



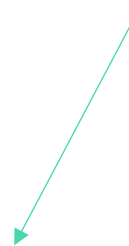
**NEW ZEALAND
MEDIA AND
ENTERTAINMENT**

NZME'S DIGITAL SUBSCRIPTIONS JOURNEY

Carolyn Adams
GM Subscriber Revenue



WE ARE HERE!



Population: **5.27M** | Households: **1.97M**

160-YEAR HISTORY

NZME Newsroom **300+** Expert Journalists
Nationwide Coverage

Digital Subscription Products

 **Herald Premium** **BusinessDesk.**

ZBPLUS
More views on today's news.

VIVA
PREMIUM

Mastheads



















































Our mission

We are here to inform, explain and entertain — reporting without fear or favour, acting with dignity and respect.

Always at the centre of debate, agents of positive change, and unswerving in our pursuit of **truth** for all of Aotearoa



Our journalism

Tell New Zealand's best and most important stories that are engaging and trustworthy

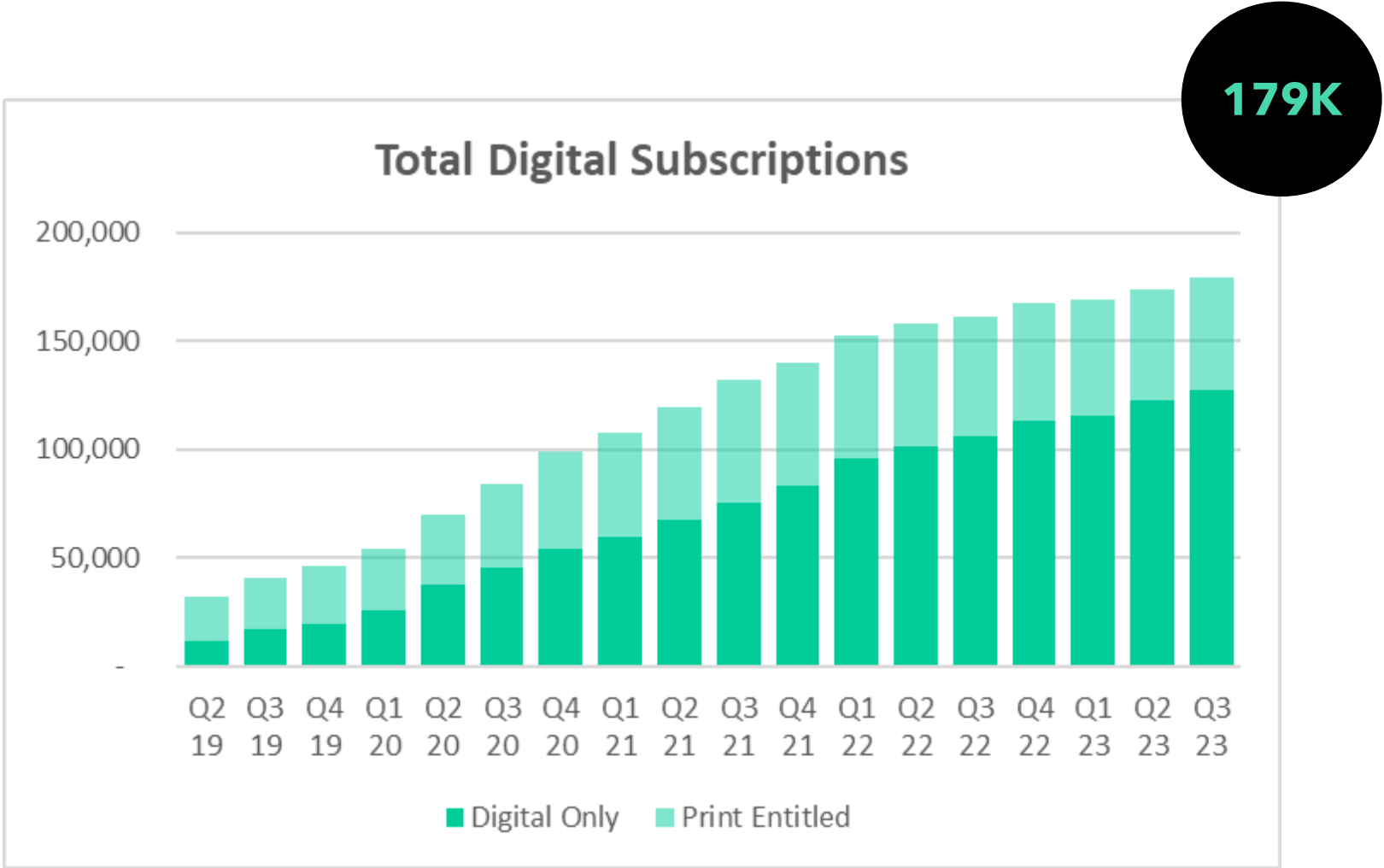
Produce breaking news that is accurate, timely and provides valuable context

We will inspire and champion our communities and be an important advocate on issues that matter

Be a broad church, offering analysis and opinion that challenges thinking and provides a contest of ideas



OUR DIGITAL SUBSCRIPTION GROWTH



Household penetration
of digital only subscribers
6.5%

STRATEGY SINCE LAUNCH

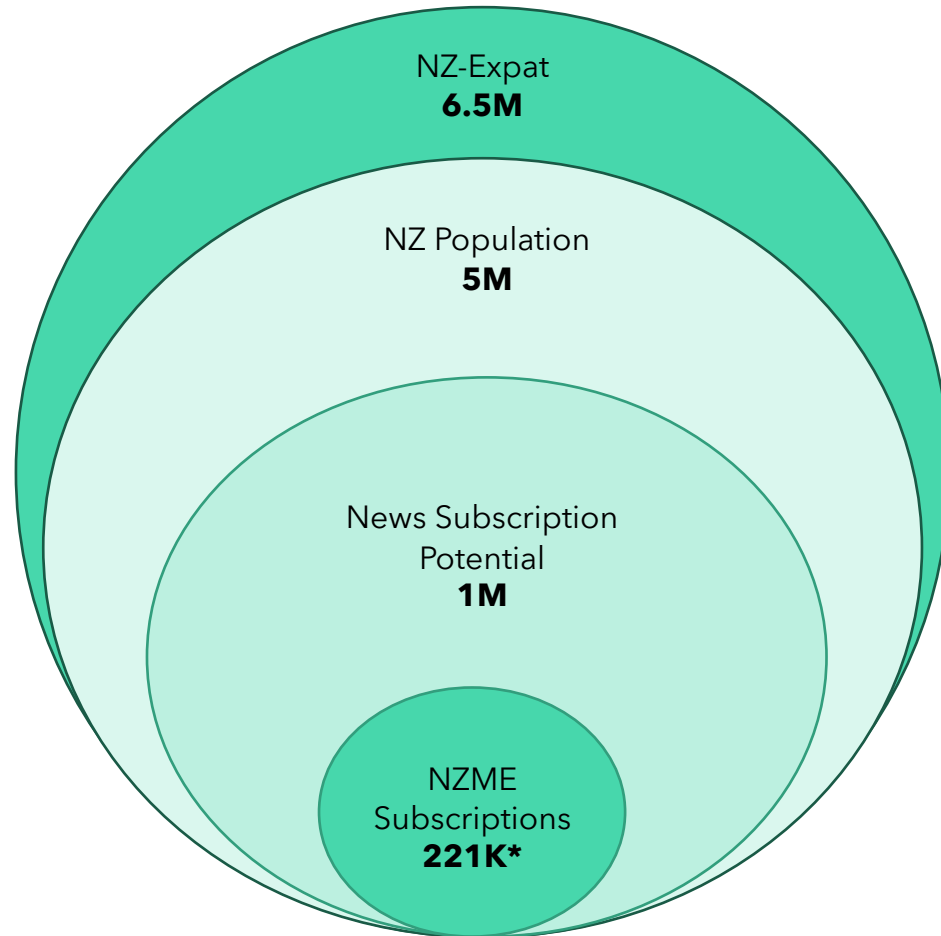
	Introduction 2019 - 2020	Early Growth 2021 - 2023	Scaled Growth 2024 - 2026
Primary Goal	Building viable proposition and solid customer base	Focus on growing volume of subscribers	Focus on growing recurring revenue and optimising volume
Priority Focus Areas	<p>Launch new paywall as minimum viable product</p> <p>Newsroom adapt to change in focus from audience to conversions</p> <p>Marketing and technology lead</p>	<p>Focus on product market fit - expansion into verticals</p> <p>Newsroom have clear view of the types of content that converts and engages</p> <p>Adjust operating model to cross functional squad to manage increased complexity</p>	<p>Technology enhancements to build scalable platform to optimise conversion and yield</p> <p>Newsroom focused on users needs, developing new formats and methods</p> <p>Reinvention of operating model and the addition of new talent and capabilities to focus on execution of reader revenue strategy</p>

CHALLENGES WE'VE FACED

- Digital **advertising** revenue vs digital subscriber revenue
- **Need to balance** volume growth with revenue growth
- Individual vs corporate **subscriber mix**
- Scaling the focus on **retention**

HOWEVER, THERE IS SIGNIFICANT OPPORTUNITY

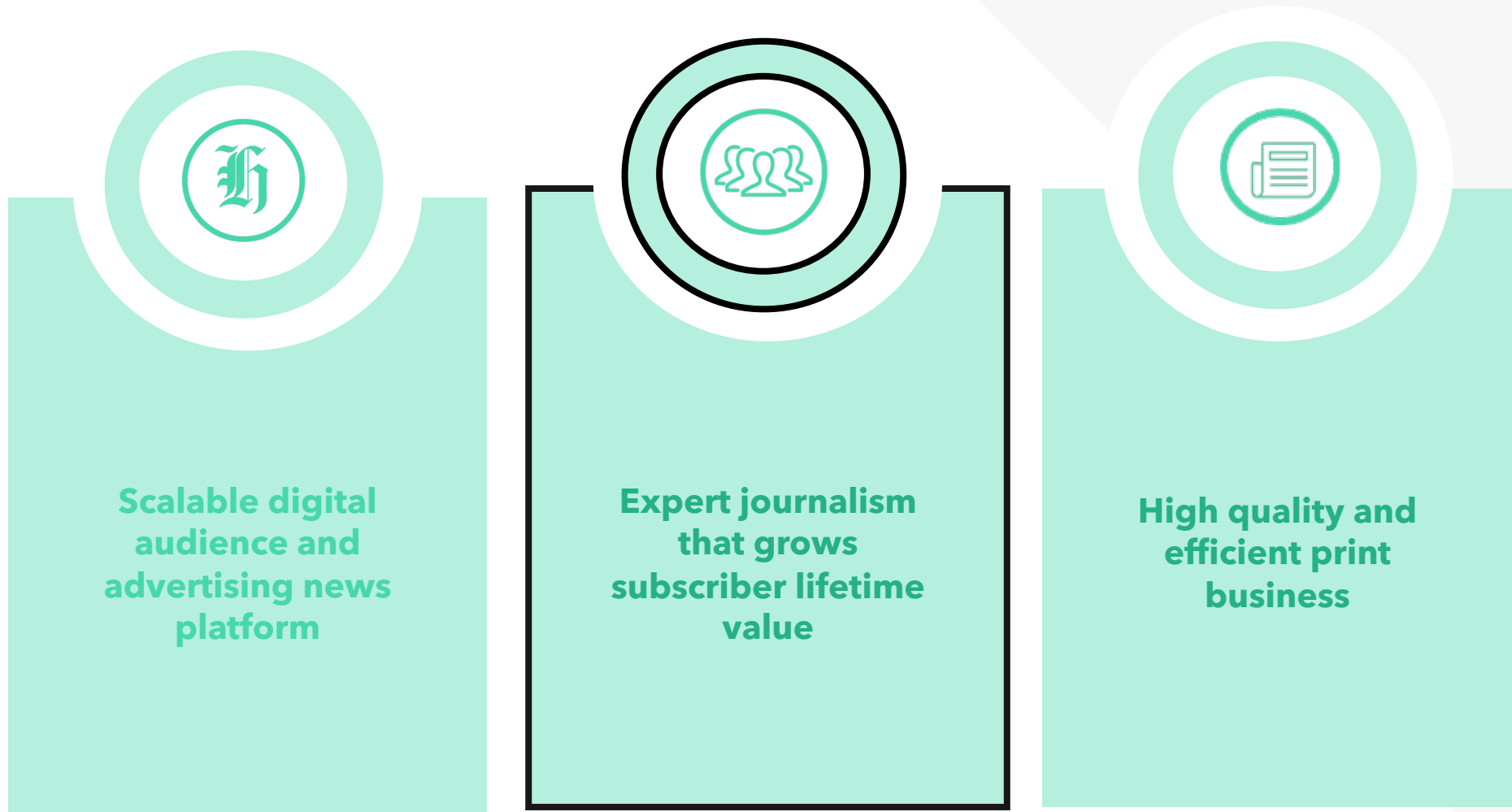
Total Addressable Market



- Sizable addressable market for **news subscriptions** in NZ
- NZME subscriptions now at **221K**
Inclusive of **179K** digital subscriptions
- Opportunity for further growth as **category continues to grow** in maturity in NZ

BECOMING NEW ZEALAND'S LEADING NEWS DESTINATION

There are **three pillars** to the Publishing strategy



WHERE TO FROM HERE?

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BALANCING VOLUME AND YIELD



- **Individuals:** stimulate volume through dynamic offers based on propensity to buy and annual price increases
- **Corporates:** balancing corporate growth with the cannibalisation of individuals by removing 'unlimited user' plans and reducing bulk user discounts



- **Individuals:** monthly and annual prices increased, drive acquisition and retention with annual Wall Street Journal bundle / monthly bundle with Herald Premium
- **Corporate:** lift yield year on year from corporates as user activation and engagement grows

Expert journalism that engages and converts



Restaurant Reviews - Jesse Mulligan
Viva



Media Insider
Shayne Currie



Power List: Top NZ McDonald's owners
Anne Gibson



All Blacks' quarter-final effort against
Ireland was 15 months in the making
Gregor Paul



The Business of Health:
What we learned
Victoria Young



Election 2023 result:
Anatomy of Labour's collapse
Derek Cheng

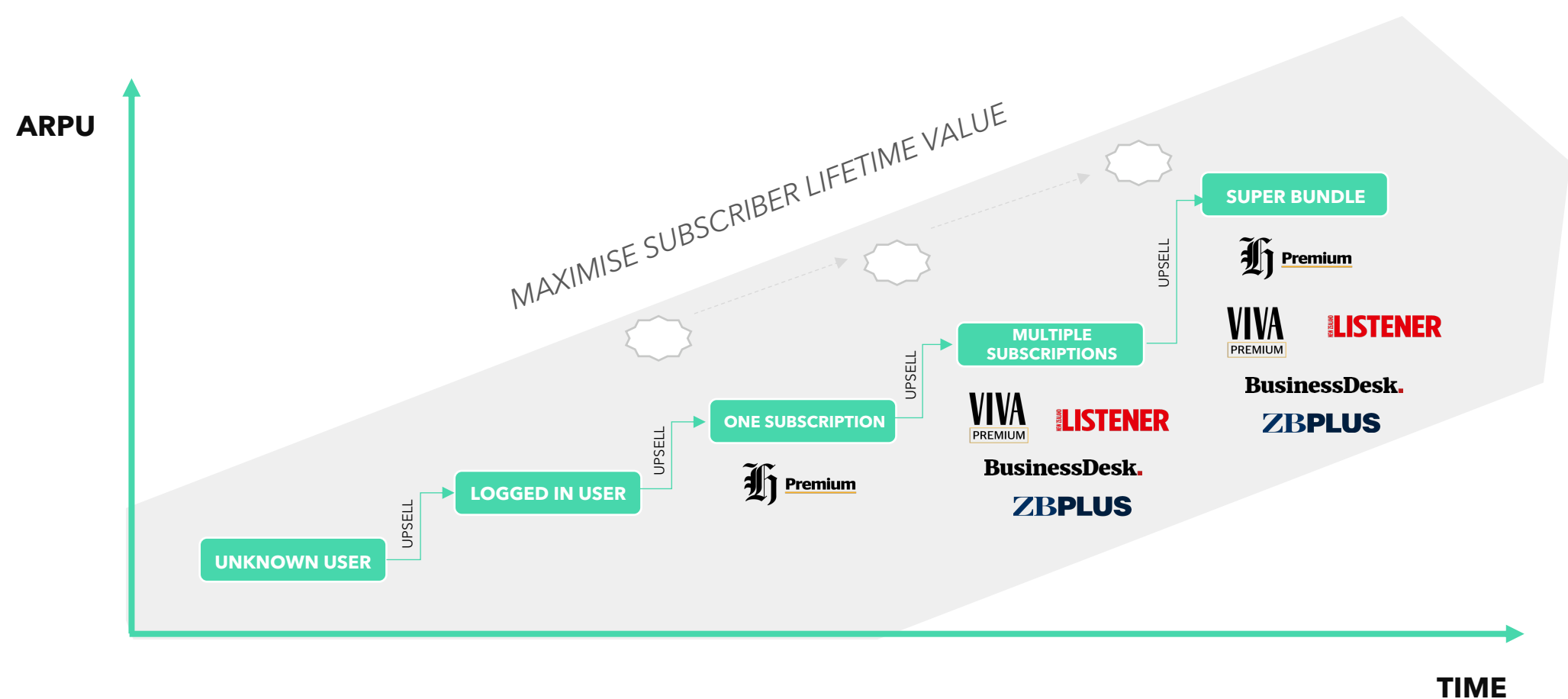


BROADEN THE ADDRESSABLE MARKET



- **Continue to build out** subscription portfolio through build, partner, buy strategy
- **Deliver increased utility and features** to drive value perceptions e.g. puzzles, quizzes, article sharing, live events
- **Introduce new product types** aligned to specific user needs e.g. International, app only, podcasting

OPTIMISE CUSTOMER LIFETIME VALUE



LEARNINGS

- **Journalism** is key
- The need to understand the **impact** of pricing on revenue
- Bringing the newsroom on the journey is critical for **growth**
- Organisational alignment – a move to a **north star** metric
- Technology/Product **investment** needs to be right sized to support growth and retention



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THANK YOU
Questions?