

SILVER

Leisure Media and Entertainment
Irish Times - Small Island Big News
PHD Ireland and Owens DDB



ADFX
AWARDS
2018



Company Profile

PHD Ireland

PHD is a media and communications agency that has been built on a culture of thought leadership, creativity and innovation. PHD is committed to delivering dynamic communication solutions with effectiveness at the heart of everything we do. Quite simply, we produce integrated communication solutions that are accountable. PHD is responsible for looking after some of the largest and most prominent brands in Ireland.



Owens DDB

Part of the DDB global network, Owens DDB was established in Ireland in 1959 and is 100% Irish owned. The Agency continues to evolve with the times whilst maintaining its focus on smart, simple creative ideas that deliver results.



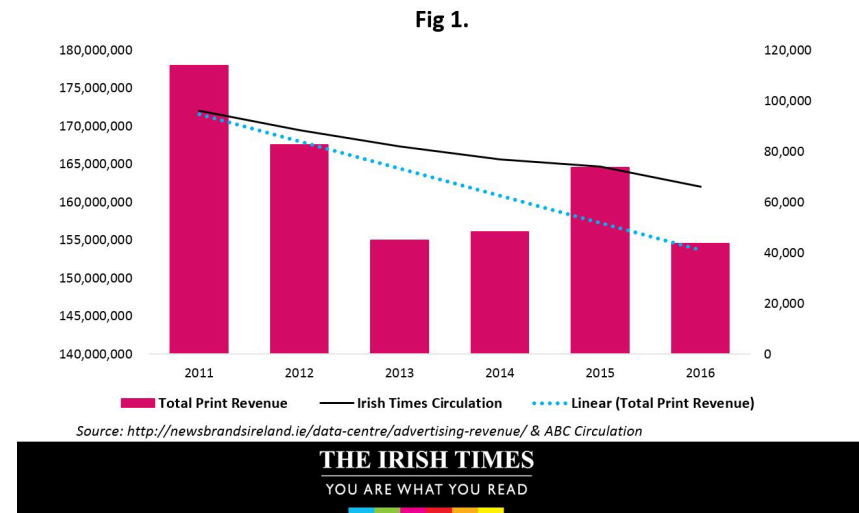
Introduction and Background

'The first guy through the wall, he always gets bloody.'
- John W. Henry

Founded in 1859, The Irish Times is one of Ireland's most prominent news publishers and is generally perceived as a liberal voice in Irish society ^[1]. The newspaper is unique in that it is a Trust, which means that it has no beneficial shareholders and it cannot pay dividends. Importantly, any profits made by The Irish Times must be used to strengthen the organisation either directly or indirectly.

By 2015, The Irish Times faced the same stark challenges as their competitors as news publishing revenue had seen a dramatic decline and total readership had seen a similar downward trend (Fig 1.)

The news publisher category was trading water and many media commentators were keen to exclaim that "Print was Dead". Senior management within The Irish Times recognised that action was needed and concluded that the introduction of a digital subscription service was required to build a new direct to consumer source of revenue.



Introduction and Background

This news channel would complement The Irish Times Home delivery model which was in existence from 2008.

On 23rd February 2015, The Irish Times became the first news publisher in Ireland to launch a full service digital subscription product suite. The risk The Irish Times took cannot be underestimated. They were rolling out an as yet unproven subscription model in Ireland, which had the potential to cannibalise their print revenue by encouraging people to move online. It also had the potential to have an impact on traffic to the website and alienate online users. Success was imperative, not only for The Irish Times but for the news publisher category as a whole. Ireland is a small country with 4,761,865 living in the Republic^[2] and for those within the news / media industry, it is even smaller. Success or failure, all eyes were on The Irish Times and their digital subscription service.

This case study is a story of how The Irish Times took a stance and changed the news publisher category in Ireland forever. This bravery - combined with a smart and powerful communications strategy - led to them achieving the **highest amount of paying readers** since its inception in 1859.

[2] *Census Data, 2016.*

[1] *Brown, Terrance (2015). The Irish Times: 150 Years of Influence. Bloomsbury. p. 448. ISBN 9781472919069*

Marketing Objectives

It is important at this point to note that all detail within this case will cover the period from 1st January 2016 to 28th February 2018. In 2015 our paid communications were focused on the brand building “You Are What You Read” campaign. This did not contain any reference to subscriptions or utilise any ‘subscribe’ call to action. Our ATL communication objective for 2015 was to change consumer perception of the brand and to make individuals value The Irish Times. As such, 2015 has also been excluded from our Results section and within the calculation of our ROMI.

Commercial Objectives:

- Increase the number of digital subscribers with a five-fold increase by December 2018.
- Subscriptions must increase consumer revenues.
- Subscription targets must not compromise online readership / traffic.

Marketing Objectives:

- Build awareness of new The Irish Times digital subscription service
- Explain a complex and new product to consumers
- Attract potential subscribers into our sales funnel
- Convert this attraction into sales
- Retain subscribers by ensuring that monthly churn rates were managed well below the industry norm

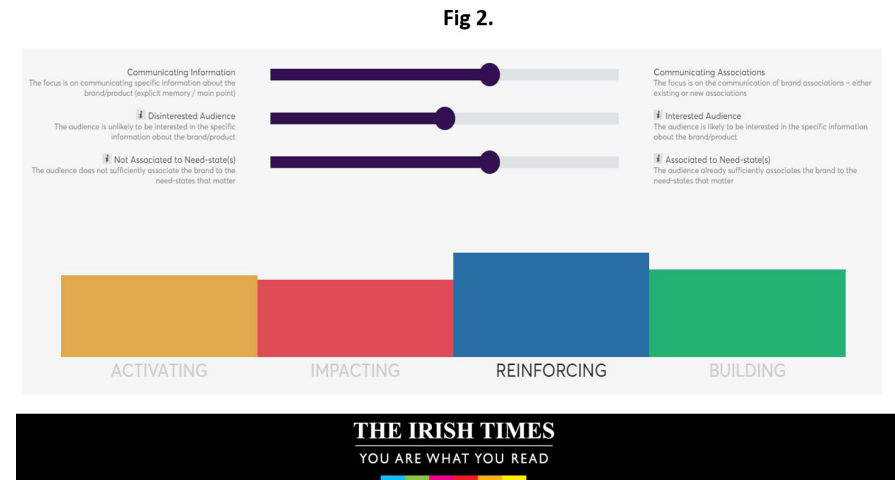
Marketing Objectives

Role of Communication:

In an age where consumers increasingly expect something for nothing, we needed to justify a website that limited the number of articles you read. As such the objectives within our role of communication were two-fold:

- Build on the 2014 brand re-positioning “You Are What You Read”
- Elevate The Irish Times as the go-to online source of news and quality journalism; to be as worthy in the publishing space as Netflix is in the content space.

To define the role of our communications, we utilised PHD’s planning system SOURCE at the early planning stages, as agreed between media agency, creative agency and client. We knew that we were communicating associations, further cementing the “You Are What You Read” platform. We knew that consumers were likely to be interested in ours. We knew that quality journalism was associated with The Irish Times. PHD’s planning system SOURCE helped us identify that **our role of communications was REINFORCING.** (Fig 2)



Marketing Objectives

The priority was to reinforce existing brand associations and therefore the focus was for a strategy which could refresh existing memory structures.

The Task

In being the first, news organisation to launch an online digital subscription service in Ireland the task ahead could not be underestimated.

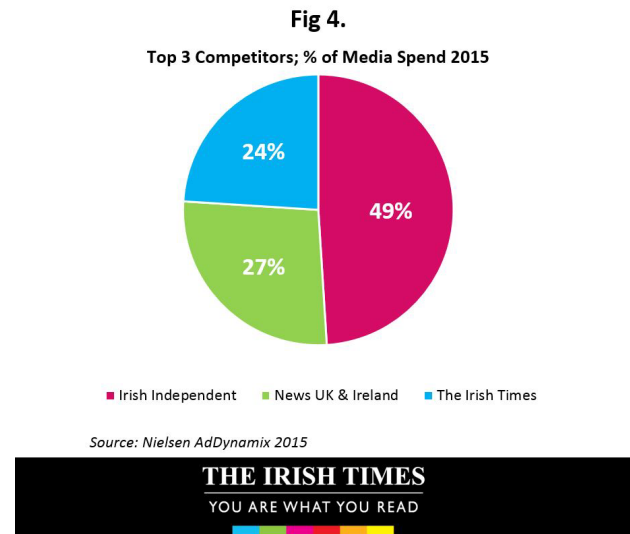
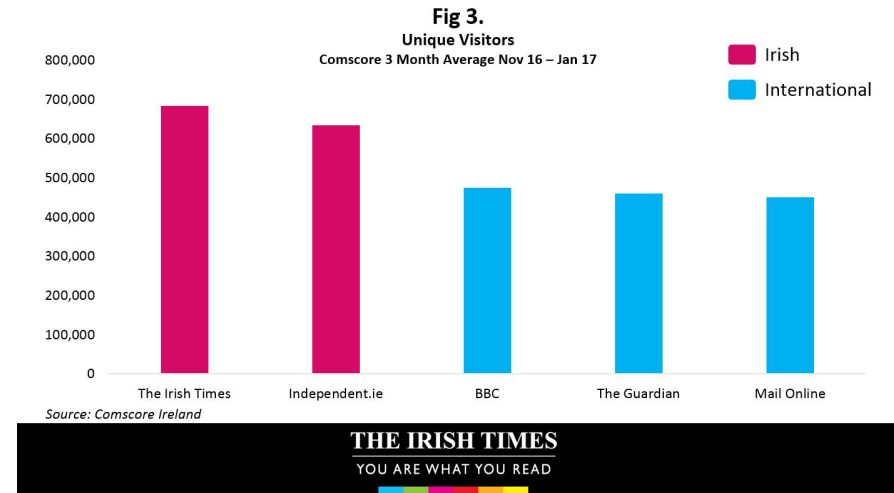
1. Diverse and Vast Competitive Set:

The Irish Times faced, and still faces, a striking market challenge in that their competition is based both domestically and internationally. Comscore tells us that out of the Top 5 News websites in Ireland, three are International (*Fig 3*).

For a small market where the News publisher category accounts for only €6,351,209 of media spend[1], we were up against the massive global publishing powerhouses.

2. Budget Efficiencies:

Ahead of our campaign launch in 2016 we knew we faced a stark SOV challenge. Looking at 2015 Nielsen data (*Fig 4*) we knew that our traditional newspaper competitors were spending more than us on promotion. We knew that we could not justify increasing our media budget in the face of an un-proven subscription model for news in Ireland.

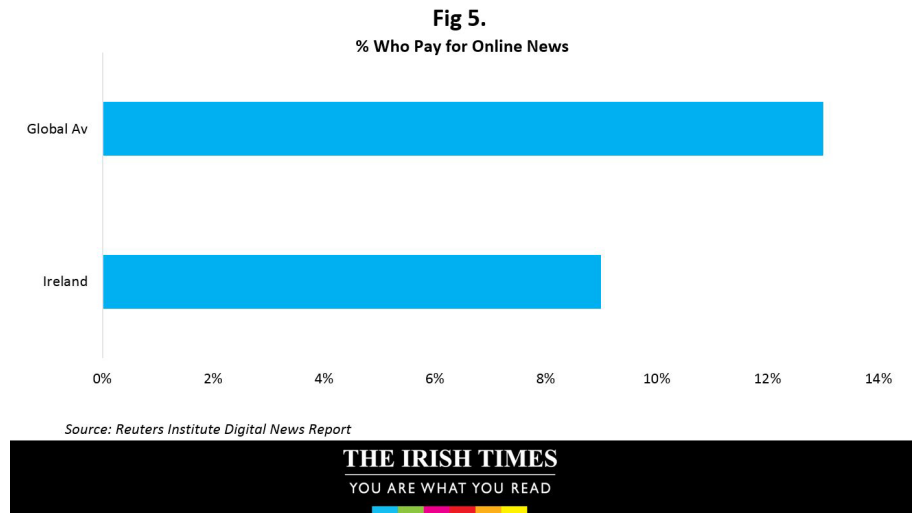


The Task

3. Convincing consumers to pay for news:

We were up against a consumer mind-set that if we launched a digital subscription service, then users could simply go elsewhere for their news. Ireland in particular is behind the global average for usage of online subscriptions (*Fig 5*), and as such, it would be hard to create a new behaviour with limited budget. This meant the task ahead was behavioural in that we needed to change habits in relation to online news consumption.

[1] Nielsen AdDynamix 2017



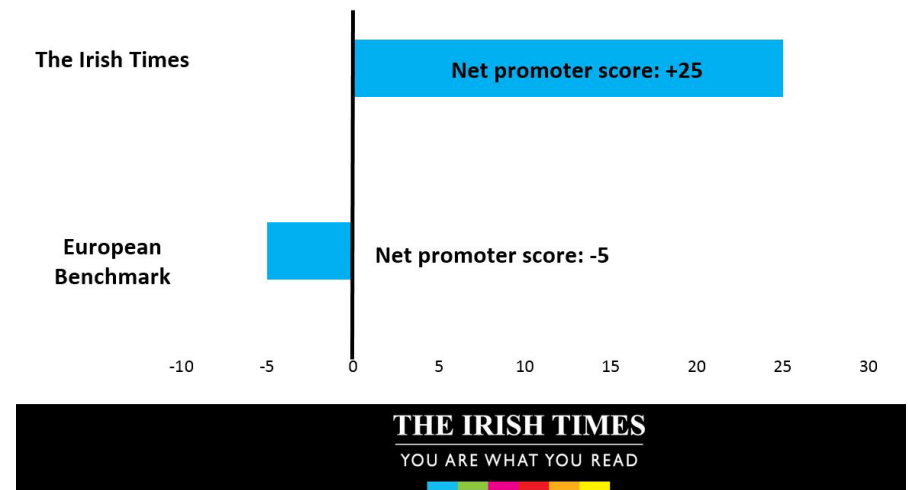
The Strategy

Quality news journalism is not free to produce. However, consumers were used to reading news online free of charge. Often when something is free, people don't value it as much as they should. To attract subscribers, we needed them to value The Irish Times.

In 2016, the previously developed brand strategy of "You Are What You Read" was awarded Gold at ADFX. It was this insight and strategy that still guided us from 2016 to 2018.

To launch the service, we refocused our strategy on the insight that Irish Times writers are what sets the brand apart. We focused on the **Reader as the Consumer**, knowing that consumers were starting to place more value on The Irish Times and on quality journalism (*Fig 6*). We needed them to **act** on this brand perception and **purchase an online subscription**.

Fig 6.
2015 INMA "Trust and Value in Newsmedia" Survey



The Idea

Our idea was to build an effective strategy on the foundations of a solid communications platform based on a core truth: You Are What You Read.

We placed The Irish Times, its integrity and quality journalism at the core of every communication, every creative asset developed, and every medium selected for our communications strategy. We used their content in our communications to drive subscription sales. In both PHD and Owens DDB, we believe in the power of communications and have seen, through the years, how it can change the course of a brand. For us failure wasn't an option. We needed a sound, clear and strong communications architecture that would lead us to success and would protect the future of a critical news publishing voice in Ireland.

Taking our strategic approach, we created a framework to clearly guide us to our digital subscribers target. (Fig 7)



The Idea

With the stakes so high and with many an industry eye on our next move, it was absolutely vital we had a simple and clear strategy that would guide us throughout the next 3 years. With this in mind we formed a strategic framework that directed our communications throughout 2016 to 2018 to date. The approach was to create: **A Digital First News Organisation.**

Throughout 2014 and 2015 our communications had successfully sought to halt the decline in Print readership for The Irish Times.[1] We now needed to move consumers' perception of The Irish Times as a leading print publication to a leading digital news website, to think of The Irish Times not as a Newspaper but as a News Publisher. It was imperative that in order to reach our subscription target over the next 3 years that we get the older more press-loyal demographic to purchase an online subscription without halting their print purchasing habits. It was also imperative that we start to recruit the younger audience to protect future revenue. In targeting users online through advertising, many brands would typically take the core campaign visual and execute it through paid online channels. The brand would then direct users, through a CTA, to the destination and online content. Our approach was to invert this and take the content we were driving people to and use it as our advertising. Our approach was to firmly place The Irish Times and their digital content at the heart of our online communications. Through targeting capabilities, we could target people with Irish Times content and articles we knew they would be interested in, and as such, increase their chance of subscribing.

The Idea

Creative Strategy and Use of Channels

The award-winning work we had carried out with The Irish Times to develop the communications platform 'You Are What You Read' throughout 2014 provided fertile ground to converting readers to digital subscribers. There were effectively three strands to our communications strategy.

1. **Mobile Platform:** Inform consumers of The Irish Times mobile presence on both web and app.

2. **Bespoke Campaigns:** When the occasion arose, bespoke campaigns were developed to target key audiences for conversion or to promote specific offers to make a digital subscription to The Irish Times even more attractive (e.g. a dual subscription offer with National Geographic).

3. **Tactical:** Leverage current news stories and content with an Irish Times angle to drive traffic to site and therefore, increase subscriptions.

Throughout each of the above strands, our communications were rooted in our key competitor advantage, i.e. what The Irish Times is known for: **its quality journalism.**

The Idea

1: Mobile Platform

Our Creative Strategy:

The Irish Times had re-worked the mobile site to make it more user friendly with improved loading times. In parallel they also re-developed their news app. Both developments presented an opportunity to create a campaign which highlighted these product enhancements.

We were keen to keep the journalists at the heart of the story, in keeping with the 'You are what you read' brand campaign but realised that the advantage of mobile was simple - you can access it anywhere, any time. It was this nugget that we brought to life with four AV executions that could run on broadcast, VOD and social. On each occasion a journalist was depicted (Fintan O'Toole; Miriam Lord; Patrick Freyne; Suzanne Lynch) working "on the spot" on a story. A camera transition was then deployed to reveal the consumer engaging with the content "on the spot" wherever they were. It was **a simple mechanic to reveal a powerful truth** - great journalism is just a touch away.

The Idea

Our Use of Channels:

AV, with its brand building and DR driving abilities (*Fig 8*) formed the backbone in the execution of this communication strand. With AV as the lead medium and 4 creative executions to deliver equally our focus within this campaign was delivering on 1+ Reach. We needed as many people as possible to know that The Irish Times was the online destination for engaging and informative content, anywhere and anytime. High impact digital display was used in tandem with AV to further support and embed the visual message of the higher reaching, AV element.

Fig 8.



Source – Ebiqity & Gain Theory 2017



The Idea

2: Bespoke Campaigns

Our Creative Strategy:

UK Migration

A great example of a bespoke campaign for a key audience came about when The Irish Times took another brave decision; they decided to convert (loss making) mainland UK print readers to (profitable) digital subscribers. This was managed on a three phase basis: Awareness | Value | Conversion. This was a multi-channel campaign run over 3 months. For each phase of the campaign, dedicated advertising was generated to meet the objective. When pushing awareness, we focused on making people aware of the quality of irishtimes.com. For value we focused not just on price comparisons but depth of content. When it came to conversion we employed a number of signals such as 'countdown' icons to prompt action from the consumer.

The result was that The Irish Times converted its entire print base in the UK to digital subscriptions. This, in turn, contributed to build its significant paying international subscriber base.

The Idea

National Geographic Partnership

A further example of a bespoke campaign to promote subscriptions was National Geographic. This was a unique offer where The Irish Times offered new Premium Digital subscribers a dual subscription to National Geographic. The creative challenge was to balance two powerful and distinct brands in our advertising. Our solution was to juxtapose the famous imagery from the latter with crowd-sourced local Irish imagery. We then used National Geographic's yellow border device. At the time of writing, the campaign was still in progress but results are very positive with an 11% lift in YoY Premium Digital sales.

The creative work for both the 'UK Migration' and 'National Geographic Partnership' contributed to The Irish Times exceeding their targets for each campaign. Furthermore, working with The Irish Times we managed to explore areas which our competitors were not engaging. We advised The Irish Times to re-think their email marketing. We stripped out all their traditional content and simply left the reader with a clean image and piece of copy with a call to action. The effectiveness immediately improved and is a model we continue to adapt and test.

The Idea

Our Use of Channels:

We used Commuter outdoor advertising to supplement both the 'Mobile Platform' and 'Bespoke' campaigns. We knew it would be the perfect environment to push the mobile presence of The Irish Times, and its digital subscription offering, as daily commuters pore over their smartphones.

3: Tactical

Our Creative Strategy:

2017 brought about seismic changes to the political and social landscape both at home and abroad. Perhaps the most pertinent issues that arose were "Brexit" and "Fake News". In both cases, The Irish Times was perfectly placed to capitalise on these news agendas. For "Brexit" we came up with a number of social media and event-related collateral, which dramatised the role The Irish Times, would take in reporting on the implications of the referendum and the subsequent result.

"Fake News" was naturally a thorny issue for many but this news organisation was uniquely placed to promote its credentials.

The Idea

We focused on The Irish Times Trust ownership, on the values inherent in the objects of the Trust, and on the integrity of its journalism. We created a stark art direction style that let the copy do the talking with simple lines - **'Real News has Value', 'Facts have no Agenda' and 'Truth Matters'**.

Our Use of Channels:

Within this communications strand, our use of channels had two distinct strands.

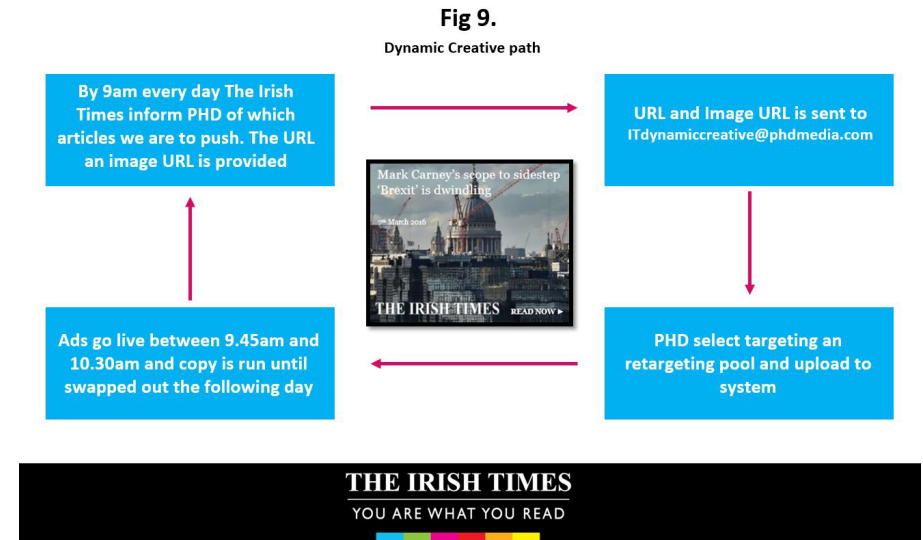
The Dynamic Content Tool: The first element forms the backbone of this communications strand. Having been first rolled out as a test for 3 months it, **has now been running for a total of 26 months and there are no signs of its success abating**. This hugely successful channel utilised The Irish Times' best asset: its content. Every day we selected a specific news story, based on its velocity, and served it out programmatically for 24 hours through the use of a Dynamic Content tool. Each day, and with each story, our targeting changed accordingly. Business stories were targeted to those interested in Business and those who had visited the Business Hub on The Irish Times digital platforms in the past 30 days. If a user then converted from our Dynamic Creative ad, they were excluded from the targeting pool. The creative is dynamically pulled through from the image used within the applicable story. The article headline was used as text on the assets.

The Idea

Containing a strong CTA, this channel is one of the fundamental pillars of the success story that is the Irish Times Digital subscription service (Fig 9).

Fact Campaign: **Secondly**, to support the “Facts” campaign which sought to leverage the rising tide of the fake news agenda, our channels were primarily focused on targeting those most likely to convert online. Using information on The Irish Times’ print reader demographics, we knew we should target Commuters in Dublin and the Commuter Belt. Utilising commuter outdoor formats across Luas, DART and Dublin Bus, we negotiated a long-term deal that allowed our creative to be rotated, over the course of 7 Cycles. This way, we avoided wear-out. The Outdoor visual were further supported through a Prospecting and Remarketing Programmatic campaign that sought to convert the awareness generated through Outdoor.

[1] *The Irish Times ADFX 2016, You Are What You Read: Combined sales print and digital edition, up 2.2% 14 vs 15*



The Results

To prove effectiveness and success we will propose three questions and emphatically prove the answer to each question is yes. These questions are:

- Did we deliver a successful campaign, as judged by campaign metrics?
- Did we deliver on our Objectives?
- Did we deliver a proven Effective Communications Strategy?

1. Did we deliver a successful campaign, as judged by campaign metrics?

YES.

Delivering a successful campaign is not just a matter of spending more budget and hoping that the subscriptions would come. Instead, with a core truth at the heart of our communications strategy, we were able to harness quality journalism as the motivation to subscribe. Using analytics from The Irish Times, which **does not** include any data for Offline Media, we observed that Dynamic Creative Programmatic campaigns delivered, on average, **17% of total trackable online subscriptions.**

The Results

A further measurement of success is looking at traffic and visitor metrics to The Irish Times website. These rose to new heights from 2016 onwards. (Fig 11)

Discounting Factor:

The success of subscriptions cannot be attributed to increasing our online spend for the reasons outlined below:

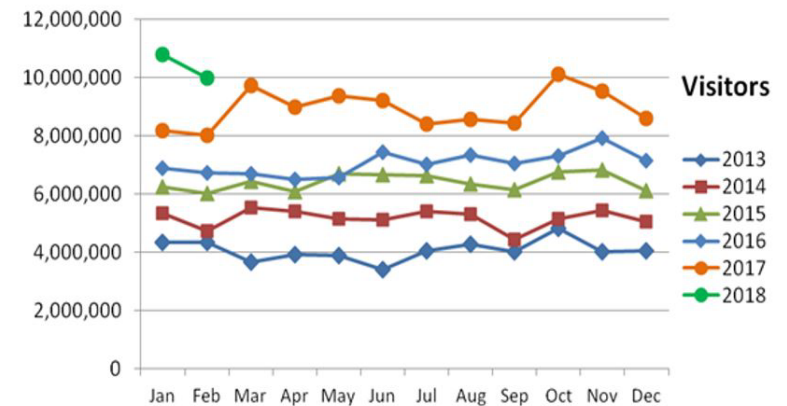
1. In 2016 there was a YoY increase in our online media spends. However, this increase is on track with category trends. where IAB Ireland reported a 31% increase for total adspend in Ireland. The Irish Times' increase was actually significantly below that level.
2. In 2017, The Irish Times saw a decrease in online media spends. This decrease can be attributed to a move towards more cost efficient programmatic channels

2. Did we deliver on our objectives?

YES.

To prove this, let's revisit our outlined objectives.

Fig 11.
Irish Times All Platforms



Source: IrishTimes.com Analytics



The Results

Commercial Objectives:

Ultimately subscription sales were our aim and subscription sales are what we delivered. With our objective set over a 3-year period we managed to hit it 10 months ahead of schedule and have now exceeded the set target by 19% (Fig 12).

The Irish Times now has more readers than it did at the height of its circulation peak in 2007 (Fig 13) 2018 data has been excluded from the below chart as data was not available.

Marketing Objectives:

With this target, a 10% churn rate has been quoted as the “magic rate” by McKinsey. A testament to The Irish Times subscriptions strategy, and the success and strength of our communications strategy, is the current average monthly churn rate for The Irish Times is substantially lower.

Fig 12.
Subscriptions Volume per Year

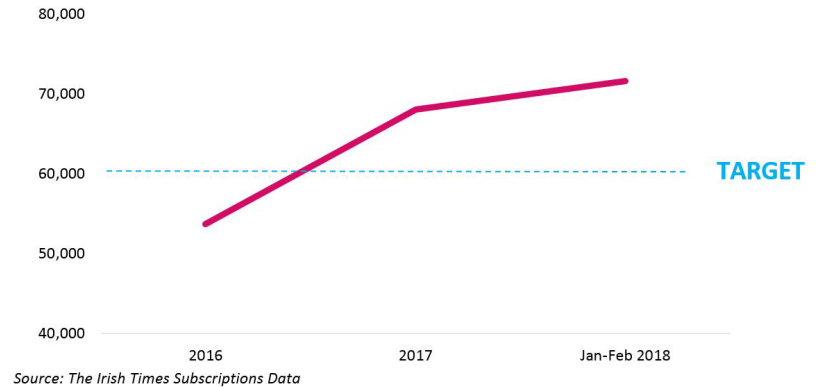
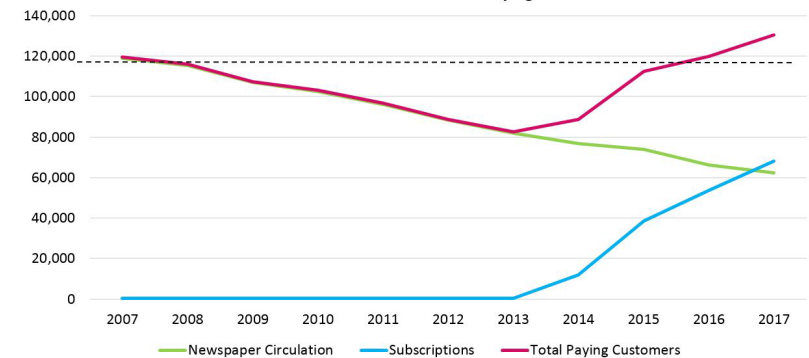


Fig 13.
Peak Circulation 2007 vs Total Paying 2017



The Results

3. Did we deliver an effective communication strategy?

YES.

Hitting our objectives and delivering over the total subscriptions 10 months ahead of target is a feat in itself, but we will now prove to you that we did this effectively and delivered a **ROMI of €4.26**.

First, we have based our Incremental Revenue off the Incremental Subscriptions Generated each year, while also allowing a time factor to each year, accounting for the carry over.

Next, to calculate a return on media investment (ROMI) from 2016 - February 2018 we have included 100% of media spend, 100% of production and have also included costings for in-house advertising that would have run free of charge.

In order to figure out our ROMI we need to next apply a base to our revenue figures. Without Econometrics Research, we have relied on a benchmark from Annalect, Omnicom's Data Agency. This benchmark, as provided by Annalect and based off global Econometric research, applies a 20% base to the Newspaper and Media category.

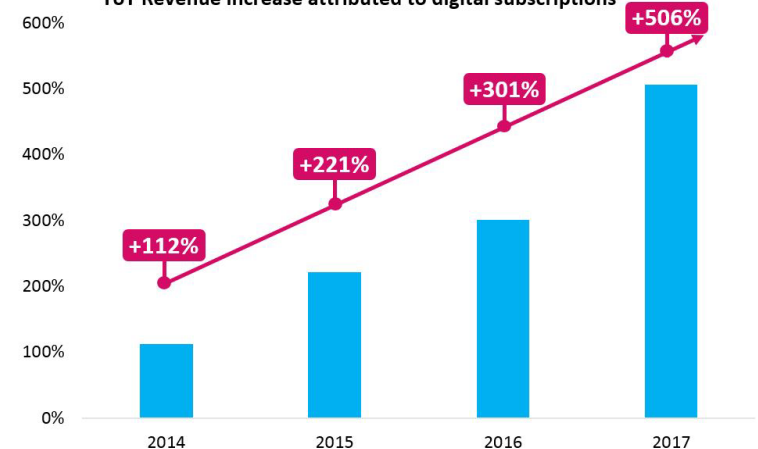
The Results

With our base at 20%, our total investment at over €1.2m and our incremental Revenue figure we can work out our **ROMI to be €4.26.**

For the purposes of calculating our ROMI we worked off an average subscription value, as demonstrated above. To further prove the impact of this success for The Irish Times we have indexed the YoY % increase of the actual revenue attributable to digital subscriptions (*Fig 17.*)

To further sense-check our workings, we have taken the IPA awarded Economist case study from 2016. In their case study, they were able to attribute a 38% uplift in Year 1 vs Year 2 to their campaign (*Fig 18*). If we use this global benchmark as a sense check for our figures, and look at our uplift from 2015 to 2016, as measured off the average revenue per subscription (previous referenced *Fig 15*) our uplift can be measured as 39% (*Fig 19.*)

Fig. 17
YoY Revenue increase attributed to digital subscriptions



Source: The Irish Times Revenue

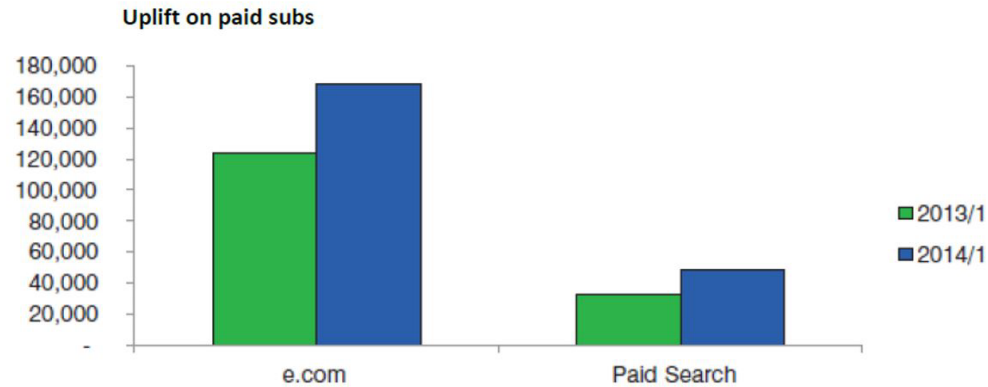


The Results

Fig 18.

The Economist: Raising Eyebrows and Subscriptions

Institute of Practitioners in Advertising, Gold, The Channon Prize for Best New Learning, IPA Effectiveness Awards, 2016

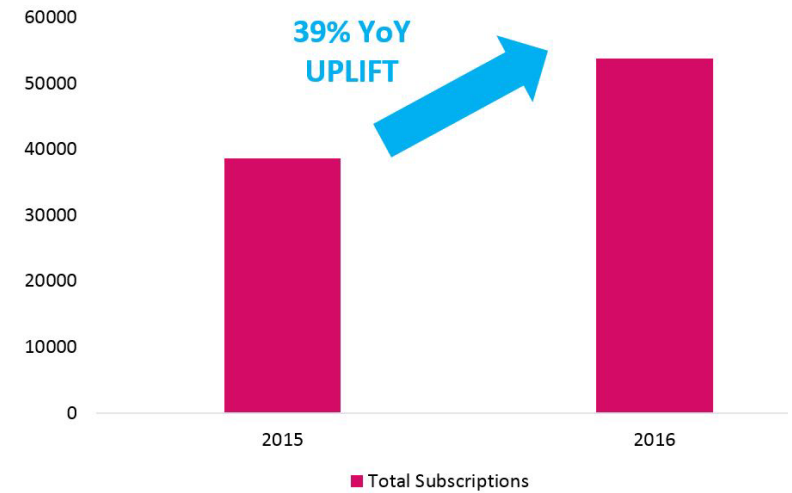


Source: *The Economist*; Adobe response tracking



Fig 19.

Uplift as measured off the average revenue per subscription



The Impact

When The Irish Times launched their digital subscription service in 2015, they heralded a change for the news and publishing landscape in Ireland. Since paving the way, two key competitors have come to the digital subscription service market. Times Ireland has since launched a digital subscription service and the Irish Independent is tipped to launch their digital subscription service in 2018. More will follow.

Aside from the business success of this subscription strategy, there was also a consumer impact. In launching our campaign in 2016, consumer take-up of news subscription services in Ireland was low and the odds were stacked against us. Having reached our subscription target 10 months in advance and the continued success of The Irish Times digital subscription service demonstrates that we have indeed changed the online behaviour of consumers. The subscription economy is now an accepted norm in the news publishing and digital content world.

Through this subscription campaign, we have recruited a whole new younger demographic to The Irish Times. Typically, a newspaper considered and bought by the older, 55+ demographic, the vast majority of their online traffic now comes from the 18-45 demographic.

New Learnings

This campaign is a testament to having the bravery to jump into the unknown. It is a testament to the team in The Irish Times having a long-term vision not only for their brand, but for the Publishing industry as a whole.

This Subscriptions campaign flipped the narrative on the Publishing industry in Ireland and changed it for the better. It also flipped the narrative on the typical campaign structure, putting The Irish Times content at the heart of our communications.

A powerful learning for us, and something that each company involved has taken forward, is that sometimes having the confidence and bravery to wade into unknown waters pays off.

Summary

If you were given the choice, would you pay for something, that up until this point, you had received for free?

This is a powerful story of how, against the rising tide of fake news mania and print revenue decline, The Irish Times bravely took a stand for quality journalism and successfully turned their newly launched digital subscription service into a future-proofed and viable revenue generator. It is a story of how, through the power of communications we halted the decline of a newspaper and delivered a **ROMI of €4.26.**