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HS

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How multichannel product strategy boosts Helsingin Sanomat media sales

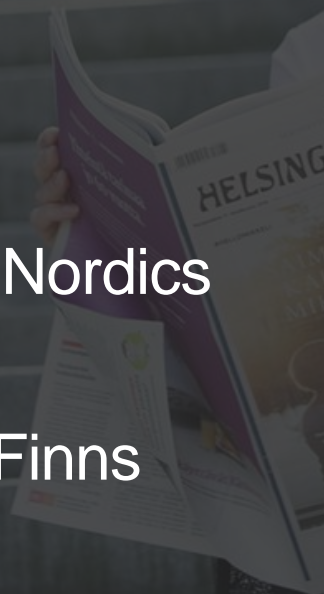
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Helsingin Sanomat (HS) in brief

- Established in 1889
- Largest newspaper in the Nordics
- Print daily reach 680 000 Finns
- Over 220 000 digital subscribers and counting



Executive summary

Background

- As with basically all news media companies, HS has been struggling with decreasing print reach
- Media sales euros have been declining together with print circulation
- Online media sales have not been enough to off-set print sales trend
- From media sales perspective, HS's strengths are e.g. very committed subscriber base in print, and top-of-class online services that are converting online subscribers at an increasing pace

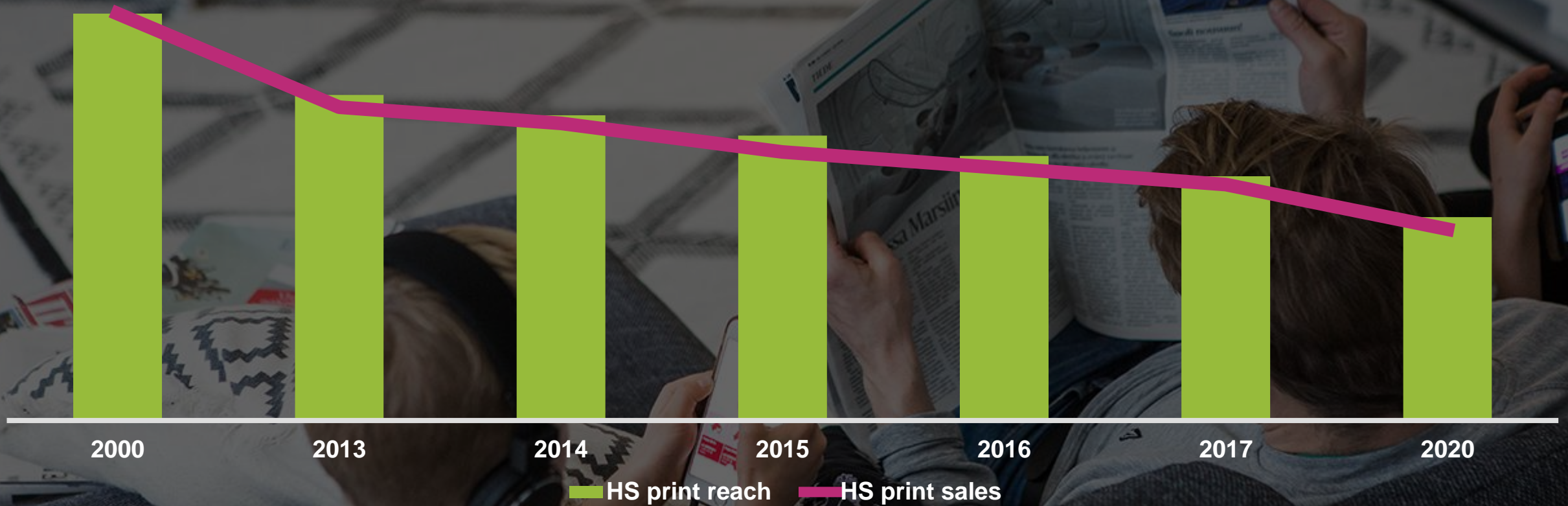
Strategy

- Start selling total HS audience no matter which device or channel they use to read the content
- Stabilize reach combining print and online

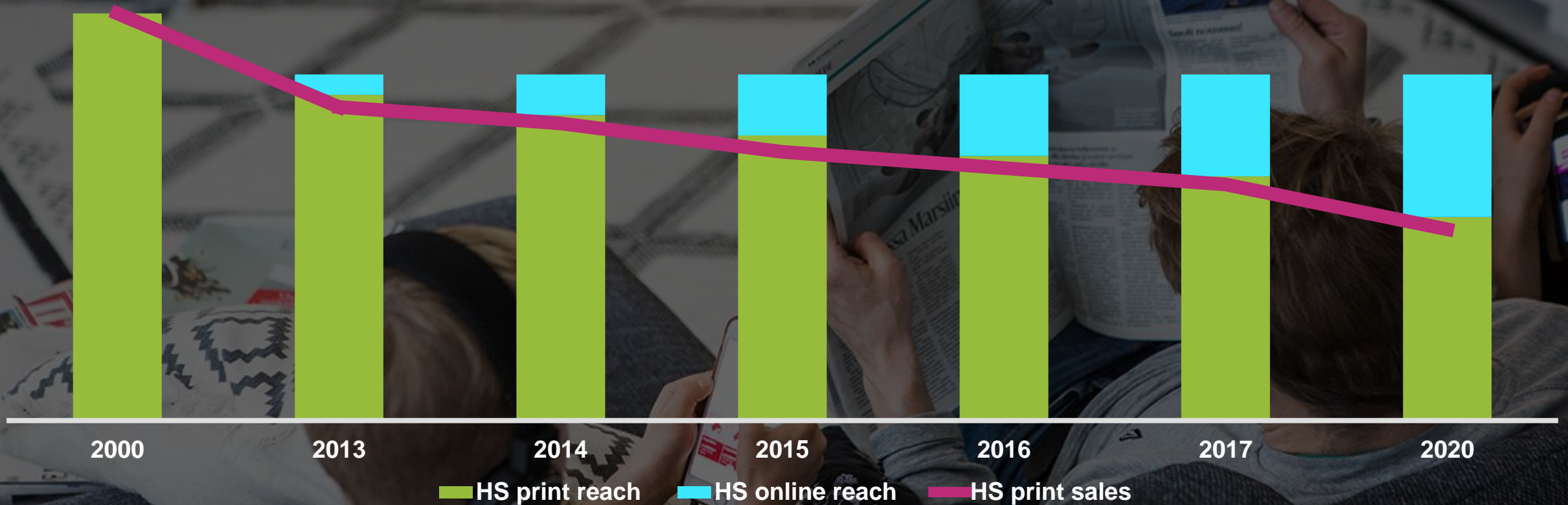
Implementation

- Soft bundle multi-channel front page 2014
- Soft bundle multi-channel full page 2016
- Hard bundle multi-channel front page and full page 2017

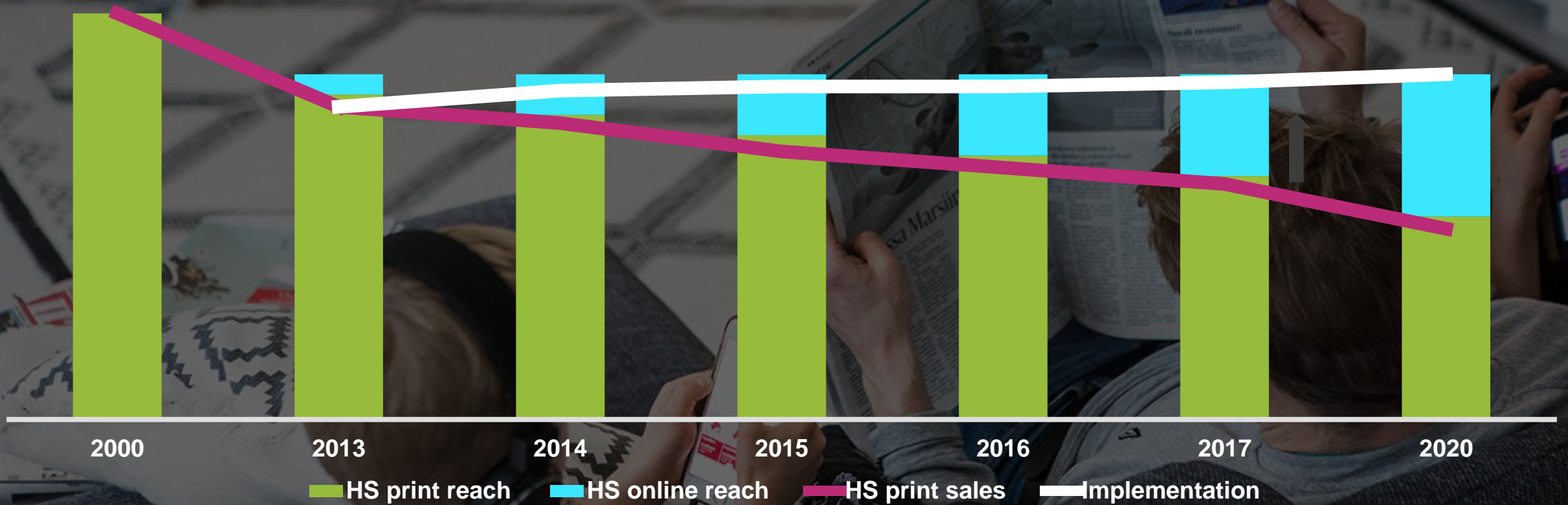
Our print reach and sales followed the same trend



We had to succeed in monetizing our increasing online reach to turn the sales trend



End result: sales follow the total reach development

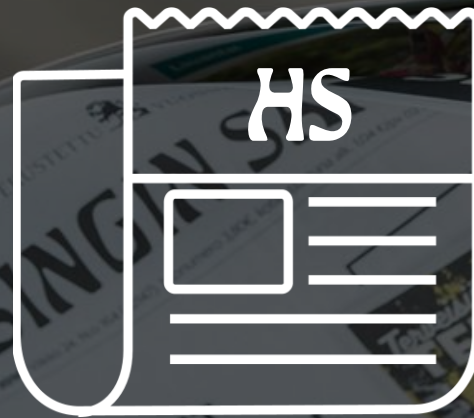


HS ad sales transformation 1889-2018



” Selling print was simple.
Platforms selling was our dark era.
Then we started pivoting back from platforms to audiences.

1889-2000



Print

” All consumers in one channel was very easy to monetize.

2000-2013



Print



Desktop



Tablet



Mobile



We shifted from selling HS audience to selling the device that had the highest hype. Didn't work well.

2014-2017



Cross-screen



We simplified our online buying and started piloting multi-channel bundles. Results were extremely encouraging.

We started shift from platforms to audiences already in 2014

2014

- Multi-channel front page was launched despite doubts from customers and agencies. Front page advertisers in print had the option (soft bundle) to buy online front page.

2015

- 30% of all front pages bought as print + online bundles

2016

- Multi-channel front page was launched as soft bundle.
- 45% of all front pages bought as print + online bundles

2017

- Productization for hard bundle front pages and full pages starts
- 65% of all front pages bought as print + online bundles

2018

- Multi-channel front pages and full pages as hard bundles launched

Productization project was initiated in Q2/2017

Target

All HS front pages and full pages to be multi-channel from 1st Jan 2018 onwards

Key phases

Business case

Approval from HS managing editors

Value proposal together with customers

New online ad modules

Processes

Reporting

Pricing

Marketing

Launch

Road show Nov-Dec 2017
Launch in schedule

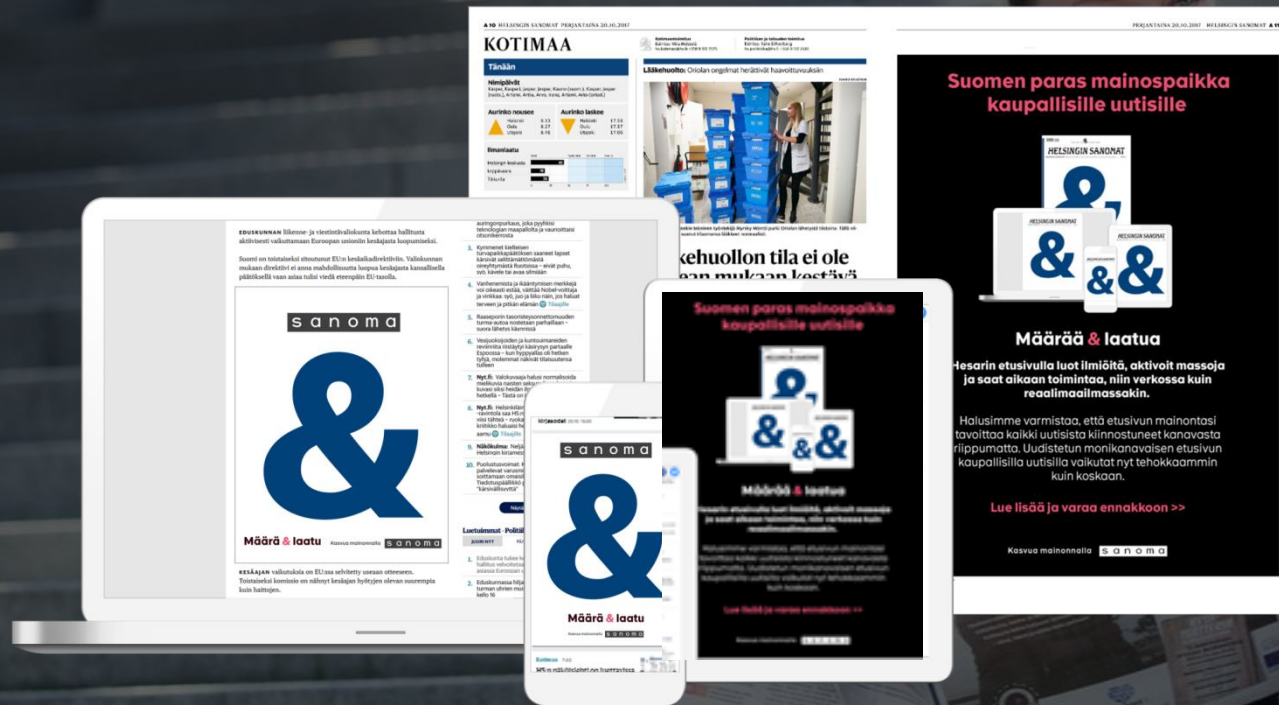
2018 »

Compared to print-only full page:

+18 % **+5 %**
Reach Price

- 2 ad materials: 1 for print and tablet, 1 for mobile + desktop
- Online ads in between articles
- Sold only as multi-channel bundle

We are back selling total HS audience, the way it has always worked out the best.



We returned to the way we have done it for nearly 130 years

1889-2000

Total HS audience

2000-2013

Platforms

2014-2017

Print and/or
online

2018 →

Total HS
audience

From platforms to audiences

Multi-channel ads are more efficient than single-channel ads

+30 %

Interest towards product/service

PRINT 36 %

ONLINE 33 %

MULTI-CHANNEL 45 %

+46 %

Search for additional info

19 %

25 %

32 %

+44 %

Website visits

18 %

21 %

28 %

We have done a lot of research in multi-channel ads. Key findings:

- a) Print and online channels complement each other effectively
- b) Results are even more impressive when consumer sees the ad in many channels instead of one.

Results and roadmap

Our ambitious targets from 2017

+0 %

Volume

+5 %

Euros up

Multi-channel products H1/2018

- Front pages
- Full pages

Multi-channel products pipeline H2/2018

- Spreads
- Half-pages

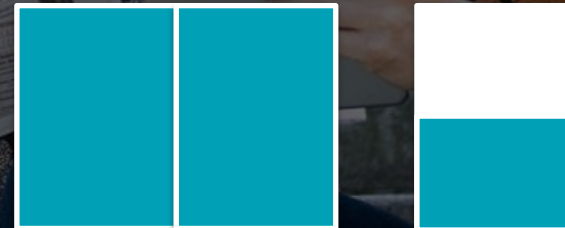
Sales from January 2018 (y-o-y)

+15 %

Volume

+10 %

Euros up



Note: HS full pages are by far the largest single product in Sanoma's news media ad product portfolio

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