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INNOVATION IN MEDIA 2021 WORLD REPORT

A SURVEY BY INNOVATION MEDIA CONSULTING FOR **FIPP** — CONNECTING GLOBAL MEDIA

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"NECESSITY IS THE MOTHER OF INVENTION"

PLATO

Well yes, and never more so than in the last 12 months. When I wrote the welcome note for last year's Innovation in Media World Report, no-one could have guessed what was in store for us all. The pandemic has forced all of us to do an awful lot of extremely rapid adaptation.

This was certainly the case for FIPP, where we've gone from running physical events and working out of an office, to an entirely virtual set-up, all in a very short space of time. I'm sure you've all had similar experiences. For us, this has been largely positive, giving us the opportunity both to learn new skills and to experiment with new products and services, and it's with that in mind that we present this year's

Starting with issues around people and culture and moving through podcasting, new approaches to creativity, and sustainability, this year's report captures all of the key innovations we're seeing across the media industry. We've also included a substantial new chapter on direct-to-consumer business models. Building direct, monetised relationships with consumers is a key priority for media businesses everywhere, as they move away from advertising-funded business models.

In each case we've found a host of examples of innovative thinking and I hope these will help you to think differently about your own business.

The last year has required us all to adapt not only our products and services but also our thinking and our approach to work. It's clear that those companies that had a flexible, innovative culture have been best able to adapt to the challenges of the pandemic.

The coming year promises further uncertainty, as different economies – drive by wildly different rates of general vaccination – emerge from the crisis at different speeds. Here again, further agility and innovation will be needed to take advantage of the new challenge of hybrid working methods (and hybrid products) that span the physical and virtual worlds.

Of one thing you can be sure, though. Our industry, with it's tremendous track record of innovation, will continue to adapt and to innovate to take advantage of these new opportunities. I look forward to showcasing them in the next edition of the Repot.

Having opened with a well-known quote from Plato, I'll leave you with a less well-know one : "Be kind, for everyone you meet is fighting a hard battle". That's never been more true than today.

I hope you find this year's edition of the Report enjoyable and useful, thank you again for reading it.

James Hewes FIPP PRESIDENT & CEO

Luis Grañena

HOW TO ADAPT TO THE NEW ABNORMAL

IN LENIN'S UNCHARACTERISTICALLY INSIGHTFUL WORDS: "THERE ARE DECADES WHERE NOTHING HAPPENS, AND THERE ARE WEEKS WHERE DECADES HAPPEN."

The past 52 weeks have changed the media landscape in profound ways.

Trends that would have taken 10 years to become the norm have become the 'new normal' in less than 10 months. So, what are the most salient new realities we must adapt to? We have identified 5 we need to act upon with the informed analysis and insights we include in this edition of Innovation in Media.

Welcome to the new abnormal:

Luis Grañena

1. Global crises always change something forever. In the past, they put an end to the gold standard, employment for life, and cheap consumer credit. This crisis has put an end to the fixed Monday-to-Friday 40-hour work week and replaced it with a hybrid flexible office model where we will have staffers commute to work possibly only 3 to 4 days per week. This does not mean the end of the editorial office, open newsrooms and our collaborative ways of making great content, but technology will be part of this new abnormal normal way of publishing and broadcasting. In our Human Capital chapter, we delve into this in detail.

2. The death of print has been telegraphed for decades. Print, however, is eternal and as a good opera soprano, will not die a 'definitive' death. But the accelerated migration of readers from print to digital platforms during this crisis is notable and universal. Many media houses have responded by shutting down their print operations to offset costs. But you cannot cut your way to growth. Desperate measures in desperate times are justified, but they cannot become the norm. We worry, though, when we see so many claiming to ditch print to become 'digital-first' when their revenues are not yet 'digital-first.' The trick for many is to become digitally sustainable before you become print unsustainable. Once you get past that inflection point, then it makes sense to explore reducing publishing frequency. Not before. In our Direct-to-consumer chapter we explore a panoply of ways to diversify revenue and avoid becoming digital-first in name only.

3. This year has been described as 'Social Media Independence Day (year).' The investments we have made in social media audiences are not paying off. Social media distancing is imperative to regain a direct relationship with our audiences. During the pandemic and due to the pandemic, people have stopped 'getting my news from Facebook.' Many have developed the habit of visiting news and consumer sites directly each morning. This is a welcome habit we must protect and promote. In addition, legislation has been passed or will be passed in parliaments, from Canberra to Washington. DC, via Brussels and Brazilia to rein in the Big Tech Duopoly and force them to sit down with publishers to negotiate a fair fee for using our content for free. Should publishers join Google's Showcase or Facebook News equivalent or are these initiatives new versions of tokenism by Big Tech to avoid a definitive resolution to the dysfunctional relationship we have endured for over a decade. This is such an important subject, we will address in a separate white paper to come from INNOVATION Media Consulting in the coming weeks.

4. There is now a definitive global recognition that quality news and information is worth paying for. When your life depends on knowing what is true and what is fake, the role a quality media brand can play to keep one informed with what is independently verified as reliable news, is valued and people are paying for it the same way they are paying for digital music, movies and data. The rise in digital subscriptions in the past year has been a record for the industry globally. As we have been saying for years, only journalism, will save journalism. Consumer journalism, local journalism, relevant journalism published without fear or favour. This is an inflection point for our industry. It is, in a way, our Netflix moment. Publishers are rushing to launch data-walls and paywalls. We have been selling the wrong thing; stop selling ads and clicks, as now there is a willing audience who will pay for your journalism. In our monetisation chapter we address a plethora of ways you can generate substantial reader revenue – whether it be via digital subscriptions or membership programmes.

5. Finally, mindsets have changed forever. Media owners and some editors who were wishing that this 'new normal' would end up being the 'old normal' have let go of the past to accept and adapt to a new abnormal. This special and revised edition of Innovation in Media is for them, and for you as we recover in this fragile world.

Happy reading and be positive while remaining negative.

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Co-editors

In addition to many important new segments, the 2021 edition of our Innovation Report also includes some updated chapters from last year's book as we have seen many of the same issues continue to challenge us. The new segments tackle the sudden "innovations" forced upon us by the pandemic as well as a new look at the seven elements of the media business model of the future: Direct to Consumer.

HOW TO PREPARE YOURSELF AND YOUR TEAM FOR THE

POST COVID-19 WORLD OF WORK

NOTHING – OFFICES, MEETINGS, MANAGING TEAMS – WILL EVER BE THE SAME: HERE ARE EARLY TIPS ON HOW TO MAKE THE TRANSITION

Our world of work has changed radically and irreversibly.

But you know that already.

However, knowing and being ready are two very different things.

Not to put too fine a point on it, but your own and your company's success depends on you having a new mindset and new skill sets, whether you are a media company owner, executive, manager, or staffer.

If your head isn't in the right place, and if your skill sets aren't up to the new world of work, the disruption, angst, and challenges of 2020 will only get worse.

This moment in time is unique, and we must seize it.

THE MANTRA IS "ACCELERATE"

"We spent the last 20 years talking about disruption," wrote digital transformation expert Lucy Keung in her late 2020 book, "The Transformation Manifesto".

"Now the word is 'acceleration'," she wrote. "The coronavirus crisis has accelerated structural shifts that have been underway for decades. We have seen eight years of changes in eight months.

"Changes that were part of companies' mid-term planning are now showing up in forecasts for the next 12 months," she wrote. "This rapid acceleration has dramatically shortened the runway for digital transformation.

"THIS IS A RESET MOMENT"

"This is a reset moment," Keung wrote. "Organisations are unfrozen. People are expecting change. You have a cover. There will never be a better time to tackle deeper changes that need to happen.

"This is an unmissable opportunity to propel forward digital transformation initiatives," she wrote. "Shame on us if we don't seize this opportunity."

The challenge now is to define priorities for the next stage.

"We have the chance to reboot, to accelerate digital transformation and rethink organisations to fit a future that will now be with us much faster than we had expected," Keung concluded. "This chance will not come again and the window is already starting to close. It is time to be bold."

WHAT DO YOU NEED TO DO?

What do you need to do to ensure that you and your company not only can continue to survive but also actually thrive in this new world?

How do we minimise the negative impact of the disruptions and maximise the positive changes that have been thrust upon us and convert them into our new workplace best practices, not the least of which will be a permanently hybrid workforce where staff will be dividing their time between home and the office?

It starts with leadership, from the top down.

"The radical flexibility inherent in hybrid workforce models delivers a host of good outcomes — but only if your leadership has the mindset to champion hybrid work," wrote the authors of a January 2021 report by global research firm Gartner. "A hybrid workforce model offers the kind of radical flexibility required to build organisational resilience, but does your organisation have the leadership mindset and skills to capture the opportunity?

OLD IDEAS FRUSTRATE CHANGE

"Many business leaders still question the merits of this nontraditional workforce model, but often because of common myths and old ideas about what a hybrid workforce model is, and where, when and how employees perform at their best," according to Gartner.

"More employees go above and beyond at work when organisations give them a choice over where, when, and how much they work," said Gartner Director Sasha Tuzel. "But those benefits can only be captured when leadership is willing and able to reimagine how we work and communicate, without sacrificing the company culture and collaboration."

Leaders who are ready to embrace the new

NO MORE EXCUSES

How media companies are making progress on gender equity

By Pierre de Villiers for FIPP

The media industry is a long, long way from gender equity. A 2020 study of 200 media brands across ten countries found that only 23% of editors were women, despite the fact that 40% of journalists in those 10 countries were female.

NO WOMEN EDITORS IN JAPAN

The "Women and Leadership in the News Media 2020" study by the Reuters Institute for the Study of Journalism at Oxford University found that Japan was the worst example with no women editors and South Africa the best with 47%.

The percentages for the other eight countries were: Mexico (6%), South Korea (11%), Hong Kong (13%), Brazil (22%), Germany (27%), the UK (29%), Finland (33%), and the U.S. (41%). Why are the percentages still so low after decades of efforts by women in media and their male allies to achieve equity?

THE 'PIPELINE" ARGUMENT IS OUT OF DATE

At the FIPP 2020 World Congress, a panel moderator wondered if the lack of women editors might be attributed to female talent only now starting to break to the top. Panel member Meera Selva, Director of the Journalist Fellowship Programme at the Reuters Institute, insisted that the so-called "pipeline" issue has often been used as an excuse for the paucity of female editors.

That, however, is not acceptable, Selva said. Apart from Japan, most countries have had talented and capable female journalists for many years and they should have risen to the top a long time ago.

"It's a different conversation now," Selva said. "We need to look at what people think leadership looks like. What do people think a news editor looks like? What attributes are needed?"

DON'T SHOEHORN WOMEN INTO TRADITIONAL ROLES

For this to happen, she warned, huge changes must be made within the [media] industry and organisations themselves. "For the [media] industry to continue to do what it is doing and merely shoehorn women into an existing model would be futile," Selva said.

The [media] industry is dysfunctional on many levels, she added. "We need to change. We need to change the way we work, the way we speak to audiences; we need to change the stories we tell as journalists.

"Ultimately gender representation is about power," Selva said. "It's about seeding power at the top and it's also crucially about making sure that the people at the top — those making decisions — come from the most diverse range of society."

NO EXCUSE THAT 50% OF EXECS AREN'T WOMEN

"With gender in particular there is little excuse for it not to be 50%," Selva said.

Replacing men in newsrooms with women who act and behave like men would be failure, said panel member Avivah Wittenberg-Cox, CEO of consulting firm 20-First. She referenced some organisations that try to "fix the women" by having them adopt or mimic male leadership styles.

"That's when you get statistics of women who don't make it," she said.

The real challenge, Wittenberg-Cox said, is to change the company culture, the internal systems, and the leadership culture to "get women all the way through". To achieve this, organisations need both the will to change and the skills to achieve change. While many have the will, not many have the skills, she said.

BUILD A CULTURE TO EMPOWER WOMEN

To develop those skills, leadership first needs to align and prepare managers to lead them through this process of gender balance. This will allow the culture of the organisation to change towards an awareness of and skills for empowering women to rise to the top.

Finally, lasting change will not happen without the systems to drive it. Many of these systems will need to be reviewed to streamline human resource processes in accordance with diversity challenges.

Better to ask "How can women and men build a more balanced newsroom for everybody?" than to ask "How can we fight toxic masculinity in the organisation?"

DIVERSITY SOLUTIONS: MINDSET CHANGES LEAD TO CULTURE CHANGE

Increasing diversity in a media company begins with changing minds

At Meredith, the push toward diversity is moving ahead with deliberate, but not breakneck, speed. Shona Pinnock, who is responsible for all of Meredith's diversity and inclusion programmes, found that the pre-pandemic initiatives she had been planning had been accelerated after lockdown. Between the pandemic and all of the racial unrest in 2020, an important first step to get the company to focus on a more equitable work environment was drafting a message of support to black employees from the CEO.

"Working on that was helpful in terms of feeling at least we are doing something and making a statement," Pinnock told FIPP. "It helped get the ball rolling in a different way and reset us on our path."

STEP ONE LISTENING WITH INTENT

After the CEO's statement, the next step was not a rush of hiring but a listening session hosted by its Employee Resource Group (ERG) for Black Employees that proved to be very impactful.

"For a lot of our white colleagues, this was the first time they were hearing very raw accounts of what it feels like to live in this society, to see some of the acts of violence, to work and push through that, and the emotional impact of that," said Pinnock.

"I think the work we all have to do — and I include people of colour in this — is to provide a little space and grace for people to begin that process of educating themselves, and then figuring out how we need to do the work to make change, and what the responsibilities are for everyone in that," Pinnock said.

STEP TWO SLOW THE HIRING PROCESS

In terms of recruitment, companies need to slow down and not go for the convenient option, Pinnock said.

"You might have a manager who, when there's a position open, says, 'my college roommate's son would be perfect for that role'," Pinnock said. "I'm not saying that that person wouldn't be great, but let's look at some other people. It's about asking people to slow down and widen their net for the talent they are funnelling in.

"Let's focus on the competencies for the role, not my comfort with the person," she said. "Make space for people you might not have as easy a language around. And that difference can be anything — ethnic, racial or how you approach work. There will be a time when it will become second nature, so it's about how we create that muscle memory."

Another focus area for Pinnock is staff retention. "I want to make sure that if we make these great strides in recruiting diverse talent that everyone has equal access to opportunity, growth and development" and can see a future with the company such that they'll stay, she said.

STEP THREE LEARN FROM HISTORY

Before moving forward, it's important to first look back and learn lessons from the past. "There has to be education about the impact of racism that exists in almost every realm of life," said Pinnock. "I think [people] educating themselves on how this came to be — all of the little pieces that built up over hundreds of years to get us to where we are — is important."

Meredith is currently rolling out inclusive leadership sessions — first to senior leaders and then to middle managers and the rest of the staff — that explore the concepts around diversity, like unconscious bias.

"It's around creating understanding, creating a shared language around a sense of belonging, growth and development, objectivity, and how we mitigate bias," said Pinnock. "And bias is something we all have — it doesn't discriminate."

STEP FOUR DEALING WITH PUSHBACK

Meredith has also run sessions built around the history of racism and how to dismantle it. While the feedback was largely positive, there were a few comments that were not as supportive — especially after the discussion that got into historical facts.

"I understand that with everything, there is going to be a spectrum of where people are in accepting this and where people are in that journey," said Pinnock. "Everyone is not in the same place and I can't make that assumption. I have to have the understanding that there are some people we have to bring along in this discussion — and I'm fine with that.

"In terms of the diversity discussions, there are structures and strategies that you can create, but there are also very emotional discussions around these topics," Pinnock said. "You have to give people a safe space to come along — or not. We have to figure out what happens to the people who don't. They will show that they don't fit into that culture in other ways.

"In general we know where we are as an organisation," Pinnock said. "We have positioned ourselves as an organisation that is moving this discussion and process forward. My vision is that Meredith is the thought leader in this space as a media brand."

STEP FIVE CHANGE YOUR CONTENT

The changes happening at Meredith include the content of its magazines, with Pinnock having conversations with editors to make sure stories are reflective of the audiences they serve.

"We are looking at how to expand the contributors creating the stories and showing that we have a wider net of freelancers," she said. "Food & Wine has done an audit looking at their issues over the past two years — looking at the stories, the contributors, the photographers, the recipes, and ensuring they've got a good mix of representation, and how they can expand that over time."

Meredith also did an audit of its benefits system to see how it can support diversity and inclusion goals.

"When it comes to parenting, we have access to in vitro fertilisation that includes waivers," Pinnock explained. "There's a six-month waiver where you are supposed to try as a couple to naturally have a child. But if you are in a same-sex partnership, no matter how much you try, you are not going to be able to produce a child. So, if we can waive that six-month period for a same-sex couple, that's a tweak to our benefits that ensures easy access to all couples. It's creating a benefits mix that feels reflective of the employees we want to engage with.

"We can create practices that are more inclusive today," Pinnock said. "You have to keep working."

MINDS TAKE TIME TO CHANGE, BUT NOT POLICIES

Pinnock is realistic when it comes to a timeframe for change. "When it comes to the diversity and representation of our workforce, that part will take time," she said. "In our company, we are about 77% white and about 23% ethnically diverse. So, to move the needle in terms of what that looks like and be representative of the US population, which is about 60% white, that will take time.

"But in terms of the inclusion and equity part, those things can happen immediately," she said. "We can create practices that are more inclusive today. You have to keep working. There are many things that happen that knock you down, so resilience is a big part of this journey."

hybrid workplace model don't see it as a risk, and they don't force their people to return to the old-fashioned office-based model. Hybrid-ready leaders embrace the changes as an opportunity to increase staff happiness, engagement, commitment, and productivity.

MANY LEADERS ARE NOT READY FOR A HYBRID WORLD

Flexible, hybrid-ready leaders are not yet the norm.

A vast majority (78%) "of HR leaders identified leaders' mindsets as a greater challenge than their skill sets in driving the success of a hybrid workforce model," according to the Gartner report. "The skill sets required in a hybrid-ready leader include the ability to build trust, empower employees, enable collaboration, and establish productive team climates."

Gartner identified four types of hybrid leaders:

1. Hybrid champions: Leaders with the right mindset and skill set to lead a hybrid workforce

2. Hybrid strivers: Leaders who have the right mindset but lack the right skill set to lead a hybrid workforce

3. Hybrid resistors: Leaders who have the right skill set but a closed mindset toward a hybrid workforce

4. Hybrid laggards: Leaders who lack both the right mindset and the requisite skill set for leading a hybrid workforce

Gartner also identified the skill sets of a hybrid leader. A hybrid leader must:

- Drive performance, even when teams are remote, without close monitoring or supervision
- Champion development to ensure that employees are equipped with the skills and physical tools needed to drive current and future performance
- Communicate effectively across a variety of channels to lead virtual and in-office teams
- Enable enterprise contribution, connecting remote workers with their in-office and otherwise dispersed peers and supporting them all to drive high enterprise performance and contribution
- Foster inclusive team climates, independent of employees' choice of work location
- Build trust and psychological safety so that dispersed workers feel safe to share their challenges for collective problem-solving and feel they have the same opportunities for participation and advancement
- Establish team culture and norms throughout in-office and remote teams

Let's take a look at what needs to change and how in terms of your office, your teams, and your meetings, as well as your diversity and gender equity efforts.

PERMANENT WORK FROM HOME GIVES WAY TO HYBRID

While lockdowns made working from home (WFH) five days a week unavoidable, it cannot stay that way, especially in creative organisations like media companies.

Human beings are social animals, and journalism is a social process, both in the gathering of the information and the creative process of crafting the presentation of that information. Ditto sales and marketing.

While some workers have blossomed working from home, a recent survey also uncovered a worrisome decline in mental health across all industries, seniority levels, and demographics.

Before the pandemic, 62% of employees reported positive mental health. By late 2020, that number had dropped to just 28%, according to the report by the Martec Group, a global strategic intelligence and market research solutions company. Job satisfaction and job motivation had also fallen — job satisfaction from 57% to 32% and job motivation from 56% to 36%, according to the report.

PERMANENT WFH IS NOT THE "NEW NORMAL"

"For a business like ours, which is an innovative, collaborative apprenticeship culture, this is not ideal for us," Goldman Sachs CEO David Solomon told a conference in late February 2021. "And it's not a new normal. It's an aberration that we're going to correct as soon as possible," he added.

Other finance sector executives agree with

TAKING ACTION

Hearst's diversity and inclusion initiatives

At Hearst, several diversity and inclusion initiatives were already underway when the pandemic hit. The Hearst 2021 Diversity & Inclusion Overview report cited several examples, including:

HEARSTLAB
"Established in 2015 to address the underrepresentation of women in the venture capital community, HearstLab has been investing in, supporting, and growing women-led startups in North America and Europe, as well as increasing visibility and promotional opportunities for women at Hearst," according to the report. "HearstLab functions as an early-stage incubator for these promising, highly-scalable businesses with all of Hearst's resources at their disposal, including access to HearstLab Scouts, who mentor, advise, and prepare these enterprises. To date, Hearst has invested in 30 startups: 100% are women-led and 40% are led by a woman of colour."

CONSCIOUS INCLUSION
"By June 2021, more than 15,000 Hearst colleagues had participated in conscious inclusion training to understand the multiple dimensions of diversity and how biases can impact behaviours at work," the report said. "This includes understanding the science behind bias, recognising when behaviours are less than inclusive and guiding team members through a process of discovery, prioritisation, and action. A certification programme has been added, allowing employees to explore important inclusion topics on a deeper level."

HEARST BLACK CULTURE
"The Hearst Black Culture (HBC) initiative is an extensive set of programs aimed at engaging and amplifying Black voices at Hearst and beyond," according to the Diversity Report. "In the wake of the May 2020 killing of George Floyd, HBC's leaders conducted a grassroots fundraiser and worked directly with corporate leadership, who supported their initiative by matching their contributions with a donation of company funds to four organisations: the NAACP Legal Defence and Educational Fund, the LGBTQ Freedom Fund, Colour of Change (The Emergency Fund for Racial Justice), and the Equal Justice Initiative. Together, HBC and Hearst raised over $1.22 million."

DIVERSITY IN COMMERCE TASK FORCE
"The Diversity in Commerce Task Force united a cross-section of editorial and business-development team members," the report stated. "The goal is to onboard more businesses owned by people of colour into the brands' affiliate program and to learn more about how to expand partnerships."

SUPPLIER DIVERSITY EFFORT
"Hearst is actively looking for ways it can directly, and positively, impact its diversified group of suppliers to broaden engagement with minority- and women-owned business enterprises (M/WBEs) and other historically disenfranchised small- and medium-sized enterprises," according to the report. "Hearst is partnering with SupplierIO to source additional M/WBEs and bring them into Hearst's supply chain. Working with the National Minority Supplier Development Council, Hearst is seeking more ways to foster relationships through recruitment, supplier fairs, and other D&I opportunities."

LEVEL UP VENTURES
"Impressed with the meaningful impact and growth of HearstLab, and as a member of the HearstLab Investment Committee, Carlton Charles, senior vice president and treasurer of Hearst, helped develop Hearst's latest initiative to support diverse founders: Level Up Ventures." according to the report. "Level Up Ventures is a launching pad for Black and Hispanic founders of high-growth startups that will be based in the South Bronx, and its community development arm will assist existing small businesses in the Bronx and Harlem. Level Up Ventures is on a mission to identify commercial ventures that can close the wealth gap in these neighbourhoods."

Solomon. In the autumn of 2020, JP Morgan CEO Jamie Dimon said WFH has negatively impacted productivity. Barclays CEO Jes Staley recently said he hopes employees will be returning to the office after the vaccine has been widely distributed.

On the other hand, the tech industry is embracing WFH now and in the future.

The giants — Microsoft, Facebook and Twitter — have all told their staffs that they will have the option to work from home permanently. Up to half of Facebook's staff could work remotely within five to ten years, according to the company.

Those companies are in the majority. Eight out of ten companies surveyed by 451 Research reported that they have implemented or expanded universal work-from-home policies as a result of COVID-19. Remarkably, 67% of those companies said they would keep their WFH policies in place either permanently or for the long-term, according to 451 Research.

HYBRID IS HERE TO STAY

But the answer isn't an either-or choice; the answer is a hybrid approach.

"The work from home craze is not hyped," wrote Gene Marks, CEO of the tech and financial services company Marks Group PC. "It's just overhyped.

"Every business needs to have a work-from-home policy and if you didn't learn that from the pandemic then you are definitely missing the boat," Marks wrote in The Guardian. "Giving employees some flexibility to do their jobs remotely not only improves their job satisfaction but creates a great recruiting tool for those younger employees who have been demanding this benefit for years. Clearly the technology works and, depending on the person, your productivity should not suffer.

"But work-from-home policies need balance," Marks wrote. "I've seen from many successful clients that a good policy requires a certain number of days every week in the office. There has to be physical presence. You need to see that worker and that worker needs to see you and his or her colleagues. You can't create a team when everyone's completely virtual. Something is missing. Human contact is missing. Technology just can't replace that. Don't worry, your dog will be fine."

WHO WILL BE THERE?

"We're just not going to go back to five days a week in the office," Deloitte's Global Human Capital Leader Erica Volini told The Washington Post. "The idea that we're going to get to some new consistent way of working flies in the face of what we've learned in the pandemic."

What is here to stay is the end of nine to five, Monday-through-Friday working hours. This pandemic has changed the 40-hour a week office-based experience forever.

Flexible versus fixed working hours will be the biggest change media firms have to adjust to going forward. Some people may do three days a week remotely, some two days, some four and so on.

"All-remote-all-the-time is not healthy, especially in media, where the creative process needs to happen in person," Liz Vaccariello, Editor-In-Chief of Real Simple at Meredith, told DigitalContentNext. "But as a creative lead, I don't see the need for office hours to be Monday to Friday, nine to six. It's just inefficient. Twice a week is good enough!

TRUST YOUR STAFF TO GET THEIR WORK DONE

"Working during this pandemic is just about getting work done when you can," Vaccariello continued. "You have to trust your staff to get their work done, at a time that fits in with their home life.

"Giving them more autonomy, rather than constantly checking if they are online, will cultivate a culture of trust, respect and ultimately hard work," Vaccariello told DigitalContentNext. "The work will speak for itself. If a team member can get their work done in five hours, good for them!"

So, how do you manage a hybrid system? How many days? Which hours? For whom? Do teams need to be in the office on the same day?

HYBRID AIN'T EASY

Hybrid workplaces will not be easy to run; they will require an unprecedented amount of coordination. "Someone going to the office on Tuesdays and Thursdays, for example, will want to make the most of their time and we need to

HOW TO KEEP EMPLOYEES FEELING VALUED IN TOUGH TIMES

Imaginative solutions to staffers feeling cut off, under-appreciated

During tough times, how does a company make staffers feel valued and safe when they are working remotely, worried about the future of the company, and anxious about their own future as well.

And how do you do all that while also helping them cope with the worst pandemic in a century? Multiple companies in the media space and in other industries have developed creative, powerful tools to keep their staffs emotionally, physically, and financially whole. The initiatives include virtual wellness services, subscriptions to mental health apps, gifts, cash for drinks and snacks for a virtual happy hour, lunch money for a virtual team meal, a kids' club to entertain after-school children, a picnic kit in lieu of the company picnic, stipends for home gym equipment, stipends for home office equipment, stipends for counseling, free meditation apps, free self-care days, etc.

THE NEED TO FEEL VALUED

"Employees need to feel valued, to feel like their bosses care. And that the bosses care about the whole human being, not just the employee part," monster.com Career Expert Vicki Salemi told Digiday.

"There is nothing like being able to have a big team lunch or team dinner, it is a really great rapport-building activity," Domm Holland, CEO of e-commerce checkout company Fast, told Digiday. Fast holds a virtual lunch every week, and sends each employee $25 to spend on their lunch or dinner.

Fast also sends snack boxes to staff once a week. The type of food changes, with different types of oatmeal and cookie boxes being two favourites.

HELP WITH THE KIDS

With schools in lockdown, many staffers are not only working from home but also having to help their children with at-home learning. Business software firm UKG developed two programs for their employees with young children — it provided a virtual summer camp and during the school year created a kids' club for the after-school hours.

"It was the right thing to do," UKG Chief People Officer Dave Almeda told Digiday. "Practically speaking, if your kids are occupied, you are more productive and feeling better about work. It was a good win-win situation."

Gifts also send a message to staffers. "Gifts are important during this time to keep people engaged and aligned with our mission," Luan Lam, Harness' vice president of global talent, told CNN. "We like to surprise employees every so often with a gift of some kind."

PICNIC SUPPLIES

Instead of the company-wide picnic (cancelled in 2020), Harness sent each of their 250 employees a box to create their its fun on that day. Each fun box, costing the company $125 apiece, included a blanket, mat, water bottle, tie dye kit, a few snacks, sunscreen and some other treats. The company then held a photo contest challenging its staffers to document the most creative setup of their gift. The winner received $50.

And as happy hours weren't happening anymore, Harness sent $30 gift cards for drinks and snacks to enjoy during a virtual company-wide happy hour.

While happy hours and socially distant picnics are fun, many staffers have been worried about their physical and mental health.

A VIRTUAL GYM AND PERSONAL GYM EQUIPMENT

Meredith created a virtual gym — 4YourHealth — in late 2020 to enable staffers to take workout classes online, according to Digiday. While Meredith has covered gym memberships for a long time, with gyms closed, Meredith wanted to help staffers find alternatives. The company also loosened the limits on the company's annual health and fitness stipend to enable the purchase of home gym equipment.

At Condé Nast, the company will allow employees who choose to work remotely post pandemic to receive a larger stipend to support their home office, a Hearst spokesperson told Digiday.

Recognising that the pandemic and the extended remote working arrangements were causing serious mental health issues, Condé Nast started funding up to eight free counselling sessions at a mental health service platform (TalkSpace). Similarly, employees also received free accsss to a meditation app called Unplug.

ON-DEMAND THERAPIST ACCESS

Three other media companies also moved to support their staffers' mental health. BuzzFeed, Group Nine, and Vox Media have all partnered with mental health support platform Ginger for on-demand therapists. BuzzFeed also encouraged staffers to take a monthly self-care day and promised it would not be deducted from their personal paid-time-off days.

Vox Media also partnered with meditation and yoga class provider HealHaus so employees could take online classes, a company spokesperson told Digiday.

BuzzFeed has started encouraging employees to take a monthly self-care day that's not deducted from their PTO days after receiving feedback from its parenting employee resource group that this was a perk they needed while working remotely.

ensure their teammates will also be there," Liz Burow, former WeWork VP/Workplace Strategy, told The Washington Post.

"I think you'll hear a lot more about H.R. departments saying we have 'no meeting Mondays' and very clear, intentional days of the week [for different activities]," Burow said. "You have to manage flexibility."

The innovations we need to make this transition are technological and organisational. What tools do we need and what organisational systems and behaviours must be in place?

How do you have all these WFH flexible editors, designers, and sales teams collaborate seamlessly with the office team?

One example of a technology solution is the BBC's permanent open Zooms with key team members so they can be asked questions on the spot. It's as close to working side by side that we can manage while accommodating remote working arrangements.

There are literally dozens of tools teams can use to keep their WFH staff fully integrated with their office team (see the sidebar on tools for hybrid teams). After an initial period of intense safety precautions in offices, we envision the removal of plexiglass partitions and the creation of open team collaboration areas with lots of space as well as big screens to connect with remote team members.

WHAT DOES THE OFFICE OF THE FUTURE LOOK LIKE?

So, if we're going the hybrid route, what kind of office will staffers be coming back to?

We're going to start with the office because, while handling your people is more important than handling your office building, the office seems to be top of mind for many executives and staffers, and the office structure sets the tone for interpersonal interactions in so many ways.

What will the post-COVID-19 office look like? How will we operate while we're there? Who will actually be there?

We don't yet have all the answers, but we do know it can't and won't be the same.

What does an office look like that can accommodate the new hybrid working arrangements as well as meet health and safety concerns?

"Well, for one thing, media companies are looking at models where existing offices serve as collaboration hubs, or essentially permanent WeWork-like office spaces where employees may meet to collaborate as needed," wrote Andrew Filev, founder and CEO of collaborative tools company Wrike, on Forbes. "Both of these models can put existing office space to use while also accommodating the flexibility of work from home that employees have become accustomed to during the last several months."

WHAT WILL THE NEW OFFICE LOOK LIKE?

"With individual workstations effectively relocated to people's kitchens and living rooms, offices are being reconfigured as places that primarily exist for teamwork and collaborative activity — albeit with strict social distancing measures in place and partitions separating different teams and departments," according to digital workflow company Service Now. "Architects and office planners are already busy with a raft of changes, including larger desks and layouts that make more use of stairwells to reduce the use of enclosed lifts. And, of course, there's the ongoing drive to minimise the use of frequently touched surfaces, such as taps, door handles and buttons.

"Within the office, new technologies are being adopted to enable more rigorous safety protocols," according to Service Now. "Companies are shifting to touch-free sensor technology for handles, buttons and taps, signalling a reverse from the preponderance of pre-Covid touchscreens. Some planners are even looking at technology that will allow staff to control lifts and vending machines using their personal smartphones."

TEAM-BASED WORK IN PODS

To accommodate both safety concerns and the increasingly common team-based approach to work, open-space offices will give way to more team pods. Workplaces originally designed to bring teams closer together now must keep them apart, at least in large numbers in wide open spaces.

Discussions among designers include one-way hallways, distance markers, staggered shifts, fewer desks, team pods, plexiglass divider screens, touchless functions like coffee machines and doors and even elevator panels controlled from your smart phone.

There is no guidance to make the transition easier. Most national and local governmental regulatory bodies and industry groups offer little or no guidance or regulations (yet). It's a blank slate, with high stakes.

There are no precedents, either.

A GLIMPSE OF THE FUTURE

A good, if possibly premature, case study is the experience of R/GA, a San Francisco-based global advertising and marketing agency with 100 employees.

In the spring of 2020, with their expensive downtown lease expiring in August, R/GA had a decision to make. The new remote working system was proceeding famously, with 30% of supervisors saying that their workers were more productive at home and only 7% saying people were getting less done, according to the company.

Between the cost of staying and the success of remote working, R/GA's decision was not very difficult. "We said, 'Let's pull ourselves out of this lease, go fully virtual, and treat the office like we would treat any client project, where we start from a blank slate,'" David Corns, the California managing director of R/GA, told The New Yorker.

TURN LEASE SAVINGS INTO WORKPLACE ENHANCEMENTS

Corns's decision also meant the company could, while saving money on their physical plant, turn around and invest those savings in building custom, cloud-based digital workspaces with proprietary work and video-conferencing capabilities. So, for example, "if you want to know what happened in the virtual office last Tuesday, you can go back and replay the meetings," Microsoft VP/Modern Work Jared Spataro told The New Yorker.

Having made the decision to reduce their office footprint, R/GA retained Studio O+A, a San Francisco-based architecture and design firm with three decades of experience creating workspaces for companies such as Facebook, Uber, and Yelp.

Studio O+A began creating a new set of COVID-related "typologies" — activity-based spaces that could become standard features of a post-pandemic workplace.

A VIRTUAL TOUR OF THE FUTURE

When the plan was ready, Studio O+A gave R/GA and The New Yorker a virtual tour of the proposed plan, beginning with the reception area.

"This space should signal a feeling of safety," O+A senior designer Dani Gelfand told The New Yorker, pointing out the touchless entry doors, sanitising stations, infrared temperature

SIX STRESS-MANAGEMENT TECHNIQUES

Stress is everywhere. We all faced drastic changes to our lives and work — a year of social isolation and debilitating anxiety about health, family, and finances. If you are feeling stressed, try using some of these simple, proven habits from Michelle Bihary a workplace resilience expert, writing in the Harvard Business Review:

1. **Move, move, move: Any exercise is a fantastic stress reliever.**
2. **Breathe: practise meditation and mindfulness exercises to tame your mind.**
3. **Journal: Writing can help us unpack what's going on inside. Start by documenting what you're grateful for each day.**
4. **Laugh: Watch a funny show, call a funny friend, and feel some joy.**
5. **Find your flow: What activity or task demands your deepest focus?**
6. **Listen to music: Research proves that it helps us relax.**

TECH TOOLS FOR SUCCESSFUL HYBRID TEAMS OF REMOTE AND OFFICE-BASED WORKERS

A rich selection of options to make your lives easier and better

Here are 55 suggestions on which tools to use to facilitate remote work and make it easier for your team to work together and stay productive no matter where they are, according to Clockify (a team time-tracker service), ProofHub (team collaboration products), WifiTribe (a work remotely community), and GrooveHQ (customer support software)

TEAM COMMUNICATION TOOLS

1 Chanty
2 Slack
3 Pumble
4 Troop Messenger
5 Friday
6 Tettra

VIDEO CONFERENCING TOOLS

7 Skype
8 Google Meet
9 Zoom
10 Krisp (background noise cancelling tool)
11 Miro (online white board tool)

CLOUD STORAGE AND FILE-SHARING TOOLS

12 Dropbox
13 MicroSoft OneDrive
14 Google Drive
15 Box

FILE COLLABORATION TOOLS

16 Google Workspace
17 Office 365
18 Confluence

DEVELOPMENT AND DESIGN TOOLS

27 GitLab
28 InVision
29 Bamboo
30 Figma

PROJECT MANAGEMENT TOOLS

19 Trello
20 Workzone
21 Asana
22 Basecamp
23 Instagantt
24 Podio
25 ProofHub
26 Blink

BEST TIME CONVERTER TOOLS

31 World Time Buddy
32 TimeAndDate
33 Remote Desktop Software
34 TeamViewer
35 Chrome Remote Desktop

TIME TRACKING TOOLS

36 Clockify
37 Hivedesk
38 Toggl Track
39 Harvest Tomato Timer
40 KickIdler

ORGANISATION APPS

41 Todoist (a to-do list organiser)
42 Evernote
43 Whiteboard and mind mapping tools
44 Whimsical (collaborative docs)

WORK-LIFE BALANCE TOOLS

45 Way of Life (a habit tracker)
46 Cozi Family Organizer
47 Headspace (a meditation app)

SECURITY

48 1Password
49 Cloud9

EMPLOYEE REWARDS

50 WooBoard
51 Compt
52 PizzaTime
53 CoffeeTime
54 iAppreciate
55 GiveAWow

checkpoint, and an isolation room for people who register a fever.

Then Gelfand "took" the group to the Donning/Doffing Room, which has lockers for outside gear and personal items, and a place for mandatory hand-washing.

The next stop on the "tour" was the Radio Station that featured enhanced audio-visual capabilities for connecting with remote colleagues, followed by the Boot Camp, an area for new hires, and the Rickshaw, a small, enclosed private workspace, according to The New Yorker.

EVERYTHING IS TOUCHLESS

The next stops were the communal pantry with touchless equipment (a contactless coffee machine, a touchless utensils dispenser, and a pedal-operated water cooler), followed by a general-wellness room, which, Gelfand told The New Yorker, would be mainly for nursing mothers but also for "prayer and decompression."

"The main communal workspace was made up of 20 four-person workstations, with unassigned but reservable individual desks arranged in a pinwheel formation, and barriers between the desk surfaces that offered a modicum of visual privacy," wrote New Yorker author John Seabrook. "This part of the post-pandemic office looked much like the pre-pandemic open-plan layout, only more so."

When Corns saw the communal workspace, he objected to its similarity to the pre-pandemic office. "Nothing needs to look like the office before [COVID-19}, so these workstations don't need to be desks, per se," Corns said, according to Seabrook.

NOTHING NEEDS TO LOOK LIKE THE OLD OFFICE

Gelfand agreed. "Maybe we just have lounge furniture and a place to plug in," Gelfand suggested.

The tour next went through an area full of "focus pods" similar to three-sided restaurant booths. "The pods could be made higher, so they are more like an enclosed-booth experience," Gelfand noted.

The tour also included a studio for digital art work and photography, and several semi-enclosed conference rooms with sizeable video screens and advanced sound systems for meetings with remote staff.

Other companies are looking at arrangements to make a hybrid working system. For example, digital agency Jellyfish looks to bring employees into the office three days a week and, to facilitate that, it will use desk-booking software to track when people are coming in and where they're sitting. The booking software will enable the company to control how many people are in the office, and pinpoint which desks need cleaning.

WHAT ARE THE NEW TEAM MANAGEMENT TECHNIQUES?

Team management has become far more complex and nuanced.

We have discovered lots of new tools that enable communication (Zoom, Slack, Scrum, ProofHub, Trello, etc.), but do they also enable connection?

All of those tools let managers stay in touch with their teams and deal with daily duties, but they are not enough to truly build connections with individual staff.

"I've been checking in with everyone by calling them every two weeks," Real Simple's Editor in Chief Liz Vaccariello told DigitalContentNext. "A phone call feels more intimate and it makes us feel more connected. This is even more true than when we were in an office together, where I was around, but not always available. Additionally, I personally email each person a note about each issue, mentioning a story they worked on, or how they contributed."

USE SURVEYS TO CHECK TEAM'S TEMPERATURE

Another way to manage your teams and "take their temperature" is to use surveys — the anonymity gives staffers the comfort level to freely express their opinion.

The Financial Times (FT) regularly surveys its staff. Its surveys focus on questions about well-being and working from home, FT U.S. Head of HR Kirsty Devine told Digital Content Next.

"Empathic leadership has never been so important, but not all managers are used to it," said Devine. "In the office, you can read body language. But with people working remotely, [leaders] need to ask questions about how people are doing and not just brush off the response, which some people are uncomfortable with."

START WITH EMPATHY

Good communication starts with empathy. "Managers need to empathise individually and think about each member of their staff and what they need," Vaccariello said.

"Since lockdown we have also introduced five wellness days, which are paid days when staff can take a break to get their head together," said Devine. "And we provide resilience training on how to manage yourself in a remote environment."

Without the old in-person connection moments around the water cooler or in the lunchroom, managers must find new ways to have conversations with their teams — especially with new staff members.

PLAY GAMES WITH YOUR TEAM

"We can't grab a beer or have a welcome bagel party," Vaccariello told Digital Content Next. "So, to make new staff feel part of the team, we play games on Webex. Or we go around and have everyone say something about themselves, such as a book they've recently read or what they've been doing lately."

Entertainment and media company Complex Networks also takes special care of its staff. Complex VP of People & Culture Krystle Douglas created Complex Coffee Talks, a virtual gathering for staff where different staff members talk about their professional and personal lives. "I wanted to find a way to keep morale high, but also provide a learning experience, so that all employees understand what everyone else is doing because understanding is the route to empathy, which builds a stronger, happier workforce," Douglas told Digital Content Next.

SOMETIMES DITCH ZOOM FOR THE PHONE

Video is not always the answer. While Logitech GM of Video Collaboration Scott Wharton firmly believes in video calls, he also believes that one-to-one audio calls are a nice break,

> "I'VE BEEN CHECKING IN WITH EVERYONE BY CALLING THEM EVERY TWO WEEKS. [...] MANAGERS NEED TO EMPATHISE INDIVIDUALLY AND THINK ABOUT EACH MEMBER OF THEIR STAFF AND WHAT THEY NEED."
>
> **Liz Vacariello,** Editor in chief, *Real Simple*

allowing the manager and staffer to get some fresh air, maybe even talk over the phone while they're walking outside, according to an UpWork report.

Wharton told UpWork that he encourages leaders to schedule casual conversations that often accompany in-person meetings. Wharton said you can either ask people to chime in informally prior to diving into a meeting agenda or actually schedule meetings purely for the team to hang out and chat as a way to fill that gap we might be missing from personal contact.

TIPS FOR MANAGING REMOTE TEAMS

Communicate, communicate, communicate

It's a whole new management challenge working with remote teams whose work experience is now totally different from what they knew as in-office workers. "If this is the first time that managers are in charge of managing remote employees, it can be scary to navigate and ensure employees are productive, engaged and thriving," software company Kazoo CEO Paul Pellman told the Society of Human Resource Management (SHRM). "The transition to remote communication removes the personal context that helps us interact with each other."
"It's not just a matter of providing remote workers with a new video communication platform and assuming it will be business as usual," Culture Builders founder Jane Sparrow told SHRM.
WFH team members might be coping lonliness, children learning from home, an unemployed spouse, illness in relatives, etc.
According to the SHRM, the following are the top tips for managing remote team members:

1 Set expectations early and often
Providing guidelines, setting boundaries, and reviewing the basics are among the most important steps to take. Managers should model behaviour around the hours employees work, such as establishing expectations around responding to any after-hours work e-mail and texts.

2 Be organised and flexible
While a concrete plan is a must, you should be open to adjusting strategies as needed. Whether your employees choose to put in their hours in the morning or evening shouldn't matter, as long as the work gets completed on time and is of high quality.

3 Provide a way to collaborate
Providing a shared document that tracks work activities is one way managers can stay apprised of what their teams are doing. It will help managers refine their expectations and responsibilities of employees. Also, agree as a team on acceptable behaviour for virtual collaboration, such as how quickly to respond to messages.

4 Track your worker's progress
Have your employees give you a work schedule, along with tasks they are expected to accomplish within a given time. This will calm your fears and give your team the structure they need to fulfil their role. Remember, just because you can't see them working at their desk doesn't mean work isn't getting done. Trust the process.

5 Emphasise communication
Consider which communication tool best fits the team's culture — e-mail, texts, phone calls, video chats, an intranet channel — and find that delicate balance between constantly pinging employees with texts and e-mail ... and then radio silence. The frequency of communication may differ among employees. The best method is to ask employees how they want to be managed while working remotely. That way, managers can keep a pulse on what each employee needs to be productive. Too much oversight is a sign of mistrust.

> "IF THIS IS THE FIRST TIME MANAGERS ARE IN CHARGE OF MANAGING REMOTE EMPLOYEES, IT CAN BE SCARY."
>
> **Tom Standage** *The Economist* Head of Digital Strategy

6 Listen
The most successful managers are good listeners, communicate trust and respect, inquire about workload and progress without micromanaging, and err on the side of over-communicating. A monthly or quarterly employee survey can be useful to assess employee sentiments. But remember, if you ask for feedback, you must do something about it.

7 Build connections and be available to your team
Many workers feel isolated and disoriented in this new work reality. That's why it's important to build connections with employees. Share positive feedback, open a fun chat channel, or try to "grab coffee" together — whatever helps maintain a sense of normality and solidarity, and reminds everyone they're not an island working alone.

8 Adapt the length of your meetings
What works in the office may not work] remotely. Instead of lengthy meetings, have short virtual huddles ... Apply this thinking to team resourcing, scheduling and action planning.

9 Resist the urge to micromanage
You shouldn't be looking over your team's shoulders in the office, so you shouldn't do it when they're remote, either. Regular one-on-one check-ins help managers avoid micromanaging, while still enabling them to keep a pulse on employees and provide them with an opportunity to ensure feedback goes both ways.

10 Celebrate success
Managers should also look for opportunities to celebrate the same work milestones that would be celebrated in the office.

CHALLENGE: REMOTE MEETINGS

A summary of R/GA survey results found that Zoom meetings resulted in "more voices being heard and there is better meeting etiquette." One R/GA survey respondent wrote: "People tend to wait for others to finish their thoughts before speaking." Another commented: "Working from home (WFH) actually forces our entire team to work more closely."

But the sudden and universal use of remote meetings has also uncovered serious roadblocks to inclusion, honesty, safety, group consensus, real communication, etc.

"There are good reasons to worry," wrote Harvard Business School professor Amy C. Edmondson and Harvard Business Publishing Moderator Gene Daley in the Harvard Business Review. "Detecting social cues or non-verbal agreement is nearly impossible.

"Team members may feel isolated without the natural support of an ally nodding from across the table," they wrote. "And distractions (emails, texts, doorbells, children, pets) are everywhere. If virtual meetings are inherently difficult, the current environment — the health and economic threats, the overwork, and the social unrest — makes them even more so."

HOW TO SOLVE REMOTE MEETING PROBLEMS?

"The good news is that the very technology that thwarts candour and mutual understanding also offers ways to offset these losses," wrote Edmondson and Daley. "In our work leading hundreds of virtual sessions, we've identified opportunities and risks associated with each of several common tools found in most online meeting platforms:

1. Hand-raise: "The hand-raise function helps people signal that they want to speak aloud," they wrote. For taking polls, it's not as effective as there is no anonymity.

2. Yes/No: "Typically a green checkmark and red X, this tool allows quick input from everyone," they wrote. "The tool's obvious limitation is that not all issues are binary in nature. For greater nuance in soliciting voice, poll and chat tools provide worthy alternatives."

3. Polls: "Anonymous polls make it easy to express an opinion without fear of being singled out, and the results prompt thoughtful probing to dig into diverse views."

4. Chat: "Allowing everyone to contribute at the same time in their own words, with their names tagged, the chat function lowers the threshold for participation," wrote Edmondson and Daley. "At times, however, the sheer volume or length of entries leave some overlooked.

"Setting norms about brevity can help, but chats also can distract from the spoken conversation. When it's vital that everyone listen intently to what is being said, chat may need to be turned off."

5. Breakout rooms: "Creating smaller virtual breakout rooms during large meetings allows small groups of, say, three to five people to talk more easily without muting and unmuting themselves, providing a more natural conversational experience than large virtual meetings," wrote Edmondson and Daley. "Breakout rooms, with specific tasks or topics assigned to different groups, provide a psychologically safe space to test ideas and build relationships. When participants return to the large group, they find it easier to report ideas from the small group with the confidence that comes from testing and sharing perspectives in that relatively safer space."

6. Video: "Seeing faces creates engagement, but too much visual stimuli (faces and backgrounds) can be distracting, and low bandwidth can add to visual disruptions," they wrote. "Leaders may want to encourage view options in which one face is centre stage while speaking and others recede to the background. Other times, audio-only may be a better option for deep listening."

Edmondson and Daley suggest that after a virtual meeting, managers should reach out to talk to participants who were quiet during the session. "To replicate informal water cooler moments, managers can use text, phone, or email, to give reinforcing or redirecting feedback," they wrote.

If we can get our heads in the right places and acquire the skills necessary to make this new hybrid world work, we'll all be in a richer, better, more flexible, more nimble place. And our companies will be the better for it.

HOW TO RECRUIT AND RETAIN THE VERY BEST TALENT

SPOILER ALERT: YOU'RE PROBABLY DOING IT ALL, OR MUCH OF IT, WRONG

Brace yourself. It's time to change — and we mean radically change — how you recruit and retain people.

What's worked before doesn't work anymore.

(If you're honest, you have to admit that the old way never really worked predictably all that well anyway, right?)

"Businesses have never done as much hiring as they do today. They've never spent as much money doing it. And they've never done a worse job of it," wrote Professor Peter Cappelli, Director of the Wharton Business Schools Center for Human Resources, in The Harvard Business Review.

Everything has changed — the skills we need, the type of people we need, the way they communicate, their needs, their values, the workplace, the pace of change, the ability to predict performance, the availability of data that can take much of the guesswork out of recruiting and retaining, our ability to be flexible about so many things that used to be rigid.

The new work environment, the new work force, the new skill sets, and tight job market all force us to make a choice: Change the way we recruit and retain people, or lose potential key hires and essential existing staff to more open, flexible, employee-focused, appealing organisations focused on using data to make their recruiting and retention efforts more predictably successful.

We can only succeed in this talent market if we radically reimagine our recruitment and retention practices and polices, and that starts with reimagining our corporate culture.

This change and the others that must follow it will require open minds, flexibility, transparency, new roles, and a willingness to part with comfortable but increasingly ineffective and counter-productive recruitment and retention practices.

Here's an illustration of one of the most important changes you'll have to be making, one you probably won't like, one you might initially think is totally bogus: Human analytics. Human analytics is the use of data and data analysis techniques to understand, improve, and optimise the people side of business from recruiting to retention.

In terms of recruiting, human analytics has already proven its effectiveness.

The US-based National Bureau of Economic Research did a study of 300,000 hires in high-turnover jobs at 15 companies. In those hires, the researchers pitted a hiring process using human experience, instinct, and judgment against a hiring process using a human analytics algorithm. The result? The homo sapiens were routed. Employees chosen by the algorithms stayed on the job far longer and had performance evaluations equal to or better than those chosen by humans.

And that wasn't the only such study. In a University of Minnesota examination of 17 studies that compared the hiring success rates of algorithms v. humans, the algorithms outperformed humans by at least 25%. "The effect holds in any situation with a large number of candidates, regardless of whether the job is on the front line, in middle management, or (yes) in the C-suite," according to the study authors.

That's not to say humans weren't involved in the algorithm-based decisions, but their choices were deeply influenced by the algorithm's recommendations.

Need another push toward human data analytics? How about this: A recent Deloitte report found that organisations using people analytics appropriately reported 82% higher three-year average profit than those who have not yet adopted data analytic strategies or who are not using them correctly.

So, are you ready for this new future of recruiting and retention?

Let's start with recruiting.

RECRUITING

First, let's set the table stakes.

The unavailability of talent and skills is only the biggest threat to our businesses, according a recent PwC CEO Survey.

Why is talent so important?

"Superior talent is up to eight times more productive," wrote McKinsey Senior Partners Scott Keller and Mary Meaney in their book Leading Organisations. "It's remarkable how much of a productivity kicker an organisation gets from top talent. A recent study of more than 600,000 researchers, entertainers, politicians, and athletes found that high performers are 400% more productive than average ones.

"Studies of businesses not only show similar results but also reveal that the gap rises with a job's complexity," Keller and Meaney wrote. "In highly complex occupations — the information- and interaction-intensive work of managers, software developers, and the like — high performers are an astounding 800% more productive.

"Suppose your business strategy involves cross-functional initiatives that would take three years to complete," they wrote. "If you took 20% of the average talent working on the project and replaced it with great talent, how soon would you achieve the desired impact? If these people were 400% more productive, it would take less than two years; if they were 800% more productive, it would take less than one. If a competitor used 20% more great talent in similar efforts, they would beat you to market even if they started a year or two later.

"You get even more remarkable results comparing the productivity of the top and bottom 1%," wrote Keller and Meaney. "For unskilled and semi-skilled jobs, the top 1% are three times more productive; for jobs of middling complexity (say, technicians and supervisors), 12 times more. One person in the top 1% is worth 12 in the bottom 1%. For high-complexity jobs, the differential is so big it can't be quantified."

The late Steve Jobs put it succinctly: "Go after the cream of the cream. A small team of A+ players can run circles around a giant team of B and C players." There's not much disagreement about the benefits of hiring the best and the need to do so.

Incredibly, there is also almost universal agreement that we aren't doing a good job.

Despite the acknowledged importance of top talent, "a whopping 82% of companies don't believe they recruit highly talented people," wrote Keller and Meaney. "For companies that do, only 7% think they can keep it. More alarmingly, only 23% of managers and senior executives active on talent-related topics believe their current acquisition and retention strategies will work."

As we all know, it's not easy.

In many countries around the world, unemployment is low and the people with the skill sets we need are, in many cases, already working for a competitor or in a related industry or at a high tech company.

How do we entice them to our media company, especially with the relentlessly negative press our industry has been getting for two decades?

HOW TO RECRUIT WOMEN

It's a very safe statement to say that most of us do not have enough diversity in our staff, most universally with an under-representation of women. Here are some tips on recruiting women from Sarah O'Brien, head of global insights at LinkedIn, writing in *The Harvard Business Review* in late 2019:

1. **Make job postings more inclusive. Focus job descriptions on the expectations of the role. Remove language like "rock star" and "ninja" that tends to alienate female applicants, and use more straightforward job titles and descriptions. In our Language Matters Report, we found that 44% of women would be discouraged from applying to a job if the description included the word "aggressive."**
2. **Share stories of women who are succeeding across all levels of your organisation. When women see themselves represented in your firm's recruiting collateral, they're more likely to apply.**
3. **Post salary ranges for positions. When an employer is upfront about salary transparency and shares salary ranges, it's a signal that they are committed to fair pay.**
4. **Highlight your flexibility: Our Language Matters Report also found that jobs that promoted flexible work, working from home, and additional medical benefits were the most popular among women.**
5. **Expand your early-in-career talent funnel. Blizzard Entertainment, the video game publisher behind World of Warcraft, increased its number of female interns by 166% by reaching out to on-campus women-led groups such as the "Women in Computer Science" club.**

HOW TO SET UP A MENTORSHIP PROGRAMME

"A clear career path is important but so is the idea that the company you are working for is invested in your professional growth and development," wrote Jami Oetting, Senior Manager of HubSpot's Multimedia Content Strategy Team. "When you have a mentor who is removed from judging your performance, it makes it easier to ask those questions, vent about small things, and open up about fears, worries, and the inevitable stumbles.

"By pairing a person up with someone from another department or team, you are exposing the employee to new knowledge about the way the business is run, people with different ideas and perspectives about the industry, and new opportunities," she wrote. "This is especially important for people who may love the company but have found out that they are just not passionate about their current position." Here are her tips:

1 MATCH PEOPLE BY INTERESTS OR WHAT THEY WANT TO ACHIEVE

2 DON'T FORCE IT, BUT MAKE IT SERIOUS
Don't make the mentorship mandatory but insist that mentors and mentees make a commitment. Have them sign a "contract" that states that they will make the programme a priority and honour their commitments to one another.

3 EMPOWER THE MENTEE TO TAKE CHARGE
The mentee should be responsible for setting the time and date of the meetings. Give each mentee a Starbucks coffee card so they could be seen as the one "taking out" their mentor.

4 CREATE STRUCTURE, BUT NOT TOO MUCH
In the contract, set up expectations (eg, meet once a month for a year). Also make sure the meetings take place off-site.

5 ALLOW FOR REVERSE MENTORING
Mentoring isn't just for new or young employees. Marla Kaplowitz, CEO of leading agency MEC North America, wanted to connect with today's tech-savvy generation to better understand how they are truly using and connecting with new and emerging tools and technology. She joked that her mentor would have to be open to "teaching an old dog some new tricks." Getting senior leadership involved in any type of formal programme shows the team that this is a priority for the agency and that there is no end to learning and professional development for employees.

We must make our companies appealing places to work. We must remake our company's culture to be employee-focused. And then, we must market the hell out of that to attract the people we want. "Good help isn't hard to find when top talent looks for you," wrote business author Jim Molis in the US-based Business Journals.

That top talent is looking for very specific characteristics and opportunities in the company they would consider joining: A mission they can believe in, a positive culture, stimulating challenges, professional growth, mentorship, competitive pay, rewards for excellence, advancement opportunities, flexible work hours and locations, and more.

"Benefits, location and commute time are increasingly important factors," CareerBuilder CEO Irina Novoselsky told The Business Journals. "To attract and retain talent, hiring managers will need to meet workers' hiring, on-boarding and career expectations, and provide the perks, work-life balance and career advancement opportunities they demand."

This is information about your company that shouldn't take a job interview to discover. You must promote your culture on your website and on social media platforms, using it as a magnet for people looking for great places to work. This takes time and a strategic approach.

Here is a multi-step process to spread the word about your terrific company:

1. MAKE SURE your company's mission and values are appealing, clear, and easily discovered

"Candidates have a better time assessing their fit when you're clear with your employer brand and values from the outset," Talent Management Director Kim Stewart of the First Citizens Bank told The Business Journals. "Employees feel more engaged and are more likely to flourish when their values are aligned with those of their employer."

Your mission, and how it impacts customers and employees, should be front and centre on your website. How does your mission come alive for staffers day-in and day-out? How does it challenge them professionally? Demonstrate how you practise your mission in how you treat your employees.

2. CREATE AN employee-focused culture, emphasising individual growth, flexibility

Employees want to be at a company where their work is appreciated and they can make a difference, where their professional growth is actively enhanced, where their work schedules and locations are flexible, where work-life balance is valued, where they are paid competitively, where benefits enhance their lives, and where they have the opportunity for promotions and professional growth.

A recent study by talent mobility solutions company RiseSmart found that 84% of employees would consider leaving their current job to move to an employer with a fantastic reputation — even if the salary bump wasn't that big.

Another study found 80% of candidates would choose an employment offer with more flexibility, according to the International Workplace Group.

"That's a big number, and this is a big advantage for recruiters," wrote John Dawson, Director of Sales at recruitment tech firm Ideal. "They need to find ways to offer flexibility in different situations: Multiple young children (start/end times for work might need to be adjusted); ageing parents (same, with more remote flexibility); and remote work in general.

"If your HQ is in Toronto but the best person for your team is in Denver and they can't move right now, you should still find a way to bring them into the team," wrote Dawson. "Don't sacrifice candidate quality simply because of flexibility or location needs. We have enough technology — think about just Skype or Zoom — where these things can be managed successfully."

Hiring candidates with non-traditional educational backgrounds has also become increasingly common, Amy Warner, director of talent acquisition at recruitment software company iCIMS, told the Society of Human Relations Management (SHRM). "Recruiters are considering things like self-education, online schooling, certification programmes, and work experience when identifying potential employees. Employers are also investing in more training programmes to groom their own employees to have the skill sets needed to tackle jobs of the future."

3. GET YOUR best ambassadors involved in recruiting: Your employees

From a job-seeker's point of view, the best referral about a company is from a trusted source: A friend or an employee inside an organisation.

You can ensure that your staff are great

THE IMPACT OF GIVING EMPLOYEES REGULAR FEEDBACK

- **39% of employees report they don't feel appreciated at work**
- **15% lower turnover rates in companies that have regular employee feedback**
- **Employees are 30 times more likely to be actively engaged at work when managers focus on their strengths**
- **Four of 10 employees are actively disengaged when they receive little or no feedback**
- **43% of highly engaged employees receive feedback at least once a week**
- **65% of employees said they wanted more feedback**
- **Only 58% of managers think they give enough feedback**
- **Almost 70% of employees say they would work harder if they felt their efforts were better recognised**

Source: Workforce management company OfficeVibe

13 KEY RETENTION STRATEGIES

1 START WITH A SMART ON-BOARDING PROCESS

From their very first day, set up your new hires up for success with a thorough, well-planned on-boarding process. "Make sure that you aren't just teaching the new hire about their job role and responsibilities," said Rea Regan, Marcom Manager at employee management company Connecteam. "It is just as important to teach them about the company culture and how they can thrive every single day. Lay out goals for them, for their first week, first month, first three months, first six months and their first year. Make sure they have every opportunity to talk with you about questions or issues they have, set them up with a mentor." Patriot Software CEO Mike Kappel on Forbes.com wrote: "Done well, on-boarding can increase your employee retention rate. Done poorly, on-boarding can result in employees quitting within six months of starting."

2 CREATE A MENTOR PROGRAMME

"Pair a new hire with a seasoned employee to ensure the greatest chance of employee retention," wrote Regan. "Your veteran employee will act as their best resource and vice-versa. The new hire can offer fresh eyes and a new perspective on how things are done. However, make sure the mentor doesn't act like a supervisor. Instead, they are there for new hires to lean on, to be a sounding board, and to welcome them to the company culture."

Mentor programmes have a quantifiable impact on retention. A study by mentoring software company MentorcliQ found a 13% retention increase among employees who have participated in just one mentoring relationship. "Bump that up to two mentoring relationships and retention increases by 18%," said MentorcliQ Senior Success Coach Nate Ward. "Of employees with two years or less at their current organisation, the turnover rate for those without a mentor is 26%, but for new employees with a mentor that number drops to 8%."

3 PROVIDE THOUGHTFUL, PROFESSIONAL FEEDBACK ON A REGULAR BASIS

A Society for Human Resource Management survey of managers found that only 2% were providing quarterly or ongoing feedback to employees. People crave feedback, and they need it more than once or twice a year. They want recognition of their efforts and advice on how to improve. (See sidebar on the impact of feedback.)

4 FOCUS ON THE 5% WHO DELIVER 95% OF THE VALUE

Some employees disproportionately create or protect value. In a world of constrained resources, companies should focus their efforts on the few critical areas where the best people have the biggest impact.

5 CREATE AN EMPLOYEE VALUE PROPOSITION (EVP)

An EVP is what employees get for what they give. What do you expect them to "give" in terms of time, effort, experience, ideas. What will they "get" in terms of tangible rewards, the way leadership helps employees, and the substance of the work. "If your EVP is truly stronger than the competition's, you will attract and retain the best talent," wrote Keller and Meaney. "But for three reasons, few companies have EVPs that meaningfully help them win this war:

1 The EVP is not distinctive: Stand out for something. Be unique in some way that reflects your special mission and your culture.

2 The EVP is not targeted: While it's great to have an overall EVP, it's most important to have a winning EVP for the 5% of roles that matter most. If, for example, data scientists are hugely important, you'll want an EVP that lets them invent things, offers a clear, rapid career progression, and helps them have a big impact.

3 The EVP is not real: "An attractive EVP cooked up by HR and pushed through PR used to help secure the best talent," wrote Keller and Meaney. "In the long term, however, this was always a losing proposition, since great people would quickly become disillusioned if the reality didn't measure up."

6 SHUT UP AND LISTEN. REGULARLY.

"We surveyed 13,551 employees for our 2020 Global Employee Experience Trends report and found that regular listening has a huge impact on employee engagement and employee retention," wrote Catherine Thurtle, a content strategist for experience management company Qualtrics. "For example, engagement rises to 61% for those whose company has a feedback programme, compared to 45% for those without."

➔

Gaining engagement through listening pays big dividends: Highly engaged employees are 87% less likely to leave their companies than their less engaged counterparts, according to Qualtrics.
"If you wait until an exit interview to find out why a valuable employee has decided to move on, you've missed a golden opportunity — not just to keep a productive member of your team but to identify and fix issues within your organisation before you lose others," wrote Rea Regan, the Marcom Manager at Connecteam. "Instead, touching base with employees about what motivates them while they're still on staff is part of a key strategy in gaining an edge in today's tight talent market: employee retention."

7 BUT ACT ON THE RESULTS OF LISTENING, OR ELSE...

"Don't bother asking for feedback if you're not going to analyse and act on the results," wrote Thurtle. "That can cause more harm than not asking at all. Why? Because then you're not really listening. "Your people will soon lose faith with the process if they don't see changes being implemented," she wrote. "There's very little in (and out) of the workplace that is as demoralising as being ignored."

8 IT'S NOT ABOUT ALL THE PERKS, BUT THE RIGHT ONES

Don't presume to know what perks your people want. Use the listening sessions to find out, and then try to offer the right ones. Doing that enables you to save money on under-utilised benefits AND create a better employee experience.
According to a study by LinkedIn, employees actually care most about healthcare coverage, PTO (paid time off), and flexibility. You could also offer working remote options, unlimited paid time off, help with daycare expenses, or time-shifting as a policy.

9 HELP YOUR PEOPLE GROW; PROMOTE FROM WITHIN

Ninety-four per cent of employees would stay at a company longer if it invested in their careers, according to LinkedIn's 2018 Workforce Learning Report. For 86% of millennials, offering career training and development would keep them from leaving, according to a survey by employee development company Bridge.
The number one driver of employee engagement is having opportunities for growth, according to the Qualtrics 2020 Global Employee Experience Trends report.
"Promoting from within not only provides a clear path to greater compensation and responsibility, it also helps employees feel that they're valued and a crucial part of the company's success," wrote Regan.
High-skills training and professional development programmes to hone soft skills are perceived among the top benefits for retaining employees' services over the next five years, according to research from the Consumer Technology Association.
"Whether by corporate training to help foster the acquisition of new skills, new technologies or new processes, or through tuition reimbursement for outside courses, furthering your employees' education can help them feel valued and invested in the company," Dan Pickett, CEO of managed services firm Nfrastructure, told Qualitrics.

10 BE MORE FAMILY FRIENDLY

If we are not family friendly, we are driving away people who could make a difference. For example, "43% of highly qualified women with children are leaving careers or off-ramping for a period of time," according to Facebook COO Sheryl Sandberg in her best-selling book Lean In. Many never return from maternity leave because their companies do not offer flexible work environments or on-site daycare facilities.

11 REGULARLY LOOK AT YOUR PAY RATES V. OTHER MEDIA COMPANIES

No matter how gung-ho your employees may be, they still want to be paid fairly. Only one in five employees feels like they are fairly paid, according to a study by compensation software and data company PayScale. The irony is that "ultimately it could cost you more to find another employee than it would to simply give them a pay raise," according to Thurtle. "Not to mention the knowledge drain that comes with losing a valuable employee."
To ensure your salaries are competitive, use third party data to get market rates in each speciality and compare them what you're offering. Also, watch out for gender pay gaps.

12 ENCOURAGE A WORK-LIFE BALANCE

"We recommend taking feedback and suggestions from staff regularly to find out what matters to them most, and what's negatively (and positively) affecting their work-life balance," wrote Thurtle. "As well as collecting ideas, you can measure staff responses against indicators of employee experience like intention to stay and eagerness to go to work each morning. Doing this will point towards the deeper relationships between work-life-balance factors."

13 START PROJECTS WITH "STOP"

One of the speediest ways to depress morale and push employees toward the exit door is to pile new projects on top of old ones without removing any existing responsibilities.
"There is no better way to crush the spirit of innovation than to bring together a group of creative thinkers, turn them loose to brainstorm, allow them to become excited about implementing some of these innovations ... and then require them to add new projects to their existing workloads," wrote Frank Mungeam, a professor at the Knight-Cronkite News Lab at Arizona State University.
"There is no 'free time' today. Adding new activities without eliminating other tasks is a surefire way to sabotage a promising innovation," he wrote. "That's why smart managers start their innovation process by brainstorming a 'Stop Doing' list before they generate a 'Start Doing' list," wrote Mungeam. "They create capacity for innovation first. "The 'Stop Doing' list should include its best friend and neighbour, the 'Do Differently' list". "Together, they offer a potent path to creating capacity for new innovation."

HOW TO CREATE AN EMPLOYEE REFERRAL SYSTEM

An employee referral programme can be a superior recruiting tool: referred candidates are typically cheaper and faster to hire and stay at their jobs longer than traditional hires, according to global hiring platform Workable.
How do you set up an employee referral program? Here's what Workable recommends:

1 EXPLAIN OPEN JOBS AND THE REQUIREMENTS
Employees don't know what jobs their companies are looking to fill and what the requirements are. Include links to job descriptions when sending emails asking for referrals.

2 KEEP EMPLOYEES UPDATED
Employees who refer candidates expect to receive updates on the process. Not hearing back can make employees reluctant to refer again, which undermines your employee referral programme. Let employees know what's happening at every stage. When a referred candidate isn't selected for an interview, send the referrer a thank-you email anyway. Encourage him or her to keep looking for great people. That way employees won't feel under-appreciated.

3 OFFER A MIX OF MONETARY AND NON-MONETARY INCENTIVES
Money is a popular incentive, but offering an experience (eg trips, vouchers, gifts) can better market your employee referral programme. And some of these incentives, like time off and gift vouchers, are less expensive than cash awards. Give higher rewards for harder-to-fill positions. Offer a flat amount for each referral and then offer more if referred candidates get interviewed, get hired or stay at your company for at least six months. Pay some of the bonus after the new employee has been on board for six months or a year.

4 ACKNOWLEDGE GOOD REFERRERS
In addition to rewards, publicly recognise effective referrers. If one employee has referred 10 people in the past three months, six of whom were hired, you've got a star referrer on your hands. Make sure they know you appreciate their effort. Any acknowledgement, ranging from an award to public praise from the CEO, can be meaningful. Make these acknowledgements a codified part of your referral programme policy.

5 ENHANCE USER EXPERIENCE IN YOUR JOB APPLICATION PROCESS
Your referral process shouldn't be lengthy, complicated or require lots of clicks. Otherwise, you risk driving referrers away. Use a referral software program or platform that allows hiring managers and recruiters to send requests for referrals for particular positions. Some referral software systems enable employees to share open positions with their social network.

6 EXPERIMENT WITH REFERRAL TACTICS
Survey employees to find out what prompted them to refer (or not refer) and what suggestions they have to improve your referral programme. A successful referral programme continues to adapt by making use of a variety of initiatives.

referrals for potential hires by fulfilling task #2: Creating an employee-focused culture.

In fixing or enhancing your culture, you will not only be making your company more attractive to potential key hires, but you will also be making your existing employees happier. Happier employees usually stay longer and help you attract the best new hires by showing them that they could be happy there, too.

If your staff is happy, they might also be willing to be brand ambassadors and recruit new staff, especially if you show appreciation for their efforts with recognition of some sort, up to and including signing bonuses.

So, before posting your position on job sites and thus opening the floodgates to countless unqualified applicants whose paperwork will consume your HR department's valuable time, tap in to your company's built-in chain of connections: Your staff.

Create "recruitment cards" touting the company's attractive culture and the benefits of working there, and hand them out to staffers along with the promise of some sort of reward for steering candidates your way (a cash bonus, gift cards, extra time off, etc.).

TEN HUMAN ANALYTICS TOOLS

Whatever Human Capital Management (HCM) system you have should control the trinity of talent acquisition, management, and optimisation — and ultimately, multiple mission-critical performance outcomes, according to HRTechnologist.com. Choosing the right solution for your organisation is essential. Here is its line-up of ten HCM systems to consider:

1 erecruit *A comprehensive search and analytics tool*
Plugs into a variety of popular job boards. Processes data from thousands of job boards and companies to share vacancies right into employees' inbox. Claims that it drives placement by up to 30%. Offers automated reporting and extensive customisation.

2 Phenom People *End-to-end recruitment experience management with robust analytics*
Data on candidate, employee, recruiter, and manager experience. Experience-centric perspective. Native artificial intelligence capabilities, including a bot for assisted hiring. In-depth recruitment insights — real-time data, drill-down capabilities, and ROI evaluation.

3 Yello *Data analytics to help understand candidate expectations*
Tools to optimise recruitment processes at the candidate sourcing, engagement, and completion stages. Different business use cases. Essential KPIs. Centralised repository of recruitment-related information. Optimised for mobile.

4 Saba *Recruitment analytics for your unique industry*
Variety of industry types. Real-time insights. Fully configurable dashboards. Customised data sources and reporting fields. Trend identification, multi-device access, third-party connectivity, automated reporting features.

5 IBM Watson Recruitment
The power of AI meets recruitment analytics
An industry leader. Focused on diversity and inclusion. Analytics detect bias in hiring process. Predicts the success rate for a candidate profile. Prioritises job requisitions based on urgency.

6 Bullhorn Canvas *An advanced reporting and insight generation tool for recruiters*
Applicant tracking, executive search, candidate relationship management, and on-boarding. Build any report/dashboard you need. Reports easy to share.

7 Talismatic *Competitor hiring analysis to gain a market advantage*
Offers what your competitors are doing. Trending cities, hiring cycles, and the quality of candidates hired by industry peers can provide valuable insights into where your organisation stands on the hiring efficiency curve. A dedicated data analytics solution for recruitment. Not an add-on to 360-degree hiring software. Assess historical recruitment performance. Identify the right cities, job boards, and universities most likely to deliver high-quality talent. Dashboard gives historical insights on past hiring cycles, zeroing in on underachieving posts and overlong closing times.

8 Kallidus Recruit *Recruitment software with analytics at every step*
For in-house recruitment teams.The recruitment journey from application to on-boarding. Automates the admin-heavy parts of the journey. Shows data on active requisitions, available candidates, and closed requests. Also succession planning, targeted content, learning management, and performance reviews.

9 SmashFly Recruitment Analytics *Data analytics for business users*
Minimalist dashboards with clear insights. View the ROI after every candidate journey. Predictive analytics to measure the health of your talent pipeline. Direct correlations between candidate personas and specific job boards.

10 TalentLyft *Deeper insights on recruiting campaign performance*
Identifies which campaigns and recruitment marketing tactics are the most successful. Support for inbound and outbound channels. Performance metrics on email campaigns, conversion tracking, and historical data analytics. Analyses your careers site with top-performing pages, call-to-action effectiveness, etc.

You could also expand your social footprint and get your brand in front of the right talent through content shared by your employees on their own social accounts. "Mobilise your employees into an army of brand ambassadors," said Allison Kruse, social media director at staffing and solutions firm Kforce. "Consistently deliver content to them in a format that is easy for them to share with their networks. And when employees share content with their networks, they are shaping the perception others have about you as an employer. It will not only exponentially increase your company's digital footprint, but the content will also perform better because people tend to trust their peers over brands."

The unspoken and powerful filter in this approach is that no staffer is going to recommend someone who will make them look bad. Everyone will know who recommended the candidate and it's their reputation on the line.

"A downside to referrals, of course, is that they can lead to a homogeneous workforce, because the people we know tend to be like us," wrote Wharton's Cappelli. "This matters greatly for organisations interested in diversity."

MARKETING YOUR COOL NEW COMPANY CULTURE

Now that your company is irresistibly attractive, it's time to market yourself, whether you're in the market for new staff or not (actually, you should ALWAYS be looking for great people to build your portfolio of candidates so you're not scrambling at the last minute and risking having to settle for less due to the pressure of time).

But you're not going to start by taking out ads or doing any other traditional marketing.

"With more open jobs than people to fill them and the market at near full employment, recruiters are finding new ways to reach candidates where they are — whether that's on Instagram or via text," recruiting software company Jobvite VP/Marketing Matt Singer told SHRM.

"Employers are creating new roles dedicated to recruitment marketing to effectively promote their culture and values and attract well-fit candidates because recruiting is harder than ever before," Amy Warner told SHRM.

"The candidate journey is influenced at every stage by marketing strategies — search engine optimisation, landing page conversion optimisation, digital marketing, content marketing, social media engagement, reputation management," Lori Sylvia, founder and CEO of Rally Recruitment Marketing, told SHRM. "Recruiters [in HR departments] who fall behind in using digital and social strategies are going to get left behind, not to mention put their employers at a huge disadvantage in the competition for talent."

The top ways companies grow employer brand are through social media (47%) and their careers sites (21%), according to the most recent Recruiter Nation Survey from recruiting tech company Jobvite. LinkedIn is the most used channel for recruitment efforts, used by 77% of respondents (down from 92% in 2017 with more companies using other sources like Instagram), followed by Facebook (63%).

"Recruiters are turning to social media platforms where they know potential candidates are more active," Jobvite's Matt Singer said. "This might explain why more recruiters are turning to Facebook and Instagram. Instagram's popularity with job seekers is increasing its use with recruiters, especially millennial recruiters and those working at technology companies."

WHAT ARE YOU PUTTING ON YOUR WEBSITE AND ON SOCIAL MEDIA?

"Content has the power to help potential candidates decide whether or not they are a fit for your company," said Kforce's Kruse. "Candidates are savvy internet researchers and use a number of sources when searching for jobs and evaluating potential employers."

"By strategically creating and curating content that maps to every stage of the candidate journey, you can answer their questions, provide an inside view into your organisation, tell true stories, and more," Kruse said.

"Companies with a competitive advantage are sharing compelling content (not just posting jobs) that adds value — including why working at their organisation is different from working at similar companies, which helps guide a candidate's decision to apply or accept an offer," Kruse explained. "Content can make or break your talent attraction strategy."

But social media is not the end of what you need to be doing differently in marketing your company to potential hires.

"If you're not leveraging technology and in-

WITH MORE OPEN JOBS THAN PEOPLE TO FILL THEM, RECRUITERS ARE FINDING NEW WAYS TO REACH CANDIDATES WHERE THEY ARE — WHETHER THAT'S ON INSTAGRAM OR VIA TEXT."

Matt Singer Jobvite VP/Marketing

CRITERIA FOR A HUMAN ANALYTICS SYSTEM

Any HR analytics solution that will be used at scale must have certain components, according to HRTechnolgist.com. Here is its list of key features of an HR analytics solution:

1 Answer the business questions the C-suite asks. Choose a unified solution that can assess multiple metrics to answer each business question.

2 Easy to use by individuals who are not data scientists.

3 Cloud-based rather than on-premise.

4 Powered with statistical analysis and machine learning technology. This allows the technology to learn and reason autonomously, revealing insights that data scientists can then analyse.

5 Based on predictive analytics. Ability to extract information from existing data sets to determine patterns and forecast future outcomes.

6 Powered with visualisation technology. Allows for better understanding of trends and events.

7 Available through a subscription model. They allow you to easily access the latest upgrades and eliminate the significant upfront expense of purchasing an analytics solution.

novation in your talent acquisition strategy, you risk being at a competitive disadvantage," said Karissa Sachs, VP/Digital Strategy at Kforce. "Pixels, chatbots, AI — oh my! In theory, it's quite simple; how can you get in front of the right candidates, at the right time, with the right message and make it easy for them to apply? Technology will continue to answer this question."

THEN YOU'VE GOT TO MAKE YOUR MARKETING PERSONAL

Once you've identified the best places to go looking for talent, start personalising your campaign, to the point of creating personas to guide your content creation team.

"In-demand candidates are beginning to expect a unique and personalised recruiting approach," said Sachs. "This means that recruitment will have to evolve from a transaction-driven activity to a relationship-building process with an emphasis on providing a highly customised candidate experience.

"Similar to how marketers use buyer personas as a representation of a business's ideal customers, recruiters and talent acquisition professionals can create candidate personas to develop a strategy focused on exactly who you need to hire," said Sachs.

"From there, a highly targeted recruiting strategy can be developed to identify, recruit and motivate these individuals," Sachs explained. "What type of content will best resonate with them? How can the job description be optimised to increase application conversion rate? What does their digital footprint look like so that you know where to advertise?"

Using data about your own and other professionals in different skill areas, you can include the unique interests typical of these target groups in your recruitment campaign. "A leading IT company once told me that one of their most successful recruitment ads for software engineers called for people who 'could pull the ears off a gundark' — an obscure Star Wars reference they knew would resonate with their target group," said Richard Mosley, VP of Strategy at global talent research firm Universum. "These persona-oriented profiles make it easier to market content to specific target groups, and help you find the right talent."

TRY TEXTING (SERIOUSLY!)

Everyone in the hiring process appreciates speed: Speedy applications. Speedy replies. Speedy updates. Speedy decisions. There is nothing more speedy than texting. Forty-three per cent of recruiters responding to a Jobvite survey said they have texted candidates and applicants, and 88% report positive feedback from job seekers.

"Recruiters and job seekers both value their time, so the need for faster hiring has made text messages and chat even more important than the traditional communication channels like e-mails or phone calls," Warner said.

Meghan McFee, a manager and recruiter for staffing firm WinterWyman's technology division, slowly began using texts a few years ago, but the option has since become indispensable since her company implemented a texting platform that integrates with her business phone and applicant tracking system.

"It's been terrific for scheduling and quickly getting in touch with people," McFee told SHRM. "Especially for candidates who are working, it can be very effective in getting a faster response, and it's gotten great feedback from our recruiters." Before texting candidates the first time, you should ask permission, she cautioned.

DEFENSIVE MARKETING: WATCH YOUR BACK BY MONITORING (AND NURTURING) REVIEW SITES

In this super-connected world, part of your brand building (or brand destruction) is happening without any input from you... unless you decide to be proactive.

While you're busy marketing your company's cool new culture on Facebook, LinkedIn, and Instagram, your target candidates are cruising anonymous employer review sites to see what life is like inside your company.

Seventy-five per cent of recruiters told Jobvite that Glassdoor reviews are very or somewhat important in the hiring process. "While consumer brands quickly realised the power of reviews as either third-party endorsements or sound chambers for services and product features that needed fixing, employers have been a little slower to adopt this mindset," Christopher Kurtz , CEO of employment brand PeerThru, told SHRM. "This can be especially true in companies that are run by executives who are not digital natives and have yet to fully realise the value of the insights and feedback being delivered for free."

Third-party sites like glassdoor.com now offer staffers, former staffers, and job applicants the opportunity to rate your company on all sorts of criteria, from overall reviews to specific topics such as salaries, benefits, and job interviews. Employees or former employees get to give your company a star ranking (from 1-5), rate the CEO, and answer the question: "Would you recommend the company to a friend?". The respondents range from entry-level to top management. Applicants get to rank the interview process. The results are revealing and, too often, disturbing and damaging.

Here are some random examples of Glassdoor rankings of several publishing companies (these numbers were gathered in late December 2019):

GLASSDOOR.COM COMPANY RATINGS

COMPANY	Overall Rating (1-5)	Approve of CEO	Recommend to a friend	Negative or neutral job interview
Conde Nast U.S.	2.8	70%	36%	52%
Meredith Corp. U.S.	3.1	67%	48%	49%
Hubert Burda Germany	3.2	93%	36%	25%
India Today India	3.2	100%	68%	44%
Editora Abril Brazil	3.2	No ratings	62%	26%
SCMP Hong Kong	3.6	74%	48%	25%
Dennis Publishing UK	4.0	97%	61%	31%
Bonnier Corp. Sweden	2.5	45%	34%	27%
Mondadori Italy	2.8	31%	37%	67%
TVA Publications Canada	2.3	14%	20%	50%
Bauer Media Germany	3.2	47%	52%	26%

Would you agree that all but a few of those companies have a problem? If you were approached by a recruiter to work at one of the companies where only 34-37% or just barely 50% of the staff reviewers would recommend the company to a friend, would you even bother with an interview? Those companies might be doing a slam-bang marketing job and spending a good deal of time and money on a branding campaign to convince potential employees what a great place it is to work. But all that work is eviscerated by these ratings, cutting the legs right out from under any PR campaign.

It's not all bad news: Those rating numbers aren't just static grades with no context. Each current or former staffer or job candidate who writes a review ends it with a list of pros and cons, followed by their "Advice to Management". Sure, some are negative and nasty, but some suggestions are solid and give managers a clear picture of how they could improve their culture, conditions, benefits, training programmes, communication, etc. Free advice!

So, if you aren't aware of these sites, you could be getting stabbed in the back, undermined by unhappy employees or scorned applicants, and not even know how badly your marketing efforts are being torpedoed. (See sidebar on "Employee review sites you need to know about".)

HOW DO YOU WATCH YOUR BACK?

PeerThru's Kurtz suggests the following four-step process:

1. Follow your profiles on Glassdoor, Indeed etc. and sign up to receive notifications of reviews as they come in.

2. Develop a plan for responding to reviews both internally and externally. "Having a plan helps take the guesswork out of which reviews need to be triaged immediately and by whom, and which are OK to let simmer," Kurtz said. "And remember, if people outside of your company are reading reviews, your employees are likely reading them as well."

3. Encourage more reviews by addressing and responding to them, not just by asking for them. "Blanketing the company with a request for reviews is not a good idea," Kurtz said. "People by nature are suspicious. Asking for specifically positive reviews is fundamentally flawed." You could talk to your employees about how valuable those reviews can be for potential new hires and suggest that if they are comfortable adding their reviews, you'd appreciate it.

4. Other traps include trying to respond to every review or engaging in shady practices for gathering reviews. "Don't offer bribes for positive reviews," Kurtz said. "Along those same lines, do not pay a third party to write positive reviews for you."

ONE OF THE FASTEST-GROWING TRENDS IN THE HR WORLD TODAY IS KNOWN AS "PEOPLE ANALYTICS"

HUMAN ANALYTICS: WHAT ARE THEY AND HOW SHOULD YOU USE THEM?

One of the fastest-growing trends in the HR world today is known as "people analytics," or the data analysis techniques applied to understanding and improving processes that affect employees, job-seekers, performance management, and everything human capital, wrote Isabella Lazzareschi, Content and Managing Editor at education tech company Degreed.

"When specifically applied to hiring, people analytics can help save you money, increase efficiency, and cut down on wasted time on recruitment efforts," she wrote. Here is her list of what human analytics can do for a company in terms of recruitment alone:

- Assess which talent pipelines are most successful, so you can appropriately allocate spending to optimise successful recruitment
- Identify recruitment cycles to help determine when to spend money actively searching for candidates and when to slow down
- Analyse market rates to remain competitive in recruiting and retaining top talent
- Keep a pulse on your current employees to examine racial, ethnic, and gender diversity in your existing workforce to ensure you're offering equal opportunities to all

"When applied to the hiring process, data analytics can remove human biases by isolating objective traits in applications and identifying candidates with appropriate backgrounds," wrote Lazzareschi. "And beyond just minimising prejudice, proper analysis tools can actually promote diversity within your company by finding applicants with appropriate skill sets, but atypical backgrounds or work experiences. This is along the lines of hiring for a 'culture-add' rather than a 'culture-fit', but using more direct techniques to ensure you're finding the best candidate for the job."

WHAT'S CAUSING THE RISE IN THE USE OF DATA ANALYTICS?

The rise in the use of analytics has been caused by three main factors, according to Ideal, an artificial intelligence-focused talent system company:

1. Improvements in technology and software has caused an explosion in data and data analytics. This adoption has been seen recently in the transformation of sales and marketing departments.

2. The need for measurable outcomes: HR departments are increasingly being asked to justify their decisions based on measurable outcomes. This has led to the push for business decisions to be made based on analytics and data rather than just using gut instinct and subjective judgment.

3. The stunning rise in the collection of staff data: Most HR departments are sitting on mountains of data about their employees including demographic data, performance data, job history, compensation, and training. Until recently, this data had yet to be effectively and strategically leveraged.

THREE MAIN TYPES OF TALENT-RELATED DATA THAT CAN BE ANALYSED, ACCORDING TO IDEAL, ARE:

1. People data such as demographics, skills, and engagement.

2. Programme data such as attendance, adoption, participation in training and development and leadership programmes, and outcomes of key projects and assignments.

3. Performance data such as performance ratings and data captured from the use of instruments such as 360 assessments and succession programmes.

"Recruitment analytics is defined as the use of statistical models to make sense of the vast amount of data collected across the hiring process, enabling meaningful data-driven recruitment," according to HRTechnologist.com.

FIVE QUESTIONS TO ASK AT A "STAY" INTERVIEW

If you are doing what we suggested earlier (holding regular small-group and one-to-one "listening" sessions), one of those sessions should focus on how to get the employees you want to keep to stay. Here are questions that could help you make that happen from Catherine Thurtle of experience management company Qualtrics:

1 Which aspects of your job make you eager to come to work each day? Which aspects do you not look forward to?

2 How well do you believe your talents are being utilised? What skills do you possess that you feel aren't being utilised?

3 What are you career aspirations? How are we doing in helping you accomplish them here?

4 Have you ever thought about leaving the company? If so, what caused you to consider leaving? Why did you decide to stay?

5 What are the biggest challenges you face? Is there anything you'd like to change about your job? Are there things you would like to change about your team or department?

"You could have historical analytics (generating insights from past data), real-time analytics (in the moment notifications and alerts), predictive analytics (measuring future possibilities), and prescriptive analytics (suggesting the way forward)," according to HRTechnologist.

Research suggests that most companies are still using inefficient recruitment processes. According to HRTechnologist, data analytics can:

- **Provide valuable insights on which talent sources are performing the best,** the effectiveness of internal versus external hiring, and any preventable costs incurred.
- **Redefine the candidate experience** by pinpointing problem areas and high-performing touch-points along the way.
- **Refine your talent acquisition and recruitment strategy** to the point where each recruitment effort is productive and optimised for measurable results.

Research featured in The Harvard Business Review found that using an algorithm increases the ability of recruiters to find the best qualified candidates by more than 50%.

The benefits of human analytics to recruitment include:

- Reducing time-to-hire by replacing manual processes
- Increasing quality of hire by avoiding unconscious biases early in the hiring process
- Collecting recruiting and hiring data that can be correlated with business outcomes such as increased revenue

"Of course, the final hiring decision will always come down to a human, but data and analytics can save a lot of time by narrowing the field down from maybe hundreds of candidates to the most suitable 10 or 20," wrote business author Bernard Marr on Forbes.com. "This automation of certain processes frees up the HR team to focus on other activities."

Analytics have also shown downstream benefits in HR:

- Attrition rates decreased by 35%
- Performance increased by 20%
- Revenue per employee improved by 4%

It would not be surprising to know that some HR departments resist using data-based recruiting methods for fear of having their expertise questioned.

And there are concerns about the fast-growing field.

"A problem with machine learning approaches is that few employers collect the large volumes of data — number of hires, performance appraisals, and so on — that the algorithms require to make accurate predictions," wrote Wharton School Professor Cappelli. "Although vendors can theoretically overcome that hurdle by aggregating data from many employers, they don't really know whether individual company contexts are so distinct that predictions based on data from the many are inaccurate for the one.

"Another issue is that all analytic approaches to picking candidates are backward looking, in the sense that they are based on outcomes that have already happened," he wrote. "As Amazon learned, the past may be very different from the future you seek. It discovered that the hiring algorithm it had been working on since 2014 gave lower scores to women because historically the best performers in the company had disproportionately been men. So the algorithm looked for people just like them. Unable to fix that problem, the company stopped using the algorithm in 2017. Nonetheless, many other companies are pressing ahead."

Even if you use human analytics (and make accommodations for the above-cited weaknesses), you still need human beings to exercise their judgment and expertise to carefully analyse the data, to put it in the context of the company and the particular job, and then to decide how to use the data. Human critical thought and analysis cannot be replaced by algorithms, just enhanced by them.

YOU STILL NEED HUMAN BEINGS TO CAREFULLY ANALYSE THE DATA

Remember when we talked about crafting your mission and culture statements to make your company appealing to potential recruits. Data can help there, too.

In creating your mission and culture statements, you want to answer the questions:

- What do you want your company to stand for?
- How do you want employees to feel about working for the company?
- What makes you different from other employers?

Once you have your vision, you can use data and analytics to determine if your brand image actually matches the reality of the experience of working at your company.

"You can, for example, conduct sentiment analysis on interview and survey responses and social media posts to establish how successful your employer brand really is," wrote Marr. "Short, anonymous pulse surveys can tell you how likely employees are to recommend the company to others. Crucially, instead of taking the temperature once a year in a big staff survey, or asking the question in exit interviews, pulse surveys allow you to ask employees once a week, one a month or once a quarter to get a stronger sense of how they're feeling throughout the year."

For more help on understanding and using human analytic systems, see the sidebars on "Ten human analytics systems" and "Criteria for choosing a human analytics system".

5 SITES WHERE CURRENT AND FORMER EMPLOYEES RATE YOU

These employer review sites are both a curse and a blessing.
They are a curse because you don't have any control over the content, and because disgruntled employees or former employees can publicly air their grievances, whether they are legitimate or not.
They are a blessing because if you run a truly employee-focused business, your employees will reward you with great ratings, which then serve to attract potential new hires (these sites are one of the first places people go to when they are researching a company to work for or when a company approaches them about a job).
You should subscribe to many or all of these services so you will get notifications whenever a review is posted. With quick notification, you can respond to both good and bad reviews.
Look at these sites as one way of monitoring your performance as a good employer (analysis from FairyGodBoss.com, a women's career site):

1 GLASSDOOR
The best-known website for employee reviews. A huge number of contributors who rate their CEOs, provide open-ended reviews, list pros and cons, and leave advice for management.

2 INDEED
Best known for aggregating millions of job postings but it also provides job reviews, company ranking (a 5-star scale), and pros and cons.

3 VAULT
Famous for its industry rankings based on employee survey answers. Offers access to premium research in exchange for employee reviews with "uppers" and "downers" and comments.

4 FAIRYGODBOSS
Aggregates female employees' job satisfaction. Also whether women think their company treats men and women equally and fairly, and would they recommend their employer to other women.

5 CAREERBLISS
Employee reviews (a 5-star system), and open-ended commentary, scores for company culture, colleagues, working setting, etc.

AFTER YOU MAKE OFFERS, SOLICIT FEEDBACK ON YOUR CANDIDATE'S EXPERIENCE

"Companies that understand the value of soliciting feedback about their candidate experience, know how to quantify and measure it — and perhaps most importantly, to frame their strategy around those insights — will beat their competition in the war for talent," said KForce's Sachs.

"Using tools that produce valuable feedback enables organisations to identify areas of improvement throughout the candidate experience, allowing them to strategise a plan to become an employer of choice," she wrote.

MEASURE, MEASURE, MEASURE... AND ANALYSE

"Few employers know which channel produces the best candidates at the lowest cost because they don't track the outcomes," wrote Wharton's Cappelli. "Monitor recruiting channels and employees' performance to identify which sources produce the best results.

"It's impossible to get better at hiring if you can't tell whether the candidates you select become good employees," he wrote.

You must measure which hiring practices and platforms produce the best employees.

"Why is that not getting through to companies?" asked Cappelli. "Surveyed employers say the main reason they don't examine whether their practices lead to better hires is that measuring employee performance is difficult. Surely this is a prime example of making the perfect the enemy of the good. Some aspects of performance are not difficult to measure: Do employees quit? Are they absent? Virtually all employers conduct performance appraisals. If you don't trust them, try something simpler. Ask supervisors, 'Do you regret hiring this individual? Would you hire him again?'"

"Organisations that don't check to see how well their practices predict the quality of their hires are lacking in one of the most consequential aspects of modern business," he concluded.

RETAINING

It's a human capital double whammy.

In addition to the massive recruitment challenge, media companies are also facing an employee retention crisis.

More employees than ever before are voluntarily leaving their jobs. In the United States, for example, the most workers since 2001 — 3.58 million or 2.4% of the workforce — quit their jobs in July 2019, according to the Job Openings and Labor Turnover Survey. That's almost 115,484 a day. Or almost 4,812 an hour! In the U.S. alone.

What's going on?

At least five forces are at work:

1. A strong labour market. In many countries, there are more skilled job openings than there are people with those skills.

2. Poaching: Census data shows, for example, that the majority of people who took a new job last year weren't searching for one: Somebody came and got them.

3. Employee dissatisfaction: Half of all employees feel like they only have jobs, not careers, and 32% of all employees plan to leave their jobs before the end of 2020, according to a recent CareerBuilder survey.

4. Greater job mobility: Related surveys report that 73% of employees are "thinking about another job" and that 43% were more likely to consider a new one than they had been a year earlier.

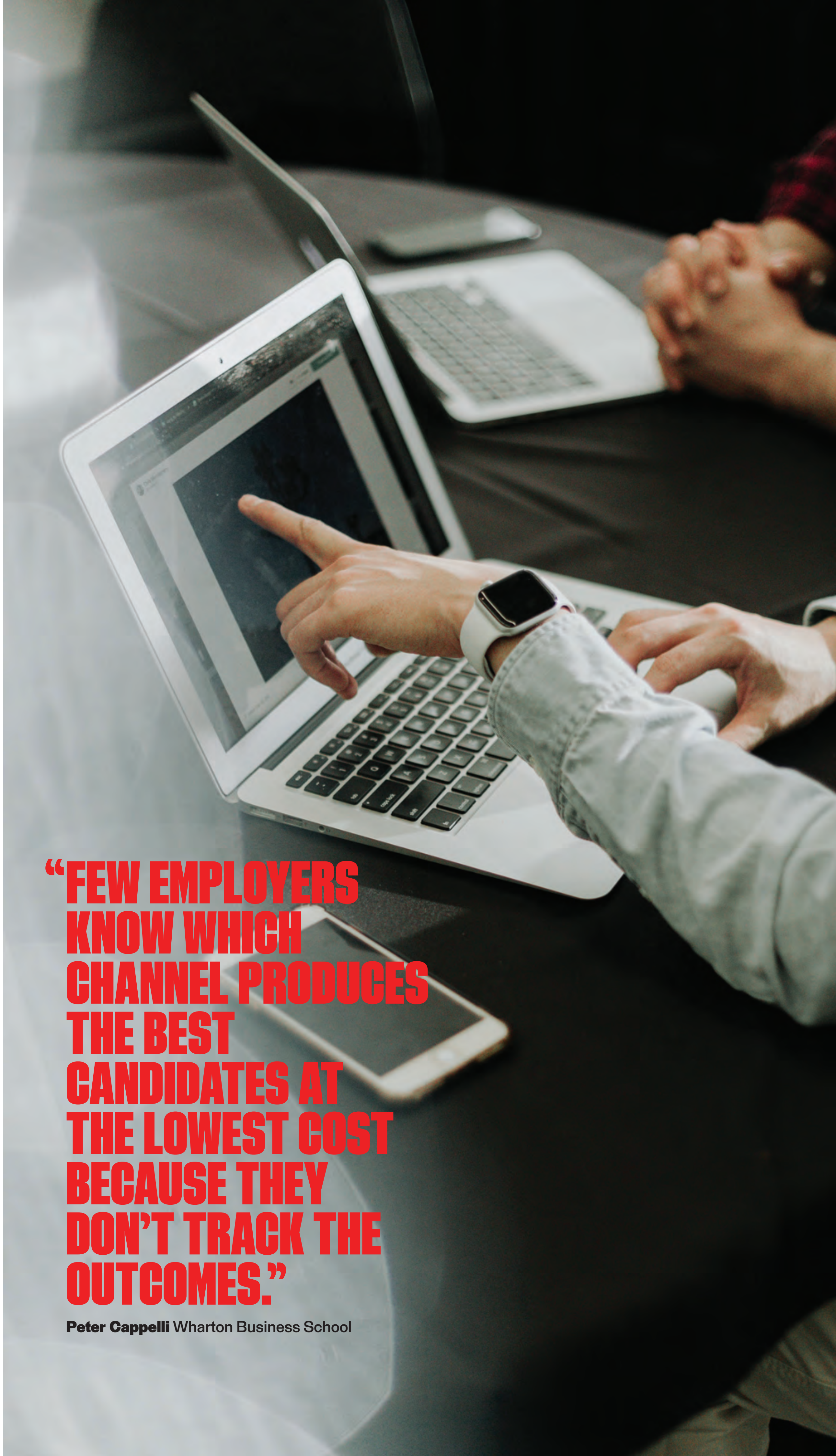
5. Lack of loyalty: Millennials are far less loyal to their employers than their parents were. In the U.S., the Bureau of Labor Statistics reported that workers now stay at each job, on average, for 4.4 years, but the average expected tenure of the youngest workers is about half that.

Why is retention so important?

"People often underestimate the cost of turnover: the more information- and interaction-intensive the job, the greater the threat to productivity when good people leave it, and the more time and money must be invested in searching and on-boarding," wrote McKinsey's Keller and Meaney. "And if competitors poach your talent, they get an insider's understanding of your strategies, operations, and culture.

"And the scarcer top talent becomes, the more companies that aren't on their game will find their best people cherry-picked by companies that are," they wrote.

In addition to the time and effort of hiring, Wharton Business School Professor Matthew Bidwell found that outside hires take three years to perform as well as internal hires in the same job, while internal hires take seven years to earn as much as outside hires are paid, wrote Professor Cappelli.



"FEW EMPLOYERS KNOW WHICH CHANNEL PRODUCES THE BEST CANDIDATES AT THE LOWEST COST BECAUSE THEY DON'T TRACK THE OUTCOMES."

Peter Cappelli Wharton Business School

Bidwell also found that outside hiring also causes current employees to spend time and energy positioning themselves for jobs elsewhere, wrote Cappelli. “It disrupts the culture and burdens peers who must help new hires figure out how things work.”

THE VERY SERIOUS COSTS OF NOT RETAINING YOUR BEST PEOPLE

According to the Work Institute’s Retention Report, 75% of those people who resigned from their role could have been retained.

The cost of not retaining them: From 90% to 200% of annual salary.

“The true cost might even be higher due to training/on-boarding, lost productivity, recruitment, and decreased morale among other employees,” according to a report by the enterprise analytics and mobility software company Microstrategy. “Losing an employee that’s in the top 1% of performers could mean the difference between growth and decline.”

CAN DATA COME TO THE RESCUE HERE, TOO?

As in recruiting, human analytics can help with retention:

According to Microstrategy and Keller and Meaney, HR analytics can help improve retention through churn analyses that look at data points like:

- Current churn rate
- Attrition by department
- Attrition by estimated commute time
- Participation in training and development
- Similar attributes of employees with longer tenure
- Outcomes of key projects and assignments
- Similar attributes of employees who leave within one year
- On-boarding experience
- Attendance
- Skill sets
- Performance ratings
- 360 assessments
- Survey data
- Qualitative data such as employee interviews
- Employee performance data to forecast future attrition

“Through this data-driven approach, HR analytics can illuminate the major causes of attrition, and new policies, along with training programmes, can be put in place to help mitigate the problem,” according to Microstrategy. “For example, data might show that high-aspiration employees are not challenged or employees are frustrated with a certain management style.

“Human resources analysis will reveal these issues, and then it will be up to leadership to act,” they wrote. “It’s also possible to spot an at-risk employee before they leave, so preemptive actions can be taken to resolve issues. For example, a once high-performer may not be as productive because he feels he or she is underpaid. An analysis of productivity alongside a comparison of market-value salaries can help spot this.”

On a macro scale, Glassdoor Chief Economist Andrew Chamberlain, Ph.D., examined data from 5,000 job transitions from a sample of thousands of resumes on Glassdoor from 2007 to 2016. Some moved to a new role at the same company while others moved to a new employer.

“By combining the data on real-world job transitions with Glassdoor company ratings and salary information, we were able to pinpoint which statistical factors push workers out the door and which motivate employees to stay and grow in their existing organisation,” Chamberlain wrote in the Harvard Business Review. “We looked at how job turnover correlated with pay, company culture, how long an employee has been in their current job, what industry they’re in, and more.

“Candidates who have stagnated in roles for a year or more are statistically more likely to be receptive to recruiter inquiries than candidates who are rapidly climbing their company’s career ladder,” he wrote. “Workers who don’t see a clear progression from their current role to a better position in their company ultimately turn to opportunities elsewhere. And that suggests an easy solution. By providing clear paths for employees, moving them through job titles on a regular progression over time, employers can help boost perceived career opportunities and limit this type of harmful stagnation.”

“And candidates whose current employers have low culture ratings or who are underpriced relative to the market are statistically more likely to consider offers at new employers,” wrote Chamberlain. “When employees switch employers, we find they usually move to companies with higher Glassdoor ratings.”

YOUR PRIMARY
REVENUE STREAMS
OF THE FUTURE

DIRECT 2 CONSUMER

DRIVE SUBSCRIPTIONS ...OR DRIVE TO THE MORGUE

Successful media companies must morph from the dying transactional, print-advertising business model to a lasting and profitable reader-relationship model

The media industry's centuries-old marriage to advertisers was never a marriage made in heaven.

They always wanted lower rates, special treatment, up-front placement, expensive make-goods, more traffic, proof of sales, free editorial copy, pictures of their ribbon-cuttings, stories about their new hires, and prominent play of their charity cheque presentations, etc., etc., ad nauseam.

But now, given the shameful way those unfaithful advertisers are lavishing their cash on the harlots in the big houses down the street, it's time to say "enough!" and get a divorce.

It's time to dedicate ourselves to the partners who have almost always been there for us and almost always valued us for what we do so well: journalism that makes their lives easier, more rewarding, more successful, more exciting, more fun, more informed. They love us for our trusted information, and, lately, they are showing that they are willing to pay to get that information.

FORGIVE THEIR DALLIANCES

Yes, they have only almost always been there for us because they have had their dalliances outside of our relationship, wooed by the siren song of free information on the internet, but when those sources turned out to be whacky, untrustworthy, false, and sometimes dangerous, they started coming back home again.

"The magazine media industry is on the brink of a new chapter in its history, morphing from transactional, print advertising to being hyper-focused on building lasting and profitable relationships with readers," wrote Martha Williams, author of the FIPP 2020 Paywalls Report.

WANT TO DOUBLE YOUR DIGITAL SUBSCRIBERS?

Le Parisien did it by putting premium articles behind a paywall

In early 2020, Le Parisien began adding "premium" articles available only to subscribers, and made the site a hybrid of metered and paywalled content.

In the first months of 2020, only ten premium stories per day were behind the subscription paywall. By the end of 2020, 50 premium stories were going behind the paywall every day according to Sophie Gourmelen, Managing Director and Publisher of Le Parisien speaking to WAN-IFRA.

That strategy of withholding the good stuff worked. In just one year, 90% of all new subscribers are coming through the premium article, and digital subscriptions had doubled, according to Gourmelen.

As if that wasn't good enough, Le Parisien not only doubled the number of digital subscriptions, but it also doubled their digital subscription revenue. Why? It not only didn't reduce subscription prices in a desperate ploy to attract subscribers, it actually raised them from five euros a month to eight, and then to 10 euros a month.

Gourmelen also wants to increase the ratio of engagement to conversion. Each premium article now triggers 0.4 subscriptions whereas Le Parisien wants to increase that ratio to 1:1, she said told WAN-IFRA.

TOP CONVERTERS HAVE INCLUDED LONG READS, HUMAN INTEREST STORIES, REAL ESTATE AND LOCAL MOBILITY.

To get there, Gourmelen has been using data to figure out what types of stories convert. To date, the top converters have included long reads, human interest stories, real estate and local mobility topics, such as cycling.

To drive the point home, Gourmelen has had dashboards installed on every writer's computer where they can see how stories are performing with premium subscribers in real time.

To reach its goal of greater conversion ratios and more digital subscription revenue, Le Parisien created new editorial strategy goals, Gourmelen told WAN-IFRA:

1. **Create fewer, but better stories with high digital potential for impact, engagement.**
2. **Increase the value of local news with a new newsroom structure and new focus on content.**
3. **Create new teams and new positions to cover editorial priorities with flexibility.**
4. **Restructure its production so that its workflows are in sync with digital needs.**
5. **Acquire new digital capabilities, especially in the areas of video, graphics and social media.**
6. **Improve the digital culture and capabilities within the newsroom through trainings, sharing data and KPIs.**
7. **Another part of the strategy is aimed at targeting audiences by creating mini-publishing topics around areas that are very popular with readers such as the environment, buying power, PSG (the local football team), and "obsessions," such as food and science and technology.**

WHAT CAN DEFEAT YOU, AND HOW TO PREVENT THAT FROM HAPPENING

A digital-subscription business model has many enemies, but a study found ways to beat them

In February 2020, eight publishers joined the European arm of the Google News Initiative (GNI) Subscription Lab to figure out how to strengthen their digital subscriptions capabilities and grow their reader revenue.
Nine months later, the Lab, a collaboration of Google, IMNA, and FT Strategies, produced the "Towards Your North Star" report, outlining a subscription-focused business model's challenges and solutions.
The "North Star" report examined the common challenges faced by publishers as they build subscription-driven businesses, and how to overcome them.

"COMMITMENT TO CREATING VALUE FOR READERS"

The report found a direct correlation between a reader-focus and subscription growth. "These findings suggest that publishers who demonstrate the strongest commitment to creating value for readers see the strongest performance in subscriptions," wrote the authors.
"Publishers holding on to a volume-driven mindset will find it very difficult to shift to a value-driven organisation," the report declared. "Volume metrics, the cornerstone of advertising-based revenue streams, are still a hard currency for newsrooms, marketeers and senior leadership teams, but growing a subscription business requires a change in this approach."
As a matter of fact, an advanced subscriptions model can still generate substantial advertising revenues "in a world where first-party data is the Holy Grail of ad targeting monetisation," according to the report.
Beyond a volume mindset, the report outlined four other obstacles to a subscription-focused business:

1 LACK OF ALIGNMENT A profitable subscriptions model is a demanding goal that requires focus and resource from the entire organisation.

2 BASIC UNDERSTANDING OF READERS Many news organisations think they are reader-centric. But in reality, they remain product-centric, dealing in audience averages and not using the right metrics.

3 POOR EXPERIMENTATION CULTURE Often, testing programmes suffer from a lack of prioritisation, proper iteration, and buy-in from all parts of the business.

4 DEFICIENCIES IN TOOLS & CAPABILITIES Many publishers do not have robust structures in place to store and analyse subscriber and reader behaviour, such as central data lakes and data analysis platforms.

The Subscriptions Lab addressed these challenges through the implementation of a growth framework called North Star. This framework was developed by the Financial Times to reach its goal of 1m paying subscribers. The publisher achieved the goal in 2019, a year ahead of schedule.
The North Star framework recommends the following measures for publishers who want to build a sustainable, subscription-first business:

1 CLARIFY THE VISION Defining a single, shared objective across an organisation is one of the most powerful tools to align resources and accelerate growth. This objective becomes your company's North Star Goal, setting the vision for the future and galvanising teams.

2 BUILD A FAST-LEARNING AND DRIVEN ORGANISATION Once a North Star Goal is set, you need to put your organisation in motion to achieve it.
a) SETTING OUTCOMES: BRING FOCUS TO TEAMS. A North Star goal is brought to life through a set of outcomes to be achieved by the organisation. Outcomes define what success looks like. They should be supported by metrics that help measure success and guide prioritisation.

b) HYPOTHESES & EXPERIMENTS: ACCELERATING LEARNING. Hypotheses and experiments form the test-and-learn approach, and can help reach key outcomes while navigating complex and ever-changing market conditions.

3 FIND YOUR NORTH STAR METRIC The North Star metric is a single measure of how valuable a product is for subscribers: It is the reader-centric gauge that correlates best with their likelihood to subscribe. Having a North Star metric provides a common language and a common measure of success across an organisation, building critical alignment and focus; it is an important step in embedding reader value at the heart of an organisation.

4 EMPOWER YOUR ORGANISATION WITH DATA To grow subscriptions, an organisation needs strong customer-centric data capabilities, where readers are identifiable and known, as well as experimentation capabilities. Many publishers from the European GNI Subscriptions Lab have had their progress hindered by weaknesses in those capabilities.

SIX SUCCESS FACTORS

The North Star Report found that there are six success factors required to become a sustainable, subscription-first business:

1 SET AN AMBITIOUS AND CLEAR GOAL The subscription goal should be SMART (Specific, Measurable, Actionable, Relevant, Time-bound), but also bold, so everyone in the organisation understands the impetus for radically transforming the culture and processes.

2 MEASURE VALUE FOR READERS Digital platforms and subscriptions provide an unprecedented opportunity to understand interactions between products and audiences. By fully understanding the type of engagement that leads to conversion, the value of each action can be measured and optimised.

THE REPORT FOUND A DIRECT CORRELATION BETWEEN A READER-FOCUS AND SUBSCRIPTION GROWTH.

3 ALIGN THE ORGANISATION Digital subscriptions require interdisciplinary and cross-functional collaboration, so it is critical to keep disparate teams aligned on a common path. Defining common objectives, providing teams with a single measure of success, and making key learnings available to everyone allows for alignment and pace in the organisation.

4 SEGMENT READERS Potential subscribers are only a small fraction of the overall audience. Identify them and focus efforts on a tailored approach. Do not base a strategy on average metrics across an entire audience: whether assessing the impact of content, product or marketing campaigns; make sure efforts reach the most valuable segments.

5 DEVELOP AN EXPERIMENTAL MINDSET Explore opportunities with scientific curiosity. Replace hunches with evidence and failed experiments with shared learnings. Bring rigour and transparency to the experimental process so teams can safely explore their boldest ideas and build the shortest path to success.

6 EMPOWER THE ORGANISATION WITH DATA Data has the potential to create a common language across disparate teams. Choose the data platform that breaks data silos and builds a single view of readers. Focus on early business insights that will bring tangible value, and put data at the centre of the most critical business processes and decisions.

The eight publishers who participated in the project were: Bonnier News Local (Sweden), La Croix (France), Denník N (Slovakia), The Independent (UK), Kurier (Austria), El Mundo (Spain), RP Online (Germany), and Gazeta Wyborcza (Poland).

"The reader relationship strategy is about creating engagement, customer satisfaction, and lifetime value with users through targeted content, products, advertising, and services for individual customers," wrote Williams, the CEO of consultancy Data & AI for Media. "It's about collecting user data with permission through registration and paywalls, and leveraging those data to drive user satisfaction."

BUILD PERSONAL RELATIONSHIPS WITH READERS

"Our brands and broad print distribution are no longer enough. The Internet requires media companies to build personal relationships with readers," said Troy Young, President of Hearst Magazines, in a 2019 memo to his staff. "Our ability to capture interaction data at scale, turn it to insight, and leverage it broadly across our organisation will define our success."

Building those relationships requires not only that deep data but also an acceptance throughout the media organisation of a reader-first focus, daily discipline, and a commitment to pay attention to the data.

"The relationship strategy requires a deep understanding of each user through audience data, and a whole-organisation transformation that requires a customer-focus discipline," according to the report. "The real-time data collection, analysis, and targeting is the glue that keeps customers engaged with relevant information."

IDENTIFY THE REGULAR VISITORS

The first thing to do when building a subscription model is to identify not only the readers who already visit your site on a regular basis but also those who regularly open your newsletters and regularly click on your content on multiple platforms and devices — all behaviours you can identify through analytics.

"All of those actions indicate an engaged audience, which is more important than the size of the audience itself," Matt Skibinski, reader revenue advisor at the Lenfest Institute for Journalism, told Folio magazine.

"There are cases where smaller, niche publishers have a really high conversion rate and have enough of a digital subscription business to be meaningful," Skibinski said. "Even though their overall audience pales in comparison to larger brands, the people who access their content use it in their everyday lives, consider it valuable, and feel a strong affinity to it."

So how do you identify those ideal readers who are most likely to become subscribers?

USE DATA, ANALYTICS, AND MACHINE LEARNING

The Economist, for example, created a personalised, engaging experience online by leveraging its rich customer database and a machine-learning-driven engine called Lytics to leverage an exhaustive database of audience data. "The strategy has been responsible for an 80% decreased cost of customer acquisition, a 3x increase of digital subscriptions since 2016 by using behavioural scoring and predictive modelling, and increased dwell time onsite with recommended stories for targeted readers," according to the Paywall Report.

However, publishers "can only retain customers for a lifetime if they hold up their end of the bargain," the report cautioned.

The Paywall Report listed how to uphold your end of the bargain:

- Give the customer many reasons to come back on a daily and weekly basis
- Delight them with surprises and help make their lives frictionless and fun
- Anticipate and solve life's niggling problems for them
- Feed their passions
- Transport them to content, advertising, shopping and entertaining places created just for them, made possible by data and artificial intelligence that enables personalisation

BUILD A FOREVER TRANSACTION

Converting a visitor to a subscriber is not the end of the media executive's conversion journey; it's only the beginning.

"Execs just weren't putting the pieces together, and I wanted to highlight the fact that it's not just about subscriptions, but about long-term relationships with the customer," best-selling subscription economy author Robbie Baxter told FIPP. "It's not about the transaction; it's about the relationship."

"IT'S ALL ABOUT KNOWING YOUR AUDIENCE [...] EVEN AMAZON DOESN'T SERVE EVERYBODY."

Robbie Baxter Author

"From heavy-duty machinery company Caterpillar loaning out cranes, to Pret-a-Manger and Burger King offering coffee subscriptions, every business seems to have recognised the value of formalising the relationships they have with returning customers," Baxter said. "It's not that high-tech, it's just about knowing your customer and providing ongoing value to them."

Baxter emphasised thinking about the following questions:

- What is the forever promise you've made?
- Who have you made it to?
- What are they expecting to see from you?
- Who might you think you serve, but actually don't?
- Who do you lose (eg. with entry offers)?
- Who sticks around?

"It's about helping customers solve a problem, and delivering on the promise you've made to them," she said.

"If [people] trust your organisation to solve their problem, or achieve their goal forever, they take off their 'consumer hat', don a 'member hat', and stop considering alternatives," Baxter said.

After identifying who are the most likely conversion targets, the next extremely important step is to avoid making the subscription options too complicated. "The more noise — bundles, discounts, special offers — you have, the harder it is for you to tell what your customers really value," Baxter told FIPP. "You end up with a muddy business model.

"If your introductory offer is amazing, you'll get a lot of subscribers but a lot of people are going to leave," she said, citing the example of Disney+ initially presenting the extremely popular musical Hamilton for free to new subscribers before backtracking.

"The big question was, are the people who joined only for Hamilton going to stay?" asked Baxter. The answer was no. Disney+ realised that it needed to charge people something or it wouldn't attract the right kind of long-term customer.

"It's all about knowing your audience," said Baxter. "Even Amazon doesn't serve everybody!" Organisations should identify what kind of customer is high value for their business purposes and go after them and forget the people who are only after deals and tchotchkes.

With the increasing success of subscriptions, some publishers have been able to eliminate low-price trial offers, thus improving profitability, while focusing instead on the real value of a subscription including enhanced membership benefits to reward increased loyalty. Hearst, for example, told CampaignLive that it was able to remove a number of its most keenly priced trial offers, and still grow subscribers by 33%.

That said, freebies don't always have to lead to churn. "What is the attractive freebie?" asked Baxter. "Does it align with your mission? Is it more or less likely to bring in the right kind of people?"

Freebies can also serve a useful purpose when trying to establish the reasons that people leave a service or subscription. "Segment out reasons so you can remedy them," Baxter suggested. "If someone doesn't have time to use your product, then it might be worthwhile offering them a discount or freebie. But if they are leaving because they hate the product, there's no reason to give them anything. The remedy must fit the problem."

Audible, for instance, offers those who attempt to cancel their subscription one free credit (worth one audiobook) or three months at a discounted rate. Indie movie streaming site MUBI, like many companies in these trouble pandemic times, now offers the option to "pause" a membership. This allows people to take a breather without breaking their loyalty, said Baxter.

But for all the work your data analysts, marketers, and customer relations people might be doing right, the folks with their hands on the wheel to drive this success are the journalists. If they are not on board with doing reader-focused journalism, nothing else will work.

"A successful media company may find that moving to a member mindset is difficult because it must necessarily become reader/viewer-first," said Baxter. "The content needs to be content that is worth paying for, as opposed to content worth writing." It must also be content focused on their readers' needs and desires.

So, the journalists must be willing to pay attention to what the data analysts have to say,

SEVEN STEPS TO BUILDING DIGITAL SUBSCRIPTION REVENUE

After 15 years of failure, a dramatic turnaround

In 2014, Amedia in Norway had been losing subscribers for 15 years.

"In 2014, we were at a critical point," Executive VP Victoria Schultz told participants at WAN-IFRA's Digital Media Asia 2020. "We had experienced 15 years of falling subscriptions and felt increasing competition from international, social media, and search players, and were losing a considerable amount of advertising money."

Six years later, the tide had not only turned, but risen sharply.

Amedia's subscribers on all platforms went from 430,000 to 675,000. "Not long ago, we had 1% digital subscribers," Schultz told the WAN-IFRA audience. "Today we have over 50% of our subscribers who are digital-only readers. In addition, we have 1.6 million, or 40%, of all the Norwegian population over the age of 18. They have registered with us. This gives us an enormous potential for further growth."

What happened?

The company started by creating a digital-first publishing policy, Schultz told the WAN-IFRA audience. "This is about changing the mindset of the editorial department," she said.

Amedia then inaugurated a seven-step game plan:

Step 1
Get readers to log in

"You need a login solution where you control the value chain. We do not recommend you collaborate too much with Facebook or Google or its likes. It's vital to keep control of the relationship with your readers," Schultz told the WAN-IFRA audience.

"Control is about customer contact, customer journey ... Most important of all, it's about data capture," she added. "Third parties will reduce the control you have."

Choosing the right log-in model is also important. After extensive testing, Schultz said Amedia adopted a "plus strategy" with 50% to 60% of all articles behind a paywall.

Step 2
Focus on your existing subscribers

"Explain why and how to log on," Shultz said. "Amedia launched a marketing campaign involving editors and local celebrities to encourage subscribers to login. Some elderly customers were invited to Amedia's newsroom and treated to tea and cakes to learn how to do this."

Another aspect of the campaign was to encourage subscribers to share the login with family members as they do with a printed newspaper," she said. "This had the effect of recruiting future subscribers and young readers."

Step 3
Democratise data and insights, and empower your journalists

Give journalists access to data so they can see how their articles perform, Schultz said.

"All our 800 journalists can see how many subscribers are reading their articles, how much time is spent on the articles, how many new subscribers it has sold. It has created a healthy competition amongst all our employees and journalists," she said.

Step 4
Develop your products using facts and insights

"Since 2016, we have been working closely with our newsrooms ... on how to make the articles more relevant to readers, and on explaining Amedia's strategy and making the editors own the strategy, Schultz said."

Step 5
Sell your paid subscription product to new readers

"We use search engine optimisation; we use Facebook; and we use the front page to sell our products," Schultz said.

Step 6
Focus on churn reduction with everyone

"The more they read; the less the readers churn," Schultz said. Amedia's research revealed that for readers who read once every three days or less, churn is seven to 12 percent. For those who read every two days, it is 5-6%. And for those who read daily, it's only 3-4%.

"We continuously focus on getting readers back in, creating daily habits ... We have divided our analysis into two main areas. Increasing sales and reducing churn," she said.

By analysing usage data from 600,000 articles every year, Amedia can predict purchases and predict with 82% certainty whether a story will sell even before it is published, she said.

"Targeting of those stories to non-subscribers on newspaper front pages is very important in the recruitment channel for our newspapers," Schultz said.

Amedia's algorithms enable the creation of personalised homepages and story recommendations based on the readers' reading history and those with similar preferences.

This system is still being refined, but so far it has resulted in a 13% increase in reading time among the test publications.

Step 7
Do the same with advertising data

and deliver content that converts.

Some things to consider in looking at the data are:

- What is the last article someone reads before they subscribe?
- What do subscribers read vs. non-subscribers?
- Who are the most valuable readers?

Here's another thing many media companies haven't yet considered that can be crucial in the run-up to a subscription business model: Product managers.

"In addition to sophisticated data analysts, it's important to have product managers as well," Baxter said. "You need a 'product person' who is employed to think about the whole package: How does someone log in, navigate around the site, choose what to download, plus pricing, features, and content. Employ someone whose job it is to think about those things."

Another essential organisational change is to refocus your customer service team to become a customer success team! "They should be proactive about what the problem is and how to solve it," Baxter said. "Having this mindset is a big change — not being reactive, but proactive."

This new role is critical to transforming how subscribers are treated beginning on day one and continuing every day thereafter. "A really important part of the onboarding process with new subscribers, for example, is to send pre-emptive reminders to help them make the most of your content, or send a text message saying 'Read this tonight!' with some personalised recommendations," said Baxter. "Those are examples of a customer success team in action."

Another overlooked part of the subscriber journey — retention — historically has been addressed only when the customer calls to cancel. The retention effort actually must begin the day the subscriber signs on, and must continue throughout the relationship, ramping up months before the subscription is about to expire if the subscriber is showing any concerning behaviours.

The data team should be monitoring reader behaviour regularly and if they notice a drop-off in whatever that reader had been doing (reading stories or opening newsletters or commenting), the customer success team should be notified so they can intervene with emails and texts reminding the reader when something the matches the reader's interests is about to be published.

Engage, engage, engage.

CLUBS, MEMBERSHIPS AND PARTNERSHIPS

It's all about whales, wine, and profitable symbiosis

We all need more "whales."

The term dates back more than two decades in the gaming and media worlds. It refers to the biggest spenders "who make up a tiny group (think about 2% of audiences) that drives most of the revenue for publishers", according to GameBeat, an online magazine covering the gaming industry.

"Whales" are the people publishers want as members, not just subscribers. They are also the cohort of subscribers most likely to join our niche clubs.

MEMBERSHIPS

To build a successful membership revenue stream, the first thing publishers must do is figure out a way to identify their "whales".

"You know your whales when you see them," Rob Ristagno, Founder and CEO of the Sterling Woods Group, told What's New In Publishng (WNIP). "They're wearing a hat with your logo on it. They treat your editors like celebrities. They read and comment on everything you send them. They're the most committed 10-15% of your audience [and] generate as much as 70 to 90% of reader revenue."

Ristagno said whales do more than generate revenue. Whales:

- Are less price sensitive, making them more profitable
- Churn less often and buy more often, thus increasing their lifetime value
- Provide favourable word-of-mouth marketing
- Want to help you innovate
- Behave more predictably

STOP TRYING TO BE EVERYTHING TO EVERYONE

"The key is focus: We need to stop being everything to everyone and start honing in on our best readers," Ristagno told WNIP. "Survey them to understand their needs and wants, followed by developing a value proposition to address them."

The needs and wants that media companies can fulfil and that people are willing to pay for, include the following, according to INMA's Researcher-in-Residence, Grzegorz Piechota:

- Cognitive needs (acquiring information, knowledge, and understanding)
- Affective needs (emotions, pleasure, and feeling)
- Personal integrative needs (credibility, status, and stability)
- Social integrative needs (family, friends, and community)
- Tension release needs (escape and diversion)

"It's interesting that when we lock content, we just focus on one of these needs — the cognitive need," Piechota said during a 2019 INMA webinar. "We charge people to access the information, for the access to knowledge. But in fact, people actually engage with the media for many other reasons."

IT'S THE NUMBER OF PERKS, BUT THE RIGHT ONES

"You don't need a boatload of features to be successful [with memberships]," Ristagno told WNIP. "Rather, just two or three things on top of a subscription to your content is usually enough to drive conversions. Just make sure these offerings solve the tangible and emotional needs of your whales," including things like access to experts or editors, tools that make it easier for members to do their jobs or pursue their hobbies, and educational resources, like videos and eBooks."

Memberships have been booming lately.

> "WE WANTED TO BUILD A PROGRAMME AIMED AT BARS AND RESTAURANTS THAT ARE REALLY STRUGGLING AND HELP FOLKS WHO ARE IN BOSTON FEEL MORE CONNECTED TO THEIR COMMUNITY WHILE STILL BEING SOCIALLY DISTANT."
>
> **Matt Karolian** General Manager, boston.com

The Guardian is a poster child for memberships, growing from 12,000 members in 2016 to more than 900,000 monthly supporters in late 2020.

ONE NEW CONTRIBUTOR EVERY 2 MINUTES

"The Guardian has gained 268,000 new digital subscriptions and recurring contributions over the last year — that's an increase of 43%, and a joining rate of one person every two minutes," wrote Editor in Chief Katharine Viner in December 2020. "Total digital recurring support now stands at more than 900,000 people, up from 632,000 only a year ago."

The Daily Beast's membership product, Beast Inside, saw an almost 100% growth in sign-ups in the second quarter of 2020 compared to the first, and helped the publisher recoup some of its revenue losses, according to Digiday.

While Daily Beast CRO Mia Libby did not share specific figures with Digiday, she did say that the average order value on Beast Inside memberships is up 35% and that memberships are their second largest revenue stream.

CLUBS

Clubs are an even more refined and focused form of memberships, zeroing in on very niche interests, and offering both value and community.

The Boston Globe wanted to help bars and restaurants struggling with lost revenue from the pandemic so they started a cocktail club.

"We wanted to build a programme aimed at bars and restaurants that are really struggling and help folks who are in Boston feel more connected to their community while still being socially distant and safe," boston.com General Manager Matt Karolian told the Nieman Lab. "We thought, what if we bring bartenders into people's homes to show them how to make this perfect cocktail that they've been missing, and support the bars and restaurants in the process?"

A CLUB FOR FUN AND A GOOD CAUSE

The club launched on New Year's Eve with more than 500 signups for the first Zoom meeting where they watched a Boston bartender teach them how to make two cocktails.

Boston.com partnered with Boston mixologist Jackson Cannon to identify bartenders and restaurants representing Boston's unique food and bar scene. The bartenders brainstorm with Cannon about what cocktails to showcase.

Registered club members have the option of buying a $59 cocktail kit ahead of each week's event that includes everything they'll need to make the drinks being showcased, according to the Nieman Lab. The proceeds from kit sales are donated to Off Their Plate, a grassroots organisation that helps feed frontline workers, including service workers, during the pandemic.

The bartenders themselves are paid by boston.com the equivalent of what they would have made on a really good weekend night. Club members are encouraged to use Venmo to send tips to the bartenders.

REPLICATING AN EXPERIENCE

"We say 'Hey, if you're having a great time, and you're enjoying the cocktail, please take care of them,'" Karolian said. "We're trying to replicate the experience as much as possible and make sure that folks who are important parts of our community can continue to be able to make a living."

Karolian told the Nieman Lab that the Cocktail Club is modelled after Boston.com's Book Club, which brings in local authors and booksellers to talk to members.

Wine clubs have been around for a while and are still going strong.

According to the Nieman Lab, the first major publication to use its prestige as a platform for vintners was the United Kingdom's Sunday Times, which debuted its wine club in 1973 and is still thriving almost 50 years later.

In the United States, media companies were not able to ramp up wine clubs in a big way because running a national operation required complying with different liquor laws in each of the 50 states plus Washington and federal laws.

That roadblock was removed when companies who specialise in liquor distribution began springing up and offering their services to publishers, allowing the media companies to have a national wine club brand without having to deal with local logistics.

When The Wall Street Journal launched its club, it partnered with one of those companies, Direct Wines, in a move that pushed the WSJ into the forefront for then-novel media-owned wine clubs in the U.S., according the the Nieman Lab.

A CONTENT CONNECTION ... OR NOT

Some media wine clubs, like the New York Times, make it clear to their wine club members that the club and its recommendations are not affiliated with what is in the paper. Others, like Eater, tout the connection.

"It's the only wine club out there that's actually curated by the editorial team itself," Eater General Manager Jill Dehnert told the Nieman Lab.

Prices vary widely from club to club. "The New York Times Wine Club has two tiers, the 'Sampler' ($90 for 6 bottles) and the 'Reserve' ($210 for 6 bottles)," according the the Nieman Lab. "That excludes shipping ($9.95) and tax. NPR offers 12 bottles for $149.99, plus tax and shipping. The Eater Wine Club ($110 per month for 4 bottles) seems high, but unlike most offerings, that number is all-inclusive. It comes out to about $27/bottle, ten dollars less than the total cost of a New York Times Reserve bottle," according to the Nieman Lab.

BEYOND BOOZE

Not all clubs revolve around alcohol. How about crocheting and kids books?

I Like Crochet magazine has a "Collections Club" tht includes carefully curated collections of designer crochet patterns from scarves and shawls to afghans and baby items, all hand-selected by the editorial team.

Meredith Corp.'s Parents magazine debuted its Raising a Future Reader Club in August 2020. Starting with its first-ever list of "100 Books to Inspire Your Kids", Parents magazine asked well-known authors to share the book that opened their own or their children's eyes to the joy of reading. The initial club offering included tips on how to raise a child who loves to read.

PARTNERSHIPS

Partnerships are another form of direct-to-consumer revenue streams that have been around a while but that have picked up steam in the drive

“PEOPLE OFTEN THINK IT’S JUST ABOUT DRIVING SUBSCRIPTIONS, BUT IT’S NOT. IT’S ABOUT DRIVING TO A CONNECTED RELATIONSHIP WHERE YOU CONTINUE TO EARN THE RIGHT TO BE CONNECTED.”

James Henderson CEO, Zephr

for more D2C revenue.

The Wall Street Journal is one of the leaders in subscription bundling partnerships.

In just the last five years, the WSJ built more than 40 bundling partnerships in 25 countries, with partnerships really blossoming lately in specific regions like Asia, according to Jonathan Wright, global managing director of WSJ’s parent company Dow Jones, speaking to Digiday.

FIND SIMPATICO COMPANIES

In 2019, the WSJ and Standard Chartered Bank signed what Wright called a “significant partnership deal” that gave WSJ and Barron’s subscriptions to the bank’s “top-tier” Asia-based customers, according to Digiday. “Other partners in recent years have included trading platforms, telecomm companies, membership groups, airlines and language schools,” Wright said.

Since the beginning of 2020, Business Insider partnered with American Express to give added impetus to its subscription boom (subscriptions more than doubled in 2020).

FREE SIX- OR 12-MONTH TRIAL SUBSCRIPTIONS

In late 2020, BI started offering American Express credit card holders free six- or 12-month trials to the digital publication, depending on the type of credit card they use, according to BI’s SVP of Consumer Subscriptions Selma Stern speaking to Digiday.

The Washington Post is also exploring partnerships with brands in the fields of education, healthcare and finance, according to Post Chief Marketing Officer Miki King speaking to Digiday.

Those industries are “the most appealing as there is a decent amount of overlap with the paper’s coverage and the interests of the customers these partners can offer,” she said. “Any of the areas where people are seeking info beyond what the provider of that service can give to them offers a real opportunity for the Post.”

There’s more to this partnering thing than meets the eye,

PARTNERSHIP BENEFITS BEYOND SUBS

“People often think it’s just about driving subscriptions, but it’s not,” said James Henderson, CEO and co-founder of subscription software company Zephr, speaking to Digiday. “It’s about driving to a connected relationship where you continue to earn the right to be connected, but you are the business that can leverage the first-party data relationship.” Both parties benefit, gaining data that can inform their businesses.

These partnerships are “mutually beneficial because while the subscriptions are free to the non-publisher linked consumers, partner organisations have also been able to improve their own key metrics, such as acquisition, engagement and retention of their customers by using our subscriptions and content,” Dow Jones’ Wright told Digiday.

So, if you haven’t identified your “whales” and converted them to members or created niche clubs or partnered with like-minded companies in simpatico industries, you might want to give these direct-to-consumer revenue streams a shot.

WHEN ONE DOOR CLOSES…

Another opens, and during the pandemic, it’s been the e-commerce door

No surprise: When people are locked down in their homes for months, they transfer their shopping trips from the mall to mobile.

So, while advertising revenues were crashing, e-commerce revenues were exploding for those set up to take advantage of that shift.

The size of the shift was almost beyond belief. At least in pre-pandemic terms.

A DECADE IN JUST EIGHT WEEKS

“The percentage of retail done on digital channels has gone up 1% each year. As of 2020, it was at 18%. Then, in eight weeks, it went to 28%! We had a decade in eight weeks,” said NYU Professor Scott Galloway at the Lions Live event in June.

“When you have a shop front where people can’t purchase, consumers become even more reliant on trusted sources. You don’t have the same face-to-face interactions with people behind the counter,” Hearst UK Chief Commercial Officer Jane Wolfson told Digiday. “More beauty clients are coming to us for help.”

“Hearst’s purpose is to get more out of life,” Hearst UK Chief Content Development Officer Betsy Fast said at a What's New In Publishing roundtable. “From mid-March [2020], that really became our MO: Helping readers find what they need and couldn’t get before, help them pass the time, help them with life spent at home.”

ONLINE SHOPPING FRICTION JUST DISAPPEARED

“Once you turn to ecommerce, the convenience and reduced friction will make you stick with it,” Jonas Sjostedt, Founder and CTO of Tipser, an ecommerce platform for publishers, told FIPP. “We have seen a steady increase in sales because our publishing partners are spending a lot more time on ecommerce as a revenue source.”

Sjostedt believes publishers are in a great position to cash in on the ecommerce boom. “Publishers have an edge against commerce sites because they have organic traffic returning to their sites and many are returning several times a week,” he said.

“Publishers have a strong media brand that people trust and editors who curate the world and make it relevant to the readers. Publishers can leverage that brand and capitalise on consumers directly where inspiration strikes.”

Sjostedt describes the numbers being generated by ecommerce as “staggering”.

THREE TO FIVE TIMES THE PROFIT

“We see a three to five times increase in profit compared to affiliate programmes for the same products,” he says. “Tipser has over 30 % average commission for the first half of 2020 while the average commissioned paid out from affiliate programmes is around 12 %. The conversion rate is also really fine — 1,5% end-to-end. As a comparison to that, the end-to-end conversion on affiliates should land on something like 0.2%."

Swedish newspaper Dagens Nyheter (DN) was able to double its online sales revenue from 2019 to 2020 after deploying an embedded e-commerce strategy. It also helped the publisher survive the economic fallout of the pandemic.

DN has an in-house commercial team that selects the products it offers to its readers. This way they ensures that the offerings are relevant and match the interests of its audience.

OFFER EXCLUSIVE PRODUCTS AND DEALS

The publisher also has a designated shopping section, Erbjudanden ("special offers"), which carries exclusive products and deals for subscribers. This creates an added value to its content offering. Fashion and lifestyle magazines Elle and InStyle from BurdaStyle Group (Germany) also have an editorial shopping team that selects products in line with readers' interests. They use audience data to continually refine their offerings. Harm Heibült, Director of Product at the BurdaStyle Group, sees in "embedded eCommerce the evolution of classical affiliate marketing, a tool for a deep integration in digital publishing offers."

SHOPPING WITH A FRACTION OF THE CLICKS

"The users stay on our site and can purchase products in only a fraction of the clicks," Heibült told FIPP. "This improves the user experience and increases conversion rates.

"Publishers have an edge against commerce sites because they have organic traffic returning to their sites and many are returning several times a week," Sjostedt said.

E-COMMERCE WILL GROW POST-PANDEMIC

Embedded e-commerce and content commerce can be framed as an offering of convenience and expertise. You want to be able to tell your readers: "We want to be your one-stop shop. We want to provide you with the full experience," Tipser founder and CEO Axel Wolrath told FIPP.

As publishers, "you're turning yourself into an arena for interactivity and deeper relationship with your customer who'll come back," Wolrath said. The e-commerce services that Hearst and other media and non-media companies now provide drove an unprecedented explosion in online shopping after March 2020.

E-commerce grew 54% in the UK during July 2020 alone, according to a GroupM 2020 report. "Growth was similar to the 55% pace of growth observed during the entire second quarter, suggesting that elevated levels of growth for e-commerce are likely to persist beyond the duration of the pandemic," said GroupM Global President/ Business Intelligence Brian Wieser in the report.

A STUNNING 322% QUARTERLY REVENUE GROWTH

In the U.S., e-commerce rose by 47% on a comparable basis to data tracked in the UK, according to GroupM. This was significantly ahead of the 15% growth rate observed during the first quarter.

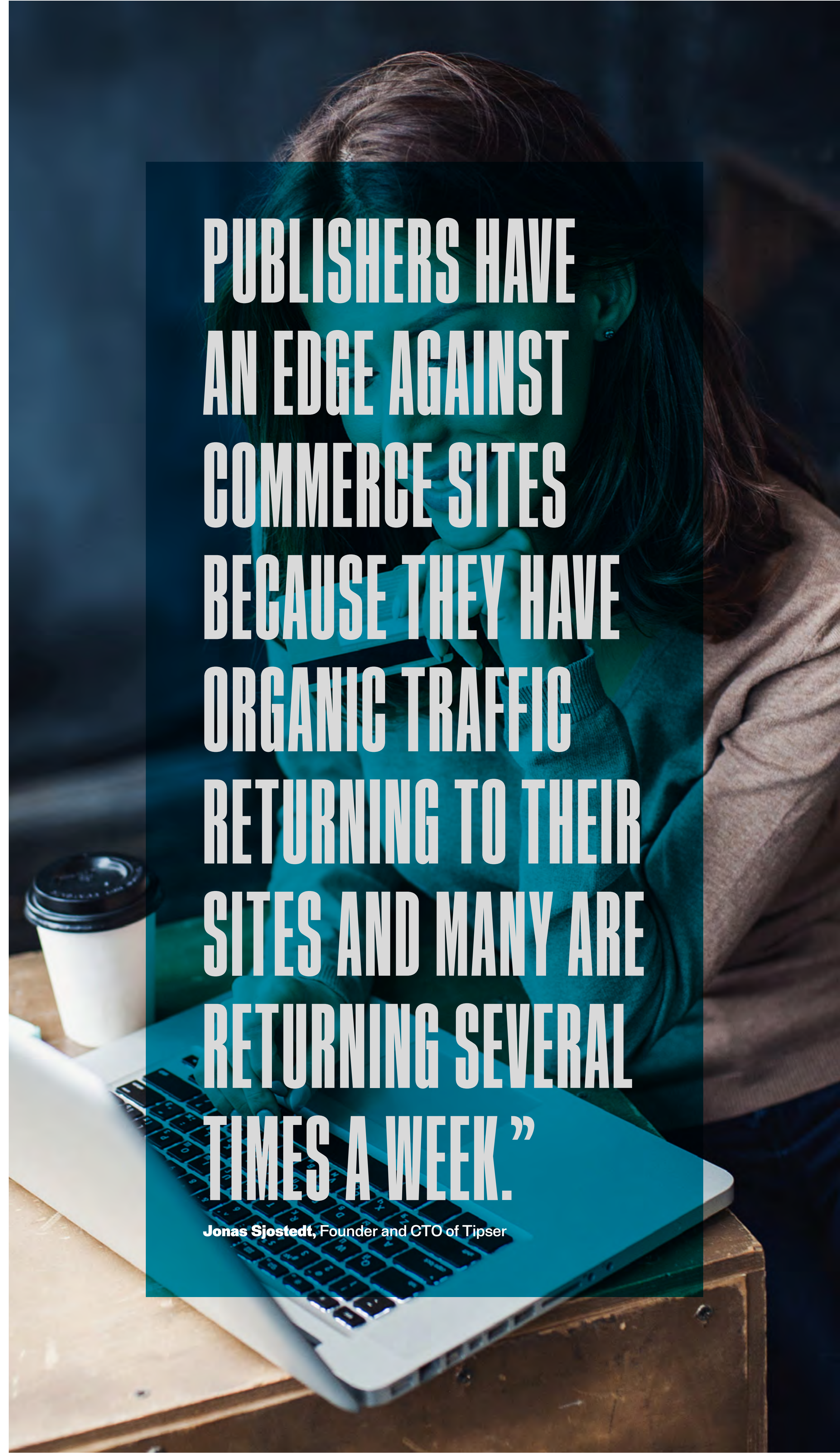
For example, Hearst UK's e-commerce revenue grew 322% during the second quarter of 2020, according to Digiday. New York Magazine's shopping site, The Strategist, saw an 85% year-over-year increase in revenue during the second quarter of 2020, and Marie Claire's e-commerce revenue in the first seven months of 2020 was equal to what it generated for the entire year in 2019, according to Digiday.

At BuzzFeed, the company is moving even more aggressively to take advantage of this consumer shift, transitioning the focus of its e-commerce efforts from affiliate revenue to direct-to-consumer revenue. For years, Buzzfeed was a leader in affiliate revenue, recommending products and earning income when readers clicked on the links and bought things. That line of work generated $300M in revenue in 2019, according to the company.

KEEPING THE SHOPPERS ON YOUR SITE

Now, BuzzFeed is trying to create a more lucrative direct-to-consumer revenue stream with its own standalone website called BuzzFeed Shopping that lets visitors complete purchases without going anywhere else.

The new site, distinct from the Shopping section on BuzzFeed's main site, is a partnership



PUBLISHERS HAVE AN EDGE AGAINST COMMERCE SITES BECAUSE THEY HAVE ORGANIC TRAFFIC RETURNING TO THEIR SITES AND MANY ARE RETURNING SEVERAL TIMES A WEEK."

Jonas Sjostedt, Founder and CTO of Tipser with Shop Bonsai Inc., an e-commerce platform that connects publishers and brands.

Right off the bat, it's a much better deal for BuzzFeed. The company says it will get an average 25% commission on sales from its own store, compared to just 10% from sales with affiliates.

KEEP THEM ONSITE, KEEP THE DATA

Perhaps even more importantly, BuzzFeed will build a more direct relationship with its shoppers and be able to collect consumer data, eventually leading to personalisation of recommendations, according to SVP of Commerce Nilla Ali speaking to the WSJ. Ali cited average order value as one potential variable of interest.

"Creating our own e-commerce platform gives us the opportunity to own the entire user journey and create an even deeper, more direct relationship with our readers," Ali told AdAge. "We know that we drive meaningful discovery for our audiences, and we're now focused on collapsing that journey from discovery to conversion." According to Ali, BuzzFeed is keeping affiliate links on the main site and editorial staffers on the commerce team will write stories for both sites.

INTERNAL SITES = DIRECT RELATIONSHIP

"Publishers like BuzzFeed that have really embraced affiliate over the last few years and built a solid business, and that have actually trained their audience to shop from them and expect to be sold product — those publishers are really ripe for this kind of product," Bonsai CEO Siddiqui told the WSJ.

"Creating our own e-commerce platform gives journey and creates an even deeper, more direct relationship with our readers and a real opportunity for us to reclaim some of that profit," Ali told AdAge.

Taking back control of the user relationship is a key element in the transition from affiliate to direct e-commerce.

LET'S RECLAIM SOME OF THE PROFIT

"Our work in commerce also will be part of solving a longstanding problem in the media industry where content creators provide the inspiration to buy a new product, go on a vacation, or watch a new show, but don't capture much of the economic value created," wrote BuzzFeed CEO Jonah Peretti in a company blog post early in 2020.

Peretti called it the "attribution problem," where Google and other middlemen end up capturing value they didn't create. "We see a real opportunity for us to reclaim some of that profit," Peretti wrote. "The convergence of mobile content and mobile commerce means we can finally make progress on this problem. The traditional marketing funnel can be compressed and consumers can move more fluidly from inspiration to transaction."

EMBEDDED E-COMMERCE AND CONTENT COMMERCE CAN BE FRAMED AS AN OFFERING OF CONVENIENCE AND EXPERTISE

The move to direct e-commerce also comes at a good time for publishers as companies are reducing affiliate commission rates. F

BESIDES, AFFILIATE RATES SLASHED 50-70%

"Walmart and Amazon have both pulled back on affiliate options since the pandemic started," wrote Dianna Christie on Marketing Dive.

"Commissions on commerce staples including headphones, beauty products and business supplies have been cut in half, from 6% to 3%," according to Digiday. "Commissions on home products, a fast-growing category with so many people now sheltered in place, has been cut by nearly two-thirds, from 8% to 3%; commissions on health and personal care products, another major growth area, fell from 4.5% to 1%."

A QUICK LOOK AT OTHER E-COMMERCE OPTIONS

Licensed products, bookazines, subscription boxes, affiliate revenue, and your own store

LICENSED PRODUCTS

Brand licensing can be big business. Really big. Look at Meredith. They were second in the world only to the Walt Disney Company in retail sales of licensed merchandise in both 2019 and 2020. Meredith generated $25.1B to Disney's $54.7 billion in 2019, according to License Global.

The top publishing companies in 2019 by brand licensing revenue were: Meredith ($23.2 billion in retail sales in 2017), Playboy ($1.5 billion), Hearst ($500 million), and Condé Nast ($150 million), according to License Global.

And, despite the pandemic hammering virtually every other area of revenue, Meredith reported in November a 21% increase year-over-year in branded content sales in Q1 of 2021 v. Q1 of 2020 (their fiscal year starts in July).

SUBSCRIPTION BOXES

Another old direct-to-consumer idea that's new again is subscription boxes.

Take GQ, for example. The magazine's subscription box is $50 every three months, or $190 a year, for a collection of products selected by GQ's staff. That "Best Stuff Box" nearly tripled its revenue in 2020 and has a retention rate of more than 75%, according to the company. More than 22% of companies have seen subscriber acquisition rates grow during the current pandemic, according to the 2020 Subscription Impact Report by subscription service company Zuora.

Other industries outperforming media

Most of the beneficiaries of the boom in subscription box sign-ups have not been media companies (an opportunity missed!). Food and beverage subscription boxes in particular have been in high demand, as much of the population is keeping grocery store trips to a minimum, according to the Subscription Report. The prepared-meal service, Freshly Inc., delivered five million meals in the month of March alone, a major jump from the 3.5 million the company predicted in February, the report said.

Similarly, subscription boxes in the education space have also seen an increased demand. KiwiCo, for example, which delivers STEM-based activities monthly for kids, has seen "a huge spike in subscriptions and one-off purchases" in its ecommerce store during the COVID crisis, according to KiwiCo Chief Product and Merchandising Officer Lisa Hom speaking to Digital Media Solutions (DMS).

Coping with cancellations

But not everyone in the subscription box world is thriving. With family and personal budgets tightening during the pandemic, some companies are being proactive in preventing subscription box cancellations. Barkbox Inc., for example, is letting customers pause their subscriptions until people "feel more secure about their finances," according to DMS.

"When subscription brands show understanding, provide transparency with regard to product availability and deliverability, and offer the flexibility to temporarily close accounts, defer payments or pause subscriptions, consumers are likely to remember that and feel a sense of loyalty to the brands," wrote DMS Assoc. Manager of Communications Carolyn Harding.

"Stay-at-home orders are already subsiding, so subscription box brands that have benefited from coronavirus need to prepare to adjust again," Harding wrote. "With circumstances changing every day, subscription marketers should use this unique time to establish long-term buyers.

"Subscription box brands must convey that their services have the ability to deliver much more than just beauty products, workbooks and easy meals," Harding wrote. "When marketed correctly, the appeal of subscriptions for consumers is found in value, access and convenience. And now more than ever, those factors are of the utmost importance in the eyes of many people."

BOOKAZINES

Bookazines are "a very profitable business". That's what Doug Olson, president and general manager of Meredith Magazines, called bookazines in early 2021 speaking to CNN.

Last year, Meredith released 331 issues, up from 330 issues in 2019 with sales growing about 2% from year prior (a major achievement in 2020), with some data yet to be reported, according to CNN.

A very bright future

At National Geographic, "the future is actually very bright for bookazines specifically," SVP for Global Media and Experiences Yulia Boyle told FIPP. "We doubled the production of our bookazines from 14 per year to 28 this year...we find that the more niche you go, the more specific you go to a subject area, you find passionate communities of people who want to buy that particular niche interest magazine."

Similarly, Bauer and Hearst also are growing the numbers and profits of their bookazines,.

Bauer doubles production

Bauer Media Group USA doubled its bookazine production in 2020, publishing 60 bookazines, and plans to publish more than 100 titles in 2021, according to CNN. Hearst Books doubled profits from 2019 to 2020 and produced 80 bookazines, up from 75 in 2019, according to Hearst Books VP/Publisher Jacqueline Deval speaking to CNN.

Citing bookazines as a key contributor, Meredith, which publishes People, Food & Wine and dozens of other popular titles, said in February 2021 that its newsstand revenue grew by $3 million in the final quarter of 2020 compared to the year prior.

Just to be clear, bookazines are big (as in thickness, sometimes exceeding 100 pages), single-topic, in-depth magazines filled with stories and photos from their archives, making them far less costly to produce, and marketed to consumers as collectors' items. Most bookazines are ad-free and sell at a higher price than weekly or monthly magazines. For example, the majority of Meredith's bookazines cost $9.99 or more.

> "SUBSCRIPTION BOX BRANDS MUST CONVEY THAT THEIR SERVICES HAVE THE ABILITY TO DELIVER MUCH MORE THAN JUST BEAUTY PRODUCTS, WORKBOOKS AND EASY MEALS."
>
> **Carolyn Harding** DMS Assoc. Manager of Comms

Conversions to bookazines and contract printing

Two twists on the theme is the conversion of titles to bookazines and publishing for others. For example, Meredith has converted older titles into bookazines, such as Traditional Home and Coastal Living, and also produces bookazines for partners such The Los Angeles Times, The New York Times (NYT), and Rolling Stone, according to CNN.

The combination of a higher price and lower cost of production makes bookazines much more profitable. Bookazines that "sell a fraction of the copies of an issue of one of our magazines can be successful," according to Steven Kotok, CEO and president of Bauer Media Group USA, speaking to CNN.

"To me, [bookazines] represent a really nice pandemic treat," Syracuse University Associate Professor of Magazine Journalism Aileen Gallagher told CNN. "We're all still stuck in our houses and the only place we're really going is the grocery store. It's like, 'Oh, here's this thing that will entertain me for a little while that I will invest $10 in.'"

"THE FUTURE IS ACTUALLY VERY BRIGHT FOR BOOKAZINES SPECIFICALLY, [...] WE DOUBLED THE PRODUCTION FROM 14 PER YEAR TO 28 THIS YEAR"

Yulia Boyle National Geographic SVP for Global Media and Experiences

AFFILIATE REVENUE

Despite the cutbacks in commissions, some media companies are still reaping significant rewards from affiliate revenue. Marie Claire UK is a prime example. As recently as 2017, ecommerce and affiliate revenue accounted for only 2% of total revenue. In late 2020, ecommerce revenues accounted for 40% of all digital revenues representing 675% annual growth, partly off the back of creating touchpoints to purchase from the top to the bottom of the ecommerce funnel, according to WNIP. "We are on target to hit 2020 revenues — which will double 2019 performance — with a 70% profit margin," Marie Claire UK E-commerce Director Emily Ferguson told WNIP. In 2017, Marie Claire UK hired Ferguson, an ecommerce veteran, to find new non-traditional affiliate revenues.

Immediate gratification and quality assurance

One year later, Ferguson launched Marie Claire Edit with the tagline "Shop the brands you love — Fashion Editor approved". The MC Edit site offered easy and immediate gratification plus quality assurance. Readers could purchase products they were reading about and have the quality assurance provided by approval badges from Marie Claire editors.
The site gave visitors the ability to browse and shop more than 50 stores and one million products all in the same place and all fashion-editor approved. Participating brands included Selfridges, ASOS, Topshop, and NET-A-PORTER, according to What's New in Publishing (WNIP).

A 6% conversion rate

By August 2019, the site was delivering an average 6% conversion rate, and average basket size of £397 pounds ($478), according to Retail Dive. "We are now ranking for over 18,100 key shopping terms in Google such as 'Arket dresses', terms that with content alone we would never have been able to reach," Ferguson told WNIP. Another 12 months, the results by August 2020 are still impressive — ecommerce accounts for 40% of all digital revenues, a 675% annual growth, according to Ferguson, speaking to WNIP. "We are on target to hit 2020 revenues — which will double 2019 performance — with a 70% profit margin."

Expecting 6,000 sign-ups, they got 25,000

Also in 2020, Ferguson launched Marie Claire Beauty Drawer, a free beauty sampling service designed to appeal to stuck-at-home women while also delivering a highly personalised advertising channel for its brand partners. Ferguson hoped to get 6,000 sign-ups a month, but within just 48 hours, more than 25,000 people had signed up, according to WNIP.
As successful as it all sounds, there were glitches. Ferguson recommends that anyone embarking on a similar project move the tech stack to the top of the priority list. "If I could do one thing differently, I would change the prioritisation of some of the technical roadmap that we used to build the site," she told WNIP. "We started the site using some old tech ... I think it's better to start development on a clean slate."

YOUR OWN STORE

Many media companies run their own online stores with branded merchandise.
The Condé Nast Store sells licensed merchandise, and there is the Vogue Shop and the Wired Store. Meredith and Hearst also have online stores for some of their media properties.
The latest entrant, in August 2020, was Condé Nast's GQ magazine store.
Opened as yet another way to combine content and commerce, the store launched with a handful of shirts and sweatshirts, some with original graphics adapted from the men's fashion magazine, according to Publishers Daily. A long-sleeve shirt with a picture of "Seinfeld" co-creator Larry David from GQ's "Wellness and Success" issue in February 2021 sold out in the first week, a promising start, Publishers Daily reported.

HOW DO 20%-70% PROFIT MARGINS SOUND?

Media companies with e-learning businesses can make serious money if they invest serious time and resources

Let's see if this quote grabs your attention:

"E-learning is a very valid and high-margin business opportunity for publishers (both B2B and B2C) if they make a commitment to learning product development and the marketing of the programmes ... I have seen (once a programme is operational) anything from 20%-70% margins."
— Barry Kelly, CEO, Thought Industries

Got your attention? Good. Now, here's how to get some of that profit.

"Publishers who have been successful have dedicated time and resources to build these business units," said Kelly, whose software company creates white-labelled learning experiences for all sorts of companies. "Creating high-quality learning experiences that serve a need in the market is key.

"What I am saying is that while it's not a silver bullet, it IS a very effective business opportunity if committed to like any other revenue strategy," Kelly told FIPP.

"B2B publishers in particular tend to have strong learning components to their business," Kelly said. "The simple reason is that professional development is big business. Individuals need to be trained/certified to maintain their jobs in many industries.

"We have also seen successful B2C publishers in learning, but it would more than likely be a lower percentage of total revenue than B2B," Kelly said. "But good to know: B2C publishers can add multi-million, high-margin learning programmes to their overall portfolio with the right market and a commitment to sticking with it."

And what does "commitment to sticking to it" mean?

Kelly outlined what it takes to succeed in e-learning:

1. A business owner who holds P&L responsibility is critical.
2. A dedicated budget to set up the business and a model that recognises that it will take a little time is also essential. Like any good business, it requires time and money to get off the ground.
3. A content creator/instructional designer must be identified who will research the needs of the learners and create high-quality courses.
4. A team of strong, willing marketers with the budget to promote the programme must be assembled and charged with this responsibility. This is the key that separates those who are successful from those who are not. If you build it, they will not necessarily come. You need to promote it and convert readers into attendees.

While media companies have the assets in terms of deep, valuable archives and years of staff expertise and experience that are needed to create courses, their primary focus is their publication and website.

No worries.

One really good thing about e-learning business models is that, even though you could do it yourself with internal staff, there are people out there who can help, from a little to a lot.

Rather than let your expertise and assets go un- or under-leveraged, you can partner with academic and commercial institutions who can turn your physical and human assets into gold because online education is part or all of what they do.

> "PARTNERING WITH EDUCATIONAL INSTITUTIONS PRESENTS A HIDDEN SOURCE OF REVENUE FOR PUBLICATIONS."
>
> **Rob Kingyens** CEO, Zephr

PARTNER WITH AN EDUCATIONAL INSTITUTION

"Partnering with educational institutions presents a hidden source of revenue for publications," said Rob Kingyens, founder and CEO of the online education technology firm Yellowbrick in speaking with Folio. "Education is a complementary way for media brands to not only generate revenue, but also to give back to their audience," he told Folio. "Revenue generation isn't the only reason to do this."

PARTNER WITH AN E-LEARNING COMPANY

Yellowbrick, for example, manages partnerships between higher education institutions and media companies, usually at a national level. According to Folio, recent Yellowbrick launches included two courses with Complex Media and one with Billboard:

1. "Sneaker Essentials": A Complex Media partnership with the Fashion Institute of Technology
2. "Streetwear Essentials": A Complex Media partnership with Parsons School of Design
3. A music-industry-focused course in partnership with New York University and Billboard

"What's unique with our model is we're taking the media outlet's strengths — the expertise of their staff, their audience — and managing and operating all the things that aren't their core strength," Kingyens told Folio. "Media companies are a natural fit since they're often looking for new ways to engage their audience and create community."

Similarly, Kelly's company, Thought Industries, delivers "a platform that is designed to serve all facets of learning product creation, monetisation and delivery. "From single short-form online course creation to long-format blended learning programmes with instructors, virtual and in-person meetings, our technology helps with every element of e-learning business delivery and management," Kelly said. "Monetisation is turn-key."

WHO ARE THE MEDIA COMPANY E-LEARNING LEADERS?

Among media companies, The Guardian is a leader in the e-learning niche, with its "Master Classes", a diverse programme of dozens of courses every month across a variety of disciplines, including journalism, creative writing, photography, design, film, digital media, music/cultural appreciation, social media, data visualisation, business skills, and wellbeing. Another leader is Burda, which offers the BurdaStyle Academy for online sewing education.

The BurdaStyle Academy promises to give its students "all the tools you need to learn how to create beautiful, stylish, and professional-looking garments from the comfort of your own home (and sewing studio)," according to the company. "We hand-pick sewing industry specialists we know to develop courses. Our instructors guide you through our courses with one-on-one help and they are there to make sure you are on track with each session."

WHAT DOES IT COST TO SET UP E-LEARNING COURSES?

Depending on your vision, you can do it for $30k to $500k

Here's the bad news: It isn't cheap.

Here's the good news: Once a course is up and running, it's very lucrative. All your set-up costs are one-time costs, but you can keep charging the initial fee and your margins skyrocket.

"Like any business, in order to do this, there is no cheating, right?" said Barry Kelly, CEO of e-learning company Thought Industries. "You need an educational platform — a high-quality, consumer-grade platform. You're competing with the Pelotons of the world for consumers' e-learning dollars and they will want a consumer grade experience, not a Zoom-call quality experience.

"You also need the tech and server capability to handle the volume of distribution and be able to deliver at scale," Kelly told FIPP. "You need the software to monetise it and design it in a way that creates a brand experience — a learning procedure that is completely on-brand.

"The next line item is content creation — You need instructors with subject knowledge, but, unlike most companies, media companies don't have to look too far for those people," Kelly said.

"In media companies, you have the subject-matter experience and the content creation capability. You have all the important ingredients for a good e-learning product.

"Then it comes down to how long it takes to create the course and take it to market," Kelly said. "And that is a major line item — the marketing costs are one of the biggest challenges.

"I've seen organisations choose right tech, build the right product, and then call the marketing department the week before launch!" said Kelly. "It's not that easy. You must dedicate media assets and revenue to paid media and marketing and consistent deployment opportunities to market your courses."

The cost?

"In the first year, I have seen organisations invest $60,000 and others invest $400-500,000," said Kelly. "It depends on your ambition and the scope and quality of the courses you want to create.

"You could start with one course on the platform and be in the $30k-$50k range, or you could be deliberate in your research, and licensing technology, and putting a marketing budget aside, and hiring a team, and end up at $300k in first year," Kelly said.

"The P&L needs to make sense — how many attendees do you need to see at what rate to cover your cost?" Kelly said. "Pricing is a very critical component. The type of learning experience you offer will determine that: High-quality subject matter experts and a deep learning experience over long period of time can command significant amounts of fee money.

"So, if you're running the kind of course you can charge $800 for, you're going to recoup your costs quickly," Kelly said. "If the course fee is in the $15 fee range, well, the pricing speaks for itself.

"The beauty of online learning is you can create evergreen courses that will continue to generate revenue at scale year after year and the margins will continue to grow at the lower cost base once the programme is created," Kelly said. "Then it just comes down to marketing and training.

"I've seen businesses generate margin in the first year, but it's like any business — you are not going to be profitable in the first two months," Kelly said.

> PRICING IS A VERY CRITICAL COMPONENT. THE TYPE OF LEARNING EXPERIENCE YOU OFFER WILL DETERMINE THAT.

WHATEVER HAPPENED TO MOOCs

If you were worried that MOOCs failed and e-learning success is a mirage, think again

Remember when MOOCs were the rage? Massive Open Online Courses (MOOCs) debuted with great fanfare almost a decade ago and they were going to radically disrupt the hidebound world of traditional higher education and knowledge acquisition. The hype was breathless. The New York Times declared 2012 "The Year of the MOOC."

Not so fast.

"From the start, MOOCs had abysmal completion rates," according to Forbes. "While they attracted tens of thousands of 'students', very few stuck around long." The students were discouraged by the same challenges that trouble today's pandemic-era students forced into distance learning: screen fatigue, lack of interactivity, lack of human contact, and more. In addition, ten years ago the technology was far less sophisticated.

While the MOOC companies stayed in business, they didn't turn out to be as transformational as they'd hoped.

Then along came COVID-19.

The COVID-19 quarantines resulted in millions of people suddenly having lots of free time on their hands. Many of those people turned to online courses. Of all the learners who have ever registered for MOOCs throughout their history, one-third did so just in 2020 alone, according to a late 2020 report by Class Central, a company that tracks MOOCs.

According to the Class Central report, the largest MOOC operator, Coursera, saw a one-year growth of 387% in new registered users, exploding from eight million in 2019 to 31 million in 2020. Dhawal Shah, founder of Class Central, estimated Coursera's total number of users in early 2021 to be 76 million, reported Campus Technology.

Not far behind, the second largest MOOC company, edX, doubled in size, gaining 10 million new registered users in 2020, up from five million. Shah estimated the total edX user base at 35 million, according to Campus Technology.

The UK-based Future Learn grew 384%, adding five million new registered users up from 1.3 million in 2019, according to the report. The total user base was estimated to be about 15 million, according to Campus Technology.

THE STUDENTS WERE DISCOURAGED BY SAME CHALLENGES THAT TROUBLE TODAY'S PANDEMIC-ERA STUDENTS FORCED INTO DISTANCE LEARNING: SCREEN FATIGUE, LACK OF INTERACTIVITY, LACK OF HUMAN CONTACT, AND MORE.

The initial exuberance a decade or more ago was "a classic example of the 'hype cycle', where people tend to overestimate the effect of a technology in the short run and underestimate the effect in the long run," said University of Arizona Distinguished Professor of Astronomy Chris Impey writing for The Conversation. Generally, MOOCs attract learners with two types of motivation. "Some are motivated by general interest and personal growth," said Impey. "Others are motivated by professional advancement.

The Class Central report found that the learners' interests had indeed become more diverse, as Impey suggested. "Whereas topics in technology, business and career development dominated pre-COVID-19, during the pandemic, learners focused on wider interests: Art and design, self-improvement, the humanities, communication skills, health and medicine, and foreign languages surfaced in the top 10 subjects," according to CampusTechnology.

In a time of massive physical and psychological disruption, it's no surprise that the Class Central report found that the most popular course during the pandemic was Yale University's "The Science of Well-Being", with more than 2.5 million enrolments in 2020.

In addition to the COVID-19 spike, over the last few years, there has been a rapid growth in micro-credentials — modular learning units that can be combined for a qualification like a master's degree. In addition, full online degree programmes were also booming. Additionally, the MOOC companies have evolved.

"The instructional ingredients of success, the sites found, include short videos of six minutes or less, interspersed with interactive drills and tests; online forums where students share problems and suggestions; and online mentoring and tutoring," according to New York Times tech writer Steve Lohr.

"Active learning works, and social learning works," edX founder and CEO Anant Agarwal told the NYT. "And you have to understand that teaching online and learning online are skills of their own."

"Executives eventually discovered that earning credentials for completing courses and paying fees drove completion rates far higher," Lohr wrote. "Typically, 10% or fewer students complete free courses, while the completion rates for paid courses that grant certificates or degrees range from 40% to 90%."

Similarly, the Condé Nast College of Fashion & Design "prepares students for a career in the fashion, media and luxury lifestyle industries," according to the company. "Our courses fuse exciting and intensive academic learning with unrivalled access to the best and brightest minds in the industry, including the teams at Vogue, LOVE, Glamour, GQ, and a host of other Condé Nast titles.

"The College delivers creative courses combined with a solid foundation in the business and strategic sides of the fashion, media and luxury lifestyle industries," according to the company. "The purpose of our courses is to prepare students for a multitude of careers: styling, journalism, fashion buying, marketing, branding, graphic design, PR, digital strategy, business, events, entrepreneurship, e-commerce, and myriad other career paths within these exciting, fast-paced industries."

Some media companies offer classes for free with the costs underwritten by sponsors or by the media company itself in the interest of subscriber/member attraction, conversion and/or retention. Other media companies offer classes with a range of fees, and still others offer them as a perk for purchasing a membership.

Some of the larger media companies use or hire in-house staff to produce the courses while others outsource it to companies like Yellowbrick and Thought Industries.

"Academia, like media and finance before it, has long been ripe for disruption," said FIPP Chief Content and Marketing Officer Cobus Heyl. "Apart from whether old methods of teaching are still best, universities especially leave students with sky-high debts for oftentimes worthless degrees where vocational training could've been better. Besides at the start of their careers, people cannot go through their careers anymore without doing professional development out of their own accord.

"Some universities still charge multiple thousands for a professional development course, but: 1) Not everyone can afford that, and 2) Not everyone has the time or means to attend classes," Heyl said.

"Enter the likes of Udemy, Thought Industries, Coursera, GetSmarter, Yellowbrick, the Guardian's Masterclass, and, last but by far not least, LinkedIn Learning," said Heyl.

So, if your company is B2B or in a consumer niche where your audience is seeking advance knowledge or skills in that niche, by all means start doing the research that will tell you whether any significant e-learning revenues are in your future."

EVENTS WILL NEVER BE THE SAME

And that's a good thing

Is it trite yet to say: "Things will never be the same"?

Well, trite or not, when it comes to events, it's true: Things never will be the same.

They'll actually be better.

Once we get through this pandemic, events will become what they should have become five or even ten years ago: Hybrid!

"I think, long term, actually we'll have a much better business, a more diverse business, and a more sustainable business going forward," Simone Broadhurst, MD of sustainable events company Incisive Media, said at the FIPP World Congress in the autumn of 2020.

"When real-life events return, they will endeavour to have an online side to them if they can," said Edie Lush, executive editor of Hub Culture, an invitation-led social network service, in the FIPP 2020 Future of Events report.

"After all, if online events have been a success, why stop now? Even as the strictest lockdown conditions ease and physical events begin to return, online events are now an established part of the ecosystem," concluded the authors of the FIPP report.

"We can [have] the best of both worlds," said Orson Francescone, managing director of FT Live, the Financial Times' events arm, speaking to Press Gazette. "No matter what happens in the future, all events are going to be hybrid ... I don't think anyone is ever going to run a large public-facing B2B event without a digital component ever again."

Hybrid events can offer different experiences for the "live" crowd and the virtual crowd, with content curated for each group. "So there will be some content that will be exclusive to people who turn up in person that you don't want to show in a digital environment," Francescone told Press Gazette.

"Event businesses that can't experiment with new models will be left behind," Sterling Woods CEO Rob Ristagno said in his introduction to the FIPP Congress "What's Next For Events?" webinar.

After getting our sea legs, media companies made online events succeed beyond anyone's wildest optimistic expectations when the lockdowns first hit.

- Condé Nast's recent pivot to virtual programming, for example, has included more than 150 virtual events globally, reaching more than 700,000 consumers at home, according to MediaPost.
- Cherry Bombe, the female-focused food brand, had anticipated 700 paying attendees at its in-person Jubilee event in New York, but instead used Instagram Live to put on Jubilee 2.0 — an entirely online event that reached 180,300 Instagram accounts, according to the FIPP Future of Events report.
- At long-form journalism site Tortoise where they host "ThinkIns", they now have anywhere from 200 to 2000+ attending — "the maximum capacity in our [physical space] was around 120 (if everyone squeezed in...)," said Tortoise Co-founder Katie Vanneck-Smith.
- Women's Health Live was viewed by more than 10.9 million people across Facebook, Twitter and YouTube, creating a new online fitness community in a matter of days,

FIPP TIPS

Measure success
"Key data to look out for are the number of registered delegates versus those actually attending; how long they stayed on; how much attention they were paying; and transcripts of questions asked and chat," says James Hewes, FIPP CEO. You can also send out different URLs for your event as a way of tracking where your audience is coming from.

Have a script
Without face-to-face interactions and body language, the value of the spoken word is supreme. Having a script is a must, says Hewes. "Pauses and hesitation are even more apparent on video than they are in real life, so make sure your script helps you navigate your way through the event." Use Zoom's practice function.

Plan the ending and follow-up
End by outlining actionable points. Eschew the vague "get in touch with me with any questions". Sending followw-up emails with any slides and a link to the recording is a great way to remind your audience of what they learned, share links to topics discussed, and invite them to your next event. Give sponsors a boost. After a food-focused conference, Cherry Bombe Co-founder Kerry Diamond emailed participants a "goodie bag" with discount coupons and vouchers from the event's sponsors.

It's a talk show, not a lecture
Ditch the lengthy slide decks; focus on conversation

Keep it small
A host and no more than two guest speakers

Tech matters
Make sure the platform allows levels of customisation and branding, communication with delegates before and after, and automatic recording

Use the chat function
Webinar attendees ask more questions. Keep an eye on incoming queries and integrate Q&As into the webinar

Use analytics to learn about your audience
Make sure your platform supports custom URLs to allow source tracking (FIPP creates 10-15 different URLs for each webinar, to allow us to understand where the audience members come from). Will it integrate with your CRM platform. Look for data such as the number of registered delegates versus those actually attending; how long they stayed; how much attention they were paying; and transcripts of questions asked and chat.

Prepare, prepare, prepare
Have a script; practise it; call your panelists beforehand to talk through how the event will unfold. Test slide-sharing.

Have good sound and lighting
A lapel mic is a good investment

Backdrop and visual elements
Get a vinyl backdrop and stand to hang it from. They are not expensive.

according to Campaign Live.

- FTLive drew 5,500 attendees to a four-day FT Digital Dialogues digital event in April 2020.
- FT Global Boardroom, a fully live, global digital event, had 100 remote speakers and 52,000 delegates.

"We're never going to let go of that digital piece," said FT Live's Francescone, the Financial Times' events arm, speaking to Press Gazette.

In a "normal" year, the FT's average event calendar would have included 150 live events around the world. When COVID-19 hit, the FT turned on a dime, and launched The Global Economic Emergency webinar.

"We turned [the event] around in four days and we got 8,000 people registered for that… it was suddenly like 'crikey, clearly there's something in this'," Francescone told the Press Gazette.

The success of that webinar was the "spark" that led to The Global Boardroom, a new digital-only event born as a result of the pandemic and delivered within five weeks, drawing 150 speakers and more than 50,000 people attendees over three days in May 2020, according to Francescone.

It has become the FT's most profitable event

A NEW TWIST TO EVENTS AND SUBSCRIPTIONS

In what some considered a controversial move, the Boston Globe inked a six-figure contract with biotech company Biogen that gives all of its 4,000 Massachusetts employees access to the digital version of the paper plus the Globe will run two town-hall style events around topics of Biogen's choosing at the company.
"It's like Amazon Prime," Globe Chief Commercial Officer Kayvan Salmanpour said. "Your company becomes a member of the media company … It's an HR tool and it's an employee engagement tool." Salmanpour said that Biogen will have no influence over the Globe's editorial decisions.

> "I DON'T THINK ANYONE IS EVER GOING TO RUN A LARGE PUBLIC-FACING B2B EVENT WITHOUT A DIGITAL COMPONENT EVER AGAIN."
>
> **Orson Francescone** FT Live, Managing Director

and its "biggest launch ever", Francescone told the Press Gazette. Guests included ex-UK prime minister Tony Blair and ex-US vice president Al Gore among others, big names who could have taken years to organise in pre-pandemic times.

"The power of digital meant that suddenly in five weeks we could corral this incredible audience from all over the world because people could call in on Zoom," Francescone told the Press Gazette. "That was a huge eye-opener for us. Suddenly we went from digital being a bit of a lifesaver to digital being a big opportunity."

Digital events had allowed the FT to "supercharge" the internationalisation of its audience base "in a way that could never have happened in a physical environment," Francescone said.

By the end of 2020, the Financial Times had put on 290 events (versus the average of 150 pre-pandemic).

THE DOWNSIDE: SPONSORSHIPS AND EXHIBITORS

While unprecedented numbers of people were attending media company events, the number of and revenue from sponsors and exhibitors did not follow suit.

Nonetheless, Francescone is optimistic about the ability of media companies to get better at selling online events.

"The best salespeople will rapidly evolve their conversations with clients from 'this is a second-best alternative to make-do in these uncertain times' to 'you want this digital solution a lot more than you thought you wanted that physical event, and let me show you why'," he said in the FIPP report.

IT AIN'T NECESSARILY OVER

As we prepare for the post-pandemic future, we also cannot forget that this whole coronavirus thing is likely to happen again.

Second waves of COVID-19 are predicted, and the risk of another global influenza pandemic remains high on the World Health Organisation's list of top 10 threats to global health.

Additionally, concerns about the climate and people working from home en masse will certainly impact live events and make quality virtual events even more essential as standalone events or part of a live event.

So, it's incumbent upon us to take the hard-earned lessons about how to run virtual conferences and apply them to the hybrid future.

Aided by AI, improved noise-cancelling technology is in the works, and, fuelled by demand, we are likely to see more online event innovations come along as firms scramble to provide high-quality virtual event services, establish themselves as the go-to service provider, and reap the financial rewards.

BENEFITS OF VIRTUAL EVENTS

Compared to physical events, "the [virtual] rooms are more inclusive, global, and can scale," Tortoise Co-founder Katie Vanneck-Smith told FIPP. "They have allowed people who wouldn't have normally been able to make it to one of our ThinkIns to be part of it. We have also been able to convene really interesting speakers who are more available. It has removed geographic barriers and also made them more accessible to an increasingly diverse group of people — especially attracting a younger, engaged audience."

Virtual events have a low cost base — there's no need to hire a venue and feed guests, for example — and a high profit margin. Virtual attendee data also has a lot of value and can be used to grow subscriptions.

TIPS FROM TEXAS

Texas Tribune CEO Evan Smith offered the Poynter Institute the following tips:

- **Schedule the action over a full month rather than three days**
- **Given shortened Zoom attention spans, aim for segments totalling two to three hours a day at most**
- **Up the number of speakers — currently 250 for 100 sessions**
- **Tilt the content more to national topics than previously — about 40%**
- **Mix formats — live and taped, free and paid, one-time, and archived for rewatch**

"Unlike in physical events, where asking questions can be painful, online audiences are more than willing to submit questions via the webinar platform," said FIPP CEO James Hewes. "During one recent webinar, we had more than 30 in a single hour."

Some of the downsides of virtual events are offset by the enormous reduction in costs. Finding a venue, taking care of speakers, and making sure everyone has enough to eat and drink are concerns that don't apply to virtual events. Many logistical difficulties can be sidestepped. All you really need are good speakers and a professional set-up.

VIRTUAL EVENT DOWNSIDES AND WORK-AROUNDS

The lack of in-person networking is one challenge, according to Mike Hay, President, Ringier Trade Media, Hong Kong, speaking to FIPP. "This is so often where the important business gets done at a conference and where you get moments of serendipity between delegates," he said.

"Therefore, when we hold virtual events in China, we have a WeChat channel that runs in parallel and they can communicate in public or create private chat rooms, which has worked well," Hay said.

"There is a lot of interactivity between the speakers and delegates," he said. "So they're getting almost the same experience. The problem is getting the sponsors and delegates to interact."

"I participated in an event last week where everyone had their LinkedIn and social handles, so you could easily connect with someone and people were requesting invites," Pocket Outdoor Media/USA VP of Fitness Amy Thompson told FIPP.

Virtual events are "just as difficult" as physical events, Bauer Event Director Chris Lester told Press Gazette. "You've got to invest just as much time in a virtual event as you have an in-person. Obviously it's a different world, but you still need resource to do that — it's not easy."

DOES IT HAVE TO BE ZOOM?

One thing that experienced online event organisers know is that the platform really matters. While Zoom's intuitive simplicity and the familiarity of Microsoft Teams and Google Meet make them popular options, other platforms offer different services, according the FIPP's 2020 Future of Events Report.

SwapCard is an app and desktop site designed specifically to facilitate online networking. Cisco's Webex has a user-friendly look and feel; and vMix is popular for its green room function.

Internet security should be actively considered, too. Zoom, for instance, has been troubled by security breaches, while Webex's end-to-end encryption option must be manually enabled by call administrators. Microsoft's Skype, meanwhile, recently launched a new feature called Meet Now that allows any user to initiate or join a group video call without creating an account. But since anyone with the link can access a meeting (and the links don't expire), there are security issues there, too.

None of this is prohibitive — it all depends on the type of event you are hosting, and how much security matters to your users. Book clubs likely won't have the same privacy requirements as, say, a conference on internet safety for children.

Lester said virtual events could not match in-person events for turnover. He estimated that the loss in revenue from a total switch to virtual events would be more than 50%. "It's clear it is a different economic business model," he said. "Profit margins can be higher, but revenue's much lower and cost base much smaller."

The FT is using a "freemium" virtual events model, with extras such as on-demand service post-event and access to B2B networking technology costing more, while the basic ticket remains free, according to Press Gazette. But the model is mainly driven by sponsorship, Francescone said, "because it's hard to command those big-ticket prices online".

Indeed. Pricing for virtual events made event teams skittish at first. How could you ask an attendee to pay big bucks to sit in front of their screen for an "event"? Most virtual events started out free of charge.

But as media companies got more comfortable with and proficient at running quality virtual events and came to understand that the content was still unique and valuable, they began to charge.

For example, after airing their initial virtual events free of charge, New Scientist started testing ticket prices. While an in-person New Scientist lecture might have cost between £25-£30, the event team discovered after testing that virtual lectures could sell well at between £12-£15.

To recoup some of that lost differential in ticket revenue, New Scientist began offering value-adds.

"Some of the revenue streams that we missed from our physical events were things like book sales and sub sales," Event Director Adrian Newton told WNIP. "[For the virtual events,] we've been able to do some partnerships with publishers to do a book offer, where we can get ticket prices with the book included closer to the £35/£40 point."

Even those media companies who are realising some event revenue, they acknowledge that live events are far more lucrative than virtual events.

B2B publisher Euromoney saw event cancellations lead to a £9.2 million revenue hit in the first half of 2020 alone, with virtual events making less than 30% of the revenue of their face-to-face counterparts, according to Press Gazette.

But all told, for media events businesses to come out of the pandemic and economic downturn in the surprisingly good shape that they did offers hope for an even rosier future.

CAN REVENUE BE PREDICTABLE?

Recurring revenue business models offer publishers income beyond their base content products

Nothing warms the cockles of a media executive's heart like recurring revenue.

Money coming in month after month. Money coming in predictably. Money coming in, if you're good at what you do, year after year.

Publishers have been enjoying recurring revenue for centuries by selling subscriptions to their magazines and newspapers and, recently, their digital sites.

But those same publishers have been leaving a lot of money on the table because they haven't milked the recurring revenue cow the way some consumer product companies have done lately to stunning effect.

In addition to their primary products, makers of athletic equipment, cars, clothing, software, shopping sites, professional development services, health and wellness products, and more have created recurring revenue subscriptions as a substantial revenue stream, in some cases driving revenue that competes with their main product's income.

Why is recurring revenue so valuable? Global management consulting firm Baton Global recently outlined the benefits of recurring revenue to businesses:

1. It leads to stronger margins in the long-term. "Businesses that have built a large recurring revenue base spend less on retaining customers," according to Baton Global. "Entering into longer-term relationships with customers allows businesses to escape the endless cycle of constantly having to resell to the same customer over and over. Recurring revenue also allows businesses to more accurately forecast demand and, therefore, operate more efficiently."

2. It provides certainty to future income, decreasing risk. "For example, unpredictability in the number of iPhones that will be sold in the future — the iPhone is not a recurring revenue product — adds volatility to Apple's revenue," according to Baton Global. "If the iPhone sneezes, Apple catches a cold. Whereas Microsoft can rely on a steady stream of revenue from companies that pay hundreds of dollars per employee per year to obtain access to theMicrosoft Office software suite. Microsoft never catches a cold because Office gives it immunity."

3. Income tied to the clock. "Humans constantly underestimate the pace of time, so the ideal revenue model is one that is tied to the clock," according to Baton Global. "That's recurring revenue. Payments that occur automatically every month serve as a sort of inertia that prevents customers from considering alternatives or deciding they no longer want or need a subscription or membership. As a result, businesses with recurring revenue naturally have higher renewal rates (or lower churn), which puts them one step closer to monopoly."

"Subscription business models are everywhere — from Netflix to Apple Music to Salesforce.com," wrote Sam Klann, a financial analyst for Baton Global. "Recent research found that subscription businesses are achieving 5x faster revenue growth than the S&P 500 (18.2% versus 3.6%). From Apple Music to Netflix, companies are moving from transacting with customers to building long-term relationships and recurring revenues."

Subscription services like Apple Music, Amazon, Microsoft, and Netflix are not unlike magazines and newspapers and digital native websites that sell subscriptions to their primary products.

But it is the companies that go above and beyond their primary product to create relevant subscription products that are really impressive.

Take Peloton, for example.

Peloton sells exercise equipment. A ton of it.

From 2017 to 2020, Peloton's revenue grew from $218 million to more than $1.8 billion, according to the company. That is a mind-boggling 726% increase.

But that represents only 75% of their revenue.

Guess what makes up the rest? Apparel and… subscriptions.

Peloton's subscriptions are either a reasonable $13 per month or a pricey $39 a month to access exclusive workout content streamed directly to their at-home device ($13/mo.) or directly to the screen on their Peloton equipment.

Peloton's profit margin on both the physical product and the subscriptions is a stunning 43%, according to the company.

The lower subscription rate is not dissimilar to the rate media companies charge for a monthly subscription. But Peloton's upper-end rate is quite steep, totalling $468 a year.

Peloton reports that it has have more than three million subscribers, including more than one million paying the higher price — a 113% increase year over year from 2019 to 2020, which the company expects to double in 2021, the company reported.

Peloton's performance is also impressive when it comes to churn: an average 0.64% net monthly customer churn since 2017. More than 90% of the higher-end subscribers keep their memberships for 12 months or more. By comparison, traditional gym membership renewal rates are closer to 60%.

Another recurring revenue poster child is Barkbox, a pet food supplier with products for sale in more than 23,000 retailer locations, including Target, Costco Wholesale, and Petco.

> **"YOU'RE SEEING GROUPS OF PEOPLE THAT NEVER BOUGHT ONLINE NOW HAVING TO BUY ONLINE, BREAKING DECADES-OLD SHOPPING HABITS TO CREATE NEW HABITS ONLINE."**
>
> **Joanna Coles** CEO, Northern Star

But Barkbox's goldmine is its subscription delivery service.

The pandemic lockdowns have massively lifted pet-related services like Barkbox. Folks stuck at home bought new pets at such a rate it was hard to find any pets for purchase, even at shelters. All those new pets needed food and supplies and toys.

"People spend an insane amount of money on their dogs, and getting any kind of package in the mail is an exciting event during these quarantine times," wrote Nicholas Jasinski, stocks reporter for Barrons. "BarkBox satisfies both of those cravings, offering monthly subscription boxes full of dog toys, treats, and other goodies for America's four-legged companions."

The eight-year-old company saw a 58% surge in subscriptions in 2020, to more than 1 million as of December.

"What we're seeing is a massive acceleration in consumers' online confidence and comfort," Northern Star CEO Joanna Coles told Barrons. "You're seeing groups of people that never bought online now having to buy online, breaking decades-old shopping habits to create new habits online. And you're seeing movement from one-time purchases to subscription purchases for staples."

RECURRING REVENUE STREAM OPPORTUNITIES

"Instead of focusing all your energy on one-time sales, you should be thinking about how you can create recurring revenue for your company," wrote Matt Harrison, vice president of Strategy of freelance marketplace FreeUp. Here are his suggestions for recurring revenue stream opportunities.

1 All-You-Can-Eat Library

"If your business revolves around creating content, then an all-you-can-eat library is a great way for you to earn recurring revenue. You can create a library of content and build a membership subscription system that allows people to access it."

2 Online Courses as Evergreen Programs

"Offering online courses as evergreen programs works similarly to membership programs. You can share your knowledge about a specific topic to paying students. The caveat here is that it can take a lot of effort in the beginning to create the content and crank out a marketing campaign to get the word out to your target customers."

3 Building a Membership Program

"A membership program lets clients sign up for ongoing access to a particular offering on a membership site. Here, you can deliver content, build a community, or offer consulting services for a monthly recurring fee."

4 Software as a Service (SaaS) Offering

"You can generate recurring revenue by offering software in exchange for a monthly or annual subscription fee. Even tech giants like Adobe and Microsoft went in this direction as opposed to their previous one-off selling strategy."

5 Physical Product Subscriptions

(monthly box subs)

"A physical product subscription or box subscription is perfect for a business that naturally lends itself to mailing items. It's also a great option for creative entrepreneurs who have access to niche communities. All you need to get started is to source products in bulk at low prices, find a reliable order fulfillment and delivery platform, and do some creative marketing. The cost may be high in the beginning, but once you get going, your revenue will start exceeding your expenses."

6 Memberships with Physical Products

(e.g., knitting club with patterns shipped)

"You can also combine a membership site program with a physical product delivery program for a richer customer experience. You can set up a community around a particular niche, provide content and education, and bundle that with a physical product."

7 Private clubs

"If you like socialising, teaching, or bringing people together, then establishing a private club is a great recurring revenue option for you. There are people who are willing to pay a premium for exclusivity and connectivity, and this is exactly what this business model banks on."

need three lines more on this column pl

The Barkbox folks go beyond just mailing packages of goodies chosen by pet owners. "BARK Eats asks for information about a dog's size, breed, age, level of activity, and more, and has a nutritionist come up with a portion size and meal type for each pet," wrote Jasinski. "That customisation makes dogs healthier, and keeps customers subscribing, according to [the company]."

"We can provide that unparalleled level of personalisation, and we can deliver it right to your home and do it at competitive price points," Barkbox co-founder Matt Meeker told Barrons. "And once you've got a personalised, nutritionist-validated food supply for your dog, you're not going back to just the regular 30-pound bag from the store that's supposed to be meant for all dogs."

The classic toy-and-treat BarkBox monthly delivery goes for $35 for a single package, or $26 a box for a six-month plan, and is also customisable, according to the company. The company says it ships 150,000 different configurations monthly to more than 1.05 million subscribers.

Barkbox isn't kicking back and counting its new riches. "[Barkbox] is developing new subscription plans in categories including dog dental care and goods like leashes, beds, and collars," wrote Jasinski. "Its products are all proprietary under its own brands."

Another example of prospecting outside of your main line of business is LinkedIn, the networking website.

The social network for professionals bought e-learning startup, Lynda, in 2015 for $1.5B and rebranded it LinkedIn Learning. "LinkedIn partners offer LinkedIn Learning courses to companies and reports that 78% of Fortune 100 companies offer LinkedIn Learning, according to Gary Fox, Strategy, Business Model and Innovation expert at Cranfield University.

Fox cited several other subscription services that have stood out in recent years:

- Amazon Prime: "Amazon Prime gives you access to selected TV streaming products, 2 million songs, playlists, thousands of books and magazines (a smaller subset of the Kindle Unlimited subscription), online storage and saves you the delivery costs for your other purchases," wrote Fox. "All this comes at a reasonable monthly subscription (or on annual basis at lower cost)."
- The Dollar Shave Club: "Dollar Shave Club launched in 2012 with a revolutionary viral video that generated 12,000 new customers in the first 48 hours, growing to 330,000 customers by 2013," wrote Fox. "It is now estimated to have annual revenues of over $260M."
- HelloFresh: "HelloFresh passed Stitch Fix to become the largest subscription e-commerce company, with $1.4 billion in 2018 sales," wrote Fox. "The Berlin-based startup that offers recipe boxes as a service is expected to hit total earnings of more than $2,000M in 2020."
- RentTheRunway: "RentTheRunway was the first major fashion platform that offered a subscription service for clothes," wrote Fox. "It validated that the 'access instead of ownership' model was possible for fashion. The clothing rental service became a unicorn in 2019."

ANOTHER EXAMPLE OF PROSPECTING OUTSIDE OF YOUR MAIN LINE OF BUSINESS IS LINKEDIN.

"Companies involved in subscription businesses get to know their customers a lot better, and acquire more data across their customer base," wrote Fox. "Subscription models can also offer deeper customer insights.

"When interactions with customers are restricted to one-off purchases, it's difficult to develop a nuanced understanding of consumer behaviours and preferences," wrote Fox. "Consequently, the data improve profiling and targeting for customer acquisition."

"Those insights inform a company about innovation opportunities — from product alterations and new products to marketing decisions," Fox wrote.

Publishers need to take a look at what content and products they already have or could create in their niche areas with an eye toward building recurring revenue subscription business models around each.

GOING GREEN

NO MORE SLACKING ON SUSTAINABILITY

AS WE GET THE PANDEMIC UNDER CONTROL, THE WORLD WILL RETURN TO BATTLING GLOBAL WARMING, AND READERS WILL BE HOLDING PUBLISHERS' FEET TO THE FIRE

Maybe we've just been too busy struggling to survive.

Lately, we've been pummelled by the pandemic. Before that, it was the ongoing ad apocalypse, the digital transition, ad fraud, a changing workforce, new technologies, the tyranny of the duopoly, etc., etc., etc.

So, yes, we've been distracted.

How else to explain the apparent dearth of any — or any substantial — environmental sustainability initiatives at most media companies?

After a rush of sustainability policy activity about 10 years ago when the topic was initially hot, going green at media companies lately seems to have been reduced to creating print and/or digital stories or packages about climate change, spelling out how businesses, governments, and our readers can and should become good environmental citizens.

But as far as becoming good environmental citizens ourselves ... not so much.

It could be that we're just doing a terrible job telling people what we're doing. But my research seems to indicate that we really have been too distracted with the other, more basic tasks of figuring out how to survive and thrive.

THERE ARE A FEW BRIGHT SPOTS

To be fair, some media companies have created environmental sustainability mission statements. Some have identified measurable goals to reduce their environmental impact. Some have established internal teams to examine their own practices and processes with an eye toward reducing or eliminating any that are environmentally harmful. And some have even published the results of their efforts.

But a review of the 30 largest media companies in the world and a random search of other large media companies revealed that many don't have sustainability policies or goals, and of those that do, many of the mission statements and goals have either never been substantiated with progress reports or their progress reports have not been updated in many years.

Multiple Google searches for sustainability activities by media companies turned up virtually nothing. That result reinforces the conclusion that, if we actually are doing sustainable things, then we are terrible at marketing ourselves to a public increasingly demanding corporate sustainability initiatives.

(If you have sustainability mission statements, measurable goals, and progress reports, please reach out to me for possible inclusion in next year's book — wilpers@innovation.media.)

CONSUMERS VOTE WITH THEIR SPENDING MONEY

Consumers expect corporations to actively and aggressively accept responsibility for their environmental impact and take action to reduce it. To make their point, consumers are supporting such companies with their money, and abandoning those companies that don't.

Virtually everyone on the planet now accepts that we are in a global climate crisis (with some notable exceptions prior to the 2020 U.S. presidential election).

In late 2020, the UN State of the Climate report was introduced by UN Secretary-General António Guterres, who said: "Dear friends, humanity is waging war on nature. This is suicidal. Nature always strikes back, and it is already doing so with growing force and fury. To put it simply, the state of the planet is broken."

Consumers are increasingly contributing to the fight with their spending money.

A stunningly high percentage of consumers globally are shopping with companies with proven environmentally friendly practices.

MAJORITY OF SHOPPERS WOULD CHANGE SHOPPING HABITS

In a June 2020 IBM study involving more than 18,000 consumers worldwide, "nearly six in 10 respondents say they are willing to change their shopping habits to reduce environmental impact," the report found. "Eight in 10 indicate sustainability is important for them. And for

STRATEGIES TO WIN IN THE SUSTAINABILITY SPACE

From the Nielsen "Finding Success through Sustainability" section of its landmark "The Evolution of the Sustainability Mindset" global study released in late 2018.

IN THE SHORT TERM

- Understand the impact of ingredients and the level of scrutiny that consumers apply to the products they purchase.
- Connect the dots between what's healthy for the environment and healthy for the consumer.
- Communicate the value-add / benefit in your marketing.
- Incorporate the applicable sustainability claims on your packaging.

LONGER TERM

- Invest in product development, testing and research. As the market becomes more crowded, it'll take more to stand out.
- Support your launch with the right marketing, promotions and distribution. Bonus: Keep a pulse on your marketing and fine-tune your messaging in-flight.
- Seek to build and grow your sustainability strategy to encompass every part of the business.
- Build a roadmap for product enhancements you'd like to make, whether it's shifting to more sustainability focused suppliers, reducing your use of packaging materials, or changing the ingredient line-up across your portfolio.
- Address consumer scepticism and be wary of overused labels and claims.
- Understand that consumers and their expectations will continue to evolve.
- Get ahead of government bans and taxes and borrow successful tactics used in recent sugar and tobacco reforms.

THE GUARDIAN: A POSTER CHILD FOR CORPORATE MEDIA SUSTAINABILITY

Starting in November 2019, *The Guardian* made this bold statement in equally bold print and digital presentations:

"At *The Guardian* we believe the climate crisis is the most urgent issue of our times. And we know that *Guardian* readers are equally passionate about the need for governments, businesses and individuals to take immediate action to avoid a catastrophe for humanity and for the natural world. "Today *The Guardian* is making a pledge to our readers that we will play our part, both in our journalism and in our own organisation, to address the climate emergency. We hope this underlines to you *The Guardian's* deep commitment to quality environmental journalism, rooted in scientific fact."

The company went on to promise to "take steps to address The Guardian's own impact on the environment".

The promise included:

- **Achieving net zero emissions by 2030**
- **A full audit of emissions to assess how to achieve this challenging goal**
- **The acquisition of B Corp status, it has committed the company to reducing its environmental impact as well as to high standards of governance and social impact**
- **Full transparency and accountability**

In 2015, The Guardian Group divested oil, coal, and gas companies from its investment portfolio. And in early 2020, the company stunned the media world by announcing it would no longer accept advertising from oil or gas companies in any of its properties, digital or print.

"Our decision is based on the decades-long efforts by many in [the fossil fuels industry] to prevent meaningful climate action by governments around the world," *The Guardian's* acting CEO Anna Bateson and chief revenue officer Hamish Nicklin said in a joint statement. (Bateson was succeeded as CEO in March 2020 by Annette Thomas — who holds a Ph.D in cell biology and neuroscience!)

"*The Guardian* will no longer accept advertising from oil and gas companies, becoming the first major global news organisation to institute an outright ban on taking money from companies that extract fossil fuels," Bateson said.

"The intent — and extent — of their lobbying efforts has explicitly harmed the environmental cause over the course of many years — as our own reporting has shown and environmental campaigners have powerfully argued," she said. "Many environmental experts have called out the difference between fossil fuel extractors and their foundational role in the carbon economy, and other sectors with high emissions."

The Guardian

those who say it is very or extremely important, over 70% would pay a premium of 35%, on average, for brands that are sustainable and environmentally responsible.

"More than 7 in 10 consumers said it's at least moderately important that brands offer 'clean' products (78%), are sustainable and environmentally responsible (77%), support recycling (76%), or use natural ingredients (72%)," the report found.

"While Millennials may be leading the charge in sustainability awareness, every age group indicates that sustainability, environmental, and/or personal wellness attributes are significant considerations in selecting brands," the report found.

NOW IS THE TIME TO GET SERIOUS

So, for any media company wanting to attract and keep today's consumer, now is the perfect time to get serious about sustainability.

"Enlightened self-interest is driving a lot of conversations [about sustainability] right now," said Immediate Media CEO Tom Bureau speaking at the 2020 FIPP World Congress. "The thing is, if you're not supporting green credentials you're an investment risk."

The drivers for climate action within the publishing industry are now multiple, according to Tom Reynolds, Production Director at TI Media, speaking with FIPP in June 2020.

"Publishers' climate change and sustainability efforts are no longer a 'tick-box' exercise," Reynolds said. "Finding more and new ways to be more sustainable is now a strategic part of the business. And that is definitely in part being driven by our readers' desire to buy from companies that are sustainable. We saw that first-hand in our own business when we were asked to replace poly wrap with paper wrap. It came directly from requests from the consumer."

EXAMPLES OF CREATIVE 2020 INITIATIVES

Despite the upheaval caused by the pandemic, some media companies actually found the time and brain capacity to innovate in the sustainability space.

Axel Springer, for example, marked "the determination [to tackle] the entire-company carbon footprint, taking into account purely digital work and factors such as cloud computing," Dr. Malte Wienker, Director of Corporate Communications and Sustainability told FIPP in June 2020. "Our goal is to work on climate-neutrality as an entire company. One important measure on our path to reaching this goal is the switch to certified green electricity since the beginning of this year [2020]."

"The topic of sustainability has been an important concern for many years," Wienker said. "In 1994, we were one of the first in the media industry to voluntarily publish a Sustainability Report. Furthermore, sustainability has officially been one of our five corporate values since 2019. The issues affecting the print side of the business — paper production and printing operations — are obviously hugely relevant."

In 2020, Condé Nast Spain became the first Spanish media company — and the first within the Condé Nast group — to offset its carbon footprint. A 20% decrease in overall electricity consumption, and a 100% reduction of Gasoil consumption by company vehicles, has now also been achieved.

CONDÉ NAST TO BE CARBON NEUTRAL BY 2030?

In May 2020, Condé Nast itself ramped up its environmental credentials with the announcement of a new sustainability assessment programme and five-year strategy. The company aims to become entirely carbon neutral by 2030, starting with a reduction in corporate greenhouse gas (GHG) emissions by 20% and print and digital supply chain emissions by 10% by the end of 2021.

In February 2020, the BBC committed to determining and publishing the carbon footprint of every story appearing on its new Future Planet site. Future Planet produces in-depth, evidence-based, solutions-focused stories on the climate crisis. It uses only local reporters so the authors are not only people who are witnessing the changes firsthand, but they are also already on site, thus minimising or eliminating carbon-producing travel.

While that might appear to be a cute, politically correct public relations move, behind the commitment to measure each story's carbon calculation are a lot of corporate sustainability decisions around all of the things that go into reporting and publishing a story, from the energy used in any transportation to things like the energy usage in the office, the energy consumed in transmitting it and consuming it, etc.

The BBC claims it is the first major publisher to take this step using an independent calculator.

SUSTAINABILITY CAN PAY DIVIDENDS

The BBC initiative is already making a big difference. "Between the site's launch in February 2020 and September of the same year, our journalists have expended less than a tonne of carbon on travel," Amanda Ruggeri, managing editor of Future Planet and editor of the wider BBC Future vertical, told The Drum. "That's the equivalent of less than a single flight from Chicago to Los Angeles.

"If we'd sent a reporter from London to all of the destinations we covered in that timeframe, it would have amounted to more than 26,340 kilograms of carbon," Ruggeri said. "That's almost 26 tonnes of carbon saved or almost five round trips from London to Sydney. It shows the impact this model can make."

Not only has the initiative saved tonnes of carbon, it also has attracted sponsors wanting to be associated with such a creative sustainability activity.

Standard Chartered has signed up as flagship sponsor of Future Planet from March to May 2021 in markets including Singapore, Hong Kong, Taiwan, UAE, Kenya, Germany and China along with major cities in the United States.

> **"WE WILL PLAY OUR PART, BOTH IN OUR JOURNALISM AND IN OUR OWN ORGANISATION, TO ADDRESS THE CLIMATE EMERGENCY."**
>
> ***Guardian* editorial**

Boosting the impact of that sponsorship on the BBC's bottom line, Standard Chartered also has signed a contract with StoryWorks, the BBC's branded content studio, to produce podcasts, audiograms, and dynamic articles around the theme of "a force for good".

This is exactly what brands need to do now, according to Ruggeri: "As the world emerges from the pandemic, the climate crisis will once more emerge as the biggest challenge the world is facing. So, for brands that are interested in being a part of the solution, there's no better message to send right now than to align with platforms like ours."

SUSTAINABILITY IS A WIN-WIN PROPOSITION

This whole sustainability thing is a win-win-win proposition for media companies. Sustainability activities deliver a triple-play of benefits:

1. Improved consumer relations: Studies have shown consumers prefer to support companies with a track record of sustainable practices

2. Bottom-line savings: Studies have shown that you can actually improve your bottom line by implementing sustainable initiatives

3. Saving the planet: After an initial environmental audit of your activities, you can subsequently prove that your efforts are reducing your carbon footprint, among other things. What's not to like about that?

A recent study by global data firm Nielsen examining the consumer journey to demand sustainability from corporations concluded bluntly:

"No matter what, sustainability is no longer a niche play: your bottom-line and brand growth depend on it."

THE BENEFITS OF SUSTAINABILITY INITIATIVES

1. IMPROVED CONSUMER RELATIONS

(OR DOING WHAT YOUR CONSUMERS ARE ALREADY DEMANDING OF YOU)

MEREDITH'S SUPER SUSTAINABILITY EFFORTS

Examples of sustainability successes from Meredith's most recent (and impressively extensive) sustainability progress report. Use the QR code to see the entire document for yourself (https://www.meredith.com/about-us/social-responsibility):

- **Across the company, Meredith set printers to default to double-sided printing. In the first year of this policy, the company reduced its paper usage by close to 900,000 sheets of paper, the equivalent of 107 trees. Additionally, all Meredith printers use recycled toner.**
- **Between July 2019 and June 2020, Meredith's reusable mug programme in the Des Moines (Iowa) offices kept a total of 39,000 disposable cups and 7,000 disposable lids out of the landfill and saved the company $3,764.40.**
- **To decrease Meredith's energy use at one of its Des Moines offices, the building was designed with large windows to harvest daylight, and a dimming system to reduce electric lighting based on the available foot candles of natural light.**
- **By making efforts over the past several years to reduce energy consumption — such as converting to LED lighting and improving the HVAC system — Meredith has saved more than 215,000 kilowatt hours of energy and an average of almost US$12,000 a year. At the end of 2016, Meredith had also earned more than US$120,000 in incentives by making these energy-efficient upgrades.**
- **At broadcast station WALA in Moble, Alabama and Pensacola, Florida, all lighting is LED or fluorescent, and the incandescent light kits previously used by WALA's photographers have been replaced with LED kits. Both of these adjustments save power, eliminate the replacement of lamps and produce almost no heat.**
- **At stations KCTV and KSMO in Kansas City, the team added variable frequency drives (VFDs) to studio air handlers, providing significant energy savings on both studios' cooling. The VFD upgrade also included a control system in which operators can set up cooling schedules for different areas of the building, increasing efficiency in the overall control system.**
- **By installing low-flow shower heads at one of the company's Des Moines offices, the company saves an estimated 159,400 gallons of water per year. Another water conservation project involved setting up a meter with the local water utility to credit Meredith for water that was used as irrigation instead of going into the storm sewer. It saved US$12,800 per year.**
- **In 2018, each Local Media Group station's engineering staff was trained to input water bills into the Portfolio Manager. During this input process, a leak was found at a Local Media Group broadcast station that saved almost $20,000.**
- **At Station WSMV in Nashville, as part of the editorial department relocation and redesign, the company maximised its use of low-consumption plumbing fixtures, minimising water usage.**
- **WSMV also replaced its five-gallon water coolers with a filtered water system, saving S$4,500 each year on plastic jugs.**

SAYING GOODBYE TO PLASTIC WRAPS

By Jessica Patterson, FIPP

In the last two years, publishers have increasingly worked to eliminate plastic wraps. Some did it on their own to help save the environment and some acted in response to their readers' concerns about single-use plastic.
In early 2019, The Guardian announced it was moving to compostable wrapping called Bioplast 300 derived from potato starch to replace its polybag wrapping.
In March 2019, Condé Nast in Germany introduced sustainable packaging film made of recycled material for Vogue, Glamor, GQ and AD. The packaging from a German supplier is 100% recyclable, and will reduce C02 emissions by 27% annually, according to a press release.
In May 2019, News UK, part of News Corp, replaced polybagging with biodegradable wrapping for The Times and The Sunday Times, part of the company's pledge to remove all single-use plastic wrapping by 2020.
Also in May, Immediate Media's BBC Countryfile and BBC Wildlife magazines partnered with Ecotricity and switched to a sustainable paper wrap.

LOSING THE PLASTIC; COVERING THE PLASTIC GLUT

In June, US-based National Geographic has also swapped its polybag wrapping for a paper alternative. Together with a single-topic plastics issue of the magazine, National Geographic launched a multi-year initiative aimed at reducing the amount of plastic waste reaching the world's ocean, said Marcelo Galdieri, SVP, brand and franchise operations.
And in early 2020, TI Media started delivering all 42 UK subscriber titles in sustainably sourced and FSC accredited paper, cutting out 10.8 million items of polyethylene a year. The paper wrap is carbon balanced and offsets an estimated 144 metric tonnes of CO2 emissions a year.
"Our 'Planet or Plastic' initiative asked consumers to make a choice between saving the planet and single-use plastic," Galdieri said. "For us to ask consumers to make that choice, we needed to set the example. One of National Geographic's key brand attributes is our authenticity. Consumers trust what we say. So if we were asking them to choose the planet, we could not continue to send out our own magazine wrapped in plastic. We had to find an alternative."

DRAW ATTENTION TO YOUR CHANGE

"For the first time in nearly 12 years, we sent out our magazine wrapped in paper, and with the message 'Will this paper wrap save the planet? No, but it's a start.' We also asked all our international licensees to find an alternative that moves away from the poly bags, and become part of this movement with us.
"Switching just our English Edition, which is produced in the US and sent to the UK, India and other countries, is saving more than 2.5 million single-use plastic bags per month," he said.
Also in June, Canada's Uppercase magazine Publisher Janine Vangool switched her polybags for kraft mailers.
In late July, Hearst UK pledged to replace its plastic polybags with sustainably sourced paper wraps on all of its print magazines by January 2020.
Also in July, TI Media's Country Life started delivering all of its UK-based subscriber editions in sustainably sourced paper wrap in partnership with printer Walstead UK.
Some alternatives are cost-neutral; others add cost. But consumers seem willing to pay more to save the planet.

IF IT ADDS COST, READERS SEEM WILLING TO PAY

Going plastic-free will cost Uppercase's Vangool roughly $4,500 more per issue because of the additional cost of labour required to insert the magazine into the new envelopes.
In addition, Vangool sent out a newsletter to her audience announcing the decision to swap polybags for a compostable alternative and received a lot of positive replies "I think over 80 people emailed me back with support, saying, 'I'll pay more for a subscription,' and telling me what they were doing in their own lives to be more plastics-free and environmentally conscious," Vangool said. "It was nice to hear people saying, 'I'm willing to spend more on this because it's important to me.'"
Like others who made the switch, National Geographic anticipated there would be additional costs to transitioning to paper wrapping. "However, we needed to find a solution that made business sense," Galdieri said. "Working with our printing partner, we analysed several alternatives — from belly bands, to fugitive glue, and several different types of paper — until we found an alternative that was cost neutral, if we printed in black and white."

PAPER WRAPS OFFER AD OPPORTUNITY

"However, we decided on using a full colour wrapper, which brought the cost to approximately 25% more than the poly bag version, in order to meet the high standards our consumers expected from our brand and products," he said. "This also created an ad sales opportunity for this space which could help offset the incremental cost."
National Geographic is making a stand to significantly reduce plastic pollution, using all its storytelling, products, services and scientific work to lead the work of informing consumers, identifying solutions, and guiding policies around the world, Galdieri said.
"So we hope the magazine industry follows our lead and is motivated to act," he said.
"We are happy that many publications have already reached out to us asking how we made the change, and we will soon publish a white paper documenting our journey and challenges to further lead the industry to follow our footsteps and make the change, helping deliver on National Geographic's mission to significantly reduce the amount of plastic waste that reaches the ocean.
"Making the switch from a plastic wrapper to any type of solution is not as easy as we anticipated and alone won't save the planet. But it's a start, and National Geographic alone won't be able to make a global impact," Galdieri said. "We hope to inspire and show the way for other organisations, companies, and governments to do their part in tackling the global plastic waste crisis by reducing, reusing, and encouraging active recycling of plastic. "We all need to choose, Plastic or Planet?"

"Corporate responsibility and sustainability strategies may take different shapes around the world, but one thing is clear: consumers are using their spending power to effect the change they want to see," said Regan Leggett, Executive Director of Nielsen's Global Thought Leadership and Foresight Team.

"This isn't a trend a company can simply side-step," he said. "Sooner or later, whether through government regulation, sheer force of nature, or public outcry, companies will need to respond. No matter what market you're in, connecting sustainability factors to how it impacts consumers is the key.

"Sustainability has become an urgent opportunity for companies to connect with consumers who are excited about change," said Leggett.

Nielsen's late-2018 global study, "The Evolution of the Sustainability Mindset", found that:

- A whopping 81% of global respondents said they felt strongly that companies should help improve the environment.
- Four-fifths of young people demand corporate social responsibility regarding sustainability: Millennials (85%), Gen Z (80%) and Gen X (79%)
- More than two-thirds of older generations also demanded corporate sustainability commitments: Baby Boomers (72%), the (over-70) Silent Generation (65%)

Another sustainability survey of consumers by B2B research company Clutch found:

- Almost three-quarters (71%) of respondents considered a company's environmentally friendly business practices more important than the prices of that company's goods by almost 30 percentage points (44%). "When a company shares their consumers' views and values and helps contribute to solving a problem everyone agrees is a problem, consumers are going to want to keep working with or buying from that company," Josh Weiss, CEO of 10 to 1 PR told Clutch.

This consumer demand for corporate sustainability commitments and action is not a movement only in places like the U.S. or famously environmentally activist countries like Sweden and Norway. As a matter of fact, it's quite the opposite. None of the countries with the highest consumer demand for corporate climate accountability were in North America or Europe:

1. India (97%)
2. Colombia (96%)
3. Mexico (95%)
4. Indonesia (94%)
5. Philippines (94%)
6. Brazil (94%)
7. Venezuela (94%)
8. Pakistan (92%)
9. Argentina (92%)
10. Chile (92%)
11. Peru (92%)

"Facing rapid urbanisation and a growing disparity between classes, many people in emerging markets are experiencing the harsh reality of pollution in this post-modern industrial age," said Leggett. "As a result, sustainability has become an urgent opportunity for companies to connect with consumers who are excited about change."

"Sustainability is personal for consumers, which is why 'healthy for me' and 'healthy for the world' claims do so well," said Crystal Barnes, SVP, Nielsen Global Responsibility and Sustainability. "By identifying an opportunity to be more sustainable, and implementing a reasonable plan of action to accomplish it, companies achieve an authenticity that paid advertising can't buy."

The Nielsen study found that companies are under increasing pressure from consumers and governments to be reactive initially and proactive shortly thereafter in terms of sustainability.

> "MEREDITH'S APPROACH ALSO DEMONSTRATES THAT COMPANIES CAN BE RESPONSIBLE ENVIRONMENTAL STEWARDS WHILE SIMULTANEOUSLY INCREASING BUSINESS EFFICIENCY, AND ULTIMATELY SHAREHOLDER VALUE."
>
> **Crystal Barnes** SVP, Nielsen Global Responsability and Sustainability Team

CAPITALISE ON CONSUMER DEMAND

According to the Nielsen report, "brands that are able to strategically connect [sustainability] to actual behaviour are in a good place to capitalise on increased consumer expectation and demand."

The report adds that "sustainability claims on packaging must also reflect how a company operates inside and out." Media companies can make sustainability claims on both their paper and digital products, prominently touting their environmentally friendly initiatives and results.

More and more companies are doing that and going beyond. "What's growing is the boldness of the marketing messages and the commitments that brands are willing to make," said Crystal Barnes.

BE A "BRAVE BRAND"

"We're seeing a bigger trend towards 'visible and emotional sustainability'—brands taking a stance on social and political issues and making major commitments to eliminate waste," said Barnes. "At the most extreme end, we see brands being personified — being referenced as 'brave brands' or 'hero brands."

This is an unusual opportunity for media companies where doing the right thing is also doing the most profitable thing from both a cost-savings and revenue-enhancement perspective.

"This is official validation for how energy and sustainability work together to boost your top-line revenue growth and your profitability at the same time," E Squared Energy Advisors CEO Tim Grosse told Entrepreneur.com.

"Your business can ride this tsunami wave by gaining market share from the rapidly growing number of environmentally responsible consumers or your business can lag the market and peers by ignoring this trend," Grosse said.

Not really a choice, is it?

2. BOTTOM-LINE SAVINGS

In addition to increasing the loyalty of existing consumers and acquiring more consumers attracted by your sustainability efforts, you can actually save money by going green.

"Instituting more sustainable business practices can mean real cost savings, from lower energy costs to tax incentives, but businesses can also gain loyal clients and end-users looking to do business with like-minded organisations," wrote Jim Granat, Head of Small Business at financial services company Enova International, on Forbes.com.

Many companies have no idea what their carbon footprint is. And there's really only one way to find out.

"Start with reliable data," wrote Granat. "Corporations can leave massive carbon footprints behind, but you may not know the full extent of your company's trail without a comprehensive and honest end-to-end investigation."

HIRE A THIRD-PARTY CONSULTING FIRM

"One way to truly put your business to the test is to hire a third-party sustainability consulting firm that analyses your entire process," Granat wrote. "An unbiased firm can find ways to help you responsibly manage or reduce waste and energy usage in ways you may not have thought possible. Depending on the nature of your business, they can also help you source more responsible or sustainable materials, develop greener technologies, or even use less water.

"Salesforce Sustainability Cloud and similar 'carbon accounting' products can also shed light on opportunities to improve," Granat wrote. "However you go about it, start with comprehensive, unbiased data, and try to keep an open mind."

There are both short- and long-term actions you can take to be more sustainable, ranging from increased recycling and LED lighting to paper changes, eliminating plastic wrapping, and implementing smart tech to reduce waste.

INVOLVE YOUR STAFF

Granat recommends involving your staff in brainstorming unique ways to reduce your carbon footprint.

After creating your sustainability mission and strategy, use your initial data as the baseline to measure your progress and regularly publish progress reports, including both successes and shortcomings in the interest of honesty and transparency.

Savings can be achieved in five-, six, and seven-figure sums, and range from the simple to more complex. For inspiring ideas, see the sidebar on Meredith's work and check out the examples in the following section.

3. SAVING THE PLANET

The media companies that have created sustainability policies and strategies are having a significant impact on their (and our) environments based on their impressive progress reports against their aggressive sustainability goals.

For example, since April 2017, the BBC has been buying renewable electricity, which has contributed to a significant reduction in the company's carbon footprint and supports its science-based reduction target. Since 2008, the BBC has saved more than 180,000 tonnes of CO_2, primarily through the concentration of its operations into fewer, more efficient buildings.

STOP USING PLASTIC WRAPS

An impressive number of media companies are moving away from plastic wraps in favour of more environmentally friendly alternatives. For example, in 2019, The Guardian announced it was moving to compostable wrapping called Bioplast 300 derived from potato starch which replaced its polybag wrapping. News UK, part of News Corp, switched to biodegradable wrapping for The Times and The Sunday Times, part of the company's pledge to remove all single-use plastic wrapping by 2020.

Also in 2019, two other media companies made the switch: Immediate Media's BBC Countryfile and BBC Wildlife magazines partnered with Ecotricity and switched to a sustainable paper wrap whilst Hearst UK pledged to replace its plastic polybags with sustainably sourced paper wraps on all of its print magazines by 2020.

But when it comes to a company-wide, top-to-bottom, internal and external commitment to corporate sustainability, Meredith takes the top prize. By a mile.

At Meredith, in 2008, the company created an environmental sustainability mission statement and a Sustainability Task Force to make it happen.

"Meredith Corporation has taken a proactive approach to environmental sustainability because such action ultimately benefits our shareholders, our clients, and our employees," the statement reads. "This approach also demonstrates that companies can be responsible environmental stewards while simultaneously increasing business efficiency, and ultimately shareholder value."

Among their many achievements, Meredith cites:

- Company-wide use of the EPAT — Environmental Paper Assessment Tool — to track the environmental performance of its paper suppliers and identify potential areas for improvements.
- The corporate headquarters recycles more office materials, such as cardboard, paper, and plastics, than it sends to landfills.
- The completion of a new greenhouse gas (GHG) emissions inventory to create a new baseline year (Fiscal 2019) and ensure its ability to track necessary data in all controlled locations per GHG Protocol guidelines.
- One of the company's Des Moines headquarters offices was the first existing building in Iowa to be LEED certified. The office building Meredith occupies in New York is applying for LEED Gold certification, and Meredith's office in Chicago has set a goal of becoming LEED certified by the end of 2020.
- On the corporate level, Meredith's actual tonnage of paper purchased from mills certified ISO 14001 (an environmental management standard for minimising their impact on the environment) increased from 49% to 69%.
- When printing, Meredith has moved to ink optimisation that reduces ink usage for its magazines by 10 to 12% versus traditional methods.
- In 2012, the team began replacing hard page proofs with virtual proofs for colour approval. In 2016, Meredith invested in a soft-proofing software to improve workflow and colour accuracy and is in the process completely eliminating hard proofs company-wide.
- Additionally, Meredith deployed a paperless contract management system using digital approvals and e-signatures. In 2017, almost 20,000 total pages of contracts were processed electronically, and more than 6,200 documents were processed electronically.
- To reduce unsold copies distributed to retail outlets, Meredith developed a magazine wholesaler incentive program to improve each title's overall distribution process. Due to this process, as well as other initiatives, Meredith has reduced the number of copies printed and distributed to its retail channel by more than 130 million since 2009. Meredith's wholesale partners then recycle unsold copies and sell the material to paper producers around the world.
- Consumers can subscribe, renew, give gifts, and pay for their subscriptions online. If this option did not exist, Meredith would have had to double the amount of direct mail sent in 2018.
- Meredith has also made great strides in reducing the size of direct mail packages. In 2019, the current standard package used 50% less paper than the standard package used in 2008. By consolidating magazine delivery for customers who subscribe to multiple magazines, Meredith also anticipates a 15% reduction in the use of plastic polybags in 2020 compared to 2019.

For a list of sustainability initiatives at Meredith's far-flung media companies, see the sidebar.

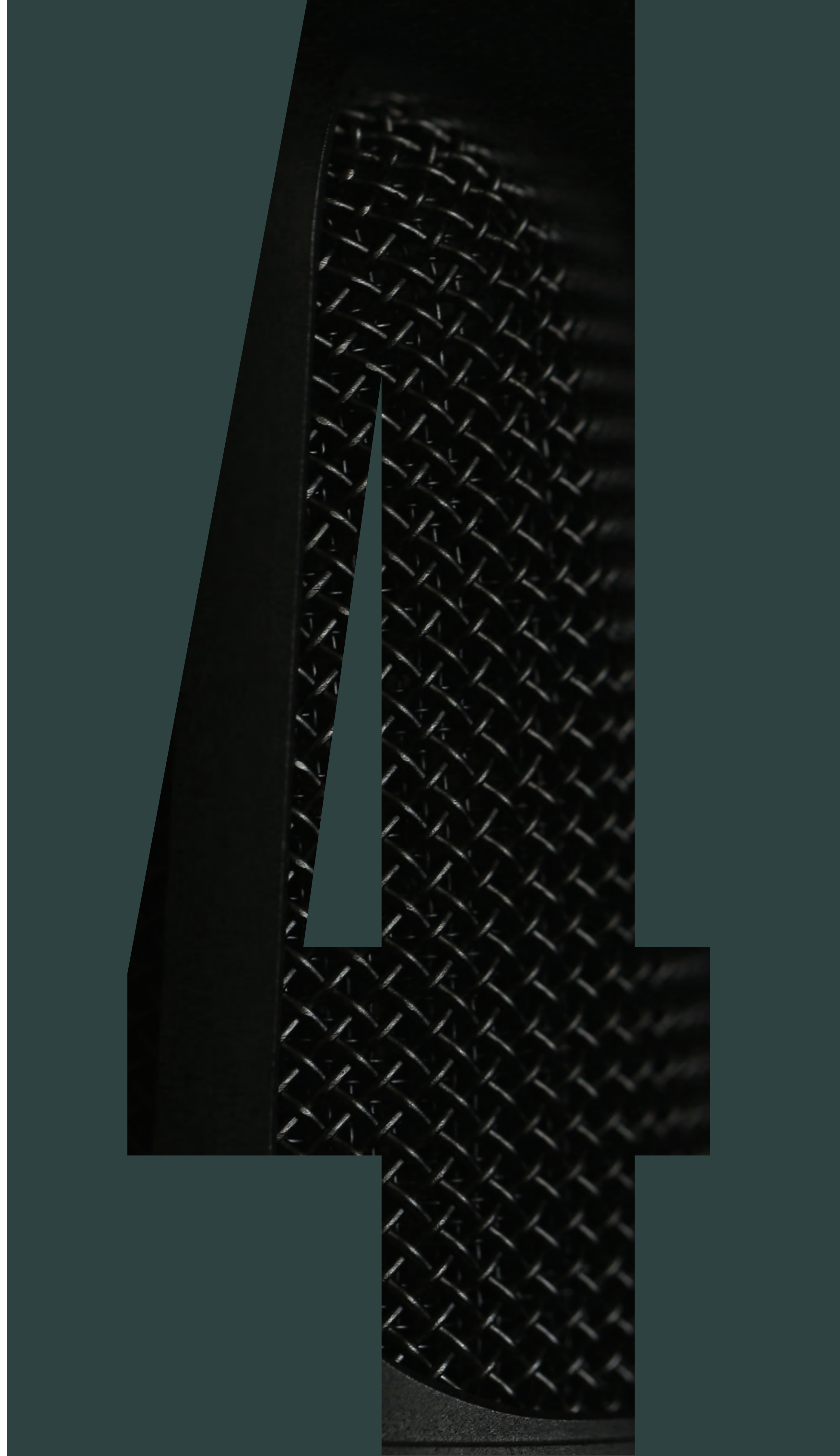
The Guardian is another poster child for media companies taking their environmental responsibility seriously at the corporate level and field level (see sidebar for details).

At The Guardian, the leadership made a pledge to its readers that "we will play our part, both in our journalism and in our own organisation, to address the climate emergency." That has translated into:

- A commitment to achieve net zero emissions by 2030
- A full audit of its emissions to assess how it will achieve this challenging goal
- Divesting of all oil, coal, and gas companies from the company's investment fund
- The acquisition of B Corp status committed the company to reducing its environmental impact as well as to high standards of governance and social impact
- A promise to be transparent and accountable
- And, in early 2020, the decision to no longer accept advertising from oil or gas companies in any of its properties, digital or print

Companies like Meredith and The Guardian Group give the rest of us great examples of how we might follow in their footsteps in reducing our environmental impact… whilst also reducing costs and increasing revenues.

How many initiatives can match that ROI?



PODCASTS

WHAT GLOBAL PANDEMIC? PODCASTING MOMENTUM SEEMS UNSTOPPABLE

PODCASTING JUST KEEPS GROWING AND GROWING AND GROWING, EVEN AFTER A BRIEF, LIMITED PANDEMIC STUMBLE

Initially, the pandemic panicked podcasters.

What is going to happen now that people have stopped commuting? Would the advertising meltdown hit podcasts, too?

In the first month of the lockdown in the U.S., the number of podcast listens did crash, dropping by 20%. But everywhere else, and ultimately in the U.S., podcasting actually has exploded during the pandemic.

By April, global podcast listens had increased by 42% and European listens were up by 53% in stark contrast to the American experience.

By July, Spotify reported that the amount of content its subscribers were listening to had more than doubled, according to The Verge. Throughout the second quarter in 2020, weekly podcast listeners on average consumed up to 6 hours and 45 minutes of podcast content per week, roughly half an hour more than the previous quarter, according to HotPodNews.

In Europe, the Reuters Institute found an overall rise in podcast listening to 31% (+3 over 2019) of those surveyed across a basket of 20 countries they have been tracking since 2018. Almost four in ten people access podcasts monthly in Spain (41%), Ireland (40%), Sweden (36%), Norway (36%), and the United States (36%). Podcast listening in the Netherlands (26%), Germany (24%), and the UK (22%) is nearer to a quarter.

Podcast advertising has not only recovered but has also grown. In the U.S., the number of podcast advertisers grew 42% in September after dipping in April, according to research by Westwood One and Magellan AI. By May, the number of unique podcast advertisers had almost returned to pre-pandemic levels. By September, a record 855 advertisers were using podcasts, according to the same study.

So if the pandemic hasn't slowed podcasting, how bright is the future?

Many in the podcasting industry foresee:

- The continuing growth of big tech incursions into podcasting
- Lots of new podcasts
- Increased ad revenue
- More ad placements in podcasts
- More subscription-model podcasts
- Even more new listeners
- Longer listen times

ARE LISTENERS READY TO PAY?

Not only is advertising revenue projected to grow healthily, but a new source of revenue is on the horizon: Podcast subscription revenue.

"The deep connection that many podcasts seem to create could be opening up opportunities for paid podcasts, alongside advertising-driven models," according to the Reuters Institute's 2020 Digital Research Report. "Almost four in ten Australians (39%) said they would be prepared to pay for podcasts they liked, 38% in the United States, and a similar number in Canada (37%). Willingness to pay was lower in Sweden (24%) and the UK (21%) where so many popular podcasts come from free-to-air public broadcasters."

In the summer of 2020, the analyst firm Research and Market found that 17% of Americans have paid to listen to a podcast. Within this, "men (21%) are more likely than women (12%) to have paid, while heavy listeners who listen to podcasts more than once a day (37%) are also more likely to report pulling out the credit card to listen to a podcast," Research and Market found. "Twenty percent of listeners who have never paid or donated money to access a podcast saying they are 'somewhat' or 'very likely' to do so in the next 12 months."

As promising as that sounds, podcast subscriptions may not live up to expectations. They have disappointed before.

"The poster child for paid podcasting is Luminary, which launched to much excitement (and then much annoyance) last spring," wrote Joshua Benton, director of the Nieman Journalism Lab. The annoyance was a self-inflicted wound after a Luminary launch pitch declared "podcasts don't need ads." The company's intention was to suggest that listeners should have the opportunity to pay for podcasts without ads. Instead, Luminary outraged the vast majority of podcasters whose lifeblood is advertising.

Since its launch, Luminary has disappointed: Despite a war chest of $130 million from investors, Luminary could count only 80,000 paying subscribers after a year, Bloomberg reported.

Luminary isn't the only subscription pioneer to have fallen short. "Audible Channels, launched in 2016 and backed by both the

WHAT TYPES OF ADVERTISING WORK WITH PODCASTS

The sudden explosion of podcast popularity has caught advertisers by surprise.

"Marketers are starting to realise there are a lot of people listening to podcasts, and thinking, 'Let's figure out how to best advertise in them,'" PwC Partner David Silverman told AdExchanger.

So, what's working?

Branding is getting to be a bigger player on podcasts. Brand awareness ads made up 38% of all podcast campaigns in 2018, up from 29% in 2017, according to the Interactive Advertising Bureau and PricewaterhouseCooper's Podcast Ad Revenue Study released in June 2019.

The default approach to advertising on podcasts — direct response campaigns — are falling from favour, accounting for 51% of podcast ads in 2018, down from 64% in 2017 and 73% in 2016, according to the report.

With the increasing focus on brand advertising, the primary pricing method is becoming CPM, with 86% of buyers using it versus the direct-response metric of cost per action, which has very quickly fallen out of favour.

"Podcasting had been so significantly used by direct response advertisers in the past," Silverman said. "But being associated with a particular podcast or host is good branding, so it offers a lot of good attributes for companies promoting a product."

BEING ASSOCIATED WITH A PARTICULAR PODCAST OR HOST IS GOOD BRANDING, SO IT OFFERS A LOT OF GOOD ATTRIBUTES FOR COMPANIES PROMOTING A PRODUCT.

The report also found that pre-produced, dynamically inserted ads gained share. Almost half of all podcast ads (49%) were dynamically inserted in 2018, up from 42% in 2017. Still, more than half of all podcast ads (51%) remain static and baked-in, down from 58% in 2017.

The host-read ad is the Holy Grail because it allows the advertiser to take advantage of the host's trusted status and relationship with their audience. That said, while host-read ads made up 63% of podcast ads delivered in 2018, that number is down from 67% in 2017 while cheaper and more scalable pre-produced ads grew from 33% to 35% of all podcast ads last year.

might of Amazon and Audible's audiobook dominance, never got very far," wrote Benton. "Stitcher Premium has been around for nearly four years and hasn't set the world on fire. (It was recently bought by SiriusXM, which has its own established paid model.)"

While listeners might pay for their favourite podcast, would they pay for access to a collection of podcasts like Spotify? "People need to be at least somewhat passionate about a podcast to want to pay for it," wrote Benton. "They need to think that its absence from their lives would be bad enough to merit two or five or 10 bucks a month. But those passions are hard to stretch across a broad-based subscription. If Spotify's premium package includes, say, 40 shows, what share of them is any individual user going to be passionate about?"

> **"THERE HAS BEEN SO MUCH DEMAND FOR SPONSORSHIP THAT IT MORE THAN PAYS FOR ITSELF"**
>
> **Tom Standage** *The Economist* Head of Digital Strategy

SUBSCRIPTIONS MAYBE; ADVERTISING DEFINITELY

In 2015, fewer than half of Americans were familiar with podcasts; only 17% listened monthly, according to Edison Research. By early 2020, 75% of Americans were familiar with podcasts, 37% listened monthly, and 25% had listened to one in the last week, according to Washington Monthly.

As impressive as those numbers are, the listening time numbers are even more impressive: Out of those who listened in the last week, the average time spent listening to podcasts is more than six and a half hours per week, according to Washington Monthly.

That growth has finally attracted advertisers' interest. A late 2020 study of the podcasting industry was able to project that the global podcasting market size would reach US$41.8b by 2026.

In the U.S., one in five digital radio ad dollars will go to podcasts in 2021, according to TheDrum.com. It is the first time podcasting ad revenue will breach the $1b mark, according to eMarketer. Marketing agency WARC predicts that 38% of marketers are planning to boost podcast spend in 2021.

Podcast market growth is projected to be 24.6% CAGR between 2020-2026, according to a study by the analyst firm Research and Market. The report attributes much of the projected success to the accessible nature of the medium, and the rise of at-home listening during the COVID pandemic.

Seeing that projected pot of ad revenue gold and the promise of subscription revenue, tech giants are upping their podcast game.

HERE COME THE TECH GIANTS

Spotify recently became the world's leading podcast platform. In Q2 2020, a reported 42% of podcast listeners used Spotify. Apple placed second at 32%, according to TheDrum.com.

To a large extent, Spotify has bought its way to the top with massive investments in content. From mid-2019 to the end of 2020, Spotify spent more than $400m to acquire podcast producers Ringer, Parcast, and Gimlet, as well as create new high profile shows such as The Michelle Obama Podcast.

Its biggest content deal, worth more $100 million, was for "The Joe Rogan Experience," a long-running show with an archive of 1,742 shows at the start of December 2020 that is estimated to be the most listened-to podcast in the world, with over 200 million monthly downloads (compared to the New York Times' The Daily, the second most popular, at around 120 million), according to the analyst firm Research and Market.

Spotify is also expanding overseas, with 299 million monthly active users listening to podcasts in 92 markets, a 200% increase in podcast listening year-on-year, according to Research and Market.

Spotify is not only acquiring talent but also tech. Tech and talent together give Spotify greater listener numbers and thus makes the platform more attractive to big advertisers looking for big numbers who are willing to pay big for them.

Sure enough, Spotify is now attracting far bigger advertising customers than individual podcasters typically could ever dream of. For example, Omnicom, a large digital marketing agency, has signed up to buy $20 million worth of podcasting ads on Spotify, according to Washington Monthly.

THE SPOTIFY ADVANTAGE

But, because Spotify is a mobile app, advertisers can do three things they can't with RSS feeds:

1. Get granular information (e.g., precise location, time of listening)

2. Insert ads dynamically into podcasts (RSS feed podcasts must have ads baked in, which means they can't be tailored to the listener)

3. Access user data, such as the demographic information listeners must provide when they set up their account, as well as behavioral information, including preferences and habits revealing what they listen to, information most stand-along podcasters don't have access to.

Indeed, in January 2020, Spotify unveiled its "Streaming Ad Insertion" technology, which does exactly what its status as an app made possible: using listener data such as their age, gender, location, and type of device, and use it to target ads at them, inserted in real time as they stream their podcast. As many as 100 Spotify shows now use the technology, according to The Verge.

8 LAUNCH MISTAKES TO AVOID

After all the blood, sweat and tears involved in setting up a new podcast, why blow it at the last minute? Here are the eight mistakes you should avoid on launch day, according to Matty Staudt, the founder and president of podcast consulting and production company Jam Street Media, writing in the *Podcast Business Journal*:

1 Not picking the right RSS feed provider: Check to see where the feed will automatically send your shows, find out if they are Interactive Advertising Bureau (IAB) compliant, if they do dynamic insertion if you want to sell ads, and what other features they offer like embedded players and websites.

2 Starting your feed without a trailer: Before you launch your first episode, you want to make sure your show is on all of the major players like iHeart, Spotify, iTunes, and Stitcher and perhaps on Castbox, Overcast, Luminary, etc. It may take a few days or a week for your feed to show up on those platforms, so start with a trailer. When that shows up, you know you're ready to go.

3 Bad cover art: Cover art is the first impression a potential listener gets about your podcast. Bad cover art can turn off a person before they listen. Make sure it's easy to see on a phone.

4 Poor show descriptions and liner notes: These are the key to SEO (Search Engine Optimization). Many listeners find podcasts via Google search. Make sure your show description and notes are SEO-friendly.

5 No marketing or budget strategy.

6 Publishing the first podcast episode you produce: Great podcast production is an art. Nobody is great at it on their first attempt. Produce a few shows to learn and go back and revise the first one so it's the best you can offer. You only get one chance to grab a new listener.

7 Not getting good feedback: In radio, there are things called "airchecks". That is when colleagues listen to your show and give you honest feedback. Find colleagues who will be honest and tell you what they think.

8 Overthinking: At the end of the day, nothing is going to be perfect. Launch and learn from your mistakes.

THE PODCAST SUBSCRIPTION TECH CHALLENGE

We're past the point of wondering if people will pay for podcasts. An increasing number of media companies producing podcasts are putting one or more of their podcasts behind some form of paywall. For example, Slate has more than 50,000 subscribers to Slate Plus, over 70% of whom joined to get access to their premium podcasts, according to the company.

But enabling subscriptions is not easy.

There is no simple way to charge for access because Apple, the overwhelmingly dominant podcast directory, doesn't offer podcasters a paid subscription option. (A directory is the place where your podcast is listed and can be accessed versus the platform where it is hosted and lives.)

Nor, sadly, do most of the other directories and podcast hosting platforms that have popped up to service the burgeoning podcasting industry.

"The reason paywalled podcasts haven't yet been fully exploited by publishers is because the usual podcast distribution tech doesn't support it very well," Joseph Evans, analyst at Enders Analysis, told Digiday.

"You either have to put your podcasts on your own app, so people can't use their own chosen player, or you have to do a weird secret RSS feed workaround, which isn't very user-friendly and can be easily pirated," Evans said. If some of the major podcast player apps, particularly Apple, started supporting subscriber-only shows, it would make a huge difference, he added.

Some media companies have put their podcasts within their own mobile app. But even the New York Times, which launched its podcast Caliphate in its own app, still ultimately released it on free podcast apps. Sports site The Athletic houses several paid podcasts behind its paywall.

There are basically three workarounds to be able to get subscriber revenue:

1 Create your own hosting platform connected to your app or web page, and channel subscribers through that instead of through a distributor like Apple

2 Use distribution platforms like Patreon or Stitcher that allow for donations as a means of gaining access to the podcast or to special subscriber-only episodes of an otherwise free podcast

3 Put your podcast on a Netflix-like platform like Luminary. These are third party podcast apps that charge listeners a flat fee for monthly access to a limited or unlimited number of premium podcasts in their library (Some, like Luminary, also have a free tier)

Let's take them one at a time:

1 CREATE YOUR OWN PLATFORM

Slate did this, and it admitted it was difficult. But it ultimately succeeded to the point where it now market that platform to other podcasters.

A UK podcast company, The Anfield Wrap, has 80,000 listeners for its free podcasts and 10,000 listeners paying almost $7 a month for premium audio content. It decided not to rely on third-party apps but built its own back-end to deliver the paid content via an Amazon server.

You and your staff could do this, too, in just two minutes with Do-It-Yourself systems like Sanity … if you understand the following instructions from HackerNoon.com: "Sanity is a fully customizable, headless CMS that you can install and get started with within two minutes if you know some basic JavaScript. Just run npm install -g @sanity/cli && sanity init to get started." Right. Let's look at option #2.

2 USE DISTRIBUTION PLATFORMS THAT ENABLE SUBSCRIPTIONS OR DONATIONS

One example is the US-based political and humour podcast Chapo Trap House which uses Patreon and generates $145,000 per month in subscription revenue.Another example is distribution company, Anchor (acquired by Spotify in Feb. 2019). They are making money for Popular Science's two podcasts by enabling podcasters to accept pledges from listeners, according to Editor Joe Brown Substack Audio, another platform that enables podcasters to collect subscription payments, launched in early 2019. The service is a newsletter subscription platform used by writers including American author Matt Taibbi, the author of four New York Times bestsellers, and an award-winning columnist for Rolling Stone. The service emails private podcasts to subscribers.

3 PUT YOUR PODCAST ON A NETFLIX-LIKE PLATFORM SUCH AS LUMINARY

Luminary is trying to become the Netflix of podcasting, offering exclusive podcasts for a flat monthly fee of $7.99. Publishers ranging from The Ringer to Pineapple Street Media to New York magazine have listed their shows on Luminary. As of press time, it was too early for podcast creators to have reported on the success or failure of this revenue stream. Stitcher is another similar service.

In Europe, new services such as Podimo in Denmark and Majelan and Sybel in France also want to become a "Netflix of podcasting". Like Luminary, they invest in original audio content and try to bring podcasting to a wider public.

SPOTIFY WON'T HAVE THE FIELD ALONE

Spotify's competitors weren't about to cede the field. In September, Amazon Music opened its podcasting front, allowing podcasters to add their feeds to the platform and planning to develop exclusive podcasts of their own, according to The Wall Street Journal. Amazon is also adding podcasts to Audible, its audio book platform. With its audio speaker Alexa, Amazon brings a powerful tool that Spotify doesn't have. Alexa could be programmed to deliver real-time ads for targeted products offered on Amazon and enable the purchase with a voice command.

Late in December 2020, Amazon made a play into podcasting by buying Wondery, an independent podcast network, according to The Drum.

Google, too, is jumping in. Although Google accounts for a tiny 2% of the podcast market, according to measurement firm Libsyn, Google nonetheless brings weapons no one else has. When someone searches on Google for podcasts, Google shows them podcasts hosted on Google Podcasts at or near the top of the page, even when the Google shows aren't as popular as the others listed below them. Also, Google's Android system and its own app store are embedded on 45% of mobile phones in the U.S., and Google has its own line of smart speakers. All of those assets give Google a substantial platform and marketing base from which to launch a serious assault on Spotify.

And of course, there's Apple. With its operating system, app store, and voice assistant (Siri) embedded in all its phones plus its own browser (Safari) and information-gathering apps, Apple is also well-positioned to make a play for podcast industry domination.

THE STUBBORN ADVERTISING PROBLEM

The podcast advertising spend is increasing. "Internet Advertising Bureau (IAB) data show that podcasts are becoming an increasingly important part of the annual buying process for brands and agencies," according to WhatsNewInPublishing.com. "Those making podcasts part of their annual buy nearly doubled to 47% in 2019, up from 24% in 2018."

Podcasting may be the fastest-growing advertising medium, but despite the growth, it's still a minuscule amount in the grand scheme of things. The industry's total ad revenue is still less than $1 billion, which is remarkable given that than 90 million people listen to podcasts monthly, per Edison Research.

But that industry-wide view skews the significant impact ad revenue is having on some media companies.

THE BIG GET RICHER, NOT SO MUCH THE REST

While there are a lot of players, most aren't seeing much traction. The top 1% of podcasts receive 99% of downloads, according to Axios. And that top 1% are making serious money.

The New York Times podcast division, for example, reportedly brought in nearly $30 million in revenue in 2019. The Times' most popular podcast, The Daily, draws four million listeners a day. Vox Media's podcasting business is in the eight figures. Slate now makes about half of its revenue from its podcasts, according to the company.

Vox Media exploded in just three years, growing from a handful of shows in 2017 to more than 200 shows in 2020, according to the company. Revenue from podcasting is expected to double this year: "We went from it being a hobby, to a strategy, to a big pillar of the company," Vox Media Studios President Marty Moe told the Washington Monthly.

One of the drivers of the rise in ad spend is programmatic advertising. Approximately 4% of podcasting ads in the U.S. are being delivered this way, but that's expected to grow to 6% in 2021 and 8% in 2022, according to eMarketer.

WILL PROGRAMMATIC ADS RUIN PODCASTS?

This move will be driven by "investments in audience measurement and the shift from un-trackable baked-in ads toward dynamically inserted ads will pave the way for programmatic buys," eMarketer reported.

The concern among many in the podcasting community is that podcasting could go the way of the internet with inappropriate or intrusive radio-style advertisements jamming up podcasts the way advertisements have wrecked much of the internet experience.

"We're seeing big podcasts make money because podcast advertising has taken a more traditional ad impression-based approach to advertising," Agnes Kozera, co-founder of Podcorn, a podcast sponsorships marketplace, told Axios. That approach "tends to reward podcasters that get the most impressions but not always the ones who are the right fit for the brand and have the potential to drive conversions through great content."

It's a slippery slope. "Ad tolerance among weekly podcast listeners is gradually growing," according to the Westwood One Podcast Network Fall 2020 Report. "The rationale behind this appears to be a recognition that ads make these shows — which are often free – possible.

"[But} an uptick in ad tolerance should not be taken lightly since many media consumers tend to be averse to advertising, proof being the existence of ad-blocking software and premium ad-free media subscriptions," the report concludes.

Globally, podcasts are also rapidly gaining traction, in some cases more dramatically than in the U.S. In the first quarter of 2020, the percent of respondents to a Reuters Digital News Report study who had listened to a podcast in the past month showed five countries surpassing the U.S. podcast audience at the time, and 15 other countries with rates over 20%:

- 58% - South Korea
- 41% - Spain
- 40% - Ireland
- 36% - Sweden
- 36% - Norway
- 36% - USA
- 34% - Argentina
- 23% - Canada
- 32% - Australia

- 32% - Switzerland
- 32% - Italy
- 30% - Vietnam
- 29% - Finland
- 28% - Austria
- 28% - Denmark
- 26% - Belgium
- 26% - Netherlands
- 26% - France
- 24% - Japan
- 24% - Germany
- 22% - UK

In June 2020, the ten fastest-growing countries for podcast creation were Brazil, Great Britain, Canada, Colombia, Italy, Mexico, Spain, Poland, New Zealand and the U.S., according to Voxnest.

A NEW HOTEL AMENITY THE PODCASTING BOOTH

What happens when you can travel again and need to record a podcast episode? No problem... if you're staying at one of the hotels offering the latest in unique amenities: a podcast booth

- **At the Los Angeles Mayfair Hotel, guests can reserve a custom recording booth next to a library and a private patio**
- **If you're at the Ace Hotel in London or LA, you can borrow in-room recording gear free of charge via a program called Studio A**
- **Stockholm's very posh Hotel At Six offers a rentable podcast studio**
- **In downtown Chicago, Marriott's new Moxy hotel lets guest use its in-house studio free-of-charge**

Not only are vast numbers of podcast fans listening, but they are also listening A LOT, consuming multiple episodes in one sitting and listening for previously unheard of lengths of time!

The Edison "Share of the Ear" report found that the average listener consumes seven podcast episodes a week, which is also increasing over time.

PODCAST LISTENERS PUT GOLDFISH TO SHAME

Beyond their voracious appetite, listeners are also committed. We've all heard the witticism that the human attention span has shrunk to less than that of a goldfish (reputed to be eight seconds).

Not the podcast listener.

According to a recent Infinite Dial Report, the average podcast listener finishes 80% of a podcast episode (which average nearly 39 minutes, according to podcast.co). Contrast that with a "good" YouTube finishing rate of 50% and viewing time of one to eight minutes, according to Chartable. The average Facebook Watching time is just 23 seconds, according to a study by digital agency Uhuru.

So, we've established the size and dedication of the podcast audience. How about the market opportunity?

Some observers believe that as a result of podcasting's explosive growth, we've already hit "Podcast Saturation" or are close to it.

ARE WE AT PODCAST SATURATION?

Yes, the fact that we've hit almost two million podcasts (1,750,000, according to PodcastHosting.org) may seem to translate into an overwhelming and daunting environment for newcomers looking to be discovered.

But consider the fact that there are more than 37 million YouTube channels. In that context, we are a long way from Podcast Saturation.

Given this appealing opportunity to gain revenue and listeners, media companies and individuals are launching new podcasts at a torrid pace. In 2018, an average of 575 podcasts were started every day — that's about one new podcast every three minutes, according to the Edison report.

In December 2020, there were 1.68 million podcasts in more than 100 languages in the Apple Podcasts directory alone, up from 550,000 in June 2018, according to Podcast Insights. Of those 1.68 million, two-thirds published their first episode in just the last two years.

Since 2014, the share of time spent listening to spoken word audio has increased 20%, while time spent listening to music decreased 5%, according to Edison Research.

MOBILE TECH DRIVES CONSUMPTION

Another driver of podcast growth is mobile technology: 65% of listening to podcasts happens on a mobile device, compared to 9% just six years ago, according to the Edison report and Oberlo.com. The advent of bluetooth and other connections in the car have made podcasts a key listening tool for end users while they commute. And at home, the increasing penetration of smart speakers like Alexa and Google Nest Mini and Apple HomePod have also contributed to the rise of podcast consumption.

The market outlook gets better: The average age of the podcast listener is 39 years old and, perhaps more importantly for advertisers, the average salary of the average podcast listener is $87,000, according to a recent study from Nielsen.

Aside from rapidly improving technology, what's driving the attraction to podcasts?

For the listener, podcasts are entertaining, provocative, educational, and fill previously uninspiring times of the day: the twice-daily commutes (which will resume in some form), daily chores, long walks, grocery shopping, etc.). Podcasts also become an almost personal relationship. "There's something very intimate about podcasts — you're literally letting an individual into your personal space for 30 minutes," Grazia magazine Editor Hattie Brett told us.

"As such, you develop a relationship with the person who is hosting the podcast and, over time, really come to trust them," Brett said. "So for media brands, that have been built on developing trust with their readers, it's a natural extension; a way to show a more intimate side of your team to your audience."

For the media company, it's a relatively cheaply produced revenue-producer and

- **Audio quality matters: Invest in good equipment such as mics, pop filters, and soundproof panels.**
- **Build genuine relationships with industry leaders and your audience.**
- **Don't be afraid to edit: Shorter is better. Think you're finished? Edit down again. Experiment with lengths, compare finish-time data, and use the length the data shows is most effective.**
- **Build authority: Associate your podcast with reputable people in your niche and with quality products. Deliver helpful advice.**
- **Have personality: This is theatre in a very real sense. Find someone who connects well with people, and has a voice for radio plus a flair for either the dramatic, or an easy sense of humour, or a visceral tone that oozes gravitas. If it's an opinion podcast, make sure the host is quick, thoughtful, witty, trustworthy, and solid.**
- **Address pain points that affect the happiness and well-being of your audience.**
- **Stream through multiple channels — Apple is still the best way to get your podcast out to the world, but now there are an ever-increasing number of options. There are also services that will distribute your podcast to multiple channels.**
- **Provide a ton of free value.**

subscriber attraction asset that cannot be poached.

"Podcasts are not like a text story, where a free title [or site] can come along and basically republish it, diluting the value of your paid offering," Enders Analysis Senior Analyst Joseph Evans told Digiday. "If you want a particular podcast, you have to go to the source. And they're a lot cheaper to put together than video, particularly the kind of editorial podcasts that news sites are looking into."

REVENUE IS FINALLY CATCHING UP TO VIEWING

Media companies report a dramatic increase in advertiser interest in getting their ads on podcasts. "There has been so much demand for sponsorship that it more than pays for itself," Economist Head of Digital Strategy Tom Standage told the journalism think-tank Nieman Lab. "The big change is commercial, which is that we had advertisers who started to come to us last year and say, 'We are only going to buy two kinds of ads next year: print and podcast. What have you got?'"

As impressive as that number is, the audio market in China (which includes podcasts but is dominated by self-improvement audio products) was estimated to be worth around $7.3 billion in 2018, according to China's Administration of Press, Publication, Radio, Film and Television. What makes the figure even more impressive is that it is focused only on consumers paying directly for audio content online and does not include ad-driven podcasts.

Podcast advertising isn't threatening conventional radio ad spending … yet. Podcast advertising is on double-digit growth trajectory while radio ad growth will continue declining for the foreseeable future, according to research and marketplace intelligence company Magna. In 2019, podcast advertising was a mere a 3% share of the $16.2 billion U.S. audio ad marketplace, but will comprise an 8.2% share by 2022, according to Magna.

Podcasting "is still growing at a healthy clip and certainly outpacing the overall ad industry," PwC partner David Silverman told AdExchanger. "We see a faster-than-industry growth rate through at least 2021."

> "INCREASINGLY, PODCASTS ARE GETTING TURNED INTO PROPERTIES FOR OTHER MEDIUMS"
>
> **Seth Resler** Analyst, Jacobs

PODCAST LISTENS ARE ADVERTISER DREAMS

Part of the reason for the success of podcast advertisements is listener responsiveness.

According to a 2018 Acast study, podcast listeners scored high in terms of engagement with ads, as well as responsiveness with 76% of listeners saying they've taken action after hearing a podcast ad, which could include visiting a site, making a purchase, or taking out a subscription.

Even though podcasting ad revenue is growing in leaps and bounds, it's still very much a strategy by experimentation.

"We're all testing [paid-revenue methods] to see what actually sticks," Stitcher CEO Erik Diehn told Digiday. "Is it tipping; is it a publisher-by-publisher premium subscriber model; is it the Patreon single show, single-creator-support model; is it a Netflix-type model? There's not going to be one thing." One thing we do know is working are the CPMs.

SOME PODCAST CPMS ARE EYE-POPPING

Economist podcast CPMs are higher than YouTube's network average CPM rates of between $2 and $3, the Economist's Standage told Digiday. For other podcasts in the UK with downloads in the six-figure range, podcast ads can command at least a 30% premium on pre-roll video ads, with some low-end CPMs around $11.84 and the coveted host-read ads getting more than $40 CPMs, according to Digiday.

"CPMs are typically higher than what is seen in the linear broadcast space, due in part to the comparatively small podcast audience and growing demand as more advertisers across more sectors show interest in experimenting with podcasts," according to Magna's September 2019 Podcasting Report. "Pricing remains a challenge, as CPMs can range anywhere from $10-$25 for pre- and post-roll spots to $20-$80 for mid-roll spots to $70+ for highly sought-after shows."

For the successful podcasts, the numbers are impressive. For example, Freakonomics Radio, which averages 1.5 million downloads per episode, an advertiser paying $50 for every 1,000 downloads would result in an impressive $225,000 payment per episode for three mentions of the advertiser.

The impact of these high CPMs is the rapid growth of podcast ad revenue as a percentage of total media company revenue. For example, National Public Radio in the U.S., one of the leading podcast producers, is set to see its podcast sponsorship revenues surpass those from broadcast next year for the first time.

Podcasts have been a "huge return on investment for us and a major growth engine for our business," Deborah Cowan, Chief Financial Officer at NPR, told WhatsNewInPublishing.

The story is similar at Slate, one of the early entrants in podcasting, where audio could represent "nearly half" of the publisher's revenues, up from 28% in late 2018, according to Digiday. Slate's 30 podcasts generated 180m listens in 2018, a 78% increase year over year.

"You don't get clients saying they want to be on pre-roll, but you get clients saying they want to be on the Economist's podcast," MediaCom Head of Investment Charlie Yeates told Digiday.

Part of the reason the ad revenue is increasing is the change in the methodology and ease of placing podcast ads. In the early days, most podcast ads were host-read (a time-consuming process to sell and create, and virtually un-scalable). Also, a podcast's back catalogue was inaccessible. Equally challenging was the process of verification: Checking that the ads actually appeared.

Now, dynamically inserted ads enable brands to create a single ad and place it in large numbers of podcasts in tightly scripted campaigns. Some reports estimate that 48.8% of all podcast ads are now placed programmatically. With this kind of scale, podcast ads are approaching TV and major web platform scale and reach.

WHY PODCASTS WORK FOR ADVERTISERS

According to the "Audio:Activated" Study, a four-continent research project commissioned by BBC StoryWorks (BBC Global News's branded content division), podcasts deliver the following results for advertisers:

- **Podcast branding messages stand out, with 16% higher engagement and 12% higher memory encoding than the surrounding content, almost 20% higher than radio measures, which score 5% lower than content**
- **76% of listeners say they've taken action after hearing a podcast ad, which could include visiting a site, making a purchase, or taking out a subscription**
- **94% of listeners consume podcasts while doing other tasks. This mode of listening elevates engagement with the brand, the study found**
- **Podcasts are consumed in ways that are additive to the marketing mix**
- **Podcasts are a particularly effective way to reach ad avoiders**
- **The language of a podcast creates subconscious associations with the brand**
- **Podcasts deliver lifts in awareness (+89%), brand consideration (+57%), brand favourability (+24%), and purchase intent (+14%)**

Because of the unique way podcasts are consumed — usually whilst multitasking — brands are now able to reach people in what were previously thought to be unreachable moments. This is an enviable commercial opportunity as it is additive to the marketing mix.

WHAT ARE THE PODCASTING REVENUE MODELS?

1 Advertising
2 Virtual summits
3 Influencer relationships/joint ventures
4 Online courses
5 Subscriptions
6 Memberships
7 Coaching and consulting
8 Affiliate marketing
9 Services
10 Sponsorships
11 Repackaging your content: Books
12 Paid public speaking
13 Brand extensions (selling your own stuff)
14 Repackage/repurpose content
15 Live events
16 Paid apps
17 Crowd-funding
18 Intellectual property

Many of these are self-explanatory, but let's take a look at a few that bear an examination.

VIRTUAL SUMMITS

Virtual summits have all of the same benefits of real summits at a fraction of the cost (for you and for your attendees). Your attendees are already accustomed to and comfortable interacting with you in the virtual world, so this would be an easy format for them. In addition, they don't have to pay to fly or drive anywhere and aren't facing all of the attendant costs of food and lodging.

"A virtual summit is a collection of webinar interviews that you conduct over several days," said Navid Moazzez, creator of the "Virtual Summit Mastery" online service. "As the host, you curate a couple dozen or so industry leaders and sell all-access passes to the event."

For example, The "How I Built This" podcast tour has been so successful that National Public Radio in the US created a spin-off small business and entrepreneur virtual conference called "The How I Built This Summit".

With virtual summits, you get to:

- Build an email list to use with some of your other revenue models
- Generate additional revenue (and perhaps new sponsors who like the summit format)
- Build the authority of your brands
- Network with leaders in your niche (as speakers)
- Create evergreen long-tail content that can also be monetised

THE WORLD'S LONGEST PODCAST

The current Guinness World Record for the world's longest audio livestream is 52 hours and was set in 2012 by Turkish radio disc jockeys Cenk and Erdem. In late 2018, nine students from the University of North Texas in the US recorded a 58-hour long livestream in an attempt to break the record. At press time, the Guinness site still listed the Turk disc jockeys as the record holders.

ONLINE COURSES

Online courses are another efficient, relatively pain-free revenue model: Once you've done the hard work of creating the course, you can run it over and over and over and over again.

"Teachable and Thinkific are two online course platforms that you can use to create and host your online courses on with ease," according to Moazzez.

"Don't try to hit a gigantic home run with your first info-product," Moazzez recommended. "Keep the project small and make sure it provides incredible value. Think of your first info-product as warming up your audience so that you can up-sell them on your first really big premium course.

"You may even want to consider giving your first info-product away for free," Moazzez said. "Your audience will feel almost guilty if they don't buy your premium product when it comes out."

According to Moazzez, here are the benefits of online courses:

- Leverage existing content
- Unlike physical products, there are no shipping hassles
- Unlike affiliate sales, you get to keep all the revenue (unless a partner promotes your course)
- Unlike sponsorships, you don't have to continually hunt down opportunities
- By creating your own course, you guarantee that the content will be highly relevant to your audience
- You'll never run out of stock

> **"DON'T TRY TO HIT A GIGANTIC HOME RUN WITH YOUR FIRST INFO-PRODUCT."**
>
> **Navi Moazzez** Creator of 'Virtual Summit Mastery'

SUBSCRIPTIONS

One of the poster children for paid podcasts is Slate, a US-based daily web magazine and podcast network.

Slate jumped on the podcast bandwagon long before it was a bandwagon. Slate launched its first podcast on July 15, 2005, just five years after the creation of the first rudimentary system that enabled the selection, automatic downloading and storage of serial episodic audio content on PCs.

By late 2019, Slate was making almost half of its overall revenue from podcast advertising, with total downloads up 39% following a 78% increase in 2018.

In 2014, Slate introduced a subscription product called Slate Plus, which included benefits such as discounted tickets to live events, and access to web-only content and certain podcasts. A year later, it had attracted 9,000 subscribers generating about $500,000 in annual revenue. By 2019, the subscriber total was up to 50,000 people paying $60 a year, or $3 million. According to Slate, 70% of the Slate Plus members joined to access the podcasts, which means the podcasts are responsible for $2.1 of the $3 million.

In addition to the benefits Slate Plus offers, other potential subscriber benefits could include:

- Early access to episodes
- Ad-free episodes
- Access to the back-catalogue of episodes

Getting podcast subscriptions to grow is challenging because of technical difficulties associated with any subscription offering. The podcasting world is fragmented with many podcast listing apps offering the service but few offering a paid subscription option. Apple, which dominates market share, does not offer in-app payment functionality (see the sidebar on podcast subscription tech challenges).

One workaround is the growing collection of podcast platforms — Patreon, Substack, Glow — that give podcasters the opportunity to offer personalised RSS feeds to paying subscribers, with those feeds being accessible on most podcast apps.

But subscriptions are not always a good alternative to advertising.

For example, the US-based show, "The Athletic", uses both approaches. It started with 20 podcasts that were for subscribers only. But as it expanded to 120 podcasts, most were set up to run on a schedule of one free episode per week, plus an additional episode for subscribers only. "Podcast ads fetch $25 CPMs, making a freemium model based on ad revenue more attractive [than subscriptions]," Athletic Co-Founder Adam Hansmann told Digiday.

Just two months after introducing advertising in late 2019, the advertising revenue stream grew enough in that time to compete with subscription revenue, Athletic Audio GM Nick Adler told Digiday.

Figuring out what should be ad-supported and what can support a subscription is a process, internet radio service Stitcher CEO Erik Diehn told Digiday. Further, the formats that typically see subscriptions as a better strategy for monetization are scripted fiction, which may not drive as much advertiser appeal — or niche podcasts that have 10,000 to 50,000 listeners — since there are fewer options for those topics, he said.

MEMBERSHIPS

Memberships are the other side of the subscription coin, but without the hassle of finding or creating a platform to accept payments for podcast access. With memberships, media companies can offer benefits that they can house behind a paywall on their own site.

For example, paying members could access:

- Behind-the-scenes extras
- Live Q&A sessions
- Bonus interviews
- Exclusive community
- Tutorials on subjects relevant to the podcast subject

COACHING AND CONSULTING

This is not a big revenue generator, but it could lead to other revenue streams. Once you've developed your podcast and your studio, even if it's bare-bones, you will still have more podcasting expertise than most people in your niche or geographic market.

You could offer coaching or consulting to aspiring individual or business podcasters, but another more lucrative approach in the long run would be to offer your expertise to advertisers who might want to add podcasts to their marketing, native advertising or branded content campaigns. So, you could make money with the consulting and then with the ad revenues for running their audio content.

AFFILIATE MARKETING

While it might seem obvious, podcasts offer a twist on affiliate marketing that your run-of-the-mill digital content does not: Longevity.

The typical text story or video might gain a few search visitors over time, but podcast listeners are constantly discovering podcasts that might have been running for months or even years… and they often start at the beginning of the series, especially if it's an extended sequential story like "Serial" or a sequential approach to a topic or recipes that relate to a season of the year.

As a result, the affiliate deals you cut months or years ago will still be generating revenue long after their first appearance.

REPACKAGING YOUR CONTENT: BOOKS AND E-BOOKS

You've already spent the time and money to create what your listeners are telling you by their downloads is valuable.

Transcribe the content of your podcasts around a particular topic (recipes, themes, most popular, influencer interviews, geographic locations, tips, etc.). Create an e-book and let your listeners know it's available for a fee.

"Welcome to Night Vale", a podcast covering strange happenings in a desert community in the southwest US translated the popularity of its podcast into a novel. When the book became available for pre-order, it became Amazon's #2 title seven months ahead of its October release date.

After that initial success, "Welcome to Night Vale" released three more novels.

Following on the success of the novels, "Welcome to Night Vale" released four books featuring scripts from the show as well as commentary, introductions by the authors, and original illustrations.

HOST A LIVE EVENT

Live events can be costly and time-consuming to run. However, if you have an experienced events team that runs events all the time, a live event, even if it's just you doing your podcast in front of a live audience, will attract paying customers.

According to long-time podcaster Robin Kinnie, president of Motor City (Detroit) Woman and Audio Engineers, live shows are:

- A great way to connect with your audience: Live shows give loyal listeners the opportunity to meet you face-to-face and give you the opportunity to learn more about your listeners.
- A new way to monetize your podcast: You can approach your advertisers, offering them the opportunity to meet potential customers in person. You can charge an admission fee. And you can make money from concessions and the sale of podcast swag (souvenirs).
- A unique way to promote relevant local businesses or nonprofits: If you're looking for a space to host a live event, consider your advertisers (restaurants, theatres, sports facilities) or partners (museums, nonprofits). The business or nonprofit will probably welcome the traffic and publicity, and might even pay you for the privilege of hosting the event.
- An opportunity to expand your reach by sharing the live podcast on YouTube: Your

PODCASTS A SAFE HEAVEN FOR EXTREMISTS, …FOR NOW

After the mob riot at the U.S. Capitol in January 2021, social media platform executives started banning extremists and purveyors of false information, including U.S. President Donald Trump.

But no one talked about podcasts.

The Associated Press found that accounts that had been banned on social media for election misinformation, threatening or bullying, and breaking other rules still lived on as podcasts available on the tech giants' platforms.

"Conspiracy theorists have peddled stolen-election fantasies, coronavirus conspiracies and violent rhetoric," the AP reported. "One podcaster, RedPill78, called the Capitol siege a 'staged event' in a Jan. 11 episode of Red Pill News. The day before the Capitol riot, a more popular podcast, X22 Report, spoke confidently about a Trump second term, explained that Trump would need to 'remove' many members of Congress to further his plans, and said 'We the people, we are the storm, and we're coming to DC.' Both are available on Apple and Google podcast platforms."

The podcasts X22 Report and Bannon's War Room were No. 20 and No. 32 on Apple's list of top podcasts ten days after the riot, according to the AP. Two years before the Capitol insurrection, the Anti-Defamation League said podcasting "plays a particularly outsized role" in propagating white supremacy.

"Google-owned YouTube axed 'Bannon's War Room,' a channel run by Trump loyalist Steve Bannon, on Jan. 8 after he spread false election claims and called for the beheading of Dr. Anthony Fauci, the top U.S. infectious-disease expert," the AP reported. "But podcast versions of Bannon's show live on at Apple and Google. Spotify took it down in November, according to one of its hosts."

podcasts are purely audio, but your live shows can be captured on video and shared on YouTube. You not only extend the shelf life of the event but you also expose your podcast to a whole new and massive universe of potential listeners on a platform you'd heretofore been absent from. You can also use the recording as a tool for prospective advertisers.

Many podcasts have picked up on this revenue option: "Watch What Crappens", a podcast about Bravo's reality TV shows, charges $25 a seat but listeners can also fork out $200 for a VIP experience. The true-crime podcast "Crime Junkies" sold out many shows on its 2019-2020 tour, where tickets averaged $30 but a premium package that includes a private meeting with the hosts went for $100.

Even with those prices, live podcast events aren't going to be a huge contributor to your bottom line. The revenue is welcome, but their primary value is marketing and promotion.

Apparently, podcast fans are hungry to see their hosts live and in-person. One in five heavy podcast listeners — those who listen more than six hours per week — have attended a live podcast show where the average price was $42, according to a recent study by MARU/Matchbox and Westwood One.

One of the best podcasts at running live events is Welcome to Night Vale.

The "Welcome to Night Vale" podcast opened their first live podcast tour in 2018 with two sold-out shows at the Neptune Theatre in Seattle. With tickets priced at $30 and 800 seats in the auditorium, the podcast brought in just under $50,000.

The 2018 tour included 20 more shows, including European cities such as London and Berlin and additional US locations. By the time the 2020 schedule was announced, the tour had exploded to more than 50 events in cities across the US and Europe with ticket prices ranging from $25-$35.

"While the show often gets 400,000 downloads per episode, touring is more reliable and lucrative," Night Vale Co-Founder Jeffrey Cranor told podcast database company ListenNotes. "Advertisers are fickle."

INTELLECTUAL PROPERTY

One revenue source that might not have occurred to you is to convert your intellectual property (your podcast) into movies or television shows. While it's only happened to a small percentage of podcasts to date, it's still a possibility with a potentially lucrative outcome. And it's a possibility expected to soar in the near future with the increasing demand for movie and television series content. FX recently reached a deal with Sony Pictures Television to turn "Welcome to Night Vale" into a TV show.

> **"TOURING IS OFTEN MORE LUCRATIVE."**
>
> **Jeffrey Cranor** Night Vale Co-Founder

"Increasingly, podcasts are getting turned into properties for other mediums," said Seth Resler, an analyst at US-based media strategy firm Jacobs. StartUp, Sword and Scale, Pod Save America, 2 Dope Queens, Up and Vanished, Lore, Dirty John, Homecoming, Serial, The Bright Sessions, CrimeTown, Alice Isn't Dead, Desus and Mero, Atlanta Monster, Tanis, Limetown, and more have all spawned television shows.

"At CES [in 2019], a panellist in one podcasting session predicted that in the coming years, we will see a quarter of all television shows and movies being developed out of podcasts," Resler said. "As a result, the panellist predicted a boom in scripted podcasts, with the hope that the hits would find a profit in the licensing of intellectual property rights."

One seeming small but significant development in the recognition of podcasts as a force in media was the announcement in late 2019 of a new Pulitzer Prize audio category. The prize will be awarded "for a distinguished example of audio journalism that serves the public interest, characterized by revelatory reporting and illuminating storytelling," according to the Pulitzer Board.

With all these options for raising revenue and attracting paid subscribers, podcasts are already beginning to contribute to media companies' bottom lines, from single digit percentages of total revenue to nearly half.

"Our current Golden Age of Television started 80 years after the invention of TV," said Chartable Co-Founder and CEO Dave Zohrob." By comparison, the Golden Age of Podcasts only took 15 years from the invention of the medium, and it's just getting started."

So, if you haven't climbed on board yet, there's still plenty of room on the bandwagon. And it's a hell of a lot cheaper, easier, and more immediately lucrative than, say, an in-house agency or building a VR capability. Right?

EVEN YOU CAN BE CREATIVE

PANDEMIC-INSPIRED CREATIVITY IS EVERYWHERE, AND STORYTELLING IS NO EXCEPTION

Media companies have faced a lot of challenges during this pandemic, but creativity in storytelling has not been one of them. Despite, or perhaps even because of the pandemic, creativity in media has never been more abundant in so many ways and in so many places. Not only is creativity alive and well, it is also spreading into areas of the media business where you might not have expected it. Not so long ago, creativity in media meant a unique cover design or stunning print page spread or unusual print ad campaign.

Looking around the media universe, we found creativity springing up in:

1. Audio
2. Video
3. Audience identification
4. Audience engagement
5. Storytelling platforms
6. Story conceptualisation
7. Story presentation
8. Low-tech solutions
9. Data Reporting

What also struck us is how, in almost every case, the creative process begins with discipline.

As counter-intuitive as that may sound, creativity without discipline is like a locomotive with no railroad tracks. "We all know the archetype of the creatives, right? Eccentric, weird, scattered, messy," wrote Carl Richards, a certified financial planner and author of "The Behaviour Gap", in The New York Times.

"Every once in a while, the creatives are so touched by the muse that they are forced to immediately drop everything, go into a trance, and become a funnel for the beauty of the world.

"INSPIRATION IS FOR AMATEURS"

"This notion to wait around until you get struck by lightning to make art (or anything) doesn't mesh with my experience at all," he wrote. "What comes much closer is the famous Chuck Close quotation: 'Inspiration is for amateurs. The rest of us just show up and get to work.'

"The major implication of Mr. Close's quotation is that you don't have to be creative to create," wrote Richards. "Don't wait around for creativity to strike. Don't wait around for creativity to come to you by accident. Be creative on purpose."

And be creative with purpose.

Be creative with data and research and base lines and deadlines and KPIs and measurable goals and bespoke teams.

The media creativity we found wasn't the result of a group of people sitting around a table one day brainstorming and waiting to be struck by the muse. Instead, there were processes: Hurdles to clear, needs to service, KPIs to meet, bespoke teams to fill, tests a prototype had to pass, etc.

QUESTION: DOES THE CREATIVE IDEA SOLVE A PROBLEM?

"One very direct, sensible question to ask about an idea is 'Does it actually solve a problem?'," wrote BBC researcher and developer Libby Miller. "If it doesn't, why are you doing it? Valid reasons include 'to have fun' or 'because I like it', but what if they're not there? Like wigs for cats, many ideas do not solve a problem. Cats don't need wigs."

But does it crush creativity to force it into a straightjacket of having to solve problems and show results?

While it may seem counterintuitive, the uniquely human creative spirit can still be free-flowing, lively, and expansive even when it's guided by a checklist of tests.

There are other questions beyond "does it solve a problem" that should be raised when discussing creative ideas. As part of the BBC's "Reinventing News Stories" project, its R&D team came up with the following questions for the result of a creative process:

- Is it usable and understandable?
- Is it delightful and engaging?
- Is it distinctive and new?
- Does it meet audience needs and behaviours?
- Does it strike the right tone and style?
- Is it easy to build?

"INSPIRATION IS FOR AMATEURS. THE REST OF US JUST SHOW UP AND GET TO WORK."

Chuck Close Artist

- Is it easy to create stories for it?
- Does it work across different genres of stories?

Miller added the following, the last of which is our favourite:

- How are people going to find the thing?
- Is it going to be easy to use?
- Will people come back to it?
- Is it the right thing to do now?
- And, hang on, what on earth is it?

The New York Times video team, for example, has a singular focus when it comes to creative ideas:

"It should have a purpose within the business: How does [it] tie in to the Times's subscription strategy?" NYT Executive Director of Video Nancy Gauss told journalist Simon Owen. "It's something we talk about a lot. When we're thinking about a premium subscription product that's worth paying for that's differentiated in the competitive landscape ... it really is about creating a differentiated, unique product that's worth paying for."

How do you prepare for such a "structured" creative process? According to a variety of editors, you start by organising what might otherwise be chaos. You must organise or identify:

- The topic
- The data needed to determine or verify a need
- The target audience (or a community of shared interests)
- The measurable goals
- The KPIs
- A baseline
- The team (whom do you need from which departments)
- The process (most recommend time-delimited sprints, e.g. two weeks, a month)
- The quality control process
- The schedule (mileposts of the project)
- How to measure results against the goals
- The next steps (how to make a unique creative idea routine)

Let's look at some of the examples of content and design creativity we found:

1. CREATIVITY IN AUDIO

One creative success can breed another.

With podcasts booming, publishers looked at one of the primary drivers of that boom — convenience—and saw another logical opportunity: audio articles.

The early players in the audio story arena were mostly news content creators: The New York Times, The BBC, The Washington Post, The Financial Times, The Correspondent, The Economist, BuzzFeed News, and Bloomberg. Some magazine publishers have also got into the act: The New Yorker, Wired, Rolling Stone, Vanity Fair, The Atlantic, Danish publisher Zetland, etc.

While the text-to-voice excitement might appear to be fairly recent, the first efforts go way back.

FIRST TEXT-TO-AUDIO? SURPRISE: 2003!

The first text-to-audio experiments began at a time that now seems like the dark ages. In 2003, NPR veteran Andy Bowers was hired by Slate to produce a joint NPR-Slate audio show. Intrigued, Bowers began experimenting with text-to-audio by simply setting up a microphone and reading Slate articles into it, according to Simon Owen. "The experiment was a hit; despite the low adoption of podcasting at the time, those article reads quickly amassed 10,000 regular listeners," wrote Owen on WhatsNewInPublishing.

Almost as long ago (2007), The Economist started an audio edition of its weekly magazine: Every week, voice professionals record every story in the magazine.

"Audio versions of articles allow subscribers to complete issues when they don't have enough time to sit down and read them," Deputy Editor Tom Standage told the Nieman Reports. "Our evidence suggests that the audio edition is a very effective retention tool; once you come to rely on it, you won't unsubscribe."

THE LEARN-WHILE-COOKING ATTRACTION

Approximately 10 years later, The Washington Post started working on text-to-audio. "We conducted user research and learned that users want to stay informed, but they are busy, so they appreciate an option to get up to speed on the latest news developments while cooking dinner, running errands, or exercising," Emily Chow, Washington Post director of site product, told The Wall Street Journal.

At about the same time, the small Danish magazine publisher Zetland was struggling. The magazine had hit a "crossroad" in 2016, according to Zetland Community Engagement Editor Sara Alfort writing on Medium. "We were struggling to grow. Even satisfied members were leaving us."

In the course of searching for solutions, the Zetland team decided that one possible solution might be to fulfil multiple requests from readers for audio versions of their stories.

"Some of our 14,000 paying members requested audio versions of articles, and though our journalists were skeptical that such an offering would provide much value, we started introducing audio files within our app in late 2016," wrote Alfort.

"The decision to publish all articles in an audio version was a complete transformation of our media in a relatively short time," Alfort wrote. "And it turned out to be a great success."

AUDIO IS NOW 80% OF CONSUMPTION

"After just two months of offering the audio versions of all Zetland stories, 40% of the consumption was audio; in less than six months, it was 50%, and today, the audio articles make up 80% of content consumption time," Zetland Co-founder and Editor-in-chief Lea Korsgaard told FIPP.

"Audio articles tend to be listened to all the way through, in vast contrast to text articles which have much quicker drop-off rates," Alfort wrote.

"It has a campfire feel to it,"said Korsgaard. "Like I'm sitting here reading my story aloud to you.

"We credit the move with boosting retention and audience loyalty," Korsgaard concluded.

"Audio has kind of quietly emerged ... as the preferred way for people to consume content," Jim Bodor, MD, Digital Product Strategy for the Harvard Business Review, told the Nieman Reports. "If audio does become, maybe not the dominant currency of the internet, but if it becomes an even more significant piece, then we have to be prepared for that."

Given the clear popularity of hearing stories read to you, the only question is: Tech or talent?

TECH OR TALENT?

There are two ways of creating audio articles: 1) Have them converted from text to voice using automated AI tools, or 2) Have the authors or professional "voice actors" read them.

In addition to tech's lower cost that enables a publisher to produce a greater number of audio stories, another compelling argument for the tech approach is the fact that the text-to-voice technology has advanced significantly since the early days when such recordings sounded like dictation from an automaton. Some of the

> "WE'RE TRYING TO BE MORE OF A PARTNER WITH [THE PRINT SIDE] IN DEVELOPING THINGS FROM THE GROUND UP THAT REALLY PLAY TO THE STRENGTHS OF VIDEO."

Nancy Gauss *The New York Times*
Executive Director of Video

9 TYPES OF VISUAL STORYTELLING ON MOBILE

In September 2017, the lead producer for the BBC Internet Research & Future Services, Tristan Ferne, identified 12 different story formats used in digital news. In early 2019, with new formats constantly emerging, Emma-Leena Ovaskainen, a visual journalist for Finland's biggest daily newspaper Helsingin Sanomat, modified the list and made her own additions — with examples. The study was part of her Journalist Fellowship programme at the Reuters Institute for the Study of Journalism. This list is reprinted with permission.

Note: The examples of each type are best experienced with a mobile phone.

1 SHORT VIDEO, SHORT DOCUMENTARIES, EXPLAINERS

Pioneered by *AJ+* and *NowThis*, these are used in many newsrooms. The style uses video, stills and animation or is a combination of these; mostly captioned and subtitled. They are short videos like you've never seen.

- *The New York Times* visual investigations: Texas shooting
- BBC: Your phone is now a refugee's phone

2 STORIES, AMP STORIES, SWIPEABLE CARDS

Card-like visualisations with headlines, captions and text banners. These evolved from the storytelling tools inside social platforms like Snapchat Stories and Instagram.

- BBC Instagram Stories
- *Washington Post* AMP stories: A city destroyed by riot

3 LONG-FORM SCROLLYTELLING

Linear, narrative visual storytelling that's mostly used in feature stories. Parallax scroll used to create smooth transitions between different parts of the story; the popular digital storytelling tool — Shorthand — is used, for example, at the BBC.

- BBC World languages service: Modern women in the land of Genghis Khan
- *Washington Post*: Six teens and the wounds they carry

4 DATA VISUALISATION, VISUAL ESSAY, VISUAL STORY, BLENDED MEDIA STORYTELLING

Graphs, infographics, interactives, or highly visual stories that have no main text narrative element, but the text and typography are part of the visuals.

- *The Guardian*: How Cape Town is running out of water
- *New York Times*: How Rohingya escaped

5 STRUCTURED ARTICLES, LISTICLES, NEWSLETTERS AND BRIEFS

This includes listicles, which are usually numbered or otherwise structured under one theme or title, and articles structured into themes with strong typography or visuals.

Listicles became popular in *BuzzFeed* and *Huffington Post*, but have been a widely adopted format in mobile news. *Guardian* Mobile Lab has studied the idea of "atomised" stories with its Smarticles, where you can continue reading a story wherever you left off.

- *NYT*: Best places to go
- *Quartz*: How We'll Win

6 PERSONALIZED STORYTELLING, ADAPTING STORIES

Used to filter the stories by one's personal choice, creating a personalised article in the end. Found to be very engaging; people spend more time with a story that they find meaningful to their lives.

- *The Times*: Best place to live
- BBC: Life expectancy calculator

7 LIVE BLOGGING

Mainly used for large-scale events like breaking news, sports and cultural events and are visualised with short text pieces and updated frequently with photos, video and user-generated content from social media.

8 BOTS, AUTOMATED STORYTELLING

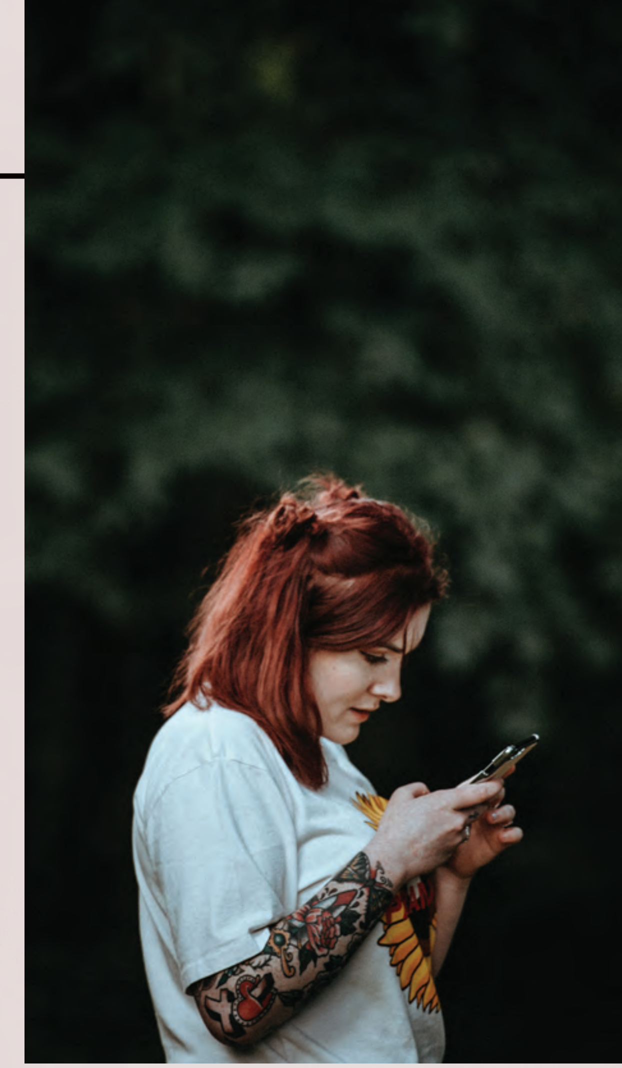
This includes applications that create automated storytelling, as newsrooms experiment with more efficient ways to produce sports and election reporting.

- BBC bots projects

9 360-DEGREE VISUALS, VIRTUAL AND AUGMENTED REALITY

There is a lot of testing around virtual and augmented reality. The Guardian and The New York Times Magazine have done a series of virtual reality stories for their own apps. Google also teamed up with NBC to create VR experiences.

- *The New York Times*: Rethinking Rikers
- BBC: Virtual reality



"WE CHOSE TO DESIGN NEW STORY FORMATS FOR YOUNG PEOPLE — THEY ARE DIGITAL- AND MOBILE-FIRST AND TEND TO BE OPEN TO NEW EXPERIENCES."

Tristan Ferne BBC Internet Research & Future Services Lead Producer new AI tools are so sophisticated that they can deliver, for example, voices in a local accent "speaking" in different moods (urgent, authoritative, soothing, etc.) according to the mood of the story.

In 2020, things really start picking up in terms of the technology and sophistication of the text-to-voice experience.

REGIONAL ACCENTS AND CHOICE OF MOODS

In September, South African news provider Media24 launched a synthetic text-to-voice service on its News24.com website. But they wanted a local South African accent. "The audio AI, designed with British voice tech developer SpeechKit, speaks English with a South African accent and vocabulary," according voice tech publisher VoiceBot. "The standard robotic voice doesn't work well when it comes to words and phrases that aren't standard in American English. South African English has a unique accent and 11 official languages incorporated into the names and phrases used in the country, so the need for a localised synthetic voice is very evident."

Then, in November 2020, the BBC announced the launch of an AI-powered synthetic voice called Project Songbird to enable the conversion of online articles to voice files. "Project Songbird offers a third way to consume BBC digital content, slotting in neatly alongside the text and video news offerings, and deepening the relationship we have with our audiences," Errol Baran, Global SVP for Business Development and Innovation at the BBC, told The Drum.

"We have seen, through the success of our podcast business across World Service, that the demand for audio and audio-based propositions shows no signs of slowing down, and this allows our readers to be able to multitask should they wish to do so," Baran told tThe Drum.

QUANTITY OVER QUALITY?

Publishers like The Washington Post chose technology for quantity: They wanted to be able to offer all of their stories in the audio format. The tech route makes the conversion of text to voice far more affordable than having to pay writers or voice professionals to record an article. As a result, many more, if not all, of a publisher's stories can be converted to audio.

"The nature of audio is habit-forming, but it's hard to build those habits if you only offer a limited number of articles," the Post's Managing Editor Kat Downs Mulder told The Drum. "Our readers know they always have an audio option, across all articles, which really reinforces its availability."

Mulder added that audio listeners spend three times more time in the Post's apps compared to those who simply read stories.

THE PROFESSIONAL VOICE APPROACH

The other approach is to have the authors or trained "voice actors" do the recordings.

The New York Times is so committed to this approach that it acquired Audm, a service that uses professional audiobook narrators to convert text-based articles and books into audio.

The Times had been working with Audm since the autumn of 2019 to create audio versions of select long-form articles before acquiring Audm in March 2020. "This is a way in which long-form journalism can fit better into your life," Stephanie Preiss, the NYT VP of TV and Audio, told The Wall Street Journal.

Audm is also used by The New Yorker, Wired, Rolling Stone, Vanity Fair, The Atlantic, BuzzFeed News, and more.

AN EXPERIENCE WORTH PAYING FOR

The Times wants to focus on the quality instead of the quantity of the listening experiences, a choice that, for cost reasons, restricts the number of articles that can be converted to audio

"We're interested in building products worth paying for," Preiss told the Wall Street Journal. "We feel like 'worth paying for' doesn't include computer-sounding voices."

Zetland also chose the human reader over the AI approach, but they use their own writers to record their own stories.

"We originally tried using professional voice actors, but it sounded too perfect," Zetland CEO Tav Klitgaard told WhatsNewInPublishing. "The personal voice of the journalists is quite important to the success of our audio products. We like to build what we call a 'human product', including all the glitches and quirks of human beings. It is important for us that our content conveys honest passion and curiosity, and we've found that is done best when the journalist narrates."

> **"THE MAIN FOCUS HAS BEEN ON TIME SPENT AND CONVERSION, BUT [COMMENTS] WILL HELP STRENGTHEN LOYALTY AND FREQUENCY."**
>
> **Martin Jönsson** *Dagens Nyheter* Head of Editorial

You can't argue with the results. Since Zetland launched audio stories, it has have grown 650%, according to the company.

2. CREATIVITY IN VIDEO

The first step in the creative process in video seems to be a very simple one, but it's a step that is surprisingly hard for editorial departments to achieve: Breaking away from the agenda of the text, folks.

"Rather than looking to the print desk for ideas or for ways we can do videos off of stories they've already created, we're really trying to be more of a partner with them in developing things from the ground up that really play to the strengths of video," the NYT's Gauss told Owens. "We've figured out how to work differently where we're no longer looking at print budgets and saying, 'Let's make a video to go with that story'."

So, instead, Gauss gets everyone involved from the beginning. "We've taken a step back and brainstormed how we could we tap into the expertise around the newsroom," she said. "How can we leverage some of the ideas of people who aren't traditional video makers, and work together to realise these ideas? And I think that's another great of example where it's really about working together from the brainstorm phase at the ground level."

As a result, Gauss and her video team have succeeded in bringing new levels of creativity to the media company's storytelling.

AN ANIMATED SERIES AIMED...AT PARENTS

The Times video team has produced some really creative work, including an animated series geared toward parents, a fake infomercial advertising a phone hotline for racists, and an ongoing series called "Diary of a Song", which uses a mixture of low-quality Skype interview footage, behind-the-scenes informal studio footage, and Instagram animation techniques to walk the viewer through how a hit song was made.

For the animated series aimed at parents, a producer pitched it when the Times was thinking about ways to reach a younger female audience. She started by doing a series of "call-outs" (outreaches on multiple channels to their audience explaining the project and asking for stories women would like to share). "We received more than 1,500 responses, which is pretty remarkable." said Gauss. "It showed us there was a lot of demand for this kind of content."

After narrowing the responses to six profiles, the producer did the interviews and then worked with a team of all-female animators to bring the stories to life.

TWENTY-FIVE MINUTES WATCH TIME

"More than 50,000 users spent 25 minutes or more on [the Times] platform per session, which is a remarkable level of engagement," Gauss said. "One of the things we've been really focused on is serialised content and we are seeing a lot of binge-watching behaviour. So now we're thinking about creating content and sharing it with our audience in a way that they can consume a number of episodes per visit."

At Condé Nast, they used a creative video approach for a title that might not be the most obvious candidate for viral videos: the 100-year-old Architectural Digest. In 2018, the Condé Nast video team managed to quadruple its YouTube audience to 1.4 million subscribers and nearly doubled that number in 2019 (2.6 million at the end of the year). The same recalibration of the publisher's approach to video also resulted in another classic title, Bon Appétit, tripling its subscribers to 3.7 million.

> "WE FOUND THAT YOUNG PEOPLE ARE TRYING TO NAVIGATE A DIFFICULT PATH BETWEEN INFORMATION OVERLOAD AND FOMO (FEAR OF MISSING OUT)."
>
> **Tristan Ferne** Lead producer for the BBC Internet Research & Future Services team

One of the new approaches was to incorporate famous hosts. For example, Architectural Digest created a new show entitled "Open Door" and featured big-name stars from a variety of fields walking viewers through their multi-million-dollar mansions. Here are some of the stand-out stars and the number of views their episode accrued by mid-January 2020:

- Grammy winning record producer and DJ Zedd (38m)
- Rapper Wiz Khalifa (34m)
- Actress/Businesswoman Jessica Alba (19m)
- Actor Robert Downey Jr. (15m)
- YouTube personality David Dobrikj (14m)
- Fashion designer Tommy Hilfiger (10m)
- "Full House" star John Stamos (5m)

"Celebrities were not the obvious choice for Architectural Digest," Condé Nast Chief Revenue Officer Pamela Drucker Mann told AdAge. "But we thought maybe it would be more relevant for that millennial and Gen-Z audience."

FROM ONE MINUTE TO TEN

They also moved from short videos to long-form videos. Before 2018, most videos typically ran for one to three minutes, now shows run six to 10 minutes and longer. For example, in 2017, a 35-second video about the top five architectural marvels of Milan generated a measly 17,000 views. "Engagement goes up as we create longer episodes, and it creates opportunities for ad insertions in ways you can't when the content is only three minutes long," Condé Nast Entertainment President Oren Katzeff told AdAge. Data show that the entire YouTube audience for Architectural Digest are new recruits who have never even read the magazine, according to Drucker Mann.

3. CREATIVITY IN AUDIENCE IDENTIFICATION

Creativity in audience identification is an example of how creativity is popping up in areas of media where you might not expect it.

Before even brainstorming about story ideas or content packages, The Sacramento Bee brainstorms about audiences.

And even in doing that, it decided to be creative: "Audience" wasn't the right term.

"I think sometimes we overuse the word 'audience' — what we're really looking for is: 'Is there a community here?'" wrote Lauren Gustus, west region editor for McClatchy (owner of the Bee), on Better News, a journalism innovation site.

CREATIVE AUDIENCE TARGETING

Gustus and Amy Chance, a Bee senior editor, experimented with identifying and serving specific audiences in an effort to grow digital subscriptions.

"Our future success will be built around the value people see in our work — and their willingness to pay for it — versus today's model of diminishing returns for programmatic advertising," the pair wrote.

The Bee assembled a team of editors and writers to use data to identify potential communities using nine criteria to select and test several target audiences to see which content drives them to become paying digital subscribers.

1. This audience "self-identifies" as part of a group.
2. Our analytics show this audience has a high likelihood of return visits.
3. This audience has a connection to our region.
4. We can "own" this audience locally.
5. We can "do a job" for this audience.
6. We can identify multiple opportunities for revenue with this audience.
7. We can identify a reporter/team with a track record of attracting readership.
8. We can identify a reporter/team able to run coverage on various platforms.
9. We can identify a reporter/team willing to do the sprint.

The Bee decided to test four communities: State workers (Sacramento is capital of California), local diners, healthcare workers, and homeowners or "wannabe" homeowners.

"After identifying communities they could serve better, the newsroom pulled years worth of food and drink coverage analytics to get a baseline of what worked and what didn't," Gustus and Chance wrote. For the diners' community, the data told the team that restaurant reviews were not popular and did not drive paid subscriptions.

SPRINTS WITH MEASURABLE GOALS

The team launched "sprints" lasting six to eight weeks during which the editorial team created series of stories focused on content relevant to each community to test what drove paid subscriptions. Because the idea behind a "sprint" is speed, the team didn't pause to do focus groups but instead used a variety of social media and Google Forms to reach out to Sacramento residents asking for direction and feedback.

Then they set content goals and aspirational goals. "A sample sprint goal: We will grow audience by writing at least five high-utility and high-interest food stories a week," the pair wrote. "And we will know success if we see a 20% increase in page views and a 50% increase in subscriber views, a key metric for us as we look to grow digital subscribers."

During the sprints, the team measured obsessively and met every week to discuss results and build new story plans.

It worked.

The Bee saw 4% growth in digital-only subscribers over four months in early 2019 and the stories also grew subscriber page views by 95%. The success of the sprint was made plain by the food writer's standing in the editorial analytics over that period: Bethany Clough, the Bee's restaurant and retail reporter, was:

- First in the newsroom in direct subscription conversions
- Second in the newsroom in stories that led to a conversion
- First in subscriber page views
- First in page views

Gustus and Chance have advice for other editorial teams looking to be creative in identifying and servicing unique communities:

"Study existing data, build SMART goals (Specific, Measurable, Aggressive yet achievable, Relevant, and Time-bound), and jump on tactics your team thinks can get it there. You need enough content to demonstrate clearly that an audience is or isn't engaging. Don't wait too long to set things up and don't allow for long periods between stories — that all hampers the effort. And meet weekly to review performance and build your plan for the week ahead. Set an end date.

"If you're successful, plan for how you transition from a sprint to a marathon," they wrote. "You'll have the data to demonstrate why your sprint was a success. Sharing those successes with key decision-makers, and the newsroom more broadly, should help you get buy-in you'll need to make the change stick. We all must be more nimble about shifting beats and coverage areas. This is a low-risk way to determine if your ideas have legs."

4. CREATIVITY IN AUDIENCE ENGAGEMENT

It takes a creative mind to see potential in an almost universally discredited or at least almost universally abandoned tactic: Comments.

Comments had been a powerful driver of engagement and community building, but between the toxic nature of many comments and the unmanageable volume, most media companies long ago shut them down. Publishers decided that the risk of offending readers and the cost of dedicating far too many people to managing them wasn't worth the return.

DOING COMMENTS DIFFERENTLY

In looking to drive more engagement and paid subscribers while also reducing churn, two media companies took a fresh look at comments: Swedish newspaper Dagens Nyheter and The Wall Street Journal.

Dagens Nyheter abandoned on-site comments several years ago as readers flocked to Facebook in large and increasingly boorish numbers. "The quality of comments on Facebook has been so terrible, and it's taken so much time in moderating to make sure people don't break the rules," Head of Editorial Development Martin Jönsson told Digiday. "It was becoming more of a burden."

Two years ago, Dagens Nyheter decided to reinstate comments, but on its own site, not on Facebook where it has cut their posts in half, using the platform for marketing instead.

COMMENTS BUILD LOYALTY AND FREQUENCY

"The main focus has been on time spent and conversion, but [comments] will help strengthen loyalty and frequency," Jönsson said. "The most common churn driver is lack of frequency in visits." Comments drive frequency and loyalty, Jönsson said.

> **"IT FELT APPROPRIATE FOR US TO JOIN FORCES WITH ONE OF THE WORLD'S MOST ICONIC FASHION AND BEAUTY PUBLICATIONS, BRITISH VOGUE."**
>
> **Pierre-Emmanuel Angeloglou**
> L'Oréal Global Brand President

Since reinstating on-site comments, they are getting approximately 25,000 comments per month from subscribers, according to the company.

The goal isn't to grow the number but the quality, making it a useful place to read as well as contribute, Jönsson said.

SOME AMAZING CONVERSION NUMBERS

Dagens Nyheter converts roughly 2,000 subscribers a week and in May 2019 it had grown 40% year over year. Since 2017, the company has nearly halved its churn rate from 15% to 8%. For readers who have subscribed for more than a year, churn has dropped to 1.2%, according to Jönsson.

At The Wall Street Journal, the editors challenged themselves to revisit comments.

"We looked at ourselves and asked what we were doing about it," Editor of Newsroom Strategy Louise Story told WhatsNewInPublishing. "Were we providing a forum for thoughtful conversation? Were we providing an experience that interested most of our audience? Were we leading by example?"

In late 2018, they decided to conduct a five-month in-depth research study to get a handle on how they could get more readers engaged and involved in constructive commenting.

By April 2019, they had developed a series of changes to the site's comments strategy, according to Story:

- Comments have been re-labelled as "conversations" to indicate an environment where readers are welcome to share their thoughts.
- Only select (around 30) news stories and opinion pieces are open for audience commenting and the commenting option is for a limited time. Those stories are clearly marked as being open for conversation.
- Conversations begin with question prompts from reporters who will also occasionally engage directly with readers.
- Only paying readers can join these conversations.
- Meaningful comments are highlighted.
- The project is managed by an Audience Voices & Community newsroom team with an editor, reporters, and multimedia producers.

It's working.

Both the number of people reading comments and the number of people posting, liking or replying to comments has increased by 5%, according to the Journal. The company also claims the commenters are both younger and more female-skewed.

"Broadly speaking, in the news business, we need to understand what the audience likes to do and reflect that," Story told Digiday. "You have a public that really likes to participate in the conversation. They are looking for a more thoughtful place. That was the opportunity we saw. We're increasingly focusing on our members — two-way interaction with our audience — and what that means."

Story says the quality of the comments is also getting better.

COMMENTS POLICIES THAT WORK

Since the changes were instituted, the Journal has tweaked its comments strategy even further.

- Lengthened the time that people can comment from 48 hours to four days because print readers were seeing stories that had been published online two days ago and were cut off from commenting.
- Thought-provoking comments are highlighted and shared on the WSJ's

social accounts and in its newsletters (where highlighted comments have had a higher click-through rate than the original story!)

The moderating team (the "audience voice team") has grown from three part-timers to eight full-time staff since late 2018. Their mission is to scout for interesting and newsworthy stories rather than act as gatekeepers, Story said.

HIGHLIGHT THE BEST COMMENTS

Story also believes that the Journal's new practice of highlighting the best comments has contributed to the reduction in comments being flagged as inappropriate.

"That carrot increases the quality," Story told Digiday. "We're feeding this back into reporting. It is better when we include the audience. Stories that are more interesting and relevant to journalists mean the audience is also more invested and more likely to stay."

In the summer of 2019, the WSJ started running video and audio posts that displayed conversations. Story described this new tactic as the first step in a concerted campaign to focus on building community between paying members and journalists, and between the members themselves.

5. CREATIVITY IN STORYTELLING PLATFORMS

It's hard to break a habit.

"News on the internet is largely served up as 500 to 800-word articles — a legacy of newspaper," wrote BBC Internet Research & Future Services Lead Producer Tristan Ferne on the BBC News Lab blog. "Although the digital article has been enhanced and improved with new technologies, it still works on the assumption that 'one size fits all'."

So the BBC R&D team decided to get creative about storytelling platforms.

For almost all of 2019, the R&D team dreamt up and then experimented with almost three dozen options for mobile storytelling beyond that standard 500- to 800-word article. Over 12 months, the four-person team — including a full-time journalist — created 35 workable prototypes. Before 2019 was up, they had activated two new formats in the BBC's reporting, with more new formats lined up for adoption.

TARGETING YOUNG PEOPLE

As we've mentioned earlier, the most successful creative endeavours begin with discipline, starting with identifying the target audience and creating a team.

"For the first phase of the project we chose to design new story formats for young people — they are digital- and mobile-first and tend to be open to new experiences," wrote Ferne. "They are also a really important but hard-to-reach audience for the BBC so this seemed a good place to start."

They did their research online and in person and learnt that 18–26 year olds want to:

- Skim, but dig deeper when they're interested
- Understand complex stories
- Read a story all in one place
- Get help forming opinions
- Have a choice of media that suits context

"We found that young people are trying to navigate a difficult path between information overload and FOMO (fear of missing out)," he wrote. "In general, they wanted choice on how to consume information. There was an apparent preference for text, but it always depended on their context and the story. Limited mobile data plans, for example, meant video was consumed more at home."

PLAYFUL EQUALS ENGAGING

As the project proceeded, the team also discovered through live testing with members of the audience that "the more playful we made our prototypes, the more engaging our participants found them — even if we didn't always get the interaction quite right," he wrote.

After the research phase, Ferne assembled a multi-disciplinary team with the key skills to dream up and then create paradigm-busting prototypes; a multimedia journalist from the World Service, a UX designer, a user researcher, and a developer. A "minimum viable BBC" he called it.

To enable the testing of as many ideas as possible, the team created "experience" prototypes". They also limited their scope to only re-using content the BBC already produced so that all they were changing was the format, not demanding the creation of new content.

12 PROTOTYPES IN 12 WEEKLY SPRINTS

In what was an amazing use of the "sprint" innovation model (create fast, test fast, fail or

succeed fast), the team translated ideas into testable prototypes on a weekly basis, using real news stories, and over 12 weeks tested 12 prototypes with 26 members of the target audience.

In evaluating the audience's reactions, they set the following guidelines (in addition to the list in the beginning of this chapter):

- People can understand and use the format intuitively
- It fits their needs, contexts and technology
- It works at scale
- It enables journalists to tell stories in an efficient and creative way

"Overall we're looking for formats that are feasible, desirable, meet user needs and are new and innovative," Ferne wrote.

In the first three-month phase of the project, the team's prototypes were a mix of working web pages, mockups, and videos. "The ideas ranged from playing atmospheric audio for a story, scrubbable videos, swiping through viewpoints, choosing your format, curations of stories, cinematic introductions and expandable explanations," he wrote. "Everything was designed for mobile, because that's what everyone we spoke to used for online news."

Here are some of those prototypes:

1) Expander — Embedded context

The team took a regular criticism of the BBC to heart: Critics say the BBC too often assumes the reader has in-depth knowledge of every subject, and uses jargon and complex terms in nuanced geo-political stories.

The "Expander" prototype takes the information that can fill those knowledge gaps but hides it within expandable boxes, giving the reader who doesn't need that information a concise reading experience but also gives another reader the opportunity to get clarity or more information on a topic or term by clicking on a yellow ellipsis icon. Clicking on that icon opens up the additional information (e.g., a profile of a key figure, a dictionary definition or background to an aspect of the story). A blue "eye" icon indicates additional information that is visual — an image, video or social media embed.

A 22-year-old male member of the prototype testing group said: "I like that, if you're unfamiliar with something, it'll clarify that".

"It's simple but effective," wrote Ferne. "This

Generation Z audience seems to prefer information in one place — rather than links taking them elsewhere. We think this modular approach could work well for long-form journalism and for topics that need additional explanation like politics or economics."

2) Incremental — Choose your own format
People are often put off by long articles, especially on their mobile devices. This prototype — "Incremental" — breaks a story into sections and then gives readers the option to consume each section in whichever format they choose: video, short text, long text, or they can choose to just skip that section. "We made it look a bit message-y to appeal to this audience," wrote Ferne. "Under the hood, it is conceptually object-based and the structured content could be re-used in chat apps or voice interfaces."

The team found that this prototype was the favourite among the test group. "We think it could be a kind of long-form by stealth — a way of engaging people put off by long articles or lots of sidebars and related article links," wrote Ferne.

Testers said the sub-headings and nuggets of information were easier to absorb, having content in one place was good, and they liked the option to select the length and media type to suit their preference or situation.

"I really like that, the long/short/skip" choice, said a 21-year-old female participant.

3) Viewpoints — Swiping opinions
The team's research into its target audience found that they really want to understand complex topics — the "why" not just the "what" — and as part of that, they want to be exposed to a range of viewpoints to help them form their own opinion.

So this prototype — "Viewpoints" — was designed to provide that background in a native mobile format. It is a series of cards, with the first being a brief overview of the issue, followed by the option to swipe through short videos making the pro and con cases, and ending with a final swipe to a poll.

The team found that the playful interaction was more effective than the same content presented in linear form, according to Ferne.

"That shows you both sides, in video form, and you can obviously decide for yourself and see what other people think as well," said a 24-year-old male member of the testing panel.

4) Fastforward — Scrollable video
How often do you open a long video and wish you could skim it to see what's coming and choose the parts you want?

This prototype gives viewers the power to skim the video to the parts they want by showing the text in synchronisation with the video. The prototype also includes a "handle" on the text area to enable viewers to expand it to fill the screen if they prefer reading to watching or vice-versa.

"It tested really well — Participants talked about using it to skip to interesting bits or to review something they missed," wrote Ferne. "They found it intuitive to use once they'd discovered the function."

"You can go back to clarify, that's good," said one 21-year-old tester.

MEETING READER NEEDS WITH DIGESTIBLE BITS

In the second phase of the project, the team focused on: 1) Tweaking the stories based on each reader's information needs, and 2) Breaking down the news into more digestible bits, helping readers grasp the complexity of various current events.

The first idea, tweaking stories based on each reader's information needs, sounded a lot like "personalisation", a phase which has come to include ads that stalk you around the internet. The BBC consciously did NOT use that phrase nor seek to do what it has come to mean.

"When we use [the word] personalisation, people [think about] about ads following them around the internet," Ferne told the journalism think-tank Neiman Lab. "They'd talk about shopping sites and they felt that that jarred a bit with news, so we just decided to not use the word personalisation, instead adapting the stories to you and getting away from those preconceptions."

MOBILE WEB OVER APPS

The team also decided to focus on the mobile web instead of apps. In designing for Generation Z and lower-income women aged 28-45 — two groups underserved by the BBC — they focused on designing for mobile web and text-based news instead of storage-needy apps/data plan-eating video, said Ferne.

The second phase resulted in four new prototypes:

1) Summary
This prototype picked up on the goal of the Expander prototype: Accepting the fact that many readers may not have an up-to-date or detailed understanding of the issues or the timeline. For this prototype, journalists wrote summaries and/or timelines.

> "THE GOAL OF THE 1619 PROJECT IS TO REFRAME AMERICAN HISTORY BY CONSIDERING WHAT IT WOULD MEAN TO REGARD 1619 AS OUR NATION'S BIRTH YEAR."
>
> **Jake Silverstein** Editor-in-Chief, The New York Times Magazine

2) Simplify
Another extension of the Expander mission, this prototype replaces jargon-filled paragraphs with more basic language as well more background.
3) Perspectives
Picking up where the Viewpoints prototype left off, the "Perspectives" prototype repackages video clips of people expressing different perspectives (clips that were already created for a long video news report). The prototype puts them into an Instagram Story format, giving users the ability to listen to a variety of viewpoints. For the prototype, for example, they could choose to listen to the victim of knife crime, a gang member, a police chief, and/or a DJ.

"They found it made the story feel more objective and less biased than having a single journalist presenting it," Ferne wrote.

6. CREATIVITY IN STORY CONCEPTUALISATION

Here's a creative editorial idea an algorithm couldn't possibly have dreamt up.

The "Non-Issue Issue" celebrating women over 50. British Vogue and L'Oréal Paris teamed up in the shared belief that age is a "non-issue."

"In direct response to women over 50 remaining conspicuous by their absence in the beauty and fashion industries, and the wider media landscape, this issue is dedicated to all the women who feel left behind by the beauty and fashion industries because of their age," British Vogue Editor Edward Enninful told AdAge.

"As a brand which has always championed and celebrated female empowerment at every age, it felt appropriate for us to join forces with one of the world's most iconic fashion and beauty publications, British Vogue," L'Oréal Global Brand President Pierre-Emmanuel Angeloglou said. "This [is] hopefully a first step in a global movement that helps us to normalise the subject of ageing." Jane Fonda was the cover star and the issue included interviews with Helen Mirren, Isabelle Adjani, make-up artist Val Garland, and others.

7. CREATIVITY IN STORY PRESENTATION

The New York Times left no medium or platform unturned in its monumental package about slavery in the U.S., "The 1619 Project".

In marking the 400th anniversary of the arrival of the first slave ship, the Times created a three-month effort including:

- A special issue of The New York Times Magazine devoted to slavery's history and legacy in America featured 17 literary works including essays, poetry, fiction by contemporary black writers
- A visual history of slavery assembled in collaboration with the Smithsonian's National Museum of African-American History and Culture
- Contemporary images accompanying every text piece as a constant reminder that even though slavery was formally abolished more than 150 years ago, its legacy remains insidious
- Hundreds of thousands of extra copies of the magazine and special section distributed for free at libraries, museums and schools
- Recurring stories in The Times itself
- A special issue of The New York Times for Kids

- Live events in New York and Washington, D.C.
- Videos of those live events
- An educational curriculum to be distributed to high schools and universities

"The goal of The 1619 Project is to reframe American history by considering what it would mean to regard 1619 as our nation's birth year," wrote NYT Magazine Editor in Chief Jake Silverstein. "Doing so requires us to place the consequences of slavery and the contributions of black Americans at the very centre of the story we tell ourselves about who we are as a country."

8. CREATIVITY IN LOW-TECH SOLUTIONS

Sometimes creativity involves expensive or at least complicated new technologies necessitating prototypes created by teams of programmers and developers.

But not always.

At Norway's Amedia AS, a creative low-tech idea delivered the following results:

- 158% growth in terms of unique users of sports content
- 31% digital subscription growth — from 170,000 to 223,000
- Churn reduction from 10% to below 5%
- Extremely strong viewership numbers (the record was 26,529 viewers in a town with 55,000 inhabitants)

So what was the low-tech creative idea that drove those impressive results?

Live-streaming local football and other sport matches. Lots of them.

3,000 LOCAL MATCHES LIVE-STREAMED

"A full 3,000 matches! Men's and women's football. Youth matches and cups. Roughly half football. The rest consisted of hockey, handball, volleyball, basketball. You name it," wrote EVP Pål Nedregotten on INMA.org. "What started out as a simple and — honestly, quite shaky — experiment has become industrialised."

"We've seen record viewership numbers increasing throughout the year, more viewers per match, and far higher peak viewership numbers than in 2017," he wrote in early 2019. "We've noted matches where almost half the adult population in local towns across Norway have logged in to watch, and, for a local offering in small Norwegian towns, a host of other matches with simply stellar viewership numbers."

Amedia is now Norway's largest producer of live sports, according to Nedregotten.

OLD IS NEW AGAIN

As creative as it was, it was really just a logical extension of print era practices: "Amedia's newspapers have always tried to serve the freshest data from football matches as possible," wrote Nedregotten. "As recently as the '80s and '90s, it was not uncommon for newspapers to tape paper sheets with updated game scores in the windows of their offices, offering a glimpse into the match's progression for information-thirsty local fans outside."

The transition to video started in 2010 when the cost of production started going down. Instead of being encumbered by clunky cameras and hundreds of metres of cables and rickety scaffolding, newspapers like Tidens Krav utilised a simple Web cam and the free service Ustream.

Amedia jumped into the game with just one camera, a reporter, a laptop, an ethernet cable (and later, wireless SIM-card, and a streaming set-up). "We were getting good at production on a shoestring budget," Nedregotten wrote.

VERY FORTUITOUS TIMING

Then came the shift to reader revenue and the sports match streaming service was suddenly a tremendous asset.

"Fast forward to 2015: Amedia had one full year of pivoting to digital subscriptions under its belt, was rapidly heading toward subscription growth, and all our statistics indicated streaming live sports had the hallmarks of a sleeper hit — with the potential to become huge," wrote Nedregotten. "In 2017, we produced no less than 1,500 matches. Level Two. Level Three. And youth matches: from weekend-long football cups far away from home, we reached absent parents, grandparents, uncles, aunts, friends, and family — a whole different demographic from your regular football fan.

"Solid sports coverage was proving to be an important part of the value delivered to local readers by the digital newspaper subscription, as indeed it had in print," Nedregotten wrote.

SUDDENLY NORWAY'S LARGEST LIVE FOOTBALL PRODUCER

So Amedia signed an exclusive deal with Norway's Football Association to stream 10 matches per round from the local, Level Three for the

AI, MACHINE LEARNING, AND ALGORITHMENTS TO THE RESCUE

Foreign-language stories no longer a translation headache

For as long as people have been writing great stories in their own language, whole chunks of the world have largely been denied the pleasure of reading those stories.

Not anymore.

A start-up called The Story Market was founded in early 2020 in Munich, operating globally to put the work of the world's best freelancers into the hands of any media company, regardless of what language that company uses in their media.

Using Artificial Intelligence (AI), machine learning techniques, and Natural Language Processing (NLP) algorithms, The Story Market makes the work of global freelancers available to any publisher around the world for very reasonable prices and translated into the language of the publisher's choice.

"Our goal is that one day we all read [publications] that represent the variety of people, cultures, ideas, and stories that make our world so unique," wrote the founders on their website. "We want to read only the best stories, the ones that have been created by experts and people on the ground. If we're going to save quality journalism and foster democratic societies, we need to support the ones who create great stories."

The online platform offers a global marketplace connecting media companies and brands with top freelance journalists. It allows publications to license articles published in major international media outlets. Those stories can be published instantly for just a fraction of the original price. To keep the quality of the content high within the marketplace, all journalists and publishers are vetted by an experienced team of journalists.

"By globalising journalism, we seek to support quality journalism and the people who create and publish great stories, especially in these rapidly changing times," said Co-Founder and CEO Lena Späth. "This is why the team is working additionally on innovative data tools to help publishers and journalists in their daily routine. This data science as a service for content-businesses is already subscribed to by major publishers in Germany and is available in numerous languages."

"Starting in the summer of 2020, if publishers prefer to hire a freelance journalist themselves, the platform will offer this as a service as well," said Co-Founder and CMO Doris Wiedemann. "After getting a description of the project the publisher wants, algorithms are used to suggest the best matching journalists, whilst The Story Market handles the complete administration and billing-process."

Even before they launched, The Story Market was busy amassing an army of journalists in more than 30 countries and building up a menu of more than several thousand articles for purchase.

The brains behind The Story Market are two highly experienced professionals in digital media and journalism. Lena Späth worked as a research analyst for start-ups and consultancies and is the author and publisher of the bestseller 'Behind Closed Curtains: Interior Design in Iran'. Doris Wiedemann is a 20-year veteran in digital publishing, with earlier managing roles at Condé Nast, Axel Springer, and German TV-station Pro7.

THE STORY MARKET MAKES THE WORK OF GLOBAL FREELANCERS AVAILABLE AROUND THE WORLD

full 2015 season. By the end of the season, with 350 streamed matches, Amedia was already the country's largest producer of live football.

With the pivot to a paid-subscription revenue model in 2014, and the decision to make the streams available only to subscribers, subscription sales climbed steadily upward as did views on the streams, according to Nedregotten. The subscription sales were enhanced by the steady increase in the number of streamed matches and the expansion to youth matches and other sports,

"In 2018, we rebranded and redesigned the service under a joint umbrella, Norgessporten ('The Norway Sports'), available under all of our 63 local news sites and one national site, as an integrated part of the newspaper subscription," wrote Nedregotten. "All matches — even if they are hyper-local — are available to the subscribers of any of our newspapers across the country."

9. CREATIVITY IN DATA

How do you get journalists to do something they not only don't like to do, but also are known to pride themselves on NOT even knowing how to do?!

"While journalists once were fond of joking that they got into the field because of an aversion to math, numbers now comprise the foundation for beats as wide ranging as education, the stock market, the Census, and criminal justice," NYT Digital Storytelling and Training Editor Lindsey Cook wrote on the company blog. "More data is released than ever before — there are nearly 250,000 datasets on data.gov alone — and increasingly, government, politicians and companies try to twist those numbers to back their own agendas.

"Even with some of the best data and graphics journalists in the business, we identified a challenge: data knowledge wasn't spread widely among desks in our newsroom and wasn't filtering into news desks' daily reporting," she wrote.

STORIES LURKING IN DATABASES

"With more competition than ever, we wanted to empower our reporters to find stories lurking in the hundreds of thousands of databases maintained by governments, academics and think-tanks," wrote Cook. "We wanted to give our reporters the tools and support necessary to incorporate data into their everyday beat reporting, not just in big and ambitious projects."

So, how did the NYT get its writers to love spreadsheets?

Given the importance of the skill deficit, the Times's Digital Transition Team decided to invest in training, starting with two pilot programmes and expanding to an intensive boot camp open to reporters on all desks. From early 2018 through mid-2019, The Times trained more than 60 reporters and editors who've since gone on to produce dozens of data stories.

The training is not for the faint of heart. "Based in Google Sheets, it starts with beginner skills like sorting, searching and filtering; progresses to pivot tables; and ends with advanced data cleaning skills such as if and then statements and vlookup," wrote Cook. "Along the way, we discuss data-friendly story structures, data ethics and how to bulletproof data stories."

DATA BOOTCAMP FOR REPORTERS

The boot camp lasts three weeks with a two-hour session every morning. During each session reporters can work on data-driven stories and apply the skills they've learned. To ensure a smooth process, the team also trains each reporter's editor.

It's been so successful that "we have two or three times as many sign-ups as we have slots," wrote Cook. "As a result, we instituted a selection process where reporters are nominated by the leaders of their desks."

Because The Times recognises that most media companies don't have the budget to create the resources needed to run a data reporting boot camp, it has shared their materials so professionals as well as students and professors can use them.

What's in the packet?

Training Information: A list of skills included in the training, both technical and things like data ethics, as well as the schedule from the last round of training ("core skills", "practice" to apply those skills, and "story sessions" with reporters applying the skills to current stories).

Data Sets: Data sets and worksheet activities from practice sessions organised into three difficulty levels.

Cheat Sheets: Intended as reference materials for reporters covering each core skill they teach. Since the training is in Google Sheets, the technical prompts are for that program.

Tip Sheets: A collection of the more random and non-technical skills the course covers, such as how to bulletproof your work, how to brainstorm with data and how to think creatively while writing with data.

MONETISATION

13 BUSINESS MODELS TO ENABLE YOUR MEDIA COMPANY TO THRIVE

High Medium Low

BUSINESS MODEL	CLIENT FOCUS	INCOME COLLECTION	INCOME POTENTIAL	TRANSACTION COSTS	PROFIT POTENTIAL	REQUIREMENTS	RISKS
SUBSCRIPTIONS	B2C & B2B	Direct				Unique, relevant, must-have content; systems for raising awareness of that content	Customers not willing to pay. High churn rate
NON-PROFIT	B2C	Direct				A strong funding culture and strong connections to the investor community and wealthy individuals	Unless you already get foundation funding, the chances of breaking into that world in a substantial way are low
E-COMMERCE	B2C & B2B	Direct				Deep understanding of audiences. Excellent platform. Unique and exclusive product portfolio	Lousy logistics and customer service
EVENTS	B2C & B2B	Direct				Expertise to offer irresistible "content on stage"; internal event expertise or connections with event organisers	Strong existing competition in your niche. Poor event organising capability. Unappealing content or presenters
CLUB	B2C & B2B	Direct				Good partnerships with commercial and other outlets for product/service portfolio. Geographical reach aligned with media coverage	Creating a membership programme that is just a thinly veiled subscription that offers little of value
IT PROVIDER	B2B	Direct				An IT team that has already created (or is capable of creating) unique media software and working comfortably with clients	Substantial investments to hire expensive IT talent, and creating and maintaining the software
ADVERTISING	B2C & B2B	Intermediated				Sales staff adept at consultative sales, deep data to prove qualified audiences and results, native/branded expertise	Increased competition from big platforms and from growing native/branded advertising agencies
AGENCY	B2B	Direct				Creative teams within the organisation. Marketing intelligence competencies	Increasing competition from both traditional and upstart advertising and marketing agencies
DATA BROKER	B2B	Direct				Sophisticated data-gathering software and internal analytics competencies to identify potential clients and deliver bespoke data	Weak databases, insufficient analytics capabilities, inability to show results
BRAND LICENSING	B2C & B2B	Direct				Strong and valued brands	Core brand deterioration due to poor licensing choices
INVESTOR	B2B	Intermediated				Unique (and expensive) investment talent with deep understanding of the media start-up world and the start-up world within your niches	There are no guarantees. You risk losing it all. The potential gains are insights into the cutting edge of the industry and profits
NOSTALGIA						An easily accessed database of old photos, stories, pages/covers easily reproduced. Someone/team assigned to handling sales/fulfilment	Cost of handling exceeds profits due to inefficiencies, insufficient demand
EDUCATOR	B2C & B2B	Direct	Medium	Medium	High	Internal expertise or access to external expertise; a reputation for expertise in your niche(s); an audience looking to expand their knowledge base	Poor execution; lack of expertise; poor reputation; courses that miss the target audience's interests

THE SUBSCRIPTION BUSINESS MODEL

"Reader revenue is providing stable and growing income while advertising has remained volatile, with many reporting worse than expected results in 2019."
— The Reuters Institute

Not only is subscription revenue growing, it is also morphing beyond its original form to include greatly expanded niche vertical subscriptions, profitable enterprise B2B sales, conversions to high-end product subscriptions, and, most importantly, whole departments dedicated to retention.

This transformation of reader revenue has prompted what media industry magazine Folio called "a deep rethink around what a magazine is or can be".

"I do think there is an unbundling of the magazine subscription," Esquire Editor-in-chief Michael Sebastian told Folio. "Just as iTunes detached tracks from albums, we may be seeing the general access model for paid content splinter into passion points that micro-subscriptions serve with product mixes that go far beyond text and images."

We are also seeing the creation of entire departments dedicated to subscriber retention.

Tellingly, back in late 2016, The Washington Post had no one dedicated to retention. Today, there are 25 people working on retention. Similarly, The New York Times tripled its retention-focused staff between 2015 and 2017.

"You don't get money from conversion, it's from retention," Kjersti Thorneus, Director of Product Management at Schibsted Media Group, told WhatsNewInPublishing.

KEY NUMBERS

42%

Pre–COVID-19, a Deloitte survey showed the average U.S. consumer had 12 paid media and entertainment subscriptions. Millennials averaged 17 subscriptions, Gen Z had 14, and Gen X 13.5. And 27% of consumers, including 42% of Millennials, said they planned to subscribe to more services in the coming year. *FIPP*

52% v. 14%

According to the latest annual Journalism, Media and Technology Trends and Predictions report from the Reuters Institute for the Study of Journalism, more than half (52%) of the 200 media executives surveyed in 29 countries said subscription and membership would be their main revenue focus in 2019. This compared with 14% for advertising revenue. *Reuters Institute*

10x

Research firm Piano has found that the average conversion rate of registered users is 10x that of anonymous visitors. *Piano, a digital business platform*

From 1 to 8

Today, Investor's Business Daily offers eight different products, each designed with a different investor persona in mind and priced accordingly: Leaderboard costs $69.99 per month, while MarketSmith costs upwards of $1,400 per year. Today, subscriptions account for 80% of IBD's revenues, up from 50% in 2015. *Digiday*

52k to 13k

In mid-2019, The Los Angeles Times reported adding 52,000 new digital subscriptions in the first half of 2019, but netted an increase of only 13,000 due to churn. *EditorAndPublisher.com*

5%-25%

While there's a certain allure that comes with capturing new customers, keeping customers coming back will continually result in a greater ROI — and it costs 5-25X less to retain a customer. *Harvard Business Review*

0-25

Tellingly, back in late 2016, The Washington Post had no one dedicated to working on retention. Today, there are 25 people who work on retention in some fashion. Similarly, The New York Times tripled its retention-focused staff between 2015 and 2017.

6%

Publishers with over 6% stop rates have "thriving" digital subscriptions businesses (a stop rate is the percentage of all digital users who are "stopped" by a subscription prompt, a paywall, or a meter limit), according to the Digital Pay-Meter Playbook from The Shorenstein Center and Lenfest Institute. The 50th percentile of publishers in the study stops only 1.8% of their readership with a paywall or meter. Publishers with sustainable digital businesses report stop rates above 4.2% of their readers. *WhatsNewInPublishing*

KEY INSIGHTS

MULTIPLE CONVERSION STRATEGIES

The New Yorker has used multiple strategies to drive subscriptions: Newsletters (17 of them!), niche topic coverage (politics, business, food), personalised subscription pitches, and targeting affinity groups on Facebook and Google with paid posts and paid search keywords to get their content in front of potentially new audiences. *FIPP*

PERSONALISED PAYWALLS

To meet its four-year goal of hitting three million global subscribers, The Wall Street Journal spent four years building a paywall based on a machine learning algorithm that measures reader activity across 60 variables and then adapts the wall to each reader's behaviour, delivering a free-story limit only in the areas of their interests. *FIPP*

SUBSCRIPTION FATIGUE?

Recent research has raised the concern that there are "potential limitations for the market with terms like subscription fatigue entering the industry lexicon alongside suggestions that the market for news and magazine media digital subscriptions is nearing a saturation point". *FIPP*

NICHES LOOK GOOD

"Niche and specialist publications, as well as those with a marquee brand and a large base of potential subscribers to tap into, may well be best placed to ride the subscription storm." *— Damian Radcliffe, journalism professor/Univ. of Oregon, writing in WhatsNewInPublishing*

REGISTRATION WALLS DRIVE CONVERSIONS

"Recently we have seen more and more publishers adding a new step to their subscription journeys: the registration wall. One reason is to better understand your audience and create more detailed user profiles. With this deeper understanding of readers' behaviours, publishers can convert them into paying subscribers. Piano's research found that the average conversion rate of registered users is 10x that of anonymous visitors, thanks in part to such tools." *TwipeMobile.com*

REALLY, REALLY TIGHT PAYWALLS

"We know one of the common paywall mistakes is that simply not enough readers ever see the paywall. Industry-wide, the most successful paywall strategies aim to reach 5-10% of readers per month, as these are the most engaged readers who are in turn most likely to subscribe. In the past few years, we've seen the number of free stories/month drop dramatically from 13 in 2012 to today's average of five. Some publishers like The Boston Globe are going even tighter, reducing from five stories over 45 days to just two!" *TwipeMobile.com*

FEWER PEOPLE PAYING MORE

"B2B publishers are increasingly moving from selling individual subscriptions to creating more tailored packages for large enterprises. Melcrum, which serves the internal communications community, concentrated on its few hundred best customers and developed packages of condensed content and personalised advice, including best practice insights, practical guides, strategic tools, training programmes and access to a professional network. Melcrum went from thousands of subscribers at $500/year each to having a few hundred members at $30-50k each." *WhatsNewInPublishing*

CANNIBALISATION?

"The first argument against launching a new subscription vertical product is the fear of cannibalisation. Will full-subscribers who had previously been paying for the entire product downgrade to only paying for the subscription vertical content? The counter argument is that the alternative is actually churning entirely. If a subscriber is looking to downgrade their subscription, isn't it better to at least retain them as a subscriber with the vertical than to lose them as a subscriber completely." *Folio*

THE ADVERTISING BUSINESS MODEL

"Digital advertising is still a growth industry. With the ability to offer compelling content, brand safety, and high-end audiences, savvy publishers are well-positioned to be prosperous in 2020."
— Tim Bourgeois, Digital Media Auditor and Consultant

For all the doom and gloom about advertising, it nonetheless remains a growth area.

The challenge is how to get your share.

The advertising industry faces an "existential need for change," according to a blunt report published in late autumn 2019 by research firm Forrester. The media and ad agencies must "disassemble what remains of their outmoded model" or risk "falling further into irrelevance," the report concluded. (NY Times)

The only solution for media companies competing for the cash not already taken by the platforms and squandered by ad blocking is to fix the broken online advertising model, according to Jessica Rovello, CEO of content company Arkadium. The "downward spiral" of the current system is caused by poor digital ad formats that lead to ad blocking, reduction in revenue, more ads per page, and ultimately an awful user experience. To counter this, better engaging, less intrusive digital adverts will lead to an upward spiral, which will decrease ad blocking, increase revenue, lead to less, but more relevant ads per page and create a better user experience, Rovello said.

KEY NUMBERS

17%

In the US, advertisers increased spending on digital formats by 17% during the first half of 2019. That's a net increase of more than $8 billion, far outpacing total advertising growth rates of approximately 5%. *DigitalContentNext*

52%

For the first time, internet advertising will exceed 50% of the ad market in 2021 at a projected 52%, according to the Advertising Expenditure Forecasts, published in mid-2019 by FIPP and Insight News. *FIPP*

18%

The year 2018 saw a significant decline in ad revenue for magazine publishers in the US. Ad spending in print magazines, including Sundays or inserts, fell by 18% year-over-year. *wwd.com*

3.3%, but also 12%

Spend in digital verticals of magazines actually rose by 3.3%, to $4.67 billion from $4.52 billion, but obviously not enough to make up the difference and not in line with the double-digit-percent growth in the digital ad market. Combined, advertisers spent 12% less with magazines and related content, down to $13.64 billion last year from $15.47 billion the year prior. *wwd.com*

2.1%

EMarketer projects digital ad revenue will grow only 2.1% for magazines this year. Meanwhile, print ad revenue this year is projected to drop another 17%. *eMarketer*

17-18%

Internet ad spend growth is led by the overlapping channels of online video and social media, which we expect to grow at average rates of 18% and 17% per year, respectively, to 2021. *FIPP & Insight News*

69%

Native made up as much as 69% of overall revenue in some media organisations, up from 31% of the overall publishing revenue in 2017, according to the FIPP's report on native advertising in 2018. *FIPP & Insight News*

$1b

Marketers spent $479 million on podcast ads in 2018 and are projected to spend over $1 billion on podcast ads by 2021. *Reuters*

50% and 36%

Direct-sold and programmatic ads are the brightest spots for publishers' online revenues, the report shows. Fifty per cent of publishers reported that direct-sold advertising was a large or very large source of revenue for them. Programmatic ads are also another major source, according to 36% of publishers. *Digiday*

0%

Despite all the noise with the pivot to paid, subscriptions aren't a source of revenue for an incredible 40% of publishers. *Digiday*

65%

In a different survey of 135 publishers conducted by Digiday Research in the autumn of 2019, over 65% of respondents said building direct-sold ads was a major focus for them over the next six months. Other major priorities included programmatic ads (almost 60%). *Digiday*

13-144%

The findings showed that premium digital inventory running across quality content brands in Q3 2018 outperformed digital marketing measurement service Moat's benchmarks by between 13% and 144%. World Media Group's recent research concludes that the primary driver of increased engagement is the "halo effect" that comes from the value of the contextual environment in which the ads are seen. *Measurement service company Moat*

66

Desktop display ads on quality content sites achieved an active page dwell time of 66 seconds, 39% higher than the industry average. Mobile display performed 35% more interactions than average. Consumer attention to videos on quality content pages was also high, with audible and visible completion rates at 144% higher than the Moat Q3 2108 benchmarks. *Moat*

KEY INSIGHTS

PROGRAMMATIC GUARANTEED BIG RESULTS

Condé Nast boosted its revenue by 93% and order volume by 41% in the past two years through its "programme guaranteed" programme with Google. *DigitalContentNext*

WIDE PROGRAMMATIC ADOPTION

"Programmatic advertising has reached unprecedented adoption in recent years as the industry responds to changing marketplace dynamics," said Taylor Peterson, Deputy Editor at Third Door Media. *DigitalContentNext*

NATIVE COMMANDS MUCH HIGHER PRICES

One of the main reasons for the incredible growth of native advertising representing from 31-69% of total advertising revenue is that publishers are able to set significantly higher prices for native advertisements compared to the traditional ones. FIPP's study claims that more than 60% (up from 56% last year) of publishers charge more for native advertising than basic promotions. *FIPP*

EMOTION-BASED ADVERTISING

In the spring of 2018, The New York Times piloted ad placements based on the emotions certain articles evoke. By mid-2019, Project Feels had generated 50 campaigns, more than 30 million impressions, and strong revenue results (the Times declined to specify how much). *Poynter*

EMOTION-BASED ADS VASTLY OUTPERFORM

With 150,000 data points, a Project Feels analysis team identifies articles with strong emotional resonance. The resulting algorithm then instantly finds which combination of emotions is evoked as the story is posted. The Times and its advertisers can track with some precision whether the ad outperforms a more random placement. Some have generated as much as 80% more impressions than regular behavioural targeting. The average lift is 40%. That success supports a premium charge. *Poynter*

THE DATA BROKERS BUSINESS MODEL

"This is where first-party data becomes so important. Rather than developing entirely new inventory strategies, which is a heavy lift, publishers can look to what they already have — rich behavioural, subscriber, and social data, most of it seriously under-leveraged. When used properly, first-party data can help publishers drive revenue in two ways — directly and indirectly. It can help them to stop working harder and start working smarter.
— StreetFightMagazine

Selling data-as-a-service (DaaS) has proven to be very lucrative for some companies. Its success has fulfilled the prophecy of Prescott Shibles, Senior VP/Data of advertising firm Randall-Reilly, who told the Connectiv Executive Summit that "targeting data will soon be worth more than advertising inventory."

Today data can actually make you some serious money. Unfortunately, few media companies have figured out how to make that happen.

"Publishers who want to not only compete but also thrive in today's media market need to look at what they already have in their back pocket," said Fred Marthoz, Managing Director at data solutions company Lotame, speaking to WhatsNewInPublishing.com. "We often talk about the pivot to video or the pivot to podcasts. The pivot to data is really the biggest opportunity in the market today."

KEY NUMBERS

92

In a survey conducted in 2020 by NewVantage Partners, 91.6% of executives said investment in big data and data analytics is increasing, and 87.8% said there is more urgency to invest in these technologies. *Lotame.com*

11b

Vox Media's Forte service, strengthened by the merger with New York Media, offers marketers access to direct-to-consumer relationships at nearly every passion point. They have 12,000 custom proprietary ad units, representing a data set of 11 billion impressions in the past three years and brand KPI performance against considerations such as colour, action words and video lengths. *Vox*

3

Three ways to make data actionable:
1. Targeted audience segments are a big opportunity: A key step for publishers is to build "off-the-shelf" audience segments that can be sold directly to advertisers.
2. Elevate new biz: Include data in RFPs. Publishers should build a customised response to advertiser RFPs with audience data.
3. Never leave out second-party data: There are multiple ways data can be sold, either directly to another company through a second-party data exchange, or through a programmatic data exchange. Second-party exchanges are particularly popular because they're private marketplaces to buy or sell data one-to-one to another company versus an open environment. *StreetFight*

KEY INSIGHTS

UNIVERSAL INTERNAL ACCESS TO DATA

Part of the beauty of the Readerscope tool for The Times is that anybody within its advertising group can access this information, explained Kendell Timmers, Times VP of advertising analytics. So, when salespeople have calls to make on clients, they can check ahead of time and get insights to share when they see their client, as opposed to having to talk to the data group for a lengthy analysis or talking points. *FIPP*

AI-DRIVEN DATA INSIGHTS

Publishers are finding new uses for algorithmic-based tools, like offering AI-driven data insights to their advertising and marketing partners and clients. A few years ago, The New York Times launched Readerscope, an AI-driven tool that summarises what segments of The Times' audience is reading, visualising who is interested in which topics and where they are. The tool can be used for content strategy, for branded content, or for campaigns to help advertisers and marketers understand their desired audiences better. *FIPP*

DATA BEATS GUTS

"We're really encouraging people to experiment based on data as opposed to based on guts. I think over time you'll find data beats guts," said The Times' Timmers. *FIPP*

DATA IS WORTH MORE THAN ADVERTISING

Selling data-as-a-service (DaaS) has proven to be very lucrative for some companies. Its success has fulfilled the prophecy of Prescott Shibles, Senior VP/Data of advertising firm Randall-Reilly, who said "targeting data will soon be worth more than advertising inventory."

DATA OPENS LEAD GENERATION

At B2B publisher Hanley Wood in the US, its DataScale tool powers an advanced lead-generation technology platform that is both flexible and scalable and integrates the company's proprietary Construction Industry Database (the biggest in the industry with more than 2.5 billion records). DataScale offers a full-service lead-generation platform focused on helping customers maximise internal data assets and optimise their sales and marketing automation investments.

DATA-DRIVEN CONSULTING

Hanley Wood now offers DaaS-related services including database management services and consulting with clients to align their data with customer acquisition, media, marketing and events strategies, as well as long-term consultative marketing engagements, website development, lead generation, and content marketing.

DATA-BASED AD-TARGETING TOOL

The Washington Post has developed a first-party data ad targeting tool called Zeus Insights. It offers detailed contextual targeting capabilities along with user-intent predictions for marketers. The idea is to give marketers a sophisticated ad-targeting tool that does not depend on third-party cookies and yet drives results. The Post plans to license Zeus to other publishers by integrating it with its Arc technology platform. Currently Arc reaches 750m unique users globally. *WhatsNewInPublishing*

DATA DRIVES EVENT ATTENDANCE

Hanley Wood uses reader location and behaviour data to promote attendance at live events. For example, when the publisher is organising an event, it will ensure that readers living nearby, who have consumed content related to the event's focus, are notified and invited via emails, sites, or phone calls. "Without the data, we might have to market 20 times more than we do in order to get the event registrations," said Hanley Wood's EVP of Digital and Data Operations Sarah Welcome.

UNLOCK MORE FIRST-PARTY DATA

The key to unlocking more first-party data lies with creating custom dimensions in your analytics, giving you deeper insight into your audience. Publishers can use these dimensions to segment data based on — among other things — content categories, content types, and level of audience engagement. Google's User-ID feature also allows publishers to link this engagement data to individual users in your other data systems. By customising your Google Analytics account to enrich your data, you can drive more value with the first-party data you already own. *PubExec*

USE FIRST-PARTY DATA TO DRIVE MORE REVENUE

Demographic data by content type can provide far more actionable insight than a ranking of URLs with the most page views, allowing you to squeeze more revenue from your data. Knowing how many, say, men aged 25-34 who visit your site is one thing; knowing how many of them specifically consume automotive content is a powerful tool to command ad revenue from advertisers, who can then target an audience they know will be receptive. *PubExec*

THE CLUB BUSINESS MODEL

"A subscription model requires audiences to pay money to get access to a product or service. A subscription conveys a transactional relationship. A membership model invites audiences to give their time, money, connections, professional expertise, ideas, and other non-financial contributions to support organisations they believe in."
— Kate Myers, Executive Director/Revenue and Operations at First Look Media, a US-based journalism organisation

For starters, membership is not:

- A subscription by another name
- A branding campaign you can launch when revenue flags
- A strictly American media kind of thing
- A consultancy buzzword

What is it?

"In membership, there's a different social contract or value proposition between the site and its members," wrote Staff Writer Christine Schmidt for the journalism think-tank Nieman Lab. "At the basic level of: What do you give? What do you get? Subscribers pay their money and get access to a product. But members join the cause and participate because they believe in it."

KEY NUMBERS

5-10%

The median percentage of unique visitors who become members is about .05%, according to the Lenfest Institute. However, over time, as publishers build their membership bases, the top performers typically can convert 5-10% of their unique visitors into paying members. *Lenfest Institute*

6,000

The free version of Slate's Slow Burn podcast generated 1.5 million downloads per episode, and the podcast as a whole drove 6,000 memberships in 2018. Slate's strategy: Provide enough value to attract and engage consumers in the free content, while offering premium, behind-the-scenes content as an added benefit to members. *Lenfest Institute*

1,000,000

In 2019, The Guardian in the UK had 650,000 regular paying members, 360,000 of whom are recurring paying members and 290,000 pay for print papers and digital memberships, according to the publisher. In 2018, it received more than 364,000 single contributions from around 318,000 contributors. In the last three years, the title received 1 million paid donations — a mix of one-offs, recurring paying members, and print sales. *INMA*

80%

Media organisations in other countries are often way ahead of US and European outlets in developing membership. Many outlets in Latin America are earning between 20% and 80% of revenue from membership, according to Ariel Zirulnick, Director of The Membership Project's Membership in News Fund. *Nieman Lab*

£1,200

At The Guardian members pay £1,200/year, "patrons" get access to exclusive events, backstage tours, member-only newsletters and, if they commit to double the contribution, access to a morning editorial conference. For £5.99-£11.99/month, "subscribers" get an upgraded user experience in an app (two extra curated feeds, ad-free) or an e-paper edition. *INMA*

4 months

Those who participate in at least one survey tend to stay members for, on average, four months longer than those who don't. The closest that another touch-point comes to this is commenting on an article. It has a similar effect: they last for three months longer. *The Engaged Journalism Playbook*

KEY INSIGHTS

FIRST, SURVEY TO DETERMINE NEEDS

To develop a value proposition, identify your "whales" — your most enthusiastic and engaged readers. Once you find them, go out and speak with them. Figure out why your publication is so important to them, what they care about, and how well your brand satisfies their needs. Really listen for what gets them emotionally charged. Next, validate what you heard in those interviews with a quantitative survey of your broader email list. — *Rob Ristagno, Founder and CEO of the consulting company Sterling Woods Group* PubExec

THEN CREATE A VALUE PROPOSITION

Based on consumer feedback, determine what tangible problems you can solve, plus which emotional benefits you can provide (eg, we will make more confident, more recognised, more connected, more developed personally or professionally, or more entertained). Then put together a value proposition that addresses your readers' needs and wants. *Ristagno/PubExec*

CREATE THE PROGRAMME TO DELIVER ON YOUR PROMISE

Now figure out how you take all your content, data, access to experts, and access to communities and turn it into something that fulfils the value proposition. Think beyond content. You don't need a boatload of features. Just two or three things on top of a subscription is enough. Just make sure these offerings solve the tangible and emotional needs of your "whales". Consider:

- Access to experts or editors in a monthly live, interactive webinar
- Tools that make it easier for subscribers to do their jobs: templates, diagrams, graphs, charts, etc. National Journal, for example, provides members with useful PowerPoint presentations that can help streamline report creation
- Tools that make it easier for subscribers to pursue their hobby: calculators, charts, maps, or indexes, depending on your niche
- Charitable contributions to a bigger cause
- Educational resources, like videos and ebooks

Ristagno/PubExec

A MEMBERSHIP FUNNEL IS ESSENTIAL

Create a "trust funnel" by using qualitative and quantitative audience data to develop hypotheses on how to build trust, cluster members (ie by value or activity), set up a measurement framework, and create engagement activities. *Engaged Journalism Accelerator Program*

MEMBERSHIP-LIMITED CONTENT BEATS PAYWALLS

A study of sites running closable models such as premium and hard paywalls, and non-closable models such as meters or memberships, found that locked content had a median monthly conversion rate 14 times higher, according to subscription software company Piano. *INMA*

THE BIGGEST MISTAKE

"The biggest and most common mistake is to take a pile of your existing products and throw them together into a membership programme, then sit back and expect an enthusiastic response. This lacklustre approach yields lacklustre results." *Ristagno/PubExec*

A TWO-PRONGED STRATEGY

Similar to Slate, The Guardian uses a dual-pronged approach: 1) Provide enough value to attract and engage consumers in the free content, while offering premium, behind-the-scenes content as an added benefit to members, and 2) When the company publishes a story that holds truth to power and generates a lot of attention, it is paired with a highly active membership drive. *Lenfest Institute*

MEMBERSHIP-DRIVEN TURN-AROUND

"On August 15, 2018, we announced the start of membership for the Daily Maverick. At the time, we weren't entirely sure how we were going to fund December's payroll. [A year later], with more than 7,000 members joining us and a 75% growth in headcount since we started, things look a lot brighter. Building a recurring and significant revenue stream has been liberating." — Styli Charalambous, cofounder & CEO, Daily Maverick, Cape Town, South Africa *Nieman Lab*

MEMBERSHIP IS OWNED BY COMMERCIAL AND EDITORIAL

The Guardian decided membership would be more than a "marketing play" — it would be owned in equal part by the newsroom. The Guardian appointed one of its editors to be in charge of membership and to help define the membership strategy in partnership with the commercial team. *Lenfest Institute*

THE E-COMMERCE BUSINESS MODEL

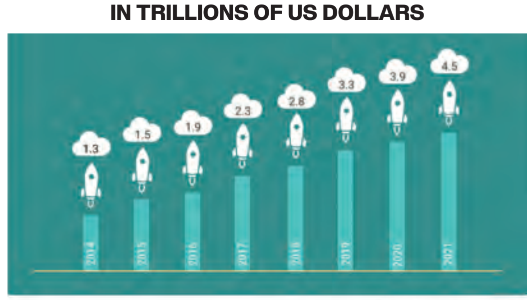
"[What] smart publishers end up doing well is to become a discovery platform for their readers. The best sites aren't just talking about deals… it's really about what types of products are out there that reach this bar of 'we want to write about it'."
— Stackcommerce VP/Business Development Ben Gafni speaking to WhatsNewInPublishing

E-commerce and mobile commerce (m-commerce) together enable both the instant creation of a need and then the instant satisfaction of that need. Media companies' brick-and-mortar pop-up stores do the same thing.

The media company as a retailer business model can also serve every level of the sales funnel. Media companies whose trusted editorial teams give readers expert reviews of products fulfil a consumer's need for product-purchase information at the beginning, middle, and end of the funnel.

In both cases, the success of publishers' e-commerce and m-commerce initiatives proves the power of a media company to deliver results to partners and advertisers while also creating two new and potentially robust revenue streams: 1) Direct or commission revenue from product sales, and 2) Advertising revenue from brands who purchase native ads and branded content around the service journalism.

TOTAL WORLDWIDE ECOMMERCE SALES IN TRILLIONS OF US DOLLARS



— Worldwide ecommerce sales (image source: Shopify)

KEY NUMBERS

95%
95% of purchases will be made online by 2040. *Nasdaq, 2019*

28%
Although women are stereotypically assumed to dominate online shopping, men actually do, spending 28% more than women shopping online. *Kinsta*

43%
43% of online shoppers have reported making purchases while in bed, 23% at the office, and 20% from the bathroom or in the car. *Kinsta*

10%
10% of customers report they have made a purchase drunk. *Kinsta*

Top 10
The US is often considered the largest e-commerce market. It isn't. By a large margin! Here are the top 10 largest ecommerce markets, *eMarketer, 2019*:
1. China: $1.9b
2. USA: $587m
3. United Kingdom: $142m
4. Japan: $115m
5. South Korea: $103m
6. Germany: $82m
7. France: $69m
8. Canada: $50m
9. India: $46m
10. Russia: $27m

70%
About 70% of shopping carts are abandoned. In 2006, the average abandonment rate was 59.8%. *Baynard Institute, 2018*

30%
When business send abandoned shopping cart owners emails, 71% are influenced by those emails (Adobe). Almost 30% of ecommerce revenue comes from abandoned cart emails. *Salecycle*

60%
More than 60% of customers say that they prefer digital self-serve tools, such as websites, apps, or chatbots to answer simple inquiries. *American Express*

60%
Almost 60% of people who own a virtual assistant have used it to make a purchase through voice command. Voice commerce sales reached $1.8b in 2018, with the potential to reach $40b in 2022. *apolicious.com*

80%
By 2020, 80% of businesses will be using chatbots. *Business Insider Intelligence*

16%
Globally ecommerce sales will increase to 16% of all sales in 2020. This would be an increase of 19%. *InternetRetailer*

$3.46T
Global e-commerce sales were anticipated to hit $3.46t by the end of 2019, up 17.9% from 2018's figure of $2.93t. Further, by 2022, e-commerce sales are expected to reach $892b in the US alone. *InternetRetailer*

72.9%
The majority of first-time digital buyers used their mobile devices; by 2021, mobile e-commerce could be $3.5t, 72.9% of e-commerce sales. *Emarketer and FIPP*

$8.2b

Affiliate programmes, in particular, are lucrative for digital publishers with large audiences. By the year 2022, affiliate marketing is expected to generate a whopping $8.2b in revenue in the US alone. *Business Insider Intelligence*

14%

According to data from the US Census Bureau, e-commerce in the US grew by +14% in 2018 following on a +16% growth rate in 2017. However, growth appeared to have decelerated further in 2019 as the sector rose by just 5% in the third quarter of that year. *US Census Bureau*

18%

China's official government statistics service indicated online retail sales of physical goods were up 25% in 2018 versus 28% in 2017. Sales slowed further in the first quarter of 2019, rising 21%, and just 18% in the first half of 2019. *China Ministry of Commerce*

13%

Meanwhile, in Europe, they experienced a 13% growth there in 2019, up from +12% in 2018. *European ecommerce Report*

Top 5

Top five e-commerce tools *WebPublisherPro* :
1. StackCommerce
2. Shopify
3. Amazon
4. WooCommerce
5. Pretty Links

72%

Future Publishing saw its revenue from e-commerce increase by 72% in 2018, with that strand now making up 15% of its total revenue for the year.

KEY INSIGHTS

THE BIGGEST CHANGE TO E-COMMERCE

"I suspect machine learning will be the biggest change to e-commerce since it began — image recognition in particular. What happens when you can wave a phone at something and say 'I like this'?" — *Media Analyst Benedict Evans speaking to WhatsNewInPublishing*

THE IMPACT OF VOICE SEARCH

The rise of voice search has implications for publishers looking to sell products and services on devices like Alexa, although Comscore found that consumers are still less likely to purchase through such devices than via mobile or desktop. *WhatsNewInPublishing*

TRUMP'S BIG TRUCK

The President and the Big Boy Truck started out as a listicle written by a BuzzFeed News reporter and was turned into a book when a Facebook comment suggested it and received many likes.

SHOPPABLE RECIPES

In August 2020, BuzzFeed's food vertical, Tasty, launched a partnership with Walmart that provides Tasty app users with "shoppable recipes," allowing them to add the ingredient lists from any video directly into an online Walmart grocery cart for pickup or delivery."This is different from advertising. It is very much down-funnel and integrated with content." *Nilla Ali, BuzzFeed VP/ Strategic partnerships, speaking to Folio*

CHURCH AND STATE DEBATES

While lucrative and growing fast, affiliate models continue to challenge church and state traditions. Talk of optimising conversions against content are still fighting words for many editors and will always raise questions about the integrity of content decisions. *Folio*

THE EVENTS BUSINESS MODEL

The increasing benefits from events are being driven by the growth of the "experience economy." According to the FIPP 2019 Events in Magazine Media report, 78% of millennials choose to spend money on a desirable experience rather than a material product. "People have so many digital experiences these days, they're craving that live experience more and more."
— Michael Caruso, Editor-in-chief at Smithsonian Magazine.

Media companies have a leg up on almost everyone else in the events space. Maybe two legs!

OK, most media companies do not employ an army of event planners; many don't even have one event planner on staff. But that's the kind of expertise you can buy.

Media companies DO have almost everything else needed to run a successful event:

- Relevant content
- Niche expertise
- A loyal following in that niche
- A targeted mailing list
- A niche customer database
- Existing relationships with potential event sponsors
- Media platforms with large followings to promote events

That is the kind of stuff you CAN'T buy!

Magazine media companies who do run events say events:

- Deepen the company's connections with its readers
- Attract new readers and subscribers
- Attract new advertisers who might not be interested in a print or digital relationship
- Deliver new revenue from fees and sponsorships
- Raise awareness and brand recognition
- Make news
- Create content

KEY NUMBERS

78%

According to FIPP's 2019 Events in Magazine Media report, 78% of millennials choose to spend money on a desirable experience rather than a material product. "People have so many digital experiences these days, they're craving that live experience more and more," says Michael Caruso, Editor-in-Chief at Smithsonian Magazine. *FIPP*

70%

Revenue averages for a readers' choice awards event are:

- Year 1 revenue: US$80,000, with an attendance of about 300
- Year 2 revenue: US$150,000, with attendance of about 500
- Average profit margin: 70%

These expectations from Lyndsi Lane, Vice President of GateHouse Live Events and Promotion are conservative, she said, as these events have very high profit margins. "If you're in a larger market, you're going to blow these away," she said. Anniversary years also provide big opportunities for special recognition packages to award recipients. *Lane speaking at an INMA Webinar in Autumn '19*

30%

Revenue averages for an expo are:
Year 1 revenue: US$100,000, with an attendance of about 2,000
Year 2 revenue: US$150,000, with attendance of about 5,000
Average profit margin: 30% *Lane/INMA*

20%

Revenue averages for a celebrity event:
Year 1 revenue: US$150,000, with an attendance of about 800
Year 2 revenue: US$200,000, with attendance of about 1,100
Average profit margin: 20%
Lane/INMA

1.3M

Hearst Live is Hearst UK's 30-person events agency that in 2018 ran 100 events catering to an audience of 1.3m people, doubling attendance levels compared with the previous year. *FIPP*

15

How far in advance you need to plan all depends on the type and size of event you're running, according to Thomas Howie, chief operations officer and one of the founding members of Evessio.com, specialists in event management software. "Smaller events that might be replicated a number of times throughout the year might only need a few weeks," he told FIPP. "Larger events might need 15 months (such as an awards): three months to have all the questions, categories, branding and collateral sorted and then 12 months to promote and make sales etc. Bigger international events might be two years plus in the making." *FIPP*

KEY INSIGHTS

HIGH-END EVENTS

The niche content site, The Information, organises high-end events with VIP prices starting at US$1,500. Subscribers get on-stage acknowledgments, guest passes, and VIP lunches with influential people. *FIPP*

RUNNING EVENTS FOR CLIENTS

Bonnier and Hearst Live run events for other brands. "As events have now become an integrated part of marketing plans, we have diversified to also offer the creation of events on behalf of other brands," said Victoria Archbold, Managing Director of events and sponsorship at Hearst Live. *FIPP*

IT'S NOT ABOUT PRICE ANYMORE

"The four Ps [price, product, promotion, place] are not as important as they once were to consumers," said Archbold. "When it comes to experience, we are seeing them shift to the five Ws — Where am I? Who am I with? What am I doing? Which channel shall I share it via? Why am I or they (the organiser) doing it? These are all questions to bear in mind as you start planning." *FIPP*

A NEW WAY OF THINKING ABOUT EVENT SPONSORS

"The sponsorships vary greatly. We are now beginning to think about, for example, could we have an official auto of (the event) 'Journal House'? Everywhere we are, that automotive partner is there providing shuttle services. Now that it's become more of a franchise, I think we can think bigger about sponsorship," said Josh Stinchcomb, the Global Chief Revenue Officer at WSJ, talking to The Drum.

MEDIA COMPANIES CHECK ALL THE EVENT BOXES

The number one thing to keep in mind is that most media companies already possess the right tools to move into events — and turn a profit while they're at it. A well-defined target audience? Check. Existing channels for promotion? Check. A loyal following? Check. Bags of relevant content and expertise? Double check! *FIPP*

CREATING DEEP PERSONAL CONNECTIONS

National Geographic's live events team, National Geographic Live, aims to create deeply personal connections with attendees. "Customers who experience Nat Geo Live events are some of the most loyal customers to our brand, and most likely to recommend our brand to others," Natali Freeling, Director of Marketing, told FIPP. "The majority of our respondents report that attending our events increases their interest in watching our channels, subscribing to our magazines, purchasing one of our books, booking travel with us, or shopping on our website."

PROMOTE WAY IN ADVANCE

Having a user-friendly website and promotions up and running 12 months before the event will help maximise returns and shine a spotlight on your event rather than competitors', Thomas Howie, Chief Operations Officer and one of the founding members of Evessio.com, specialists in event management software, told FIPP.

THE NON-PROFIT BUSINESS MODEL

"But while the overall funding for non-profit news sites presents a 'robust picture' according to a recent Institute for Non-profit News survey of 88 of the network's media members, large donations by rich philanthropists and foundations generally have benefited only a handful of new startups and nationally focused nonprofit media."
— *Bill Birnbauer, Lecturer, School of Media, Film and Journalism, Monash University, Australia*

It ain't easy. Unless you are one of the established big non-profits, you are left with the crumbs and little chance of breaking into the big time to get significant foundation support. To supplement whatever funding you do get, your best chances for survival are to find other sources of revenue, including individual donors, memberships, and e-commerce.

Philanthropic funding of journalism is happening, but it's barely a drop in the bucket and what little is happening is heavily concentrated in the United States with a sprinkling in Europe and virtually nothing happening anywhere else in the world.

More than 93% of journalism-focused grant money goes to US-based organisations, leaving just 6% for Europe, and only about 1% for media outlets in the developing world, according to Media Impact Funders (MIF) and the Foundation Centre.

KEY NUMBERS

925 v. 300

Journalism-focused philanthropy in the US has nearly quadrupled since 2009, when just under 300 funders made $69 million in grants to just over 300 recipient organisations. By 2017, more than 1,200 funders made over $255 million in journalism grants to 925 organisations. *Media Impact Funders*

200

Today, the US has more than 200 non profit newsrooms and growth is accelerating. *Institute for Non-profit News-INN*

$1m

More than 50% of the non-profit US media organisations generated revenues of $500,000 or more in fiscal year 2017 and well over a third generated $1 million or more. *INN*

€315,000

In 2018, ECPMF became the EU's intermediary to provide grants totalling €315,000 for cross-border investigative journalism (IJ4U) — a rare case in which teams of journalists could get their hands on EU money for actual reporting. *European Journalism Centre*

8

The European Centre for Journalism recently funded eight news organisations across six European countries. *European Journalism Centre*

€497b

There are more than 146,000 "public benefit" foundations in Europe. They have accumulated assets of at least €497b, and an estimated annual expenditure of €51b. A tiny fraction of European foundation funding goes to core support for journalism, especially in comparison to the US. Yet all of those foundations rely on the enabling environment a robust media provides in order to deliver their programmes. *Adam Thomas, director of the European Journalism Centre*

90%

The US non-profit media field is still highly reliant on charitable giving, with grants and donations accounting for 90% of total revenue. Efforts to diversify revenue streams, a key indicator of financial stability, are evident: More than half of media non-profits have three or more revenue streams, and one-third have four or more. *INN*

70%

Still, individual donors and particularly major donors are relatively undeveloped revenue sources for news non-profits, making up one-third of total revenue for the organisations in the INN Index. By comparison, individual donors provide more than 70% of revenue for all non-profits across the US, according to Giving USA. *INN*

40%

In the US, three national news organisations — ProPublica, the Center for Public Integrity and the Center for Investigative Reporting — took in US$185.4m, or 40% of funds for media non-profits. *Bill Birnbauer, School of Media, Film and Journalism, Monash University on The conversation.com*

$423m

The 20 largest US non-profit media operations amassed the vast majority of the funds: US$423.1 million. *Birnbauer*

2%

By contrast, the 20 least-funded non-profit organisations eked by on just US$8.6m over these five years — less than 2% of all money raised. *Birnbauer*

34,000

Even individual donors follow the big players: For example, the small US non-profit FairWarning had 200 individual donors; by contrast, one of the largest non-profits, ProPublica, received almost US$7 million from 34,000 donors. *Richard Tofel, ProPublica's president, speaking to The Conversation*

2,200

The 180 members of the Institute for Nonprofit News have a total staff of about 3,000 — including nearly 2,200 journalists — and combined annual revenue approaching $350 million. *Institute for Nonprofit News INN*

KEY INSIGHTS

NOT A SAVIOUR BUT A CONNECTOR

In Europe, neither engaged journalism nor foundation funding will save the media industry. However, both will give European journalism organisations an essential opportunity to reconnect with audiences and plot a new path towards sustainability. *Adam Thomas, Director of the European Journalism Centre*

FROM FRAGILE TO FINANCIALLY STABLE

The field has moved from precarious financial footing to a measure of stability and growth. Though many individual outlets remain financially fragile, more than half of the US non-profit organisations generated revenues of $500,000 or more in fiscal year 2017 and well over a third generated $1 million or more. *INN*

WEANING YOURSELF FROM THE FOUNDATION

Because of the uncertainty of foundation funding, many non-profit news sites are attempting to ramp up their incomes through membership programmes and boost the donations they get from individual donors. That strategy makes them less dependent on foundations and other big philanthropies. *Birnbauer*

BRINGING EUROPEAN FUNDERS AND MEDIA TOGETHER

The Journalism Funders Forum (JFF) in Europe is an initiative that brings philanthropic foundations and public-sector institutions together with journalists and news organisations in order to exchange best practice and to develop new pathways for supporting an independent and quality-oriented journalism sector. *European Journalism Centre*

YOU HAVE TO BE BLUNT

"People see the 'Donate' button, but they don't click on the button. You have to tell them: 'If you value us, please donate to us.'" *Christina Shih, COO of the News Revenue Hub*

THE AGENCY BUSINESS MODEL

"One day we might be working with a 10-person small business and the next day we might be working with the largest telecom provider in the country."
— *Tom Needham, Business Journals Content Studio executive director*

It's hard. It's expensive. It's time-consuming. It's fraught with ethical church-state issues. But it is also one of the fastest growing sources of revenue for media companies.

What makes a successful agency?

- Knowledge of a desired audience
- Knowledge of the brand's customers
- Access to and a relationship with the desired audience
- An audience database second to none
- Exquisite storytellers. Expert videographers
- Media tech expertise
- Proven, sophisticated design capabilities
- Multimedia, multi-platform, multi-channel expertise
- Proven marketing expertise
- A nuanced understanding of how to build sophisticated multi-platform campaigns

Does that list sound like a media company to you? Sure sounds like a media company to me.

The expertise inside media companies is looking like an agency to more and more brands around the world. Many have given up trying to create branded content and media campaigns on their own, or even with traditional legacy agencies.

As a result, many media companies that have created in-house agencies are seeing results that have come to represent from five to 60% of total revenue!

KEY NUMBERS

90%
Our research suggests that branded content will continue to grow over the next few years, with 90% of publisher survey respondents saying they expect branded content revenue to increase moving into 2020. *WhatsNewInPublishing*

40%
Another research by branded content platform Polar found that publisher branded content revenue grew 40% YoY from 2017 to 2018. *Polar*

33%
One-third of publishers cite convincing advertisers to buy branded content from them instead of their competitors as their greatest obstacle. Scaling content production is the next stumbling block, followed by proving the effectiveness of content. *PressBoardMedia, 2019*

50%
According to HubSpot, publishers win only half of all RFPs they respond to, and our experience indicates it could be even lower. The difficulty: Publishers are competing against other sites in their niches as well as more traditional products like TV and display ads. *PressBoardMedia, 2019*

35%
Only 35% of respondents said they take a data-driven approach when pitching ideas to clients. *PressBoardMedia, 2019*

14%
Almost all publishers measure traffic (90%) — defined as reads or views—and engagement (95%) — time spent and scroll depth — when reporting on the success of their campaigns. Contrast this with the fact that only 14% use studies to show brand lift or recall. *PressBoardMedia, 2019*

600
As of 2018, the number of publishers building out branded content offerings had reached 600 from 15 just a few years ago. *DigitalContentNext*

16%
The global content marketing industry will grow at an annual rate of 16% per year through 2021. *Technavio*

86%
86% of B2C brands now employ content marketing. *Content Marketing Institute*

75%
According to a subscriber survey at Business Journals (publisher of more than 40 locally oriented sites like L.A. Biz), more than 75% of their readers would like to see more branded content on their platform. *Business Journals*

78%
Seventy-eight percent of Business Journals subscribers would like to see more branded content on the platform. *Business Journals*

$5,000-$70,000
Since it launched its studio in 2016, The Business Journals Content Studio has experienced 213% revenue growth. (It declined to disclose revenue.) Its standard content packages range from $5,000 to $70,000, and it projects to publish 1,800 pieces of branded content this year, a 29% increase in two years. *Digiday*

10%-40%
"Five years ago custom content was probably 10% of our business. Now it's closer to 40%." — Richard Russey, VP and publisher of Inc. Media. *Digiday*

KEY INSIGHTS

USE YOUR DATA TO GUIDE THE WHAT, WHERE AND WHEN
"Every Guardian Labs project is designed to resonate with and target readers wherever they may expect to see a type of content," Adam Foley, Guardian Labs Dir./Sales & Strategy told Digiday. "That's partly thanks to the commercial team getting access to in-house data-analytics tools used by the editorial team." The Labs has an audience team of editors who analyse data to determine where, when and how content should appear in order to be of interest to the right target.

CONTENT MARKETING BOOMING
"Ad spending is declining across the media industry, except in content marketing. From native posts to ebooks and even lush print magazines, the form is booming," wrote Tony Silber, former VP at Folio, in Forbes.

IT CAN BE HARD AND EXPENSIVE
However, creating branded content can be hard and expensive. Brian Tolleson, Head of Content at branded content studio Bark Bark said, "Great branded content is really tough. I've been in this space for 15 years and the biggest mistake I've made or seen people make is thinking that it's simple." *FIPP*

IT CAN BE TIME-CONSUMING AND EXPENSIVE
These campaigns also require multiple steps of approval, which complicates and extends the process. Further, clients and agencies demand high-quality multimedia content, which in turn requires expensive equipment and writers.

DON'T SERVE CRAP
"While creating great content might look easy, it's not. And just as people will hate your brand if you bombard them with annoying ads, they'll feel exactly the same if you waste their time serving crap content." — Stéphanie Thomson, Editor and Content Strategist at Google speaking to Digiday

A DELICATE BALANCING ACT
"In some situations, the content really over-emphasises the brand and makes it all about them," said Thomson. "That can end up sounding like a repurposed press release. It's also possible to fall short on the other side of the equation, where you're telling a really great story but there's no connection to the brand. The idea is to fall in the middle, where your content provides value to the audience while also having a clear brand connection." *FIPP*

AVOID BRIGHT SHINY THINGS
Sometimes the allure and pressure of including bright shiny new things can be tempting. Graham McDonnell, Creative Director at The Times' T Brand Studio said, "Some clients come to us and say they want AR and VR. They want all the bells and whistles, and all the flashy toys. But we tell them it's much more important to think about the story first, and then how to tell it." *FIPP*

THE BRAND LICENSING BUSINESS MODEL

"Robust brand extension strategies are vital to maintaining relevance in today's hyper-competitive marketplace. To a degree, brand extendibility represents the most logical way to achieve profitable brand growth, however, many companies struggle with how far to stretch, where specifically to extend, and how to ensure success."
— Mitch Duckler, Managing Partner at Full Surge, a brand strategy consulting firm, told WhatsNewinPublishing

Manufacturers are increasingly willing to partner with publishers to make branded products because of their digital properties (ie, compelling content and robust social media accounts), according to Business Insider. Additionally, publishers also possess the first party data of millions of customers.

"Brand extension strategies are a fantastic way to spread the impact of your company into new areas and products. Used correctly, brand extension can reinforce the credibility of your company, help you connect with new audiences, and even strengthen your image around the world," Steve Harvey, Co-founder of Fabrik-Brands a creative and branding agency, told WhatsNewinPublishing.

KEY NUMBERS

$23.2b
The top publishing companies by brand licensing revenue: Meredith ($23.2 billion in retail sales in 2017), Playboy ($1.5 billion) and Hearst ($500 million), but well ahead of Condé Nast ($150 million). *License Global*

2nd
In the US, Meredith generated $25.1 billion in retail sales of licensed merchandise in 2019, second only to The Walt Disney Company's $54.7 billion, according to License Global.

$25.1
Meredith 2018 branded sales numbers:
- $25.1B, 2018 branded sales
- 3K+ SKUs, Better Home & Garden (BHG) products at Walmart
- 12K+ BHG Real Estate professionals
- 3K+ SKUs, Southern Living products at Dillard's
- 17K+ Grocers sell EatingWell frozen entrees
- 1K+ SKUs Real Simple products at Bed Bath & Beyond

1m
A Tasty consumer promotion helped one refrigerated beverage advertiser gather an additional 1 million millennial customers, a BuzzFeed spokesperson said.

10 & 10
For the second year, Esquire has co-created 10 items of clothing and accessories with 10 different retail partners. The collection took between six and nine months to create. The capsule collection is meant to feature all the winter wardrobe essentials, including a pair of shoes by Crockett & Jones for £420 ($513) and socks from The Workers Club for £20 ($24). *Digiday*

5-25%
Margins in prepared foods are typically as low as 1% or 2%, according to Karina Masolova, the executive editor of the Licensing Letter, which tracks the licensing industry. Margins for other products can be higher; a BuzzFeed spokesperson said that the royalty rates it earns on brand-licensed products range from 5% on foods to 25% in publishing. *Digiday*

KEY INSIGHTS

DO YOU KNOW THE QUESTIONS TO ASK?
Publishers should ask themselves the following questions before making a plunge into extending their brands, according to Steve Harvey, Co-founder of FabrikBrands, a creative and branding agency:
1. Is there a desire for the new product? Can you find a USP that will sell your extension?
2. Is the extension natural for your brand, or does it seem forced?
3. Is your existing brand reputation strong enough to support a new product, service or marketplace?
4. Do your customers trust you enough to see the value in your offering?

A POTPOURRI OF PRODUCTS

In 2019, BuzzFeed's Tasty launched:

- A suite of ice cream flavours created in partnership with Nestle
- Spice blends created with McCormick
- A set of meal kits produced in partnership with Mistica
- A cake decoration product with Wilton
- A set of wines with Wines That Rock
- A line of kitchen appliances with Cuisinart
- Pre-made side dishes with Food Story
- Expansion of Tasty's kitchenware outside the US, in partnerships with kitchenware manufacturers Fackelmann in Europe, the Middle East and Africa and Continente in Latin America

ARCHIVAL PHOTOGRAPHY AND PERSONALISED FRONT PAGES

The New York Times is currently selling branded apparel (sweatshirts, t-shirts, caps, etc…), books, archival photography, and personalised front page reprints. To control quality, the publisher holds its own stock. *Reuters Community*

A WINNING FORMULA

"When you combine the insight we can glean from hundreds of millions of consumers, the relevance of iconic brands in our stable and the power of our distribution platforms, I like our chances in any market environment." — *Josh Stinchcomb, Chief Experience Officer, Condé Nast.*

SAME BRAND, NEW SETTING

Looking from the publishers' perspective: "It's a chance for digital media companies to reach their audiences who would recognise their brands in these new settings," said Diana Gordon, Director, Shop+ at Mindshare North America.

ALL THE RETAIL, NONE OF THE OVERHEAD

These partnerships also allow media companies to get into retail and reach more customers without investing in the expensive overhead of a store, according to Arnaud Simeray, VP of Strategic Partnerships at pop-up location platform company, Storefront.

THIS IS NOT A TREND

"This is the way retail and the shopping experience is moving forward." — *Arnaud Simeray, VP of Strategic Partnerships, Storefront*

THERE HAVE BEEN SOME NOTABLE FAILURES

The failure rate of brand extensions can be as high as 80-90%, according to Mitch Duckler, Managing Partner at Full Surge, a brand strategy consulting firm. He gives the example of Kentucky Fried Chicken's (KFC) 'Finger Lickin' Good' edible nail polish that was launched in 2016. It was supposed to taste like fried chicken and was a flop. The Huffington Post described it as "your worst nightmare coming true".

FAILING AT THE FINISH LINE

"What most advertising platforms miss out on are the final 20 metres of the 100-metre dash," Eric Karp, BuzzFeed's global head of licensing, told Digiday. "A campaign creates awareness, drives urgency, but once folks get into those stores, the message is lost, and you simply see your typical retail displays. If we can take elements of the campaign we've created and dress that point of sale, and remind folks of the content we create in the first place, and do so in a way that's authentic, we can drive conversion at point of purchase." *Digiday*

FITNESS FITS THE MISSION

The Stylist Group has opened a fitness studio in London, called Stylist Strong. The gym runs five 45-minute classes each day of around 20 people, before work, at lunch and after work, focused on strength training. Classes cost £17 ($22.23). Once a week, it runs talks with key speakers in the fitness arena covering the psychological and practical elements of strength training, like learning how to push through barriers in the gym and at work. *Digiday*

THE IT PROVIDER BUSINESS MODEL

"The Washington Post is one of several companies selling a content management platform. WordPress, whose parent company Automattic raised $300 million from Salesforce earlier this month, is perhaps the most well known. Vox Media, which owns The Verge, Recode, Eater and is acquiring New York Magazine, licenses its Chorus publishing platform to media outlets such as the sports site The Ringer."
— Nat Levy, Geekwire.com

Being an IT provider is to be a member of a very exclusive club.

Only the largest, best-funded, and most established publishers can create and then sell or license technologies and, as a result, tech sales and licensing was the least common revenue source for publishers in a Digiday 2018 survey.

Most publishers lack the resources to build tech products because it takes lots of expensive talent and lots of time to build market-ready technologies.

Purch, for example, started in 2015 and took four years to build its $24 million ad platform for publishers, according to Digiday.

It also takes big investments, like Amazon CEO Jeff Bezos's purchase of The Washington Post, which then built Arc and Zeus, its content management platform and advertising platforms, to license to other publishers.

KEY NUMBERS

$100M

The Washington Post's Arc editorial system expects to generate $100 million in annual revenue within the next three years, according to Shailesh Prakash, Chief Information Officer and VP of product development. Prakash sees Arc becoming the Post's third major revenue stream, rivalling subscription and ad revenue. *Bloomberg*

250

The Washington Post has about 250 employees working on Arc. *The Washington Post*

600

Arc has primarily focused on the needs of major news publishers, and its clientele comprises publishers of more than 600 websites worldwide, including The Boston Globe, Tribune Publishing, and Raycom Media. *The Washington Post*

150

The Vox Chorus CMS team has grown to more than 150 full-time employees. Vox said its team would grow by 50% by the end of 2019. *Vox*

25%

Purch — a commerce-focused publisher — made 20% of its 2018 revenue from ad tech products that it licenses to 25 publisher clients, according to Purch CRO Mike Kisseberth. *Digiday*

KEY INSIGHTS

A SMALL FRATERNITY

The Washington Post is one of just a few companies that sell publishing technology. Another is WordPress.com, whose parent company, Automattic Inc., raised $300m in the autumn of 2019 from the tech giant Salesforce.com Inc. Another is Vox Media Inc., owner of the Verge, Eater and Recode websites, which licenses its publishing platform, called Chorus, to more than 350 media outlets such as the Ringer, led by Bill Simmons. *Bloomberg*

MEMES, VOTES, POLLING & PERSONALITIES

Advance Local's Alpha Group has four products — the Elsewhere app (a video meme creator); Pigeon (users vote on the best content via a Facebook Messenger chatbot); the Tylt (a social polling site explaining two points of view on polarising topics and asks people to vote); Project Text readers to pay for texts from their favourite media personalities. *AdExchange*

ADVERTISING SOFTWARE ALTERNATIVE TO GOOGLE & FACEBOOK

In the autumn of 2019, The Washington Post launched Zeus Prime, a product that allows companies to buy automated ads in real-time, similar to Big Tech platforms. Zeus also supports a new ad network that will include other publishers. Advertisers complain that they would like an alternative to buying ads on Google and Facebook — where the content isn't always vetted — but there are no other places where they can buy ads as quickly and efficiently in real-time. The Post hopes Zeus will change that, and put more ad money in publishers' pockets. The product will allow publishers to open their ad space to marketers directly through a real-time buying tool, similar to what Google and Facebook offer, across the network of publishers' websites and apps. *Axios*

THE EDUCATOR BUSINESS MODEL

"Masterclasses started in 2010 to offer classroom-style sessions taught by an expert. These classes and workshops tend to have a higher price point than our Guardian Live events, because of the educational content provided. A masterclass could be three hours long, and over the course of one day, a weekend, or even running over six weeks."
— *Lyndal Reed, Head of Strategy and Development for the Guardian Live*

The Guardian Masterclasses

The Educator business model might sound a lot like a subset of the Events business model.

But it's a horse of a different colour, wholly separate from the consumer-oriented festivals, awards dinners, travel excursions, bridal expositions, beach parties, and such that make up the bulk of media company events. Events with an educational focus are much more substantial and require a very different approach.

For example, in 2010, the Guardian launched its Masterclass series.

"We boast a diverse programme of courses across a variety of disciplines, including journalism, creative writing, photography and design, film and digital media, music and cultural appreciation, social media and data visualisation, business skills and wellbeing," said Lyndal Reed, Head of Strategy and Development for the Guardian Live.

"[These are] classroom-style sessions taught by an expert. The classes and workshops tend to have a higher price point than our Guardian Live events, because of the educational content provided," she said. "A masterclass could be three hours long, and over the course of one day, a weekend, or even running over six weeks.

"We now have a very diverse classes and workshops portfolio, covering topics from digital media, photography and copywriting, to self-improvement and even foraging!" she said. "As long as the subjects align with our key verticals – for example, arts and culture – we would consider it a good fit."

KEY NUMBERS

Dozens
The Guardian's Masterclasses offers a diverse programme of dozens of courses every month across a variety of disciplines, including journalism, creative writing, photography and design, film and digital media, music and cultural appreciation, social media and data visualisation, business skills and wellbeing.

$7,344 -$31,398
Cabin rates range from $7,344 to $31,398 (per person!) for the Forbes Cruises for Investors, not including another $540 per person for port fees. *Forbes*

12
Crain's New York Business brings the New York business community together with political and elected officials 12 times a year for Business Breakfast Forums about key topics, changes and insights that affect the economy.

5
Since launching in 2015, Crain's Leadership Academy is part-time and presented over five Friday sessions. Crain's Academy provides powerful and experiential professional development programming, including personal development, professional growth, business and leadership best practices, thought leadership and civic outreach customised for every stage of your career path. *Crain's*

KEY INSIGHTS

PERSONAL & PROFESSIONAL DEVELOPMENT
The Guardian Masterclasses programme "is aimed at anyone interested in personal or professional development, be that refining your skills, focusing your ambition, networking with like-minded individuals, or simply broadening your mind and gaining inspiration." *The Guardian*

EDUCATING AROUND ISSUES
The New York Times' conferences aim to "bring readers closer to our journalism through more than 100 in-person events around the world." At each of these events, celebrated speakers engage with award-winning journalists to address the wide range of most pressing topics in current news. *bizzabo.com*

AN EVENING'S EDUCATION
The NYT's "Conversations" event series is a collection of smaller events that tackle specific issues for an entire evening. For example, Smarter Living and The Digital Future are two subjects explored. Conversations takes place in multiple cities around the world on a regular basis. *bizzabo.com*

BIG PICTURE EDUCATION
The Economist offers a series of educational events around themes:

- Global Treasury Leaders Summit
- Climate Risk Summit
- Open Source Data Collection
- War on Cancer Europe
- General Counsel
- Sustainability Summit
- Future of Business
- Western Balkans Summit
- Sports Business Summit
- Global Illicit Trade
- Humans 2.0

THE INVESTOR BUSINESS MODEL

"I think big media companies that are looking for paths forward are wise to participate, even if modestly, in the startup world. The visibility and signals the market sends can be immensely valuable in thinking through approaches that might benefit a larger group."
— Marcus Brauchli, co-founder and managing partner of North Base Media, a media investment firm

Being an investor, like being an IT provider, is not for the feint of heart or those with thin wallets.

Most media companies' resources are either insufficient to be making big investments or are tied up in reinvesting in the company itself.

But some of the legacy media companies still have the wherewithal to make substantial investments in a wide variety of companies in a wide variety of industries. Usually, however, the investments are made with an eye either toward gaining a foothold in a new area of media or in a promising industry related to the media company's expertise.

But for those who do invest, the results can be both financially lucrative and immensely beneficial for both the media mission and the business mission of the company. Investing provides perhaps a potential new source of revenue and almost certainly unique insights into new technologies, new markets, and new (and potentially competitive) businesses.

That said, they can also tank, resulting in the loss of all or most of the money invested. Proceed with caution.

KEY NUMBERS

120

Hearst Ventures has made 120 investments since It started investing in1995. Its most recent investment at press time (late Feb. 2020) was on Feb. 5, 2020, when Maven Machines raised $7M. Hearst Ventures made 10 investments in 2019 and three so far in 2020. Examples below in the Nuggets section. *Crunchbase*

37

Bertelsmann has made 37 investments since it started investing in 1999. Its most recent investment as of press time was on Oct. 11, 2019, when Club Factory (a cross-border e-commerce corporation) raised $100M. Bertelsmann made three investments in 2018, two in 2019, and one so far in 2020. *Crunchbase*

41

Axel Springer has made 41 investments since it started investing in 2008. Its most recent investment was on Nov. 1, 2019, when OZY Media raised $35M. It made six investments in 2018, and nine in 2019. Examples below. *Crunchbase*

KEY INSIGHTS

HEARST VENTURES INVESTMENTS

A selection of investments in 2019-2020
Crunchbase:

- Maven Machines: A leader in mobile-cloud technology for transportation safety, operations, and compliance. Pittsburgh, Pennsylvania
- Insurify: The most comprehensive insurance quotes comparison platform in America. Cambridge, Massachusetts
- Aver Inc.: A health information technology company. Columbus, Ohio.
- SparkCognition: An artificial intelligence technology startup. Austin, Texas
- Zendrive: Zendrive leverages mobile sensor data to provide actionable insights that improve safety for passengers and drivers. San Francisco, California
- The Plum Guide: A marketplace of the world's best holiday homes. London, England
- FreightWaves: A global freight forecasting platform. Chattanooga, Tennessee

BERTELSMANN

A selection of investments in 2018-2019
Crunchbase:

- Dashbot: A bot analytics platform that enables developers to increase engagement, acquisition, and retention through actionable data. San Francisco, California
- Scroll: Creating a sustainable experience that puts amazing content in front of engaged users without all the noise. New York, New York
- Licious: An online meat and seafood ordering startup that follows an end-to-end business. Bengaluru, Karnataka, India
- InvolveSoft: An Instagram-like interface to communicate with workforces and collect AI-driven intelligence from sales and customer conversations. Santa Monica, California

AXEL SPRINGER

A selection of investments in 2018-2019
Crunchbase:

- OZY Media: A premium media and entertainment for curious people — across TV, events, podcasts and news. Mountain View, California
- Fineway: An advanced SaaS platform to plan and book the perfect trip. Munich, Bayern, Germany
- Anzu.io: An in-game advertising platform that brings real-world brand ads to video gaming and esports. Yafo, Tel Aviv, Israel
- Wunderflats: An online platform that enables users to find and rent furnished apartments. Berlin, Berlin, Germany
- DigitalCounsels: A platform that allows legal service providers to digitize their business model. Zürich, Zurich, Switzerland
- PurpleBricks: An online real estate agent that helps its clients to sell, buy, and let their properties. Solihull, Solihull, United Kingdom
- Tokabot: An engagement platform for fans in the sports and entertainment domain. Chatbot @ user side — and a marketing platform @ business side. Kfar Saba, HaMerkaz, Israel

THE NOSTALGIA BUSINESS MODEL

"You're monetizing it [your archives] from the advertising side and the consumer side. You have the long tail of people buying it as a single copy. We also push it out to subscribers. And advertisers love them — they can own it entirely."
— New Yorker Publisher Lisa Hughes speaking to Digiday

Publishers are sitting on a gold mine.

Your archives.

Don't get too excited: Revenue from selling archived materials is not going to replace lost print advertising income or compete with revenue from events.

But your archives are assets that you have already paid for, so aside from handling, it's clear profit.

The biggest market is old photos and collections of previously published material in themed print and e-book collections.

In The New York Times' Innovation report, one of the big missed opportunities called out was the use of its archived content, wrote Lucia Moses of Digiday. "It's one of the big advantages legacy publishers have over digital upstarts: access to years of high-quality content — content that can be resurfaced or repackaged and sold to both readers and advertisers.

"The New Yorker has long repurposed its archives as print anthologies on topics ranging from cats to food," wrote Moses. "[It has also taken the] coffee-table book approach digital. Since 2011, it's published eight single-topic e-anthologies, drawing from already published material. Readers have downloaded them hundreds of thousands of times. Some are single-copy purchases of $2.99 each and up; the rest were downloaded as part of a subscription."

KEY NUMBERS

$0.15-$4

According to data from his own work at Gado Images, Co-Founder Thomas Smith found that a professionally digitised and managed historical archive can generate between $0.15 and $4.00 per image, per year in sustainable revenue for its owner. *Gado's Smith*

50%-100%

'Archive' articles marked as 'Premium' can drive 50–100% more conversions than Archive articles alone, especially when the call-to-action involves "getting access to our Premium and Archive articles." *Jamatto*

75%

You can turn your archive management and sales over to a third party. But the downside with professional licensing companies such as Getty Images or Alamy is that they take a percentage of your image sales, sometimes up to 75%. *Gado's Smith*

3.5%

Across Gado's experience, they have seen that 100% of a typical archive's revenue comes from 3.5% of their images. *Gado's Smith*

KEY INSIGHTS

ONE MILLION SUBSCRIBERS

The New York Times' Cooking and Crossword verticals leverage their new and previously published food and puzzle material to sell to a combined one million subscribers who pay $1.25 per week (Cooking) and $0.81/week. *Crossword*

PRINT & E-BOOK ANTHOLOGIES

The New Yorker repurposes its archives as print anthologies on topics ranging from cats to food. They also convert those coffee-table books to digital single-topic e-anthologies. Readers have downloaded more than a million copies, some paid ($2.99 and up) and some as part of a subscription offer. *Digiday*

ARCHIVAL ISSUE SALES

For The Economist, as much as 20% of its digital single copy sales have been archival issues. *Digiday*

ALL ACCESS DRIVES SUBSCRIPTIONS

"Harvard Business Review's content archive, which goes back more than a quarter century and has more than 4,000 articles, is incredibly valuable to our audience... [We] decided to include the archive in our 'All Access' subscription and it proved to be a wise choice. 'All Access' quickly became our most popular subscription offer and it's an important factor in why people renew." — Harvard Business Review Senior VP Sarah McConville speaking to Folio.

OUTSOURCE ARCHIVE SALES & FULFILMENT

"In my experience, the much higher exposure and per-sale revenue from working with a professional image licensing company more than outweighs the cost of commissions. Add in the staff time required to do image sales in-house, and working with a professional licensing partner makes even more sense for many organizations." *Gado Images Co-Founder and CEO Thomas Smith writing on Medium*

HIRE EXPERTISE

"Working with an experienced archiving partner is vital, as a partner with industry experience can often predict which of your materials will be most valuable before you begin your digitisation/annotation projects, enabling you to digitise and store only those items most likely to sell." *Gado's Smith*

PRINT & OFFBEAT

OUR ANNUAL DOSE OF HUMAN GENIUS AND IMAGINATION

FROM A SPEAKEASY AND A CASINO TO DIY SANITARY PADS, PAGES BUILT OF SAND AND CLOTH, FLOWER SEEDS ON BILLBOARDS, "AUDIO" PRINT ADS, AND MUCH MORE

Over the course of 2020, the world exploded with human behaviour that could cause you to question mankind's basic intelligence, never mind our creativity. On the other hand, we also witnessed countless selfless acts of kindness and compassion and service and imagination that reinforced our belief in mankind.

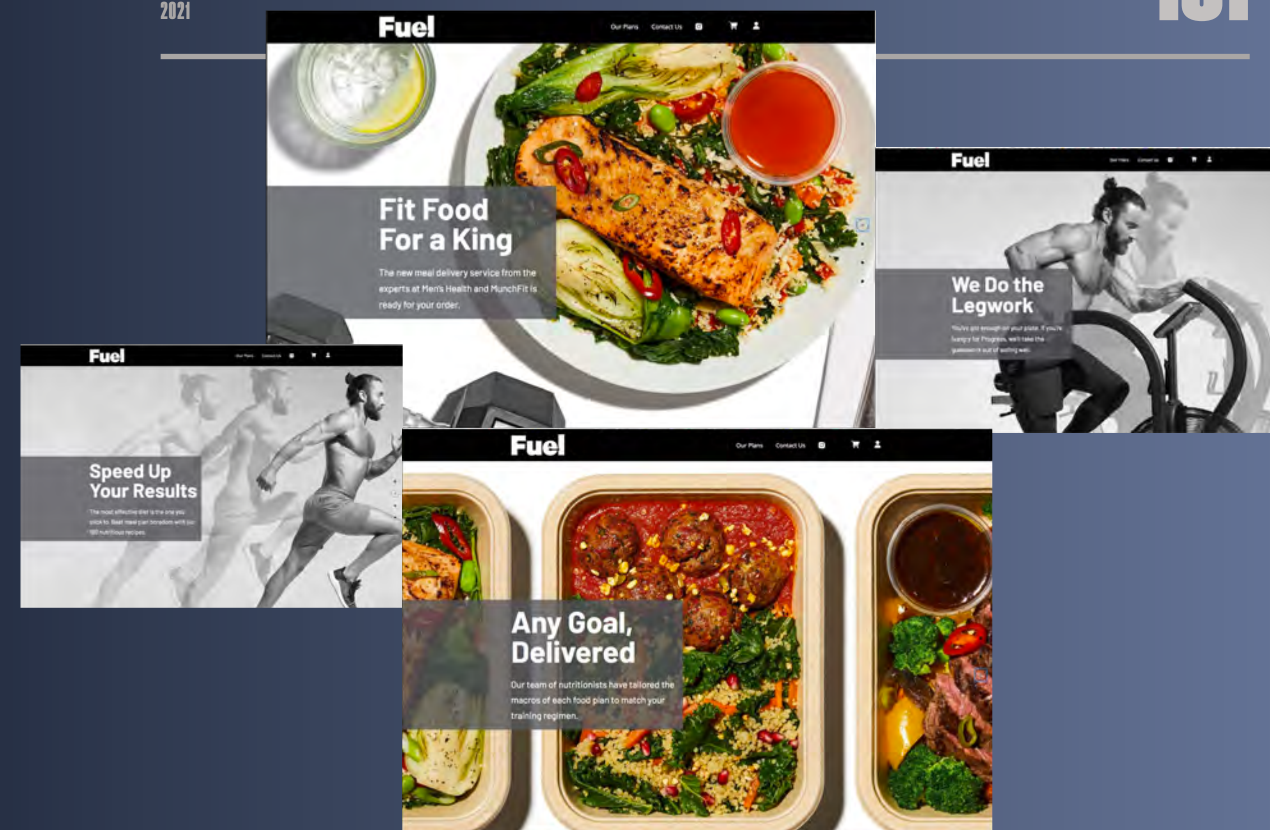
But despite the often soul-crushing circumstances confronting us this year, we in the media industry are doing some amazingly fun, creative, clever, caring things to delight and serve our audiences.

Almost a third of our off-beat "winners" did their work in pursuit of the betterment of the world, a first in the 12 years we've been producing this chapter of FIPP's Media Innovations book.

Here's a preview of the provocative, inspiring, fun, creative, mind-boggling innovations to come in this chapter:

1. A "speakeasy" in the back rooms of a newspaper
2. A "casino" at a newspaper
3. An advert you could see only from six feet away
4. A publication in India made of cloth
5. A magazine's gourmet fitness food delivery system
6. A make-your-own sanitary pad ad
7. A 4G speed test in print
8. Flower seeds #1 (in a magazine page)
9. Flower seeds #2 (in a billboard)
10. Coca-Cola's "audio" ads in print
11. Soundproof posters
12. Sand cover #1
13. Sand cover #2
14. A 3D colouring book
15. The new car smell advert
16. A customisable cook book

> "NO OTHER FOOD DELIVERY SERVICE CAN MATCH THE TAILORED NUTRITIONAL SCIENCE AND RESTAURANT-QUALITY DISHES. WE KNOW THE MEN'S HEALTH AUDIENCE VALUES BOTH."
>
> **Toby Wiseman** Men's Health Editor-in-Chief



1. A "SPEAKEASY" IN THE BACK ROOMS OF A NEWSPAPER OFFICE

"If you've ever needed a stiff drink after reading the news, a rural U.S. newspaper publisher has a solution for you," declared the Omaha World-Herald early in 2021.

In the backrooms of the Stapleton, Nebraska Enterprise, owner Marcia Hora has opened a liquor store, a stylish place to obtain wines and spirits at a newspaper that serves three of the state's least-populated counties.

It's called "Herbie's Speakeasy" because Hora is a big fan of the University of Nebraska mascot Herbie Husker, and because you have to walk through the newspaper office and utter the words, "Where's the liquor store?" to gain admittance, Hora told the World-Herald.

Two backrooms that used to house hulking printing presses and paper cutters were cleaned up, spruced up and fitted with attractive copper-pipe racks to hold bottles of wine, according to the World-Herald. The walls feature historic Stapleton photographs, as well as Husker memorabilia.

Hora said she has been "overwhelmed" by the response. The Speakeasy sold $2,200 of product during an open house in November 2020, and has steadily increased its inventory to keep up with demand. Herbie's now offers wine tastings and does catering for town events. "I'm thinking that if things get bad and they start shutting newspapers down, we can move the liquor out front and put the newspaper out back," Hora told the World-Herald.

2. A NEWSPAPER'S OWN "CASINO"

Wags have been saying being in the media business is a "real gamble" ever since Canada's biggest newspaper publisher, Torstar, announced in March 2021 that it was launching an online gaming app.

"We believe Torstar will provide a unique and responsible gaming brand that creates new jobs, offers growth for the Ontario economy and generates new tax revenue to help support important programmes in our province," Torstar executive Corey Goodman said in a statement. And, oh yeah, also generate some serious cash for Torstar.

Through its upcoming app, the company, which owns 72 papers nationwide, said it hopes to capture a portion of the US$395 million that Ontario residents spend on online gambling each year — a market widely expected to increase in the coming years as new entrants are granted permission from the province to operate online.

3. AD ADVERT YOU COULD READ ONLY FROM SIX FEET AWAY

On a late spring day in 2020, the front page of the newspaper Helsingin Sanomat was a complete, undreadble blur.

Until you stepped back. Six feet back.

It was an eye-catching print ad tied to the news that the government would be relaxing some COVID-19 lockdown restrictions. The ad's message was: "Keeping it safe. From a distance."

"Instead of just telling or teaching people how to act, we wanted to let them experience it," Joni Furstenborg, creative director at TBWA\Helsinki, told Ad Age. "We believe that by doing this we will leave a stronger imprint and more people will remember our important message."

The ad's creators admitted, probably with a knowing grin, that Finns generally don't need encouragement when it comes to social distance. Finns are known for standing about six feet apart anyway, even when waiting at bus shelters (and even if it's raining or snowing).

"Unusual times bring their own challenges to what and how brands should communicate," Tuomas Ahola, communications and marketing director and one of the partners in the project, told Ad Age. "As a responsible company, we saw this as an opportunity to communicate about a subject that is close to our business in an insightful way."

This was not Helsingin Sanomat's first high-profile effort — in 2018, the paper placed ads about freedom of the press along the routes used by Donald Trump and Vladimir Putin as they travelled to their Helsinki summit.

4. A CLOTH NEWSPAPER FRONT PAGE

The Indian newspaper Dainik Bhaskar published the front page of a 204-page anniversary edition of newspaper in cloth. The early 2021 edition marked the paper's 15 years in the city of Bhilwara, the "Textile City of India".

This unique edition was published with the aim of delivering a collectable edition to the readers.

Over the years, the city of Bhilwara has emerged as India's largest fabric manufacturer, producing 50% of the total polyester fabric and suitings manufactured in India.

5. A MAGAZINE'S OWN GOURMET FITNESS FOOD DELIVERY SYSTEM

In late summer 2020, Men's Health, the UK's best-selling men's magazine, partnered with fitness food specialist MunchFit to launch "Fuel" – a gourmet meal delivery service tailored by leading nutritionists to assist readers with a wide range of body goals.

Fuel is designed to boost healthy-eating, specifically around fitness and well-being, and rotates 180 recipes that feed into four different meal plans based on consumer ambitions.

The average price per meal ranges between roughly $11 and $14, which depends on the length of a subscription (a 1-week trial, or a 4-, 8-, or 12-weeks subscription) and also on how many meals per day and how many days per week are desired. The delivery service operates twice a week and is available nationwide across the UK.

The Fuel menu plans incorporate the following meal options built around different health goals:

- **STRONG:** For building muscle mass and is based on providing more calories, protein and carbs
- **LEAN:** For losing weight yet also stoking a person's metabolism with protein
- **GREEN:** Catering for the 300% increase in vegan diets over the last year, this plan helps to construct a plant-based diet that will allow progress in the gym and also remain tasty
- **BALANCED:** This mixes strong, lean and green meals throughout the week to fuel everyday performance

"We believe that no other food delivery service can match the combination of tailored nutritional science and restaurant-quality dishes," said Toby Wiseman, Editor-in-Chief of Men's Health, a division of Hearst UK. "We know the Men's Health audience values both."

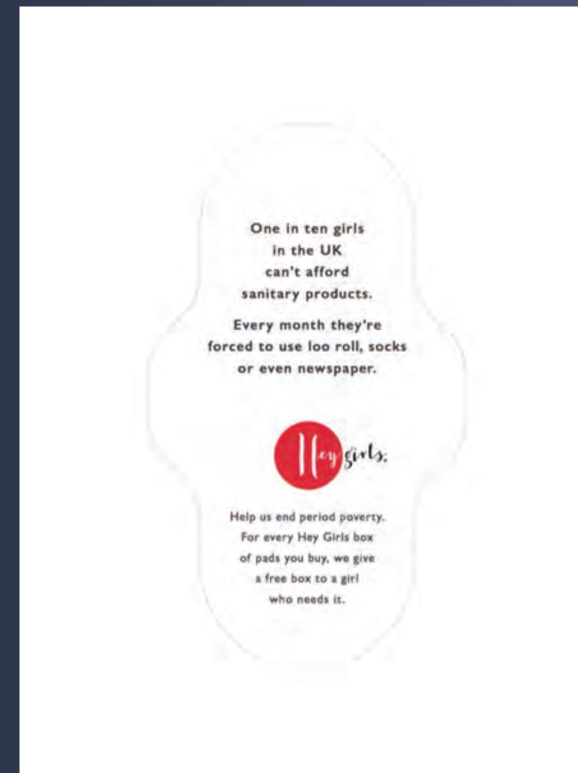
6. A MAKE-YOUR-OWN SANITARY PAD AD

Three years ago, we highlighted the Ikea print advert that some considered cringeworthy and others saw as pure genius: If a woman urinated on the ad, it would indicate if she was pregnant and, if she was, her pee also revealed a substantial discount on a baby crib!

This year, we found yet another female-targeted ad some people once again considered cringeworthy and others genius, but for different reasons.

To highlight what they called the "period poverty" crisis, the social enterprise Hey Girls UK ran a two-page ad in newspapers across the UK featuring a cut-out outline of a sanitary towel entitled Make Your Own Sanitary Pad. On the reverse side of that page, Hey Girls ran the explainer: "One in ten girls in the UK can't afford sanitary products. Every month, they're forced to use loo rolls, socks, or even newspapers. Help us end period poverty. For every Hey Girls box of pads you buy, we will give a free box to a girl who needs it."

"I'm not a campaigning person who takes to the street with my placard," Hey Girls UK founder Celia Hodson told CampaignLive.com. "It's phenomenal if you are, but that isn't me and it's not the way I created Hey Girls. I wanted to create [an ad] that was striking and stopped people, but raised the question without being aggressive."



> "I WANTED TO CREATE [AN AD] THAT WAS STRIKING AND STOPPED PEOPLE, BUT RAISED THE QUESTION WITHOUT BEING AGGRESSIVE."
>
> **Celia Hodson** Hey Girls UK founder

7. A 4G SPEED TEST IN PRINT

Traditional media (aka "print") does not lend itself to interactive marketing. Or does it?

Finnish mobile operator Telia was the first in the country to offer 4G, the world's fastest mobile connection. To promote its 4G service, the company wanted to use the country's very strong traditional print media, but it wanted to do it in a nontraditional way.

4G is all about speed, so Telia wanted to find a way to memorably convey that speed in a print ad. What would be more memorable than an interactive, multiplayer reaction-speed game that pitted two friends against one another?

The print ad became a video game when readers took a picture of the ad with their mobile phone, opened the Telia app, and placed the phone on the ad. The phone's screen became the game board. Players would put their fingers on the print ad and when the phone screen changed colours, the challenge was to be the first to tap the screen.

The ad was "one step ahead of many other interactive print ads out there," according to Lift Magazine. "Speed is THE key point of difference of 4G networks, and this is the most enjoyable way so far to showcase the potential of the new network to consumers who will likely use it for games, apps and other trivial stuff." Players could win a new Telia 4G connection.

8. FLOWER SEEDS IN A PRINT AD #1

This year, we had TWO ad campaigns that gave consumers free flower seeds.

The first, in April in Swedish magazines, was an advert for a flower pot and was entitled This Ad Will Grow on You.

And indeed it would.

Printed on easily biodegradable seed-paper, the page was embedded with seeds for flowers including snapdragons, catchflies, and daisies. "Just plant this ad in a pot, put it in a sunny corner and don't forget to water it," the ad read. "Maybe talk to the pot every now and then. It's no harder than that to give your home a little love this spring."

9. FLOWER SEEDS IN A PRINT AD #2

Four months later, Herbal Essences seriously upped the ante for a free flower seeds campaign

"WITH 17.2% OF BUTTERFLY SPECIES ENDANGERED IN THE UK, HERBAL ESSENCES AND KEW GARDENS ARE STEPPING UP TO HELP COMBAT THE DEPLETING POPULATION."

— a Tweet by the campaign creative agency, Mr. President.

"THE CAMPAIGN STARTS VISUALLY, BUT IT'S COMPLETED IN PEOPLE'S BRAINS WHEN THEY PRODUCE THE EXPECTED SOUND IN THEIR OWN HEADS."

Will Burns CEO, ideasicle.com

via print media: Full-sized outdoor street-level billboards around London! Each billboard was festooned with 3,000 detachable paper "leaves" filled with wildflower seeds. The ad encouraged passers-by to grab a leaf, take it home, and plant it. In addition to the "fun" aspect of the ad, there was a serious environmental purpose behind it.

"Just like bees, butterflies are major pollinators, controlling the population of a variety of plants and insects," according to a Tweet by the campaign creative agency, Mr. President. "With 17.2% of butterfly species endangered in the UK, Herbal Essences and Kew Gardens are stepping up to help combat the depleting population." The various seeds in the leaves create wildflower habitats in which butterflies flourish.

The text on the back of each leaf, branded with Herbal Essences and the Royal Botanic Kew Gardens logo, declared people can "unleash Mama Nature's secrets" by planting the seeds at home.

10. COCA-COLA'S "AUDIO" ADS IN PRINT

Can a print ad be heard?

Of course not, unless…

…unless you take advantage of a phenomenon called Synesthesia.

"Synesthesia is when two different senses cross in our brains, producing the impression people are hearing something even though they're stimulated via another sense, their vision," wrote DAVID Agency Executive Creative Directors Juan Peña and Ricardo Casal. "The Coca-Cola campaign uses its instantly recognisable product and iconic rituals to trick the brain into automatically associating an image with a specific sound, filling in the silence with the expected sound. It is, in essence, an auditory illusion."

How did it work?

The print/outdoor campaign in Europe used iconic images of the Coke experience: a series of large, close-up photographs of iconic Coca-Cola rituals or moments (uncapping the bottle, bubbles fizzing in a glass with the soda, pulling the tab to open the can). Each advert included very small text — it's only supposed to be a hint, remember — that challenged the viewer to play the sound in their head ("Try not to hear this!").

"An idea like this couldn't work with a new brand," wrote ideasicle.com CEO Will Burns in Forbes. "A new brand doesn't have the conscious and unconscious familiarity and affinity locked up in our collective mental vaults. But Coke does. We've all enjoyed a Coke at some point, right? We've all experienced the advertising, the red and white branding, the script logo, the packaging, the bottle caps, the wavy-shaped bottles, the brown colour of the liquid, the bubbles, the lip-smacking refreshing taste of a giant swig. And along the way we've all experienced the corresponding sounds of the 'Coke experience'."

In fact, I'm hankering for a Coke right now after writing that last sentence!

"But only after this kind of visceral familiarity with the 'Coke experience' can we be teased in the way this campaign is teasing us," wrote Burns. "Only after lifetimes of experience with this brand and this brand's product can we be triggered merely by the suggestion of a sound. Not a real sound, but the suggestion of a sound."

"The campaign starts visually, but it's completed in people's brains when they produce the expected sound in their own heads," wrote Casal and Peña. "Coca-Cola is turning people's heads into radios to emit the sounds from within. These imaginary auditory triggers make us want the real thing."

11. SOUNDPROOF POSTERS

OK, technically, this is not a print innovation.

It's an innovation by a print and digital publication that is just really, really cool. And a great way to raise the brand's awareness among the toughest demographic for legacy media brands: young people.

Rolling Stone in Brazil has been migrating from its traditional print format to print and digital while expanding its scope and target audience. To increase engagement and increase its follower base, it came up with the idea of a contest for young musicians and their friends.

What do young musicians really like and need: Cool posters and soundproofing for their practice spaces (often their bedrooms, so this contest appealed to parents and neighbours as well!).

Rolling Stone combined the two: Cool posters that doubled as soundproofing. Working with Y&R Brazil, it created four posters made entirely of acoustic foam coated with fireproof resin and fibreglass. The posters featured four guitar legends: Jimi Hendrix, Keith Richards, Zakk Wylde, and Brazilian guitarist Kiko Loureiro.

The campaign was waged almost exclusively where its target audience hangs out: Instagram. Musicians were invited to post videos of their best pieces with the hashtag #SoundproofPoster. The campaign spread organically thanks to the efforts of people posting and tagging their friends' bands. The winners won a set of the four posters.

YOUNG MUSICIANS REALLY LIKE AND NEED COOL POSTERS AND SOUND-PROOFING FOR THEIR PRACTICE SPACES. *ROLLING STONE* BRAZIL COMBINED THE TWO.

12. SAND COVER #1

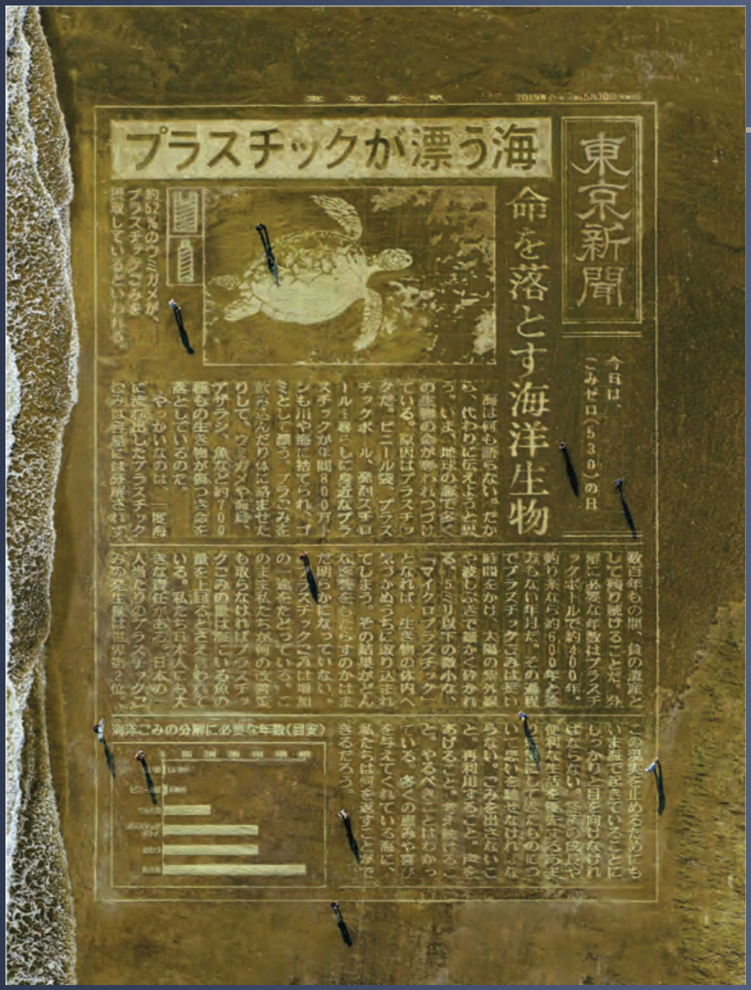
Like the flower seed ads, this is another case of two media companies having the same unusual creative idea a few months apart.

And, like the soundproof posters, neither of these is technically a print innovation. Both of these companies created their "print" page in sand — very large stretches of sand (1,750 square metres in this case and 600 square metres in the next case).

On May 30, Zero Waste Day in Japan, the newspaper Tokyo Shimbun created its editorial page calling for action against ocean pollution by carving the words and images into the sands of Iioka Beach in the Chiba prefecture. The headline, Plastics Floating in Our Seas, a large image of a sea turtle, and hundreds of Japanese characters were etched into the sand and photographed from above to create the page that appeared in print. It took sand sculpture artist Toshihiko Hosaka and a team of local residents and students

"THE SEA DOES NOT SPEAK. SO, I WILL SPEAK IN ITS PLACE. CURRENTLY, THE LIVES OF MANY CREATURES IN THE SEA ARE BEING TAKEN. THE CAUSE IS PLASTIC."

Tokyo Shimbun Editorial



“WE SCULPT LETTERS, FRAMES, AND EARTH PARTS USING SHOVELS, FORKS, AND RAKES USED FOR GARDENING.”

Toshihiko Hosaka Artist

11 days to complete the “page”.

Here is an excerpt from the editorial: “The sea does not speak. So, I will speak in its place. Currently, the lives of many creatures in the sea are being taken. The cause is plastic. Plastic bags, plastic bottles, styrofoam... 8 million tons of plastic used in everyday life are dumped in places like rivers and the ocean every year, and remain floating as garbage. By swallowing or being entangled in plastic garbage, about 700 species of animals including sea turtles, seabirds, seals, and fish are harmed and killed.

“We Japanese are also largely responsible. Japan produces the second most garbage per person. In order to rectify this, we have to take a good hard look at what is happening in the ocean. We need to think about things we have been ignoring as a result of prioritising economic growth, everyday convenience, and such.”

13. SAND COVER #2

Just three months later, Hosaka was at it again and once more in Iioka, but this time he was creating the cover for the TIME magazine Climate Change Edition.

This 600-square-metre “cover” took Hosaka and a seven-person team 14 days, including several days when the temperatures hit almost 36 degrees Celsius and Typhoon Krosa threatened to wash their work away (it veered off in another direction).

“We sculpt letters, frames, and earth parts using shovels, forks, and rakes used for gardening,” said Hosaka in a TIME story about the cover. “It was necessary to always moisten because if the ground was dry it did not form. It is a huge work. I carved it a little and shot it with a drone to adjust the balance and depth. A dust spray is sprayed thinly on the finished part. This spray is used for road construction. This will withstand some rain and dryness.”

IN 2019, DISNEY CREATED AN AR APP THAT TRACKS AND CAPTURES A CHILD’S COLOURING STROKES IN REAL TIME VIA A MOBILE DEVICE’S CAMERA, WHICH THEN MAPS THE IMAGE ONTO THE COLOURING BOOK PAGE.

14. A 3D COLOURING BOOK

We admit that this is not a print innovation many (any?) of you will be rolling out any time soon, but it does get you thinking about the future possibilities for print and digital integration.

It started back in 2015 when Crayola became the first company to create an app that would bring colouring book images to life in 3D (dragons chasing them around the room or models walking down the runway) via augmented reality — check out the QR code on this page to see it in action. But that was only AFTER the child had finished colouring.

In 2019, Disney created an AR app that tracks and captures a child’s colouring strokes in real time via a mobile device’s camera, which then maps the image onto the colouring book page (use the QR code on this page to see how it works). In this case, it’s a cartoon elephant, but it could also be a model with a new dress, a tank in a

> **"WE ARE ALWAYS LED BY WHAT OUR AUDIENCE CRAVE SO TO GIVE THEM A BOOK THEY CAN COMPLETELY OWN, INCLUDING THE PROCESS OF CREATION, IS EXTREMELY REWARDING"**
>
> **Mark Rogers** *BuzzFeed* Europe GM

battle, a Star Wars scene, etc. At the end of 2019, the app was still in development, so don't go looking to get it for your child or grandchild quite yet.

15. THE NEW CAR SMELL ADVERT

This is going from the sublime to the ridiculous. But who doesn't love the smell of a new car, right?

Not unlike the Coca-Cola ad utilising the sense of sound in a print ad, Liberty Mutual Insurance Company used the sense of smell in its new print ad campaign.

Full disclosure here: Guess what? Liberty Mutual isn't the first company to use the new-car fragrance in a print ad. As a matter of fact, way back in 1987, Rolls-Royce was the first car company to embed a new-car smell into a print ad.

And, yes, we admit that smell has been used in print magazines forever, almost entirely by fragrance companies (there were those popcorn-scented ads in Australian newspapers).

In a 2011 GfK MRI Starch Advertising Research study of 6,514 magazines over a period of four months, researchers found only 49 scented page ads, mostly for cosmetics, household cleaners, personal hygiene, and medicines. They also found that scented ads do, indeed, garner more consumer attention than regular ads. Liberty Mutual wanted to jog readers' fond memories of when they buy a new car… and have to consider new auto insurance. "If you're thinking about a new car, think about Liberty Mutual," read the ad.

So, while it's not exactly new, the Liberty Mutual ad does raise the question of how else might scent be used in ads and in stories: Why shouldn't a camping outfit infuse the smell of a campfire and pine trees into an ad for tents and sleeping bags? Or a book store infuse the smell of a new book? Or a coffee shop infuse the intoxicating smell of newly ground coffee beans? Or a recipe for BBQ in a food magazine use the smell of mesquite coals and BBQ sauce? Or a gardening magazine infuse the smell of various roses in a feature about rose gardens?

16. A CUSTOMISABLE COOKBOOK

When you have an adoring audience of 325 million, you'd be an idiot to not try to take advantage of their affection for your brand and your content with branded products, especially when your niche is cooking.

Meet *BuzzFeed*'s 100% customisable cookbook!

In late 2019, *BuzzFeed* announced the launch of My Tasty Cookbook, first in English and then in German, French, Spanish, and Portuguese.

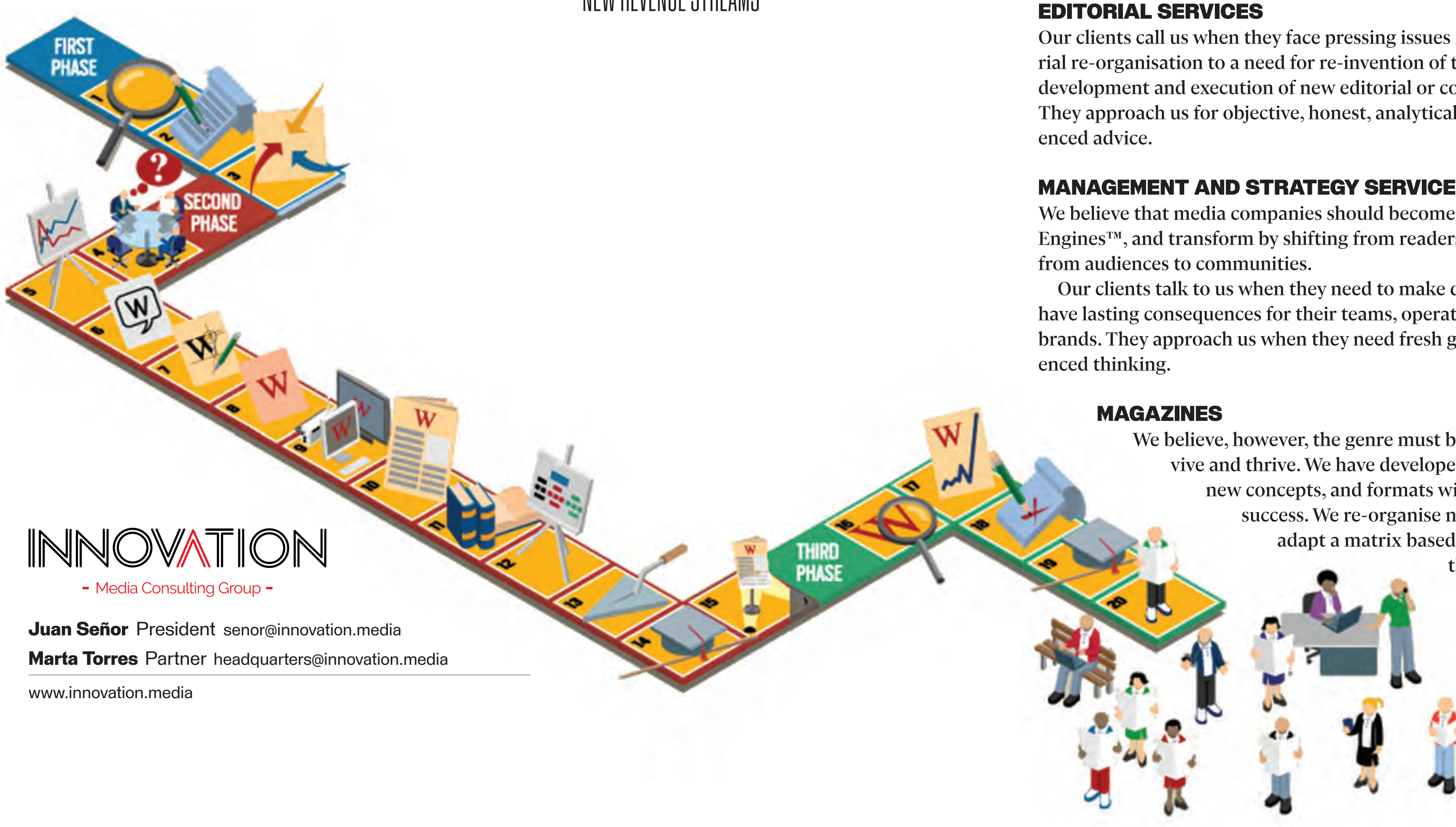
For $36, consumers can select their favourite Tasty recipes as well as a personalised cover.

"We are always led by what our audience crave so to give them a book they can completely own, including the process of creation, is extremely rewarding," BuzzFeed Europe GM Mark Rogers told The Drum. "Hacche produces beautiful, high-quality books and this product is the next step of our international rollout of licensed products, which bring us a deeper connection to Tasty fans."

INNOVATION IN MEDIA WORLD REPORT 2021

GOOD JOURNALISM IS GOOD BUSINESS

WE HELP MEDIA COMPANIES INNOVATE, EMBRACE NEW DIGITAL PLATFORMS, DEVELOP BOLD NEW STRATEGIES, AND CREATE NEW REVENUE STREAMS



INNOVATION
- Media Consulting Group -

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We are a global consultancy firm with a difference. We focus exclusively on the publishing business — both editorial and management. And our focus is helping our clients innovate and embrace new digital platforms, and find bold new strategies as well as new revenue streams.

We invite you to be part of the digital revolution and benefit from INNOVATION's knowledge and hands-on expertise of more than two decades advising some of the best-known media brands in the world.

HOW WE WORK

We believe that change is not imposed but is negotiated and agreed upon. We take into consideration all scenarios, opinions — and only after thorough analysis, evaluation, and testing we present our final recommendations and action plans.

One way to visualise our process is to think of it as a three-step effort: audit, diagnostic and implementation. We lead in-house teams to be at the heart of innovation in their firms and deliver on a new product, content or strategy. Although all projects are made-to-measure, the phases of any change process are always similar.

EDITORIAL SERVICES

Our clients call us when they face pressing issues ranging from editorial re-organisation to a need for re-invention of their products, or the development and execution of new editorial or commercial strategies. They approach us for objective, honest, analytical, smart and experienced advice.

MANAGEMENT AND STRATEGY SERVICES

We believe that media companies should become new Information Engines™, and transform by shifting from readers to audiences and from audiences to communities.

Our clients talk to us when they need to make decisions that will have lasting consequences for their teams, operations, revenues and brands. They approach us when they need fresh global and experienced thinking.

MAGAZINES

We believe, however, the genre must be re-invented to survive and thrive. We have developed ground-breaking new concepts, and formats with demonstrable success. We re-organise news operations to adapt a matrix based on audiences rather than products.

1ST PHASE
THE PROBLEM

1 Audit
2 Diagnosis
3 Action plan

2ND PHASE
THE SOLUTION

4 Brainstorming
5 Market research
6 Content model
7 Design model
8 Business model
9 Multimedia model
10 Prototypes
11 Editorial & graphic style books
12 Newsroom management model
13 Working space redesign
14 Training & implementation
15 New Product launch

3RD PHASE
THE IMPLEMENTATION

16 Evaluation
17 Audience research
18 Corrections
19 Training
20 Results: increased audience, increased advertising

EMPOWERING MEMBERS TO BUILD MARKET-LEADING INTERNATIONAL BUSINESSES

FIPP is one of the world's leading media trade bodies, with a primary membership comprised of professional content creators with crossborder interests, and additional membership from national trade associations plus a range of industry suppliers.

We empower these members to build market leading international businesses through our portfolio of virtual events, knowledge products and networking services. Our unique position in the industry gets us privileged access to the biggest players in the media world and our website, FIPP.com, is the home of the knowledge and intelligence we generate as a result. Frequently updated with the latest media and publishing industry news, insight, reports and interviews, it's your one-stop shop for what's happening in your world.

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FIPP is also extremely active across social media channels, with a vibrant presence on Facebook, Twitter (@FIPPWorld), Instagram (@fippworld) and LinkedIn. Followed by thousands of media professionals worldwide, our posts are the best way to get instant updates on the latest news and on our events.

The Innovation Report is launched every year at the Digital Innovators' Summit (DIS), one of the two landmark events we run annually. The DIS, held virtually in March (usually in Berlin), is one of the world's leading innovation-focused events, with contributions from senior figures from across the media industry.

The FIPP World Media Congress brings together the cream of the global publishing industry. Attended by CEOs and Chairmen of the leading companies in the field, it is your chance to get a view from the top, as well as to network with hundreds of your fellow professionals from across the world.

Our new FIPP Insider webinars have proved hugely popular as we continue to deliver excellent networking and knowledge-sharing opportunities while navigating a new world. Thousands of media executives from all corners of the world have benefited from webinars on leadership, diversity and digital subscriptions among many other topics highly relevant to the industry.

Finally, launched this year, FIPP Training is a new business focused on learning and development. Developed in partnership with leading third-party providers, FIPP Training features a range of bespoke programmes, public courses, and on-demand training modules, all delivered online, and bookable via a new, dedicated training hub on FIPP.com/training.

Finding that one contact who can make a real difference to your business can be hard — FIPP's networking services help you reach the right people. Whether it's a media partner, a technology supplier or a consultant, FIPP's global network can help you solve your business problems and drive out a host of new growth opportunities.

FIPP
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