

Retaining Customers in an Acquisition Culture

Nicki Purcell

Chief Digital Officer, SVP Consumer Sales

The Dallas Morning News

Fact: “We all know it’s easier, cheaper, more efficient, etc. to keep a customer than gain a new one.”

So why don’t we set up our companies around this truth?

Latency Effect In Starts



Break
Even

Month 1= CPA of \$70 → Average Monthly Revenue=\$23.96/month → Month 3
(7 Day FOD)

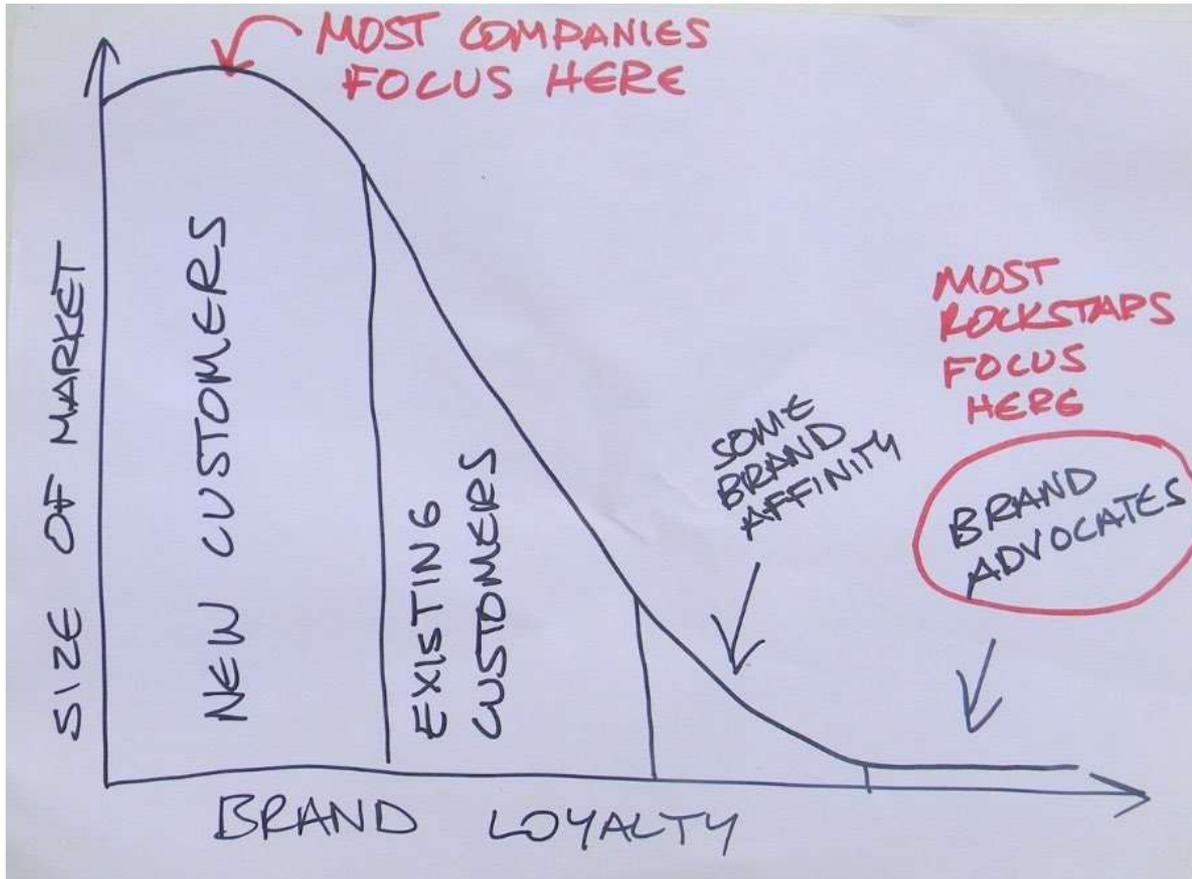
Immediate Impact in Stops



Break Even

Monthly Revenue=\$30.24 (7 Day FOD) → 3 New Starts @ \$23.96/month (\$70 CPA X 3) → Month 3=\$215 (Rev) (COGS:\$210)

Customer lifecycle



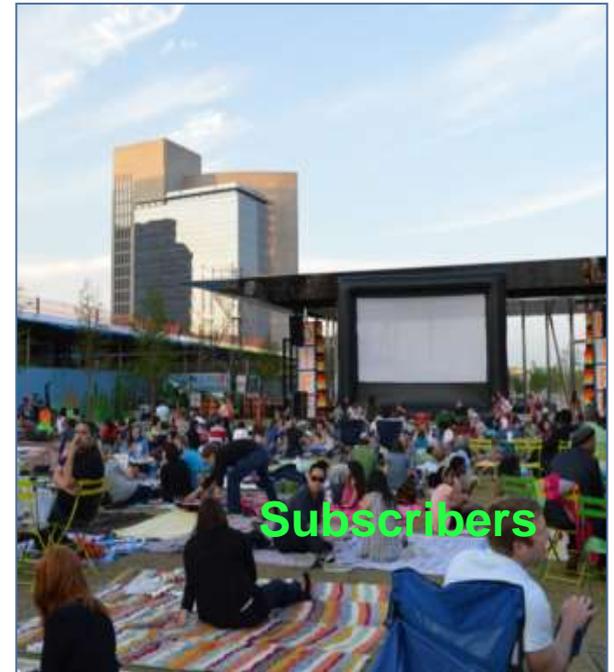
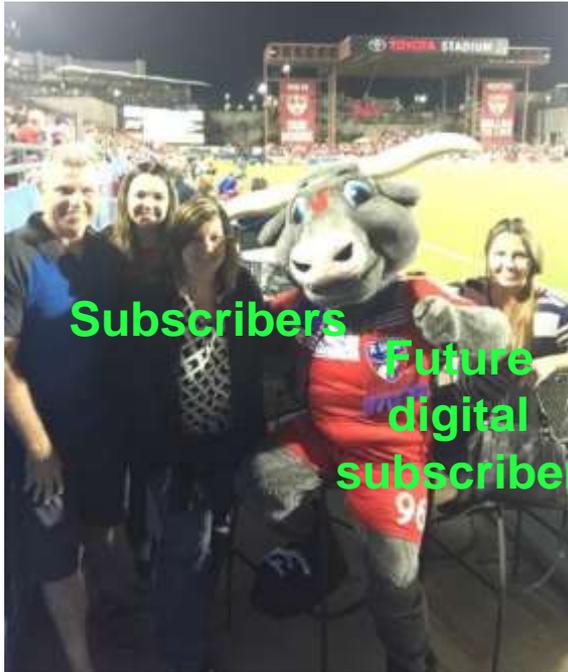
Loyalty program



Objective: Create a value proposition with our subscribers outside of their print/digital subscription so they begin to associate their subscription with rewards and experiences they can't get anywhere else – thus creating a relationship, and a reason to continue subscribing.

Customer facing: You can count on *The Dallas Morning News* to keep you plugged in – to news, entertainment, the community – and so much more!
We're delighted to reward loyal subscribers like you.

VIP Experiences



Email communication

Welcome Email



Open rate
42%

CTR
18%

Onboarding Email



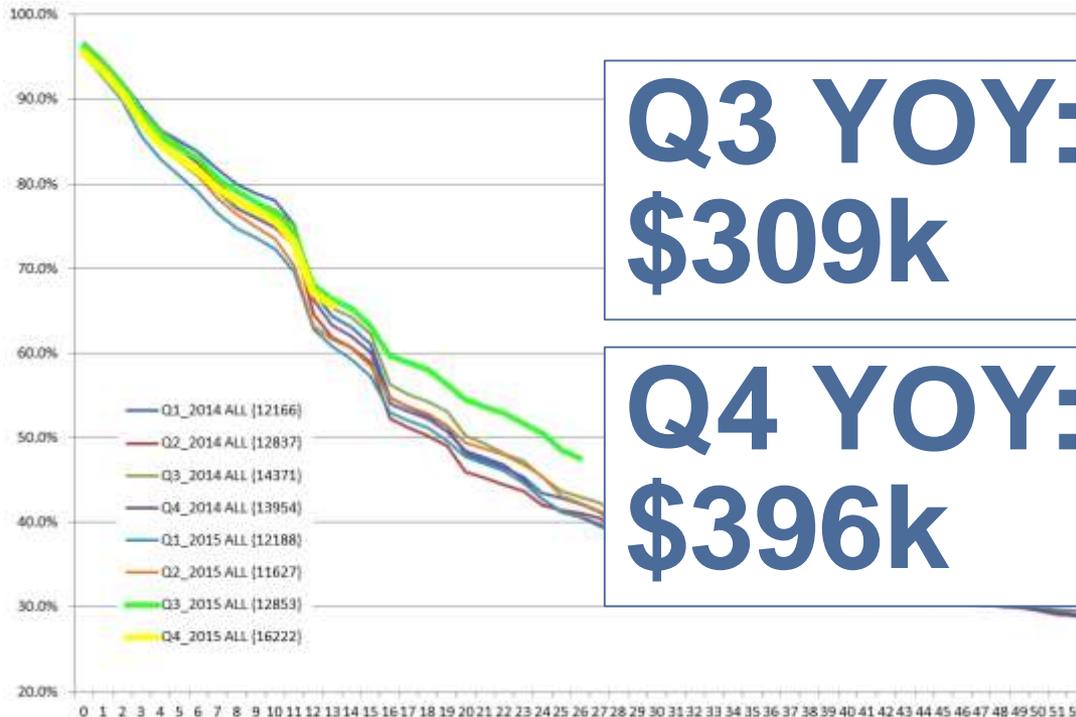
Payment Reminders



Open rate
52%

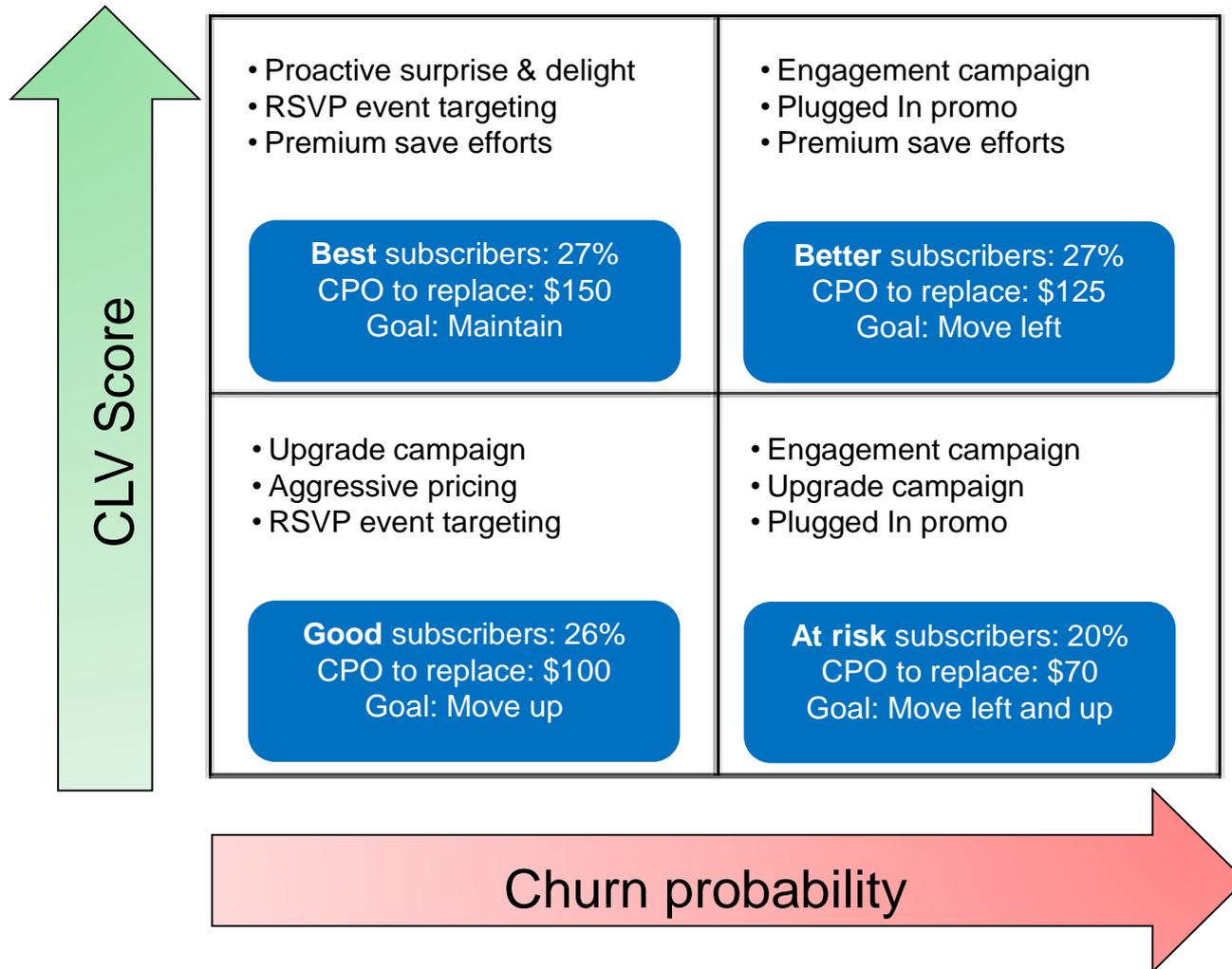
- Reduce bad debt
- Proactive
- Ease of doing business

REDUCE CHURN=REVENUE



The monthly churn rate is calculated by 12 month rolling average of subscribers divided by the volume of stops that month.

Retention Strategy



Payment Behavior Deviation

Payment Behavior Deviation

- Includes subscribers that are one or two standard deviations outside of their normal payment pattern.
- Monthly email due to billing cycles of 28 days.
- Email message includes loyalty program info.

Sample Payment Deviation Email

----- Forwarded message -----

From: **Loyalty Rewards** <loyaltyrewards@dallasnews.com>

Date: Thu, Sep 21, 2017 at 11:28 AM

Subject: Loyalty rewards await

To: Loyalty Rewards <loyaltyrewards@dallasnews.com>

Hello -

Thank you for subscribing to The Dallas Morning News. We're writing to make sure you're aware of our loyalty rewards program called [Plugged In](#).

Through your subscription you're eligible to participate in our free subscriber appreciation events like [movies](#) and [building tours](#). You can also enter to win [event tickets](#) and [exclusive experiences](#). Watch for your Plugged In loyalty rewards email every few weeks.

From all of us here, we thank you for subscribing and supporting the free press. Our newsroom of 250+ journalists is committed to bringing you the in-depth, local coverage that you can't get anywhere else.

With appreciation,
The Dallas Morning News
Plugged In Loyalty Rewards

Engagement Behavior Deviation

Engagement Behavior Deviation

- Subs are categorized into five engagement groups: 5-Junkie, 4-Loyal, 3-Consistent Interest, 2-Experimenting, 1-Unreliable.
- The list includes active subscribers that downgrade from group 4 or group 5 into groups 1-3. Groups 4-5 are the most loyal and engaged, so a deviation from one of these groups is much more substantial than a downgrade from a lower engagement group.
- We expect lower engagement subscribers to fluctuate between groups 1-3 more frequently, so we're focusing efforts on the most engaged subscribers that we wouldn't expect to deviate as frequently from their normal browsing behavior.
- Monthly email since 30 day periods are the best time period to measure the average behavior due to daily variances in browser behavior.
- Email message includes: stories you may have missed + loyalty program info.

Sample Engagement Deviation Email

----- Forwarded message -----

From: **Loyalty Rewards** <loyaltyrewards@dallasnews.com>

Date: Thu, Sep 21, 2017 at 11:28 AM

Subject: Loyalty rewards + stories you may have missed

To: Loyalty Rewards <loyaltyrewards@dallasnews.com>

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From all of us here, we thank you for subscribing and supporting the free press. Our newsroom of 250+ journalists is committed to bringing you the in-depth, local coverage that you can't get anywhere else. See below and check out some stories you may have missed from our award-winning team of journalists.

With appreciation,
The Dallas Morning News
Plugged In Loyalty Rewards

----- Stories you may have missed

[DallasNews](#)

- [Six Texans score spots among Forbes' 100 greatest living business minds](#)

- [Watchdog like a boss at this free Dallas event](#)

- [Meet the Dallas urban planner behind Texas' pursuit of the hyperloop](#)

[GuideLive](#)

- [Dallas-based Chili's nearly halves its menu: did your favorite food survive?](#)

- [State Fair of Texas will debut 20+ new dishes, like fried root beer float and something called Fried El Paso](#)

- [Not headed to West, Texas? Get famous Czech Stop kolaches for two days in Plano this fall](#)

[SportsDay](#)

- ['Game-changer' Delino DeShields ran the Rangers to victory vs. SEA, and possibly back into a playoff race](#)

- [7 things to take away from Cowboys-Broncos, including a disturbing offensive trend for Dallas](#)

- [Our Week 4 college football expert picks: Will TCU upset Oklahoma State? Can A&M outlast Arkansas?](#)

[SportsDayHS](#)

- [Predictions and previews for Week 4 notable games, including showdown between top 5A area teams](#)

- [Statewide boys basketball rankings](#)

- [Clutch factor: With the game on the line, how do football coaches pick their final play?](#)

Additional Plugged In Program Highlights

- 62% of Plugged In recipients are unlikely to churn (per survey of respondents)
- EZ pay enrollments are up
- Despite overall circulation declines, the quarterly YOY stop % is better on average of by 5%
- Maximized use of each available asset in all barter agreements to create and “fund” the Plugged In loyalty rewards program
- Created new, automated onboarding email engagement series
- Offered a welcome gift to every new subscriber

A Little About *The Dallas Morning News* Brands



From a Branded House to a House of Brands

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Resources

Personnel:

- Acquisition Sales Team – 5 people
- 2015 Retention Team – 0
- 2016 Retention Team – 1
- 2017 Retention Team - 3

Budget:

- Acquisition Sales Team – \$5M+
- Retention – Under \$50K

Technology Development:

- 95% of all dev resources are against sites and native apps – not landing page improvement for the retention program and offers

Metrics

Retention Team:

- Churn reduction
- Revenue calculated by improved stop percentage

Product Development:

- Native app reviews – satisfaction; reliability rates, monthly users (not downloads)
- Utility features/improvements in My Account

Newsroom:

- Volume of returning visitors
- Volume of page views among returning visitors
- Number of subscribers who return more than 3 times each month

Sample Engagement Dashboard for 2018 Metrics

NEWSROOM ENGAGEMENT
ENHANCEMENT

NEWSROOM HEADLINE ENGAGEMENT

calendar

5/4/2017 10/1/2017

site

- sportsday.dallasnews.com
- www.dallasnews.com
- www.guidelive.com

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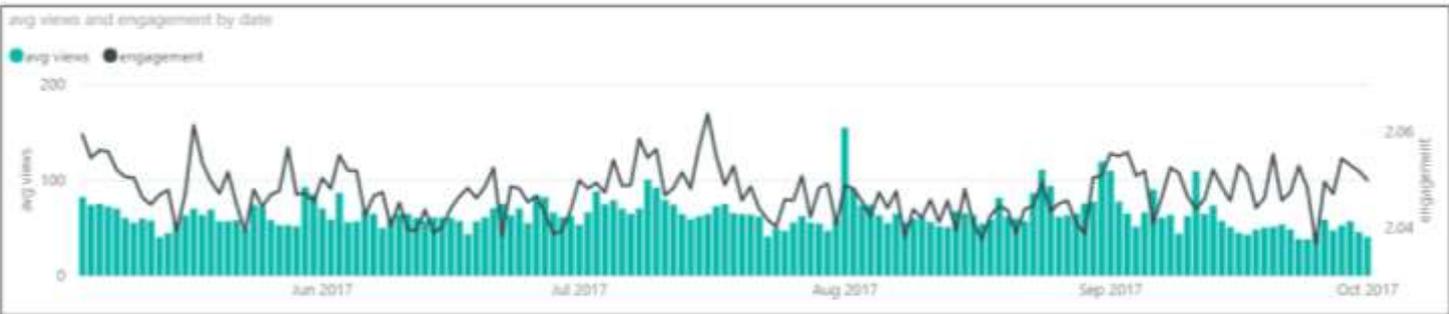
tag

- accidental-death
- addison
- affordable-housing
- aging-1
- airlines
- allen
- american-airlines

88K
unique headlines visited

TOP 20 HEADLINES VISITED BY AUTHOR AND ENGAGEMENT PREDICTOR

headline	author	engagement
Hurricane Harvey could hit Texas twice causing 'catastrophic results'	claire ballor	3.33
Elections results for the May 6 municipal and school elections	holly rusek	3.33
Hurricane Harvey expected to slam Texas coastline as a Category 3 storm	claire ballor	3.32
Hurricane Harvey could hit Texas twice, with 'catastrophic results'	dallasnews.com staff	3.27
Hurricane Irma claims into Puerto Rico, could hit Florida as Category 5 storm	eline de bruijn	3.25
Pregnant mom gives birth after Collin County pileup that killed Anna teens	claire c. cardona	3.22
Hurricane Irma claims into Caribbean, could hit Florida as Category 5 storm	eline de bruijn	3.21
Police arrest driver suspected of plowing through counter-protesters, killing 1 at white supremacist rally	wire services	3.18
'Tear them down!' Thousands rally for end of Dallas' Confederate statues, white supremacy	dallas morning news ...	3.16
Fired cop who killed 15-year-old Jordan Edwards indicted for murder	jennifer emily	3.16
Police arrest driver suspected of plowing through counter-protesters, killing 1 at white supremacist rally	wire services	3.15
Multiple children injured after vehicle crashes into Frisco daycare	claire c. cardona	3.12
Shooter reported at hotel in Far North Dallas	tom steele	3.11
2 kids flee burning RV after dad shot mom, killed himself at end of chase	liz farmer	3.11
'Tear them down,' crowd chants at downtown rally against white supremacy	dallas morning news ...	3.10
Dallas' first female police chief wants to make force 'a family in blue'	naheed rajvani	3.10
Frisco man shot to death outside his home; 2 suspects at large	abigail shaw	3.08
Two found shot to death at park in Mesquite; 3rd victim hospitalized	eline de bruijn	3.07
Islamic State group says member carried out suicide bombing near Ariana Grande concert in England; 1 arrested	claire c. cardona	3.07
At least 1 dead as Harvey downgraded to tropical storm, but danger not over	dallasnews.com staff	3.07
Total		3.17



Sample Engagement Dashboard for 2018 Metrics

NEWSROOM ENGAGEMENT
ENGAGEMENT

NEWSROOM HEADLINE ENGAGEMENT

calendar

5/4/2017 10/1/2017

site

sportsday.dallasnews.com

www.dallasnews.com

www.guidedive.com

author key

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section

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business

news

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tag

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business

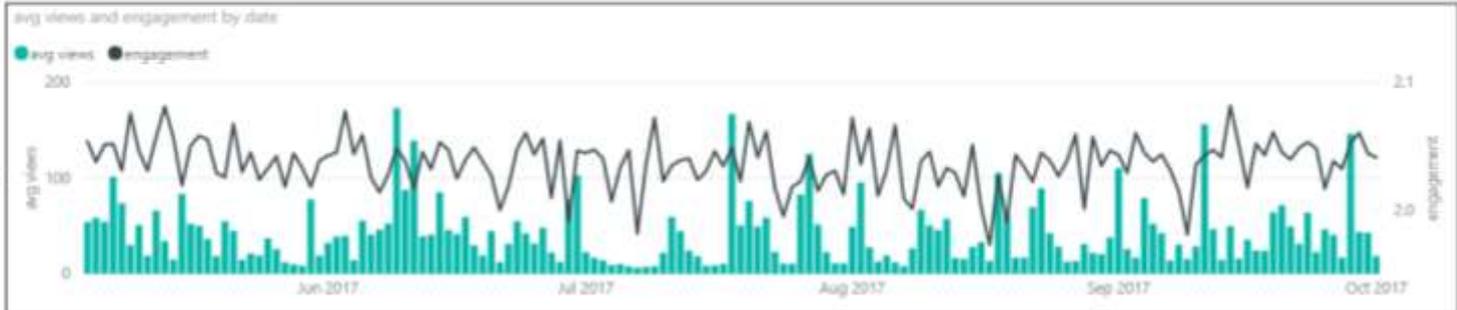
commentary

courts

1,676
unique headlines visited

TOP 20 HEADLINES VISITED BY AUTHOR AND ENGAGEMENT PREDICTOR

headline	author	engagement
Gov. Greg Abbott to Texas' big-city mayors: Take a leap	robert wilonsky	2.84
No timeline for Robert E. Lee statue's removal following Sunday night's fatal accident	robert wilonsky	2.74
South Dallas' iconic Forest Theater to be restored to help address poverty	robert wilonsky	2.71
Oh look! Here's the vacant lot where Dallas City Hall flushed \$5 million chasing the Trinity toll road	robert wilonsky	2.67
Dallas' 4 black City Council members say Confederate statues 'must and will be removed' -- after process	robert wilonsky	2.62
Allegations of voter fraud will leave two Dallas City Council races in limbo	robert wilonsky	2.81
As Gov. Abbott seeks to chop down Dallas' 'socialistic' tree laws, a fear that 'nature will be gone'	robert wilonsky	2.60
Dallas plans public monument to honor black painter Arthello Beck Jr.	robert wilonsky	2.59
Austin-based food-delivery service favor discovers South Dallas won't stomach being ignored	robert wilonsky	2.58
A faith-healer's 105-year-old landmark church in downtown Dallas could use some divine intervention	robert wilonsky	2.53
Robert E. Lee statue belongs in new Dallas Holocaust and Human Rights Museum, Period.	robert wilonsky	2.52
Developer behind controversial Statler redo agrees to buy historic Cabana hotel from Dallas County	robert wilonsky	2.51
'let again, allegations that in some Uptown bars, 'dress code' means no minorities	robert wilonsky	2.50
Dallas struggling to solve its K2 epidemic as the walking dead roam downtown	robert wilonsky	2.50
On Forest Lane, dozens of butchered trees offer 'horrific' peek at Texas' future if Abbott gets his way	robert wilonsky	2.48
Gov. Greg Abbott to Texas' big city mayors: Take a leap	robert wilonsky	2.46
For second time this week, bomb squad removes 'suspicious device' from Northwest Dallas home	robert wilonsky	2.39
Update: U.S. Highway 80 in Sunnyvale reopens after standoff with possibly suicidal man ends peacefully	robert wilonsky	2.37
Farewell to motel in 'whites-only' Dallas where Ray Charles, Joe Louis were allowed to rent	robert wilonsky	2.37
Family pleads for destruction of the 'godforsaken house' where a 13-year-old girl was murdered	robert wilonsky	2.37
Total		2.47



Questions?