BALANCING REVENUE MODELS IN DIGITAL MEDIA
(And the Fortune digital transformation story)

Selma Stern, INMA Media Subscriptions Summit
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AGENDA

INTRODUCING A 94-YEAR-OLD STARTUP
(RE)DEFINING “BALANCING”
A NORTH STAR VISION & FIRST STEPS
History

Founded in 1930
Fortune 500 since 1954
Fortune.com since 2014
Carved out of Meredith. 2018
Started paywall in 2020

Today

>25m global visitors
Traffic up 6x since carve-out
>600k subs
Paywall revenue up 2.4x in 2023
Revenue diversification
A TOUGH BALANCING ACT?

Subscriber LTV

Advertising RPM
WHAT IF IT’S NOT ABOUT BALANCE, BUT OPTIMIZATION?
MANY FACTORS INFLUENCE THE QUALITY AND QUANTITY OF YIELD

Content quality
Page speed
News cycle
Recency & frequency
Referral source
Device type
Topic/section
Location
Known users
Content type

Sun
Water
Season
Soil fertility
Cardinal direction
Soil pH
Organic matter
Soil texture
Previous crops
Soil compaction

...
THE DEVIL IS IN THE DETAILS (OR IN EACH INDIVIDUAL PAGEVIEW)

9:30 am on a Monday
Desktop Chrome
Subscriber who often reads Finance stories
Went directly to Fortune.com

How is this pageview best monetized?
THE DEVIL IS IN THE DETAILS (OR IN EACH INDIVIDUAL PAGEVIEW)

Saturday afternoon
iPhone, search
Affiliate revenue
First-time Fortune visitor
THE NORTH STAR: REAL-TIME MONETIZATION DECISIONS ON A PAGEVIEW BASIS

Data collection/transaction
CDP (customer data storage and analysis)
Automated monetization (rule-based ads and marketing modules)
CRM (communication with known users)
FORTUNE IS MOVING IN THE RIGHT DIRECTION

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<th>Short-term</th>
<th>Pricing optimization: Tripled ARPU</th>
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<td>Paywall targeting: Paywall “efficiency” up ~50%</td>
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<td>“Tides that lift all boats”: Total traffic up 6x</td>
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<td>Focus on CRM &amp; MarTech Started transformation</td>
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<td>Long-term</td>
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OPTIMIZING SUBSCRIPTION TARGETING TO PROTECT AD REVENUE

1% of page views yielded 25% of subscriptions

Conversion rates varied from 0 to almost 2%
TIDES THAT LIFT ALL BOATS
POV: CULTURE CHANGE IN MEDIA

PRINT

DIGITAL
CONCLUSION

Stop balancing, start optimizing: Monetization is not a balancing act, it's a math problem and a bit like gardening/growing crops.

Dream big: In the age of AI, extreme optimization will be possible. Future-proof your tech stack.

Get started (you don't need a perfect tech stack)
- Create data and insights into what is happening pageview by pageview
- Make your paywall as dynamic as you can