



Content-to-Commerce Brings Revenue in Post-Advertising World

Dawn McMullan

October 2020

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About

About the author



Dawn McMullan is senior editor at the International News Media Association (INMA) and a frequent home office shopper who enjoyed researching this report to the detriment of her bank account. She is based in Dallas, Texas, United States, and can be reached at dawn.mcmullan@inma.org.

About the International News Media Association



The **International News Media Association (INMA)** is a global community of market-leading news media companies reinventing how they engage audiences and grow revenue in a multi-media environment. The INMA community consists of nearly more than 15,000+ members at 850+ news media companies in 73 countries. Headquartered in Dallas, INMA has offices in Antwerp, New Delhi, and San Salvador. Celebrating its 90th anniversary, INMA is the news media industry's foremost ideas-sharing network with members connected via conferences, reports, Webinars, virtual meetings, and an unparalleled archive of best practices.

Executive summary

At INMA's World Congress in New York in 2019, Schibsted CEO Kristin Skogen Lund said this: "It is the movie that draws the crowd, but the money is in the popcorn."

Fast forward to 2020 with advertising revenues taking a hit even greater than expected because of the pandemic, and it seems clear: News media's popcorn might be e-commerce.

"It's no surprise to anyone that the publishing industry is going through a large change right now," said Mikaela Jaconelli, head of sales at [Tipser](#), an e-commerce partner of Aftonbladet. "Publishers need to react to this."

On one side there are drastically declining ad revenues; on the other are the users, who are consuming news content in different ways. Many players on the market are speculating that content-to-commerce will be one of the main revenue sources for media publishers in the future.

Old-school commerce (selling a coffee mug branded with your masthead) led to the first generation of **e-commerce** (selling a coffee mug online that is branded with your logo), which led to **affiliate marketing** (featuring and linking to a coffee mug made by an outside vendor, for which the news media company makes a percent of the profit) and **attribution marketing** (knowing exactly what touchpoints led the customer to purchasing the vendor-owned coffee mug and placing a value on that to be paid to the news media company), which are all leading to **content-to-commerce** (owning or more likely licensing a line of coffee mugs featured in content for which the media company gets the profit as the owner of the product).

Not many news media companies have made it to the affiliate, attribution, and content-to-commerce destination of the e-commerce journey. Even well-known national and international companies doing so aren't quite ready to talk about it.

But it's the future of media advertising, industry experts say.

"By assuming a bigger role in the customer journey, a publication wants to get closer to the transaction and wants to have a higher take on the transaction," said INMA Researcher-in-Residence Grzegorz Piechota. "If you run an ad, you are paid by the exposure. You're not really paid by whether the customer bought the item or not. With content-to-commerce, you are paid only when the transaction happens.

"Publishers are seeing they really can't make a lot of money with advertising because there is too much content available on the Internet, a big fragmentation of audiences, plus advertisers want granulated targeting publishers couldn't deliver," Piechota added. "But we have we have good relationships with customers, and we can upsell them with products."

In "Content-to-Commerce Brings Revenue in Post-Advertising World," we look at five case studies:

1. **Dennis Publishing:** Dennis is *the* example of how content-to-commerce works in the media industry. It sells cars it owns and has two affiliate marketing brands in the United Kingdom. Its car brand brings in 30% of the company's overall revenue.
2. **Aftonbladet:** The Swedish publisher has partnered with e-commerce platform Tipser to sell products while staying within the media company's Web site.
3. **The New York Times:** Wirecutter, a 9-year-old product review Web site, generates more revenue from affiliate commissions than traditional advertising.
4. **South China Morning Post:** SCMP Research is a literal content-for-commerce revenue strategy that has slowly grown over the past few years and debuted as a proper revenue strategy in July.
5. **Times Internet:** The Times of India digital division makes direct sales of men's products after acquiring MensXP in 2009.

The goal is simple: to shorten the number of clicks between someone reading about the proverbial coffee mug and someone buying it — and for media companies to get revenue from that. ■

Introduction

“Content-to-commerce” is the packaging of high-value content with a purchasable activity — creating the shortest possible runway to drive customer engagement and inspire action.

Its origins and popularity are rooted in the broader packaged goods world. Yet media companies are beginning to re-imagine their brands in a more expansive way and their data in a more profitable way.

This report tracks content-to-commerce’s rise in media, featuring the early pioneers.

A. Pillars of content-to-commerce

There are at least four components to content-to-commerce:

- Brand positioning
- Content marketing
- Direct-to-consumer products
- E-commerce

Does a brand have the malleability to expand beyond its core product? That’s a question Ashwin Ramasamy, co-founder of D2C specialist PipeCandy, shared with TechCrunch last year. For example, he wrote that while Casper as a “mattress company” is limiting, Casper as a “sleep company” provides expansion opportunities without diluting its brand. Glossier plays in the “beauty space.” How Harry’s, a shaving

company, was able to expand beyond razors to sell face wash, lip balm, and face lotion in the “grooming” space. Then there is the playbook that says a brand like D2C Ipsy is based on curated and personalised recommendations — opening brand aggregation opportunities.

Content marketing dates back to the 1890s with advertorials. Copious data through the decades point to the power of integrating advertising messaging natively with journalism content — with transparent labeling an old argument. The digital era has only expanded the clever use of content marketing — and now, twinned with a click that leads a purchase.

The rapid expansion of direct-to-consumer products is inextricably linked to the rise of e-commerce. Brands are cutting out the middlemen and creating direct and trusted relationships with customers thanks to the Internet.

In the broader B2C packaged-goods world, we see grocery brands use online recipe sites to place products used in recipes. A recent Gartner report showed 22% of brands allow shoppers to add products to shopping carts from blogs and editorial pages. Examples include Pottery Barn, Huggies, and Sonos. This is driving the broader trend of “everyone becoming a publisher.”

B. News media’s tie-in

So, what does any of this have to do with news media?

Media companies are under intense pressure to find business models beyond traditional advertising to fund their journalism and meet the needs of shareholders. They need new sources of growth.

The revenue opportunity for media is rooted in a long-time problem that is slowly being solved: How to shorten the runway between a shopper’s consideration and the purchase? In the print world, a magazine or a newspaper ran an article that sparked interest, a trip to the store, and maybe an in-store purchase — for which the magazine or newspaper got nothing other than, potentially, advertising. In the digital world, the same now-digitised magazine or newspaper runs a similar article, prompting the shopper to jump in the adtech funnel controlled by Google or the shop-and-click world of Amazon — again, the publisher gets nothing in the value chain (and now gets virtually no advertising). How can a publisher get closer to the “last click” before purchase?

C. The magazine pioneers

Over the past 15 years, magazine publishers like Meredith, Condé Nast, Dennis, Hearst, and others pioneered content-to-commerce concepts by leveraging the immense personalities of and loyalties to their brands.

Crucial to content-to-commerce and affiliated concepts is that the brand must have a purpose — certainly a mission and authenticity, possibly emotional resonance and personality. Crucial to success is anchoring a brand's core "purpose to exist" in the minds of consumers.

Magazine publishers were uniquely positioned to take the first steps in content-to-commerce. Not only did their brands embrace purpose and personality, the type of content produced mostly was not the serious hard news employed by newspaper publishers. While newspapers had many cultural reasons to not re-imagine their brands for other purposes, magazines had no such limitations.

Hearst, for example, began investing in content-to-commerce via product reviews a few years ago at several of its magazines: Popular Mechanics, Men's Health, Good Housekeeping, and Cosmopolitan.

For at least 15 years, Condé Nast has been an early pioneer in e-commerce and, later, fusing content with commerce. While there have been hits and misses, the company's trajectory suggests deeper incursions into e-commerce via stores connected to the iconic brand and content-to-commerce plays such as subscription-based boxes for its loyal members/subscribers and recommendation sites. According to multiple reports, these forays are significant revenue drivers for Condé Nast:

- **Allure:** Allure's Beauty Box is a membership-based model promising monthly products selected by Allure editors, gifts, and event discounts.
- **GQ:** GQ's e-commerce shop includes shorts, collaborations, hats, and subscription bundles. The nearly 4-year-old subscription-based "Best Stuff Box" offers four seasonal boxes at US\$190 per year of its "favourite things," such as grooming products and gadget accessories. The company also runs GQ Recommends, an editorial initiative for affiliate sales.

- **VogueWorld:** Vogue launched sub-brand VogueWorld — fusing celebrity- and street-style content with e-commerce. It joins the growing ranks of publishers scaling organic shopping content.
- **Wired:** For 15+ years, the Wired Store has directly sold gadgets, gear, art, décor, and more.

As we read Ashwin Ramasamy's TechCrunch article, we could see how a mattress company could be a "sleep company" — and, upon deeper inspection, how Condé Nast's GQ is not just about "fashion and style" but "beauty and grooming." As vested in content-to-commerce as GQ is, one can imagine many future possibilities, too.

At a high level, rival magazine publisher Meredith is pointing to a strategy that fuses content and commerce in new, creative ways. Meredith President and Chief Digital Officer Catherine Levene shared that vision at a news industry conference in early 2020. In a nutshell, Meredith's strategy is rooted in:

- **Direct relationships with consumers:** It is doubling down on first-party data linked to direct relationships with consumers.
- **Driving engagement:** In a world with more and more connected devices, it will create content and experiences that drive engagement wherever readers are.
- **Shortening the path to purchase:** In a time-starved world, the company will help readers shorten the path to purchase and anticipate their needs.

Meredith's magazine brands power content-to-commerce in at least five ways:

- **In-image shopping:** Image recognition technology provides shoppable solutions within editorial.
- **Shoppable video:** Shoppable video for personalisation and purchase within content.
- **Meredith shops:** E-commerce shops embedded on 10 of its Web sites.
- **Shopper solutions:** Shopper units of "May We Suggest" and "What's On Sale at Local Store" at the moment of consideration.

- **Click-to-cart:** Add products to carts from native, display, social, and video. They work with Walmart, Target, Amazon, and Instacart. The company aimed to add click-to-cart to every major category for every major retailer across all major formats in 2020.

Later in this report, you will read about Dennis Publishing's venture in the United Kingdom that may even be a step up from its American counterparts.

D. Can newspapers play in this space?

There have been e-commerce ventures by newspaper publishers, though few tied to the mother brand. The hallowed grounds of serious journalism by serious news brands historically would shut out the kinds of content and commerce linkages and conversations that magazine publishers have popularised. The culture simply wouldn't support it.

Yet times are changing. Business pressures are intensifying. Technology walls are tumbling. Native advertising is rising in popularity, and traditional newspaper publishers have found ways to accommodate — even if it is often at arm's length.

What is not clear from this report is whether the “big umbrella” serious legacy brands formerly embodied via newspapers have enough room under their existing umbrellas to seamlessly transition to content-to-commerce. Are they malleable enough as brands?

Aftonbladet will argue that while you shouldn't employ e-commerce techniques in a hard news story, you certainly can in other types of content that lend themselves to the move. The New York Times solves this problem with a separate brand, Wirecutter. The Times Group in India does what it always does: break the rules, think big, and in the case of MensXP, create a vertical with elements of the leading magazine publishers yet an approach like packaged-goods companies.

And there is a surprisingly long line of historic newspaper publishers tinkering around the edges of these concepts, ranging from betting to selling fiber optic in the home. ■

Elements supporting content-to-commerce

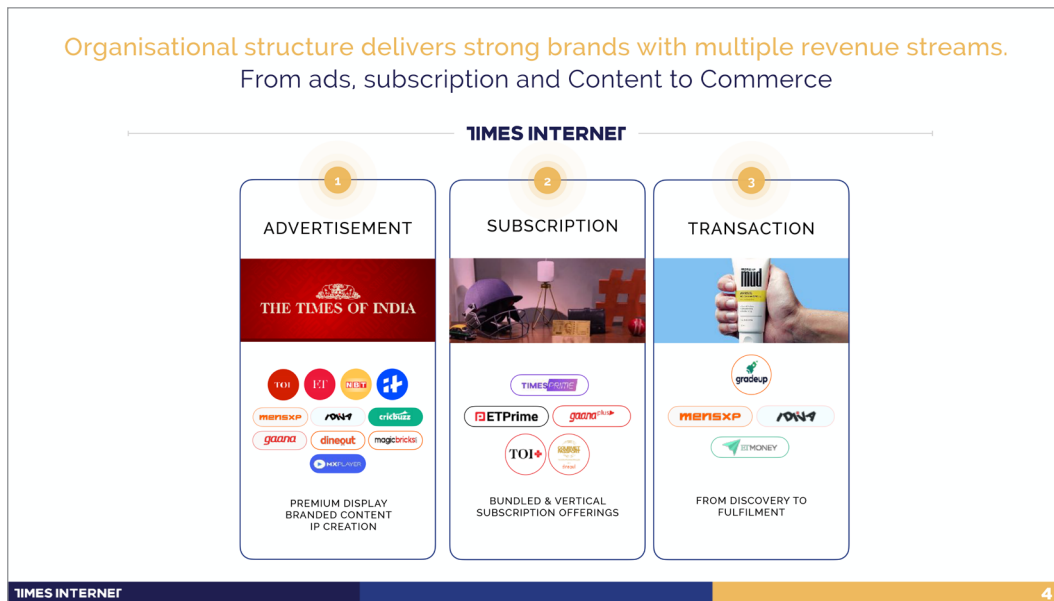
The push toward content-to-commerce comes amid decreasing advertising revenues. Reader revenue has long been considered the solution to this problem, but it isn't going to be enough. That "what else" question might be answered by the few media companies worldwide investing — and profiting — from content-to-commerce.

Fundamentally, what content-to-commerce strategies are asking of readers is that they engage with a piece of content and then complete an action.

Daniel Britz, digital growth manager at [Aftonbladet](#), spoke about the differences between digital advertising and e-commerce revenue at a recent INMA Webinar. With advertising, a publisher needs to garner a lot of pageviews to realise any real revenue. But that is shifting, and conversion has become more difficult. Content is still king, and e-commerce that can co-exist with that content can more easily bring in larger revenue.

Two years ago, about 90% of Times Group's revenue came from ads, Gautam Sinha, CEO of Times Internet in India, told INMA at its Virtual World Congress in May. Now, 70% is from ads and the other 30% comes from transactions and subscriptions. By 2023, the company aims for advertising to account for 45% of revenue, with the rest coming from subscriptions and transactions. This will give the company more direct-to-consumer relationships as opposed to advertising, which is dependent on the broad economy of the country.

"When we don't have a direct relationship, the revenues get compromised when the larger economy goes through an up and down period," Sinha said.



Revenue to Times Internet comes from three streams: 70% comes from advertising while 30% comes from subscriptions and transactions.

The 182-year-old Indian company transitioned from a media company to a digital company, and now sees 106 million daily active users spending an average of 40 minutes across its platforms. In 2015, Times Group transitioned again into a product company and now nearly one-third of the company's employees, or roughly 7,000 people, are part of its product and tech ecosystem.

"The last two years have been all about monetisation, which has been driving the ARPU, the average revenue per user, per unique visitor in our ecosystem, or the flywheel as we like to call it," Sinha said.

A. The three models

There are three basic content-to-commerce models:

- **Affiliate models** send customers to an outside link, earning the media company a percentage of the revenue.
- **Attribution marketing** keeps track of the touchpoints from consumer to purchase, putting a value on getting the consumer from point A to point B.

- **Direct e-commerce** allows the organisation to keep items on its own Web site and grow direct collaborations because the media company owns the product. Direct e-commerce also usually brings higher revenue streams and higher conversions.

Publisher success with embedded e-commerce, according to Mikaela Jaconelli at Tipser the e-commerce partner of Aftonbladet, requires teams:

- To have a long-term commitment.
- Don't get comfortable — study data and act accordingly to optimise projects.
- Convert existing advertisers into e-commerce suppliers.
- Always be relevant and only sell what is of value to your audience.
- Be transparent about your commercial content.

B. The importance of data

Audience data is crucial to every aspect of Times Group's business. Every product connects to a central data management platform, and all of that information can be sorted into about 7,000 different audience buckets. Once the data is acquired, the company starts identifying cohorts and funnels for monetisation.

"The most important thing for us was not just to have an audience, but also to have knowledge about that audience," Sinha said.

Times Group filters this information through three monetisation angles: advertisement, subscription, and transaction. In 2015, it started building an active platform that has a native first-party DMP and other features to drive personalised ads and content to users. After closely examining the funnel, the company realised people were spending significant time daily with content and decided to leverage that time into conversion to subscription products, Sinha said.

"The idea was, where the content lends itself to subscriptions, those were the first products we picked up and created dedicated teams," he said. "We created dedicated growth teams, to build a monetisation layer on top of them."

In terms of target market size for each monetisation angle, advertising could grow to five billion people by 2024, subscriptions to 1.2 billion, and transactions to 10+ billion (a 60%-70% increase on the transaction market today). Sinha clarified that for Times Group, commerce is more broad than what is typically defined. It is the act of buying and selling, and this includes any financial services, food tech products and services, or education tech.

Because of the breadth of audiences Times Group has and the diversified products and services it offers, the company can create multiple lifetime values and multiple layers of monetisation for individuals because it can run them through multiple funnels. The company's 35+ digital brands are connected to a giant flywheel that is powered by audience data, Sinha said, and it processes about 15 terabytes of data everyday. The flywheel moves people from the company's news products, to entertainment, to marketplace, and, finally, to financial tech.

"In a sense, what it is actually doing is giving us, for the same customer, multiple monetisation models and multiple lifetime values where the cost of customer acquisition is only once," Sinha said.

C. The importance of trust and problem-solving

Trust is key to the content-to-commerce model.

"We always ensure we are product-agnostic," said Pete Wootton, chief operating officer at Dennis Publishing in the United Kingdom. "We don't have a preference which product you buy. We just want you to make an informed buying decision. We would never write a positive review just because we make more commission on one item rather than another."

INMA CEO/Executive Director Earl J. Wilkinson called it the "Content-to-Commerce Revolution" at this year's INMA Virtual World Congress. The "revolution" is about how to shrink the runway between consideration and purchase.

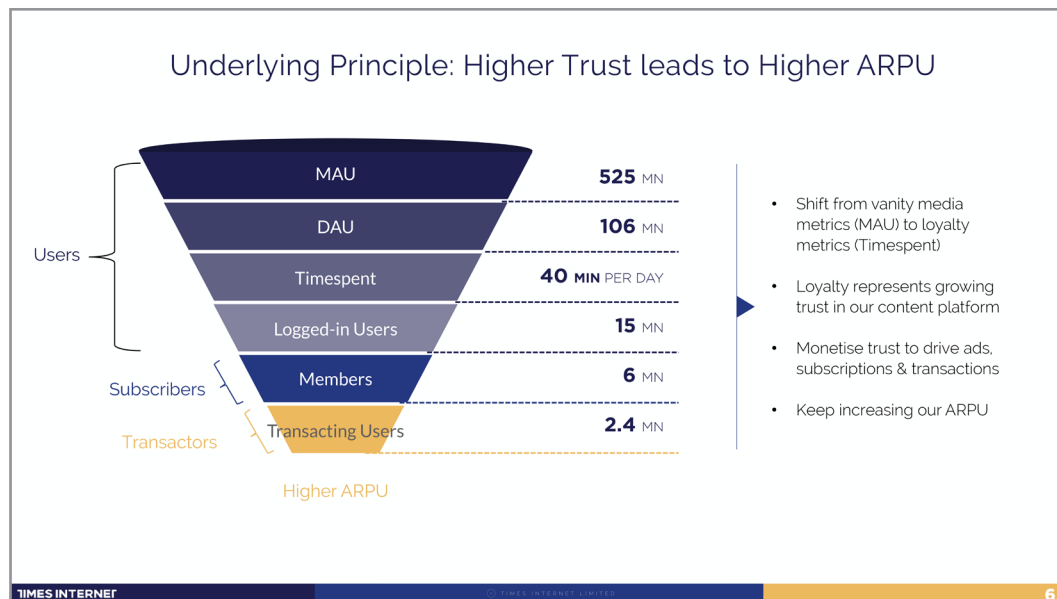
"How do you inspire action? How do you get the last click and hopefully money in the process?" he asked. "The underlying theme between all of them was trust, trust, and more trust between brands and audiences."

Katharina Neubert, director of subscription strategy and partnerships at Business Insider and former managing director of Sport Bild, Europe's largest sports magazine and a publication under the Axel Springer brand, said these attention-getting words at an INMA Webinar last year: *In the future*, publishers will earn more money selling products than selling print magazines.

From the reader's perspective, the values magazines hold include capability, help, trust, expertise, and independence. Although there has been a lot of talk about distrust of the media today, print journalism is still the most trusted media of consumers.

"This trust has been built up over a long period of time, so it can't be replaced by social media platforms, and I think we should start taking advantage of this," Neubert said.

"From the advertiser's perspective, magazines still have a wide range of values, including impact, reach, quality, credibility, and ad space," Neubert said: "If we can instill these values to new products, we can meet our readers' needs in many more ways, and we can find more ways of monetising our core assets."



Research from Times Internet shows how trust is directly related to average revenue per user (ARPU).

Consumers do not buy products and brands for the exact thing that they are, but rather for their purpose. This is based on a TED Talk by Simon Sinek, author of the book *Start With Why*.

For example, Apple customers do not buy those products for the technology or for the best value, Neubert said: "Apple is able to monetise its purpose, which is to disrupt the status quo by great design and user-friendliness. People are likely to buy from Apple because they buy that specific sentiment."

Many successful companies share a strong and common purpose. One way to find that purpose is to find your "golden circle," Neubert said.

The golden circle consists of three layers:

- **What:** This outer layer consists of all the products a company offers.
- **How:** Think of adjectives that describe how your company operates.
- **Why:** This inner circle is where most people don't get. Why do you do what you do?



Axel Springer brands focus on their why, how, and why as they plan their content-to-commerce strategy.

799€ BIKE BILD City Edition



The BIKE BILD deal



Partner

- Production and distribution
- Guarantee amount and revenue share

Magazine

- Ad space
- Promotion via own channels
- Brand license



Brand Diversification @ INMA Webinar

14 August 2019

Bike Bild brought in more revenue selling bikes than it did with its bike-focused magazine.

When it comes to idea generation, Neubert advised publishers to step into their readers' shoes as much as possible. It helps to choose an idea generation method that really focuses on customer-centricity.

Said Neubert: "For us, that's design thinking. It's designed to develop ideas that solve real consumer problems."

Axel Springer's Bike Bild City Edition answered such a problem. The company offered a limited edition bicycle for sale to readers. The manufacturing company built and distributed bikes with the Bike Bild logo, and the two companies shared the revenue. In return, the magazine promoted the bike through its channels, with advertising space, and gave the manufacturer a limited brand license.

Going back to her original statement that in the future publishers will earn more money selling products than selling print magazines, Neubert said in 2019, the company made more money from the bike sales' commissions than from the magazine itself. ■

Case studies in content-to- commerce

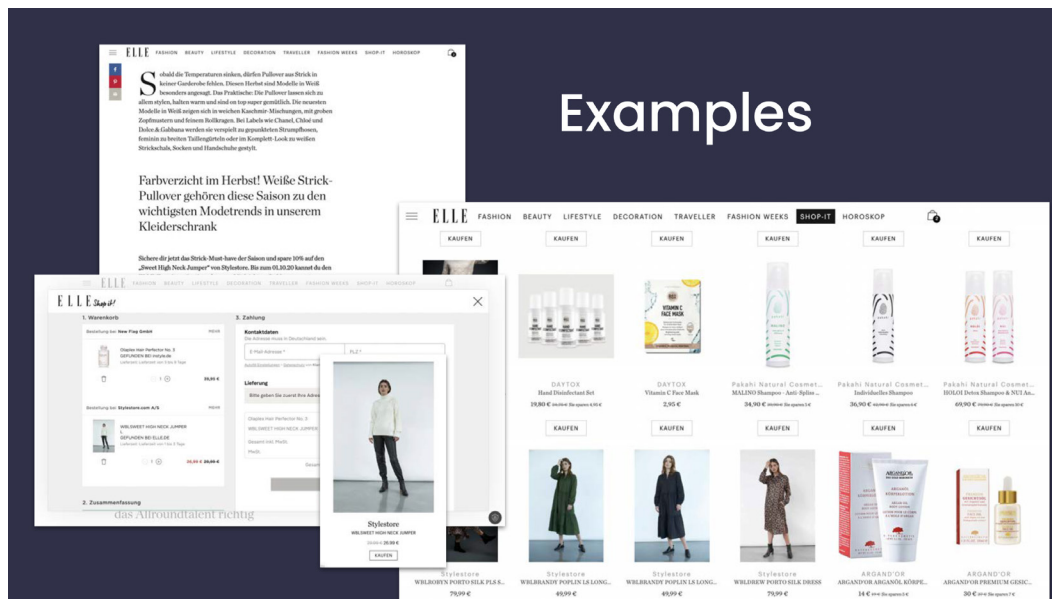
A. Aftonbladet (Sweden): Embedded e-commerce model with partner Tipser

Sweden's Aftonbladet, Schibsted-owned and the biggest news platform in the Nordic countries, has diversified its monetisation strategy by implementing embedded e-commerce.

An important aspect of this is the provider behind the technology takes care of what's needed to run the traditional e-commerce project, explained Mikaela Jaconelli, head of sales at [Tipser](#), an e-commerce partner of Aftonbladet. This allows publishers to focus on [content](#) and subscribers. Embedded e-commerce is built on small, modular building blocks, giving the publisher lots of flexibility.

One example of this is [Erbjudanden](#), the e-commerce site of fellow Swedish news publisher Dagens Nyheter, which features embedded e-commerce on the loyalty section of its Web site. It allows consumers to buy different products from different brands while staying within the DN site and content.

Should publishers place embedded e-commerce into news content? The simple answer is no, Jaconelli said. The good news, however, is there are many suitable places in a publisher's Web site for e-commerce. The Dagens Nyheter example shows how a publisher can use e-commerce to build reader loyalty. Transparency is key, Jaconelli said.



Aftonbladet sells a variety of items in a partnership with e-commerce platform Tipser.

“Communicate that you are including e-commerce elements in the content that has the point of inspiring readers,” she said. Publishers should not forget the entire model of embedded e-commerce was developed as a reader service.

Aftonbladet sold 300 cookbooks via e-commerce on about three minutes of work put into it. The company used an existing article that had mentioned a certain cookbook — one that was already for sale in its e-commerce line. The team incorporated that into the content and sold hundreds of books very quickly.

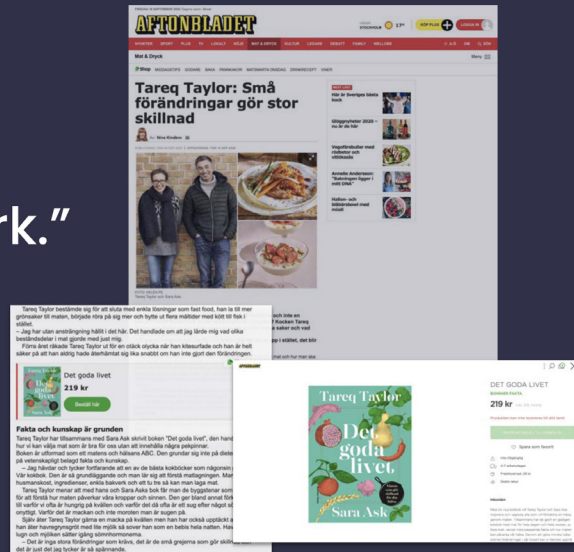
“You can transact on inspiration if it’s done right,” Jaconelli said.

Aftonbladet is relatively new in the affiliate and e-commerce models. Daniel Britz, digital growth manager at [Aftonbladet](#), said it is important to have “more than one egg in the basket.”

The publisher has a very good [digital subscription](#) base on its freemium model, which provides one of its major revenue streams, along with advertising.

“We sold 300 books with 3 minutes of work.”

Aftonbladet



The sale of a cookbook exemplifies how successful e-commerce offerings must be partnered with content.

“The thing here is to find more new revenue,” Britz said. “I think as media, you need to test it live. And of course you can build things by yourself, but there are some costs of developing. That’s why it’s pretty nice to go into a revenue-sharing deal and test things.”

When it comes to embedded e-commerce like Aftonbladet’s recent partnering with Tipser, a big advantage is the user does not leave the publisher’s site, he said.

The cookbook article is an example of how Aftonbladet is back-populating to match content with integrated e-commerce that easily goes with it. This is a strategy Aftonbladet is implementing in these early days of its foray into embedded e-commerce. The company is doing this in feature departments such as food and health, not in news.

“Then you can start tweaking things,” Britz said. “You need to be able to analyse the traffic and test things.”

For example, Aftonbladet has a Corona Live offering and places affiliate links that would be of interest to readers in that section. One product was a book, which did not perform and so they removed that product link.

"You need to test things constantly to see what sticks," Britz said.

Another way Aftonbladet benefits from content related to products is in search. When people are interested in buying a product, they often conduct searches to get more information. And if a publisher has content about that product, consumers find them and their traffic increases.

The Aftonbladet team, which consists of two full-time staff and an extra part-time staff member, is constantly adapting the [strategy](#), Britz said. The team works closely with potential merchandisers for the Tipser e-commerce platform.

The importance of diversification — more than one egg in the basket — cannot be overstated, according to Britz: "Even if you're small, if you only have one revenue stream it's a risk. If you have two, it's a smaller risk but still a risk. But it doesn't matter if you're big or small, it's better to have more streams of revenue."

The next big milestones for Aftonbladet will be to increase the e-commerce revenue stream and to tweak and optimise the model. The team is also testing live shopping on TV and how to merge that into their model.

The e-commerce initiative is not only about revenue for Aftonbladet, it's also about the [user experience](#).

"It goes hand-in-hand," Britz said. "If you build a bad user experience, you will lose the users and then you will lose the revenue. We're also looking into how e-commerce could enhance the value for the subscribers."

B. Dennis Publishing (United Kingdom): Combination of [buyacar.co.uk](#) acquisition and two affiliate model platforms

One industry expert called Dennis Publishing the No. 1, No. 2, and No. 3 player in the worldwide market. Dennis began its venture into content-to-commerce with its Buyacar acquisition in 2014. One of the benefits of that acquisition was that the content and SEO strategy applied to drive audience growth, said Pete Wootton, chief operating officer at Dennis.

When considering which verticals to go into, "we consider how competitive it is, the size of the opportunity (scale and margin), and how difficult certain production would be — reviewing washing machines is harder than hair dryers," Wootton said.



Buyacar, a platform owned by Dennis Publishing, sells cars directly to consumers and brings in 30% of revenue for the media company.

All three are quite successful and profitable:

- **Buyacar** brings in about 30% of revenue for Dennis, which includes the cost of vehicles purchased from dealers. "So whilst it is a great success and growth story, the margins are obviously much lower on car revenue than media revenue," Wootton said. "Our content and SEO strategy has meant that Buyacar traffic has grown from 130,000 organic UK unique users per month when we bought it to 1.3 million now." With Buyacar, Dennis purchases the cars and sells them to consumers. The platform has its own CEO and leadership team, with Dennis' audience development and data teams contributing to strategy and analysis.
- **Expert Reviews** has grown into a seven-figure revenue stream for Dennis. The product review platform works on an affiliate model, where Dennis directs consumers to retailers for the transaction and takes a commission.
- **Coach** has revenues on course to reach seven figures, Wootton said. Like Expert Reviews, it works on an affiliate model. "Traffic has grown from 200,000 unique users per month to 2+ million, and we have seen a fantastic

bump during lockdown as more people bought health and fitness equipment for their home. Expert Reviews and Coach have pivoted to affiliate revenues as their key focus,” Wootton said. “So the editorial teams are geared towards affiliate content production, and their KPIs are aligned to affiliate revenue performance. There is additional support from the central digital team for technology, engineering, content strategy, and analysis.”

Key to all of this is data.

“We pull in various data points from GA360, our affiliate partners, etc., and create dashboards and sheets, which continuously monitor the performance of our content,” Wootton said.

He expects Dennis will continue to develop its affiliate and commerce strategies in the next few years, looking for other sectors where the team sees opportunities. His advice for others working toward a content-to-commerce strategy:

“Ensure that product selection, content type, and scope are shaped by affiliate and commerce opportunity. It isn’t about existing content-to-commerce as much as shaping what to write and how — with the fresh lens of the economic opportunity. Have a plan for the depreciation of third-party cookies. The affiliate and commerce models are based on this for attribution, and this is a threat to future revenues and efficacy.”



Coach and Expert Reviews are affiliate model content-to-commerce platforms, bringing in revenue to Dennis Publishing via links to products for which Dennis earns a percentage of purchases.

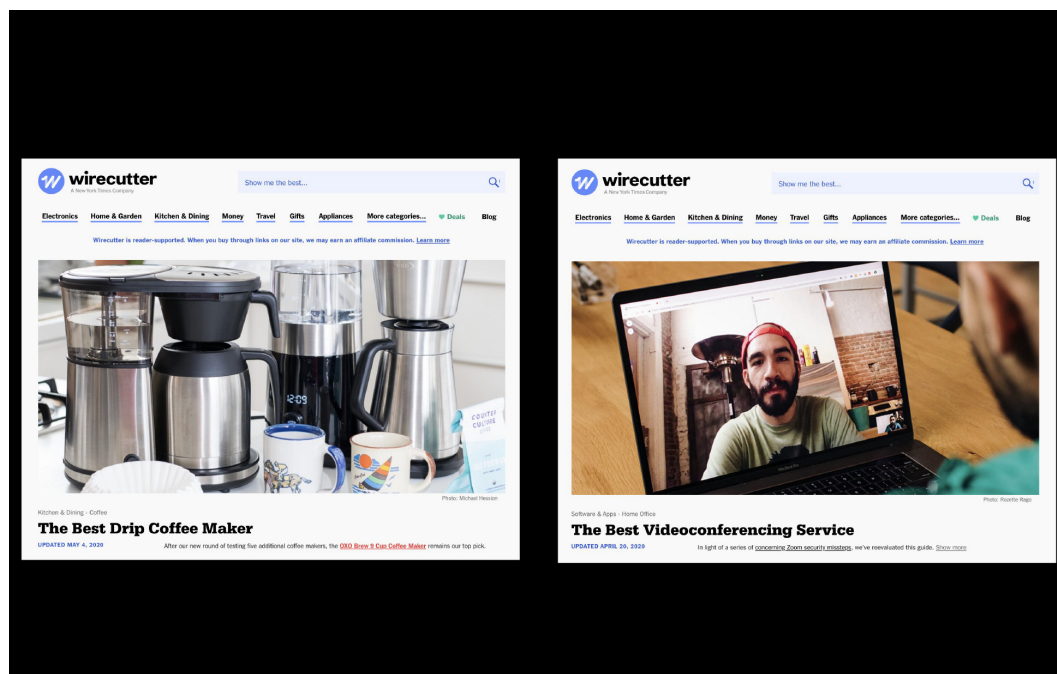
C. The New York Times (United States): Affiliate model with its Wirecutter product reviews

1. Introduction

Wirecutter is a 9-year-old product review Web site owned by The New York Times Company that focuses on writing detailed guides to different consumer product categories and offering recommendations on the best products. Generating revenue from affiliate commissions, Wirecutter is less reliant on traditional advertising.

Wirecutter was started in 2011 by editors who were intent on helping solve readers' problems and giving them recommendations for retail purchases across multiple categories, General Manager Linda Li told INMA during its Virtual World Congress in May. These include home and kitchen, travel, gifts, money products, electronics, and more.

The typical consumer retail purchase journey involves sorting through a mass of information, some of it conflicting, about the type of product one wants to buy. This includes reading through specs and reviews.



The New York Times earns a percentage of purchases made through its Wirecutter review platform.

"They have to try to put all the pieces together on their own and make a decision," Li said. "That's really time-consuming and doesn't always give the right decision. We wanted to do all that [for the consumer]."

Wirecutter Guides talk to the experts in the category of their products, do the research, test, and find the best option in any category, providing completely unbiased recommendations.

"This entire business, unsurprisingly, is founded on trust," Li said. "We know that trust, especially in America, trust in institutions hasn't been particularly high."

In the commerce space, people have been burned by bad products and scam marketing. But consumers are pretty savvy, Li said, and are really good at spotting fake consumer information disguised as paid marketing. Yet the process of doing this on their own is very time-consuming.

2. Wirecutter example: Air purifiers

The air purifier guide provides one example of what it means to Wirecutter to have the consumer trust that it will deliver on its mission to serve readers. Air purifiers have grown more popular in recent years, especially with all the wildfires.

"Readers have really come to us to try to figure out, with all the different options out there, what they should buy," Li said. "This is not an inexpensive product."

The Times Guide did extensive, long-term, real-world testing on a variety of different models. He literally lived with the products in his home and tested them in the office, Li explained.

3. The research

The guide provides extensive information on the product, as well as the research that went into it and how the guide was formed. The thorough guide answers reader questions such as:

- Why they should trust Wirecutter.
- What an air purifier can do for them.

- Can HEPA air purifiers capture coronavirus?
- How Wirecutter chose and tested the products.
- The Wirecutter pick: Coway AP-1512HH Mighty.
- Runner-up, upgrade, and budget picks.
- The worst purifier tested.
- Answers about how the product works.
- The competition.

“Through the testing experience, [the guide] gathered a lot of data,” Li said. “I wanted to illustrate how much we talk about the testing product [to consumers]. We also talk about the flaws. Readers want to know what’s not working well. Even with the best products, they aren’t perfect, especially with different readers or for different uses.”

Our pick


Coway AP-1512HH Mighty

Effective, efficient, and inexpensive

Perfect for bedrooms, playrooms, and living rooms, the Mighty is one of the best-performing, most durable, and most economical purifiers we’ve tested.

\$250* from Walmart (white)

*At the time of publishing, the price was \$200.



Wirecutter’s air purifier top pick shows how seriously the guides reviewing products take this task.

This thorough guide provides readers with a well-rounded description of what they would be buying.

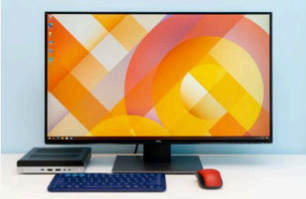


4. Wirecutter example: Computers

Like with air purifiers and other products, for the Computer Guide, Wirecutter did the research, looked at the various considerations, and came up with a best pick and value for money.

"We stand by this for various reasons you can read," Li said. But the Wirecutter Guide doesn't just give one pick — it also give other options, such as upgrade picks for PC and Mac, as well as the best budget pick.

"You'll notice also that as we are recommending these picks on our content and commerce site, you can click directly on our buy button," Li explained. Wirecutter works with the retailer partners and generates affiliate commissions as the business model.

The initiative has a reader-first mission, with the commerce/monetisation being secondary. Wirecutter identifies the best products first, then finds the right place for readers to buy — retailers that offer a competitive price and are reliable. Then the team forms the retail partnership. The product and unbiased review always comes first.


		
The Best 4K Monitors <small>UPDATED OCTOBER 8, 2020</small> by Andrew Cunningham Not everyone needs a high-res screen, but for great color, a good stand, and a USB hub in a 4K monitor, the Dell UltraSharp U2720Q is the display to beat.	The Best Ultrawide Monitors <small>UPDATED OCTOBER 7, 2020</small> by Thorin Klosowski Acer's XR342CK is the best ultrawide monitor because of its wide range of ports (including USB-C) and its good-for-an-ultrawide image quality.	The Best Windows Ultrabook <small>UPDATED OCTOBER 7, 2020</small> by Kimber Streams Ultrabooks are the laptops most people should buy, and the Dell XPS 13 (9300) is the ultrabook that most people should buy.

There is no connection between the products Wirecutter recommends and those it makes more of a profit from. This is key to the trust relationship with consumers.

5. Daily deals


There are two types of deals featured, Li explained: “Many of our readers are deal hunters. We feature deals on products that are already our picks, so it already has our stamp of approval. When there’s a deal on that particular product, we feature it.”

Wirecutter also sometimes features exclusive deals. Merchants and retailers will run deals that are exclusive to Wirecutter, and that benefits the readers as well.

 **wirecutter**
A New York Times Company

Reviews for the real world

ElectronicsHome & GardenMore categories...Deals


 **Daily deals**

We spend every day sifting through thousands of discounts to find you the best hassle-free deals on our picks.

[Learn more](#)


UPDATED LESS THAN 1 HOUR AGO

Get the daily deals newsletter

 Follow us on Twitter

Featured deals

The best deals on our page, including some Wirecutter-exclusive deals for you.



ALSO GREAT

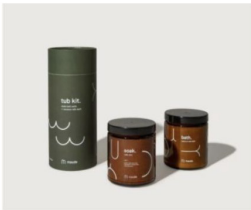
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+ See why it's a deal



OUR PICK

[Maude The Tub Kit](#)

\$29 ~~\$32~~ Save \$3

[Buy from Maude](#)

Use promo code WIRECUTTER10

+ See why it's a deal

Wirecutter features daily deals and exclusive deals, chosen from previously reviewed products.

6. Readers are responding

"E-commerce is a huge business in the U.S. and globally," Li said. "Over the last month or two, many more people are consuming online in order to isolate safely. We're seeing unprecedented levels of traffic."

A graph showing the past 18 months of traffic showed the first spike was during Prime Day in 2019, when Wirecutter sifts through the Amazon Prime deals and makes their recommendations.

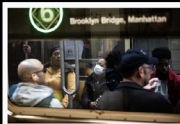
The second spike, which lingers a little longer, is towards the end of the year, Black Friday through the holiday season. "This is pretty predictable every year," Li said. "In this moment we also see readers come to us."

The third spike on the graph was from early to mid-March 2020, when the COVID-19 pandemic and lockdowns hit. This created not only a spike but a lengthy and ongoing traffic bump.

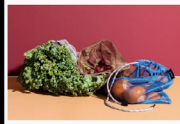
"What's interesting is that this last rise, and then the sustained traffic, is the traffic we've seen starting with isolation and working from home in the U.S.," Li said.

Trending products and topics


- Working at home: office chairs
- Computing and networking: monitors, modems
- Health and grooming: thermometers, hair clippers
- Fitness: yoga mats, dumbbells
- Cooking: pots, pans




Your Coronavirus Questions Answered



Should You Sanitize Your Groceries?



How to Work From Home With Kids



The COVID-19 lockdown changed shopping trends via Wirecutter, which saw an uptick in these five categories.

Usually that doesn't happen at that time of year, she explained. People have spent their money on the holidays and, except for a Valentine's Day spike, traffic doesn't rise again until going into the second half of the year.

Li attributed the sustained traffic to two things: People have new needs because of the COVID-19 lockdown, and they have specific work-from-home needs they didn't have before.

"They also were looking for health and grooming products," Li said. "Home fitness items and products have been popular. Cooking is always popular, but it's been almost a zeitgeist in the last two months."

The categories that drove the most March-to-May traffic were:

- Working at home
- Computing and networking
- Health and grooming
- Fitness
- Cooking

A second group of COVID-related guidance Wirecutter offers isn't product recommendations but general advice such as answers about coronavirus, how to work from home with children, sanitising, and groceries.

"We would come up with advice with how to try and balance life and work and child care with everything that's going on," Li gave as one example. Guidance around sanitising relies on the research and expertise Wirecutter has already done on cleaning products.

"It's also probably unsurprising that some of our other categories have been declining," Li added. These include travel, driving, and the like.

7. What's next

"When brands are trying to maximise their spend, what they're looking for is highly qualified customers," Li said about Wirecutter's success without sharing any numbers. "So when our readers are clicking from our site to the partner site, they're already ready to buy. With 'typical' visitors, the retailer has no idea where they are on their purchase journey. We bring readers who are usually ready to buy, so in general we are on the higher end.

"I think what's been true for us from the reader response we've been seeing is that our mission and the trust that we have from our readers has really shown through," Li said. "In this moment when readers are really looking for quality, unbiased, trusted advice, this is what we are going to continue to deliver on."

The No. 1 cornerstone guiding Wirecutter is that trust, Li said. Moving forward, the priorities are:

- Continuing to guide and help readers.
- Updating our catalogue and picks.
- Casting a wide net in partnerships.
- Deepening engagement with our readers.

The decision at Wirecutter about which products to review is not influenced by the retail partnership or monetisation.

"We often recommend products we don't make any money off of," Li said. "We look to reader trends. Our editors and journalists come from their respective beat backgrounds, so they have industry connections. They are observing search trends and trying to cover the products that are most interesting and will try to solve the problems we are seeing out there.

"We don't always monetise everything we recommend. That's OK because we're focusing on recommending the right things. We hope that reader engagement will continue to deepen."

D. South China Morning Post (Hong Kong): B2B direct content for commerce with SCMP Research

The South China Morning Post (SCMP) currently is exploring traditional content-to-commerce initiatives but has found success in a B2B knowledge vertical that is literally content *for* commerce. SCMP Research offers an interesting look at how this topic is still excitingly malleable.

SCMP launched SCMP Research mid-year, carving out a new value proposition around its editorial expertise on China's leading industries to target a new market. SCMP is focused on a new audience looking for China insights and intelligence comprising global stakeholders, corporate leaders, policymakers, consultancy analysts, institutional researchers, and academics.

The SCMP Research team produces intelligence reports, which sells for US\$400 each and are authored by its editorial team. They're also accompanied with exclusive closed-door Webinars that offer a platform for discourse with industry experts and c-level executives through its network of contacts.

LATEST REPORTS

SCMP RESEARCH
China Healthcare Report 2020
From COVID-19 to digital health: How the industry is adapting

China Healthcare Report 2020
USD \$400

PURCHASE NOW

SCMP RESEARCH
China Internet Report 2020
Pro Edition
July 2020

China Internet Report 2020 Pro Edition
USD \$400

PURCHASE NOW

SCMP RESEARCH
China AI Report 2020
What businesses can learn from the world's leading AI players

China AI Report 2020
USD \$400

PURCHASE NOW

South China Morning Post started selling in-depth English-language reports on topics of interest related to China. These reports were the beginnings of SCMP Research, which is an out-of-the-box content-to-commerce initiative.

The concept started with SCMP's successful China Internet Report in 2018, which took a deep dive into how the Internet was reshaping the lives of 772 million users in China. The 100-page report summarised China's Internet industry for international readers, including key information about China's Internet landscape. This included lists of Chinese unicorns, the country's top Internet companies and most active investors, and a side-by-side comparison of the Internet population in China and the United States.

"We started SCMP Research this year as part of SCMP's overall strategy to provide the global community access to China beyond news coverage," said Ang Jin, SCMP's chief of staff and senior vice president of strategy. "The idea of SCMP Research came about because we identified an increasing global need for reliable intelligence into China's leading industries, especially in the English language. With the great success of that report, we realised there is a growing demand for high-quality industry reports focused on China."

And so SCMP Research launched with the third China Internet Report in July. The vertical also includes a China Healthcare Report, related to COVID-19 and released in August, and The China AI Report released earlier this year. SCMP Research is a cross-functional team within SCMP, led by the Strategy & Special Projects team. The initiative started with a dedicated content team of five people to produce SCMP Research products in close collaboration with the SCMP's news and infographics team, along with a group of external experts, including strategic consultants, professional researchers, and industry insiders. The team also works closely with the group's marketing, sales, product, and data teams to distribute and sell SCMP Research products.

The initiative highlights SCMP's deep content for consumers, but its primary target is corporations and policy makers.

In addition to the report, buyers get access to exclusive Webinars and the ability to ask questions of current experts in the field. This access comes from the SCMP editorial team's network.

"We are seeing the accompanying Webinars adding value to those who purchase the report with high registration rates," Jin said. "They offer a deeper understanding of leading Chinese industry players through closed-door conversations between our journalists and senior company executives through live Q&A sessions where

audiences can ask questions directly and elevate their understanding and gain insights.”

SCMP Research is like more traditional content-to-commerce initiatives in that it has identified a need, it is using resources it already has, and it is cutting out the middle person.

“We’re looking to expand to other industries and verticals in China, depending on market demand,” Jin said. “Obviously, as a new brand, we still have a lot of work to do in terms of establishing our value propositions, reaching out to new customers, and continuously refining our offerings.”

E. Times Internet (India): Direct sales with acquisition of MensXP

MensXP was founded in 2009 by Angad Bhatia and acquired by Times Internet in 2012. Every month, MensXP connects with more than 30 million men (more than two million active users a day) around topics that help them better navigate their social lives. The brand is deeply embedded into the social fabric of India’s urban youth.

“Over the years, MensXP has built its prominence as a quintessential new media brand,” Bhatia said. “Its relevance is spread across its stories, captivating and entertaining videos around inclusive masculinity, and a range of progressive topics that nudges the society forward.

“Followed by millions — quite literally — the brand essentially cuts across publishing, video, and commerce, all full stack. Essentially, MensXP operates at the unique nexus of content, community, and commerce.”

Times Group wanted to use trust of the brand to create private labels and brands. It researched gaps in the men’s grooming category, building brands and products in-house to serve these gaps. Because the company built these products itself, it sees a 70%+ margin, which is a much higher margin than other affiliate revenue. Young men love this product and can now purchase durable and stylish clothes, as well as beauty and grooming products, Bhatia said.

MensXP is India's Largest Men's Lifestyle Platform

Converts massive audience reach & community trust into a suite of transactional offerings.

Culturally relevant content and viral IPs

12M+ MAUs 20+ Video IPs 80M Video views/month

Exclusive Influencer Network

A multi-stream revenue model

MensXP pioneers a platform agnostic multi stream revenue model

- Premium Advertising
- Branded Content
- IP Creation
- Direct to consumer Brands
- Transactions

Young India's Most loved media brand for men and insanely viral

With highly engaged social communities

Translating trust into commerce

14

MensXP, acquired by Times Internet in 2012, connects with more than two million active users each day.

MensXP operates in a US\$2 billion market that is expected to grow to US\$8 billion by 2024. It competes with the likes of Myntra a fashion e-commerce site owned by Flipkart, and Walmart, and Nykaa a leading local beauty eCom vertical, and a few others.

"Owing to its massive reach and social footprint, MensXP has carved its own unique niche as a leader in the men's category," Bhatia said. "While our publishing and video units are much older, the brand forayed into commerce in 2019. We believe that MensXP is at the inflection point of multiple emerging macro trends in India."

This is driven by:

- **The new Indian male consumer**, socially active with higher disposable income and aspirations for a better lifestyle.
- **Hyper growth in e-commerce in India**, driven by rapid growth in men's fashion and grooming categories.
- **The democratisation of brand discovery**, driven by social media and the emerging creator ecosystem.



MensXP's MUD is India's first beauty brand, tapping into a market that wants natural and organic products.

The model is a combination of offering products owned by someone else and those owned by the Times. It's a full-stack e-commerce business, meaning Times Internet controls all touchpoints of the customer journey — from discovery and demand generation to warehousing and logistics.

Times Internet has dabbled in commerce in other business units as well:

- **Economic Times:** This trusted finance publishers is evolving to a multi-revenue model business unit by building a portfolio of strong products and services like ET Money, an investment and money management app.
- **Gadget's Now:** This trusted technology publisher, driving affiliate commerce on established marketplaces.

"MensXP is a curated marketplace for the needs of the modern Indian men," Bhatia said. "We select the best and most fashion-forward brands that match the sensibilities of our target audience and at the right price. Currently we have over 400 brands live on MensXP, including a suite of our own community-driven, direct to consumer offerings in unique and niche men's categories."

One example is MensXP MUD, India's first men's beauty brand.

"Because men today care about not just how they look but where those products come from, it was important for us to keep our formulations natural and organic — and the heart of all of it was our community-first approach," Bhatia said. "We had witnessed these conversations taking place on our platform, and wanted to galvanise these conversations into a fruitful close-knit community."

MensXP Shop, a minimalist clothing label, is another commerce initiative. The brand was born of a similar pursuit of wanting to create a line of easy, comfortable, and functional premium cotton clothing to wear all day, meeting the demand of the modern-day lifestyle.


While the brand is a male-focused platform, it does reach some women.

"Many million men are habituated to [MensXP] for daily advice that helps them navigate their social lives," Bhatia said. "However, our rapidly growing commerce initiatives have led to a steady rise of demand around festive occasions like Raksha Bandhan and Diwali, etc., by a female audience primarily driven by a gifting intent."


mensxp
MENU

TRACK ORDER 🔍 👤 🛒


Flash Sale




Brown Croc Textured Leather Box Bar Kit
By MensXP Shop
₹ 2,799 ₹6,000 (53% OFF)



Black Magic Wallet
By Crust
₹ 930 ₹3,100 (70% OFF)



White Trucker Jacket
By MensXP Shop
₹ 1,099 ₹2,199 (50% OFF)



Brown Bovine Laptop Bag
By Crust
₹ 6,749 ₹12,500 (46% OFF)

SHOW 113 MORE PRODUCTS

MensXP features more than 400 brands, selling directly to its male audience.

The MensXP team consists of 120 employees across publishing, video, and commerce. Working together, this team's goal is to get to 10,000 daily transactions by the end of 2020.

"We're doing so by essentially taking a chunk out of the more established platforms by better addressing the needs of Indian men and by creating an overall customer experience that's tailored to the unique needs of our progressive audience," Bhatia said. "We want to be the go-to choice for Indian men that wish to lead a better life. We want to equip them with the right advice, tools, services, and products to ensure we're delivering on that promise. Our commerce ambition is new, and we've been able to carve out a unique niche for ourselves in the market in certain commerce categories. But we have a long way to go." ■

Conclusion

Many news media companies INMA reached out to for this report are making impressive investments in content-to-commerce but weren't ready to share specifics. The industry is quite early in this journey.

On that list is New Zealand's Stuff, which has several initiatives in their early stages. Mitchell Mak, Stuff's head of new product development, shared some of the company's strategy with INMA members in 2019.

At that point, Stuff was selling electrical service, fibre-optic Internet access, and even health insurance to customers.

Stuff evaluates every potential new venture against an analysis of the average revenue per user (ARPU) model, Mak said at the time: "Our angle on recurring revenue is that we don't necessarily want to depend on the simple exchange of content for revenue as a whole. And we have tried to look through different lenses and different approaches to monetise our audiences as we navigate through what we're navigating through as media companies today."

He advises publishers to solve for growth, not for survival: "Growth means trying to do things other people are not doing."

As larger news media companies continue to experiment with their not-ready-for-prime-time innovations, smaller companies may consider jumping into the e-commerce mix at whatever level they can — knowing it will continue to ramp up and learning lessons from those going before them.

Questions to consider:

- What do your readers need that you can provide that benefits them?
- What's the shortest journey to get it to them?
- How can you make money from doing that?
- How does your content lead the way?

Media companies and INMA certainly will have more to say about this in 2021. For now, look for your popcorn and the best way to get it into the mouths of your readers. ■