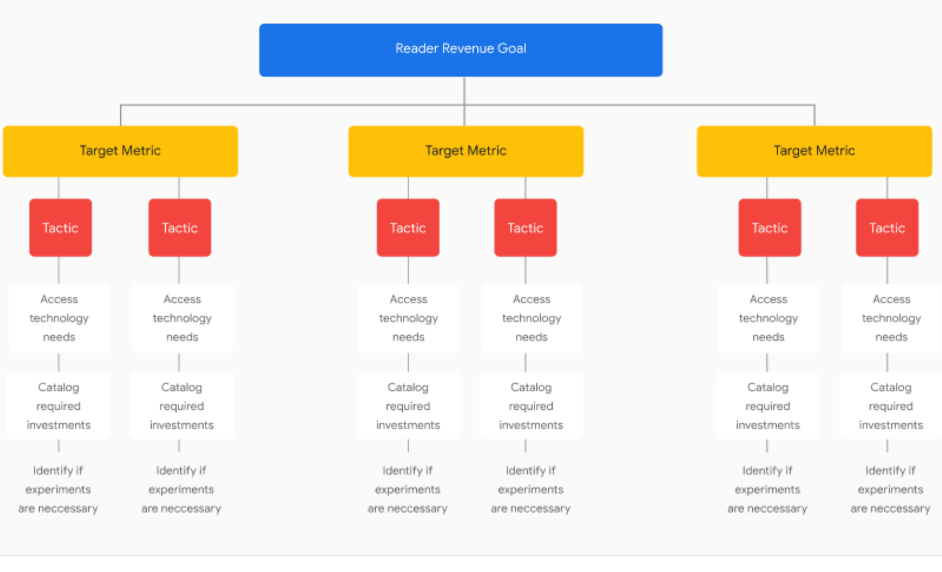
For example, let's assume that one of your target metrics was improving your conversion rate, and in particular, focusing on improving the meter stop rate for your subscriptions model. For the purposes of this illustration, we're going to assume that your news organization has a metered model with no premium content. Your news organization has a meter of eight and a meter stop rate significantly underperforming the benchmark, suggesting that you might have an opportunity to tighten your paywall.

In this exercise, we would ask you to:

- Identify the technology you would need to tighten your paywall (such as a testing toolkit). If you were a news organization without an effective paywall solution, you might consider upgrading.
- Catalog the costs associated with that investment. If that investment is significant or you're unsure if the tactics will be effective, you might want to conduct an experiment before implementing the paywall change.
- Identify the experiment you'd like to run to test out the hypothesis that a tighter or lower paywall would need a higher meter stop rate and a higher number of conversions. In this case, that might mean running an experiment for an A/B test in which you keep one test group at a paywall of eight while keeping the other at a paywall of two. You would then observe the impact of each rule change on your target metric (meter stop rate) and your reader revenue goal (incremental subscribers and incremental subscriber revenue).

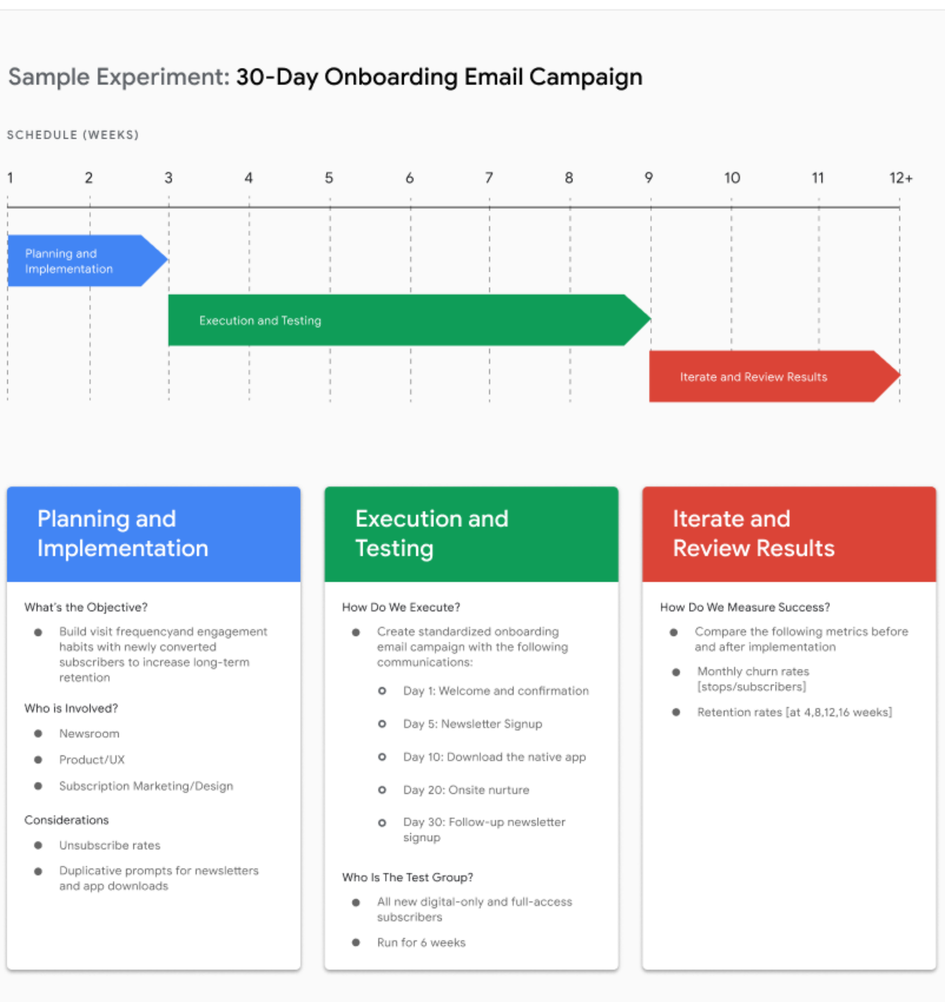
Identifying experiments and creating a project plan

We'll finish by taking a look at the bottom portion of the north star exercise: identifying experiments and developing your project plan.



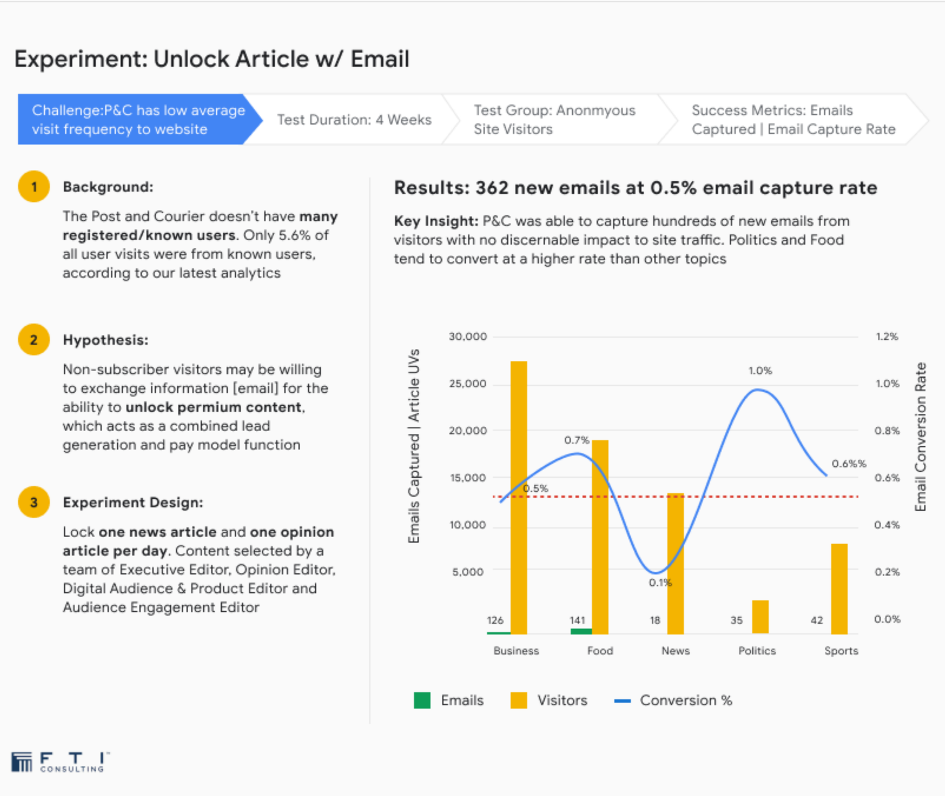
Now that you've identified your tactics, you will need experiments to prove a hypothesis or substantiate a large investment.

Below, we share the approach used by FTI Consulting to structure experiments with news organizations in the GNI U.S. & Canada Subscriptions Lab.



The success of experiments hinge on developing clear objectives and clear ways to measure success. Those who take a data-driven approach, running experiments against a test group and a control group, can use experiments to strengthen their business case for recommending a particular change or making a long-term investment.

In the GNI US & Canada Subscriptions Lab, the Charleston Post & Courier implemented an experiment to test the impact of unlocking an article with email in an effort to increase their low percentage of registered or known users. The experiment allowed Post & Courier to capture hundreds of new emails with no discernible impact to site traffic.



Example of experiment plan for The Post and Courier in the US Subscriptions Lab

In the GNI Latin America Subscriptions Lab, Mather Economics facilitated 20 tests to grow conversions, reduce churn, and identify content relevant for subscriptions. Some highlights from the tactical testing included launching a registration wall with Reforma and Nexo Jornal with minimal impact on traffic and recommending dynamic meter models and lower meter settings with five publishers, leading to millions of dollars in LTV.

Once you've confirmed the experiments you are interested in running, your next step is categorizing projects. Short-term projects require minimal investments and can be quick, easy wins you can use to galvanize your organization to deliver in the next three to six months. Long-term projects are more capital intensive and require additional investment before executing. Experiments to test unproven tactics will fall into the short-term projects category.

Next, let's build out the specific details for each of the projects you've identified above. Who will the project owner(s) be? What are the requirements to execute the project? Are there additional investments you'll need to make? What metrics will you be tracking? What does success look like?

Exercise 10 : Develop your short-term and long-term plan

You can use the exercise on the interactive version of the playbook on the GNI website.

Exercise 10

Short-term Projects

Short-term Projects	Project Owner	Requirements	Additional Investments	Metrics Tracking	What does success look like?
Project #1					
Project #2					
Project #3					
Project #4					
Project #5					

Long-term Projects

Long-term Projects	Project Owner	Requirements	Additional Investments	Metrics Tracking	What does success look like?
Project #1					

Project #2					
Project #3					
Project #4					
Project #5					

Reader revenue is a long journey, but it can be a worthy one. We hope this playbook and its accompanying exercises help you feel more confident on how to embark on yours.