

The Boston Globe

**Maximizing digital
subscription revenue
through trial offers**

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About The Boston Globe

The Boston Globe is a 26-time Pulitzer Prize winning news source with the largest newsroom in the region.

The Globe is a consumer revenue driven business that serves and grows our paid customer base with quality journalism that adheres to our mission.





Agenda

- History of Globe digital
- Premium pricing strategy
- Slowing growth in 2018
- A radical test
- Engaging new subscribers
- Encouraging early results
- Adopting a new normal strategy
- Accelerating growth
- COVID
- Additional engagement approaches
- Where we are now
- Lessons learned



History of Globe digital

- Launched **October 2011**
- Have experimented with numerous business models
- Increased full price from **\$3.99** to **\$6.93** per week in 2015 to 1+ year tenured subscribers
- Eliminated first year pricing in 2017
- Have collected **7.5 million** valid email addresses since 2015
- Made a major shift in acquisition strategy in mid-2019
- Digital subscriptions surpassed Print in November 2019
- 7+ years to get first 100K subscribers - **less than one year to get the next 100K**



Premium pricing strategy

- We need to charge to survive
- Our future is with subscribers willing to pay a premium price for a premium experience
- We are worth \$0.99 per day: We have to believe it if we want subscribers to believe it (reinforced with marketing to subscribers and non-subscribers)

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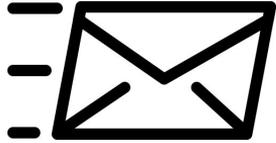
costs only 99¢ per day.

[Globe.com/Subscribe](https://www.bostonglobe.com/subscribe)



Premium pricing strategy

Increased the price from \$3.99 per week to \$6.93 in mid-2015.



\$6.93

The new weekly price was based around the message of 99 cents per day



+ 72%

The price was increased by 72% for subscribers with 1+ years of tenure



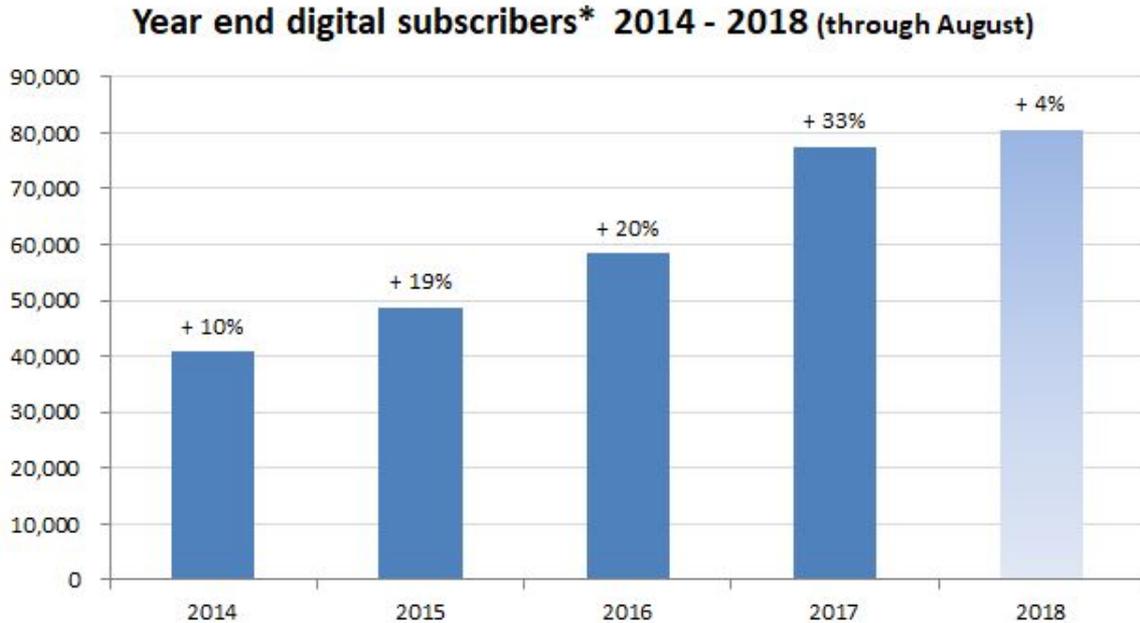
- 3%

Only 3% of subscribers cancelled due to the price increase



Slowing growth in 2018

The premium pricing strategy worked very well, but by mid-2018, volume growth was slowing.



**Direct sold digital subscriptions: excludes e-readers and groups*



Questions we asked ourselves:

- Can we go for our own version of scale?
- Will we “steal” from the future?
- Will long-term promo subscribers engage as much as short-term promo subscribers?
- Will long-term promo subscribers retain at the same level as short-term promo subscribers?



A radical test

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YOU'VE BEEN
SELECTED

Only \$1 for 6 months

Special offer just for you. Only \$1 for unlimited access.

Get access now

[Already a subscriber? Log in](#) | [Home](#)

- Pre-tested a few different offers
- One day sale (Sep 27, 2018): \$1 for 6 months
- 1,728 new subscriptions
- Conversion rate 10X higher than standard offer



Focus on increasing engagement



- A revamped onboarding series



- Drive to newsletters



- Download the app

- Partner with MIT's Initiative on The Digital Economy

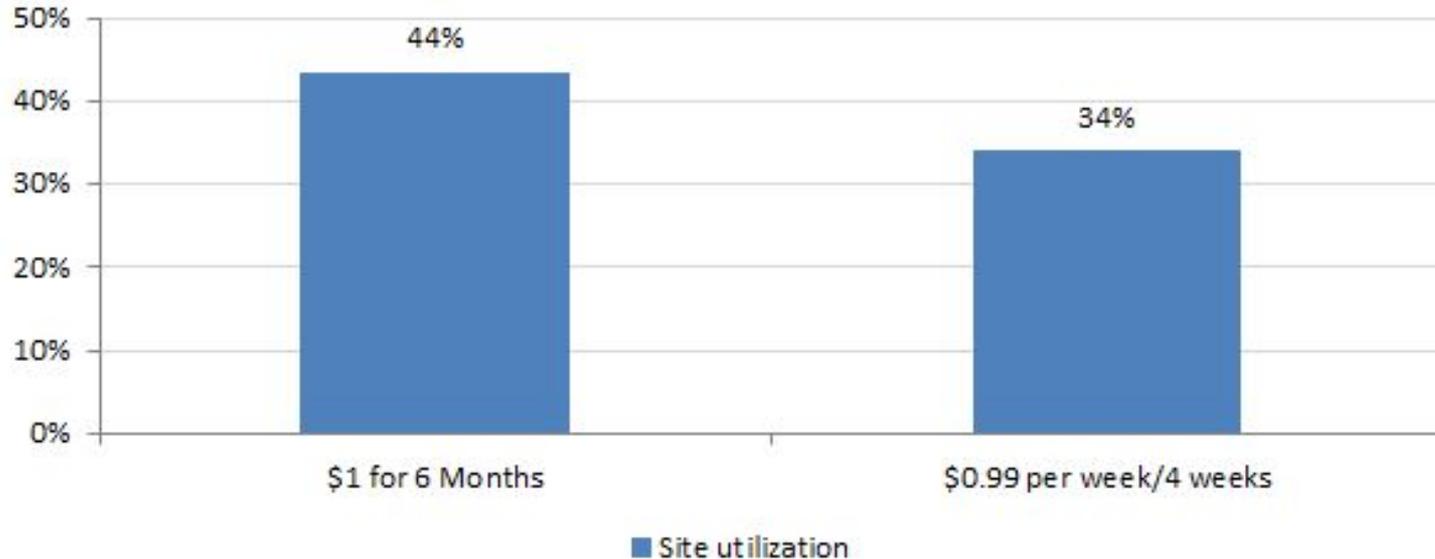




Encouraging early results

Subscribers on the long term intro offer engaged at higher levels than subscribers on the short term intro offer.

Sep 2018: Site utilization in the first 60 days

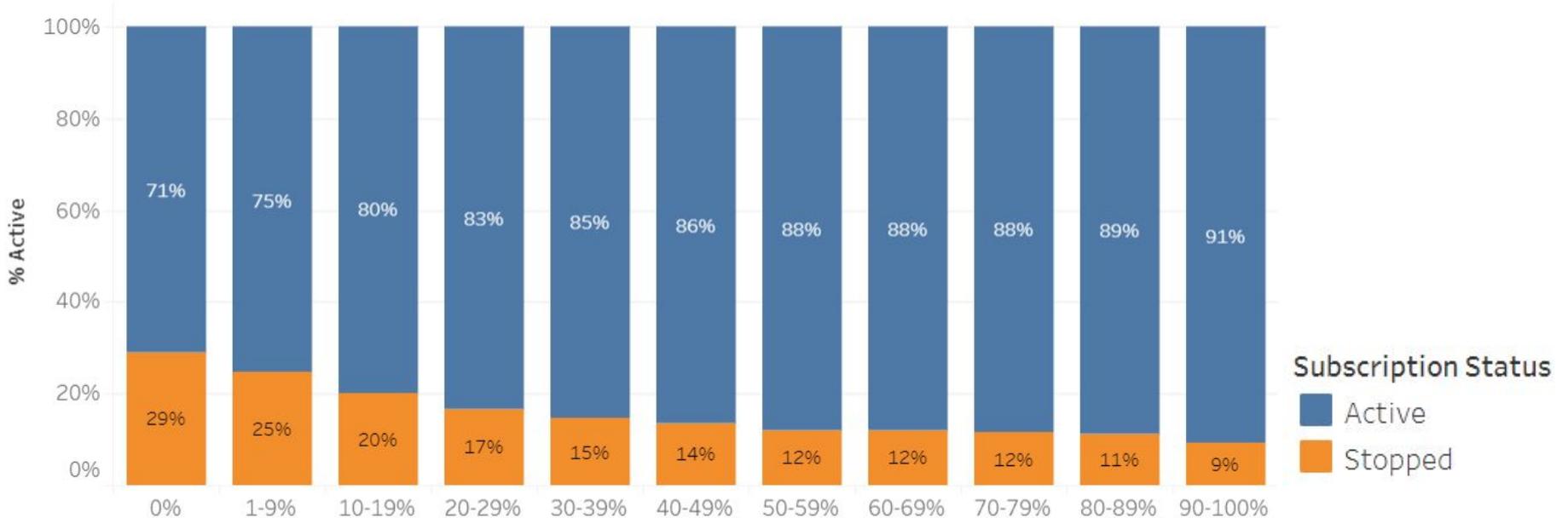




Encouraging early results

Small improvements in utilization can pay large dividends over time. We keep trying new things in an attempt to move subscribers into a higher segment.

Retention by Site Utilization Buckets



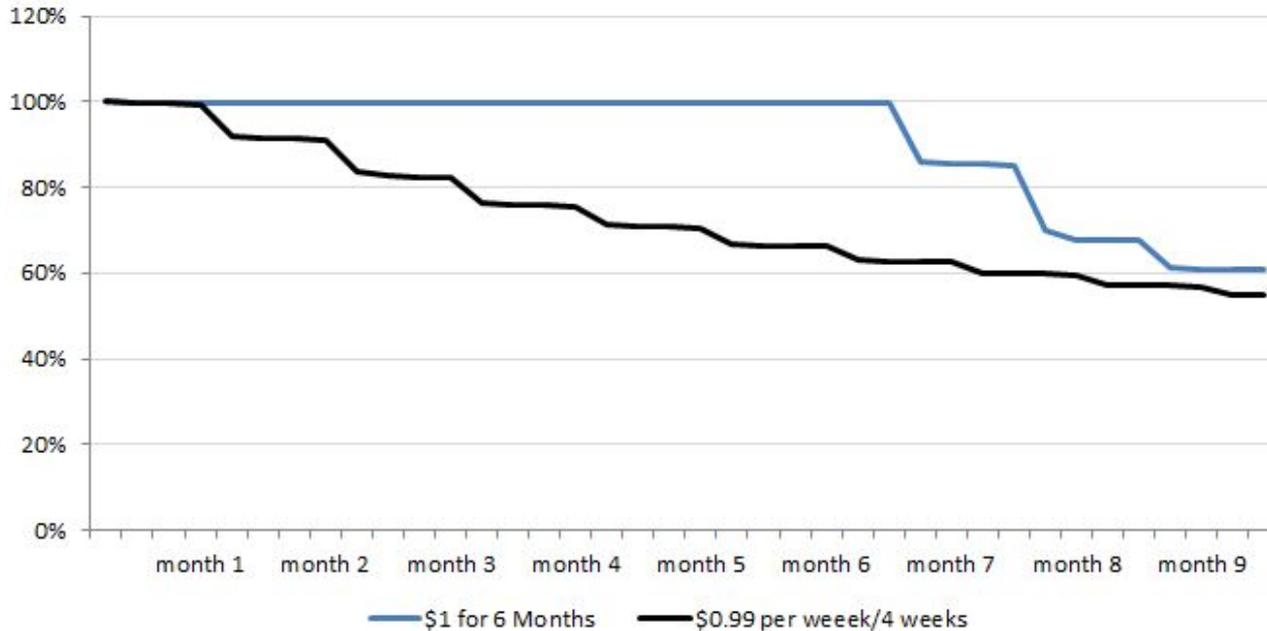
As of February 2021: Last 12 months retention rate of all subscribers by site utilization segment



Encouraging early results

It was becoming clear by mid-2019 that this could be a viable strategy.

9 month retention curve of new digital subscribers

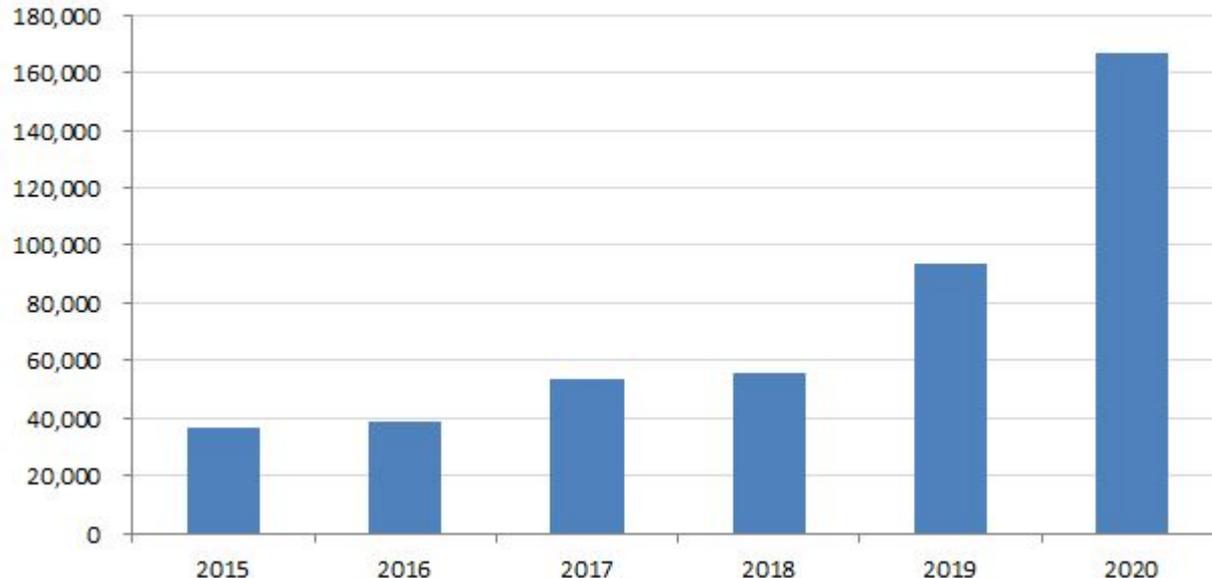




Adopting a new normal strategy

Based on the performance of the earlier test, we shifted our acquisition approach to be primarily driven by the long-term acquisition offer. 80% of new subscriptions since mid-2019 have been on a 3-6 month intro offer.

New subscription starts 2015-2020





Accelerating growth

Volume growth began a sharp acceleration in mid-2019 and continued through the beginning of 2020

YOY digital subscriber growth 2016 - Feb 2020



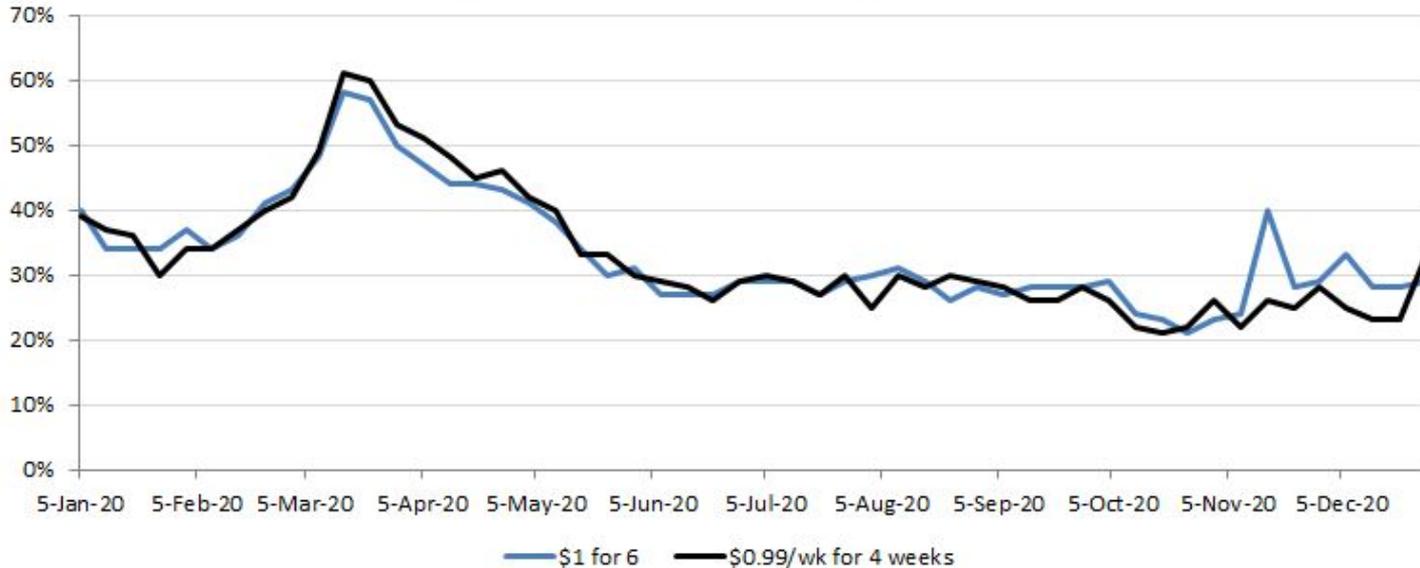


- Well positioned to manage the coming crisis
- 95% of Globe digital revenue comes from subscribers
- Kept paywall in place on COVID content
- Continued with 6 month paid trials
- Experienced sharp increase in acquisitions - hit our year end goal in late March
- Led to increased revenue in Q4 -- but the strategy was already working
- All of the promo subs we had acquired over the previous 10 months began engaging at much higher levels - helped establish more of a habit



6 month trial subscribers, including those acquired at the beginning of the pandemic, engage at rates nearly equal to short-term promo subscribers.

First 30 day site usage of new digital subscribers





Continued focus on increasing engagement

- Coronavirus Now newsletter
- Email from CEO - Appreciation and resource links
- Engagement contests
- Incentivize app download
- Personalized year in review
- Affinity-based loyalty testing
- Content ads on Facebook

Experiment with transparency and ease of cancellation

- Experiment with payment reminder messaging for subscribers moving off promo period
- Offer online cancellation to subscribers coming off promo

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This is
your story.



You were a loyal supporter of local journalism in 2020. From a pandemic to a presidential election, you relied on The Boston Globe to bring you vital news and information about our region and the world.

Take a look back at how you spent your 2020 on Globe.com.

YOU READ

1,924

ARTICLES



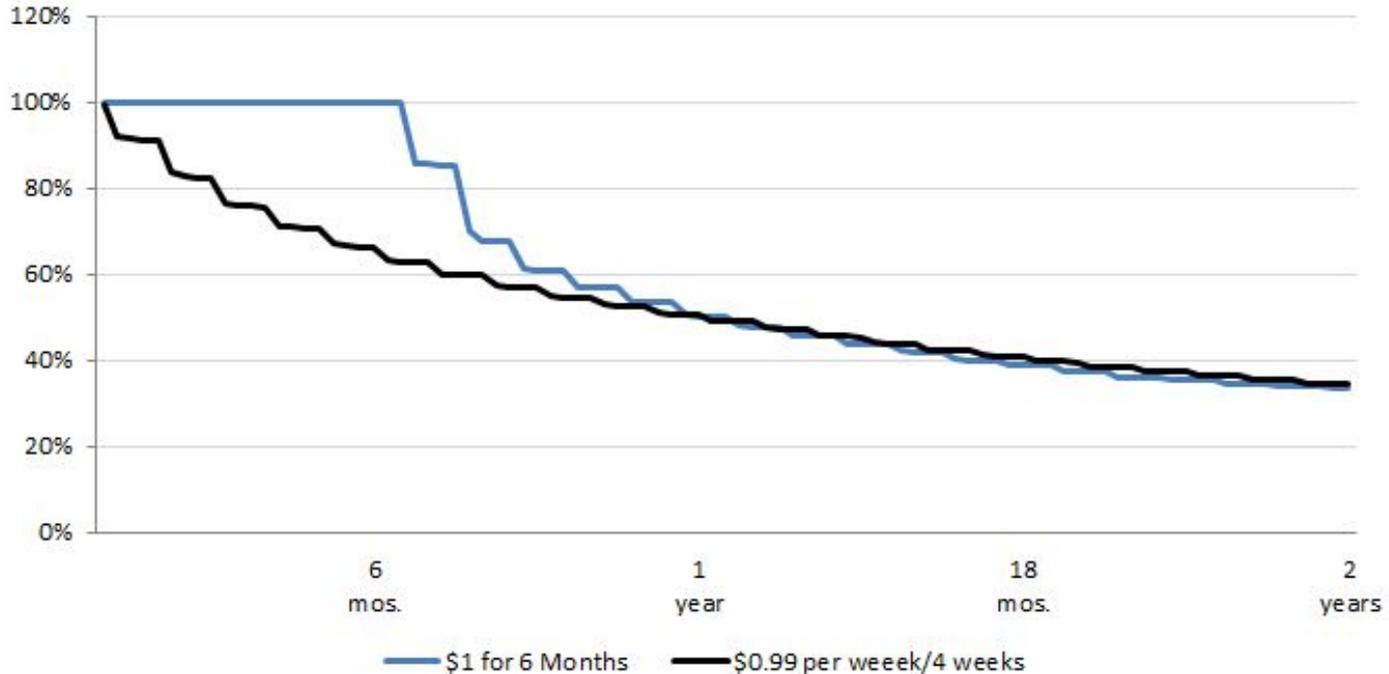
YOUR FAVORITE
SECTIONS WERE





The 1 year and beyond retention is virtually identical between the short and long term intro

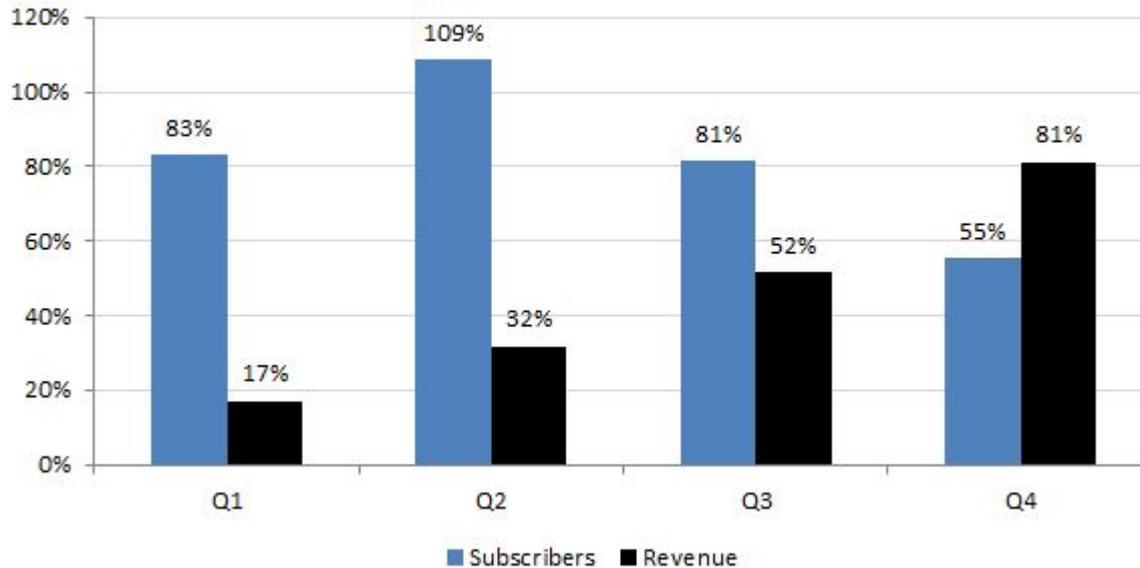
2-year retention: new digital subscribers





While there is some deferment of near term revenue happening with this approach, the long term prospects are much greater

2020 YOY digital volume and revenue growth





Lessons learned

- Make **subscription-first** decisions and take risks
- **Keep changing** - it's unlikely current approach will always be the best approach
- Judge a **radical test** based on how well the next day / week / month performs
- Have a tightly **connected Analytics and Marketing** team
- Commit to **lead generation**
- Keep testing the previous offer for confidence in a **revenue-maximizing approach**
- **Analytics** team should consist of mostly proactive explorers - not reactive report makers