

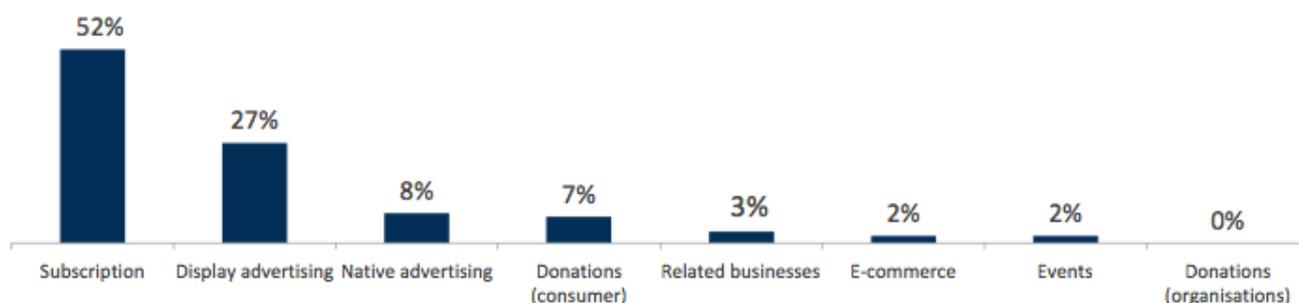
# How subscription programs are engaging news media consumers

The global [2019 forecast from Reuters](#) claims that “subscription and membership is the key priority for the news industry going forward.”

Subscribers are representing an increasingly large slice of publishers’ revenue. [Deloitte](#) also identified this trend: “Whereas certain titles had a 10:90 ratio of subscription to ad revenue in 2012, we predict it may be 50:50 by 2020.”

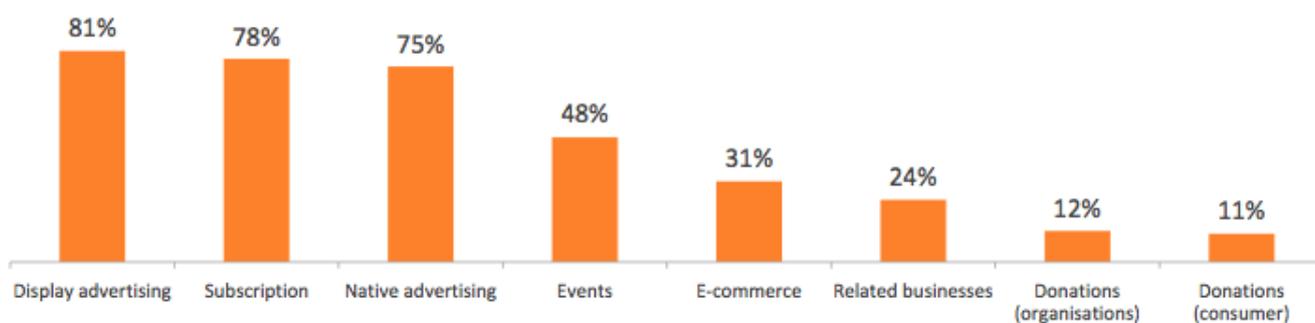
From Reuters: “For the majority of our publishers, subscription (52%) is now the main priority for the year ahead, followed by display advertising (27%), native advertising (8%), and donations/crowdsourcing from individuals (7%).”

## **Main revenue focus in 2019**



**Q5.** Which of the following digital revenue streams is MOST important for your company in 2019? *Digital leaders survey 2019, N=163*

## **Important revenue focus in 2019**



**Q4.** Which of the following digital revenue streams are important or very important for your company in 2019? *Digital leaders survey 2019, N=163*

## **Retaining subscribers**

As [INMA](#)'s Matt Lindsay points out, the hard work doesn't end just because somebody has subscribed.

"Keeping new customers requires getting them engaged with the product, making them feel part of the community, and providing the value they were expecting as subscribers," says Lindsay.

*"Whether you call it a 'paywall' or a 'subscription' or a 'membership,' it means someone is committed to belonging to a community."*

*-Prof. Judy Ungar Franks, Northwestern University*

So-called "subscriber stickiness" remains a key challenge: what will keep customers loyal once you've convinced them of the value of your content and community?

## **Successful rewards programs**

Innovative rewards programs have been one method for publishers to demonstrate gratitude to their loyal customers.

British tabloid *The Sun*'s revamped [loyalty program](#) now has over 800,000 members and has been a success story in the ability of a publication to maintain viable print circulation. Subscribers digitally enter voucher codes found in the physical paper to earn virtual credits that can be used towards travel and entertainment rewards such as hotels.

Nathan McPherson, chief marketing officer at *The Sun*, says that 67 per cent of subscribers in the membership program access the benefits on offer, and that overall the program has helped stem the decline in print circulation by 5 percentage points year-on-year.

In Australia, news media companies have been working hard to increase the value of their subscription and membership rewards programs.

News Corp's Brendan Collogan says that their rewards program is "a critical component of our overall membership proposition."

"It delivers additional benefits such as everyday savings and exclusive access which our research tells us is an important motivation to pay and stay," he told NewsMediaWorks.



"In fact, the churn rate of members who have engaged with our rewards programs is half that of those who have not engaged. This makes improving engagement with rewards one of our most important strategies to improve retention."

Seven West Media's West Benefits was launched in late 2016 for subscribers to *The West Australian*, *The Sunday Times* and regional titles.

Through this program, subscribers can access a number of discounts across Perth and beyond including movies, restaurants and attractions. There are also giveaways, competitions and exclusive events, including the opportunity to meet with the editors and journalists, and hosted tours.



## West Benefits rewards program for subscribers

A spokesperson for Seven West told NewsMediaWorks, “The program has been well received by subscribers and those who engage with West Benefits are more likely to continue their subscription.”

*“As the program evolves we are continually looking for new benefits that are relevant, engaging and valuable to our members, ensuring that the program remains fresh and our members continue to be rewarded for their ongoing loyalty.”*

David Eisman, Director Subscriptions and Growth for *The Sydney Morning Herald*, *The Age* and *The Australian Financial Review*, says that growth in subscriptions has become an increasing priority.

“We see this as a real positive for our business,” he said in a statement to NewsMediaWorks. “The beauty of subscriptions is that they perfectly align business objectives with newsroom objectives of producing distinctive, high quality journalism.”

“To reach our scale ambitions, we need to deliver compelling reasons for our subscribers to pay and stay. One part of this is our subscriber loyalty program, which aims to take our readers beyond the headlines to feel part of a community

of informed thinkers.”

## The Sydney Morning Herald

SUBSCRIBERS

Subscriber perks for these mastheads include member-only events and subscriber-only editorial.