Inland Press Association's

Publisher Benchmarks

Ohio Newspaper Association

Mather Economics LLC

September 29, 2014



Mather Economics Overview



Mather Economics – Firm Overview

- Founded In 2002; leading practices in applied microeconomics
- Extensive experience in price optimization for subscription services
 - Pricing strategy & analytics: Market based pricing process
 - Customer profitability & customer lifetime value (CLV)
 - Marketing effectiveness
- \$4 billion in subscription revenue under management
- Data on 30 million subscribers received weekly
- Additional suite of economic services
 - Predictive Modeling & Forecasting
 - Econometrics: digital and print advertising
 - Market Analysis
 - Digital Analysis: meter optimization, paywall strategies, web advertising yield
 - Industry Benchmarking
- 30 Employees and 10 academic affiliates



Mather Economics – Publishing Experience

Locations of Mather Clients in North America

Mather Economics has advised over 450 publishers in North America, including 36 of the top 50 and the largest media holding companies at the corporate level.



Locations of Mather Global Clients

Include Publishers in: Toronto, Ottawa, Montreal, Vancouver, Halifax, Calgary, Edmonton, Windsor, Sydney, Melbourne, Auckland, Helsinki and Tampere, Finland.





Mather Economics – Publishing Experience (current and former)

Publishing Holding Companies

- Advance (8)
- Belo (3)
- BH Media (29)
- Cox (4 papers)
- Gannett (80)
- GateHouse (18)
- Journal Register (16)
- Knight Ridder (5)
- Landmark (4)
- Paxton Media (28)

- Lee Enterprises (30)
- McClatchy (30)
- Media News Group (25)
- Morris Communications

 (12)
- Post Media (10)
- Sun Media (30)
- Scripps (13)
- Swift (9)
- Tribune (6)

Individual Publishers

- Akron Beacon Journal
- Columbus Dispatch
- Houston Chronicle
- Little Rock Democrat Gazette
- Kenosha News
- Minneapolis Star Tribune
- New York Times
- Orange County Register
- San Diego Union Tribune
- St Petersburg Times
- Toronto Star
- Wall Street Journal
- Many others....

















- Newspaper Publishers
- Cell Phone Service Provider
- Instant Lottery Game Manufacturer
- Leading Fast Food Chain
- Global Competitive Energy
- International Hotel Company
- Electric Utility & Power Coop
- Wholesale Automobile Digital Exchange
- Internet-based OTC Commodity Exchange

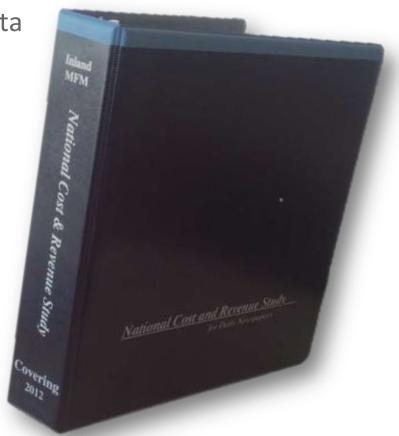
- Food Ingredients Digital Exchange
- International Meat & Poultry Digital Exchange
- Cable Television Companies
- Temporary Staffing Agency
- Large Hospital
- Telecommunications Company
- Multinational Financial Services Firm
- Satellite Broadcasting Company
- Magazine Publishers
 (90 titles on retainer or active trial with acquisition and renewal pricing)



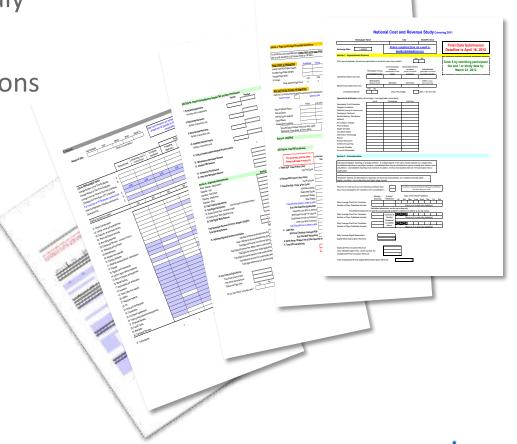
Building a better benchmark



- Created in 1920's
- Detailed revenue and expense data
- Confidential
- Allows for peer comparisons
- Released annually



- Difficult to use
- Industry changing rapidly
- Singular peer comparisons
- Manual data collection
- Declining participation



Tom Slaughter's favorite quote during the re-imagining process



"We can't make improvements if we are constantly looking in the rear view mirror."



- Identifying opportunities for improvement
- Needed outside participation and buy-in
- Design a user friendly product
- Shifting the paradigm and rebrand



tots of listenings lots of the solution barricipant neality tifying opportunities for improvement

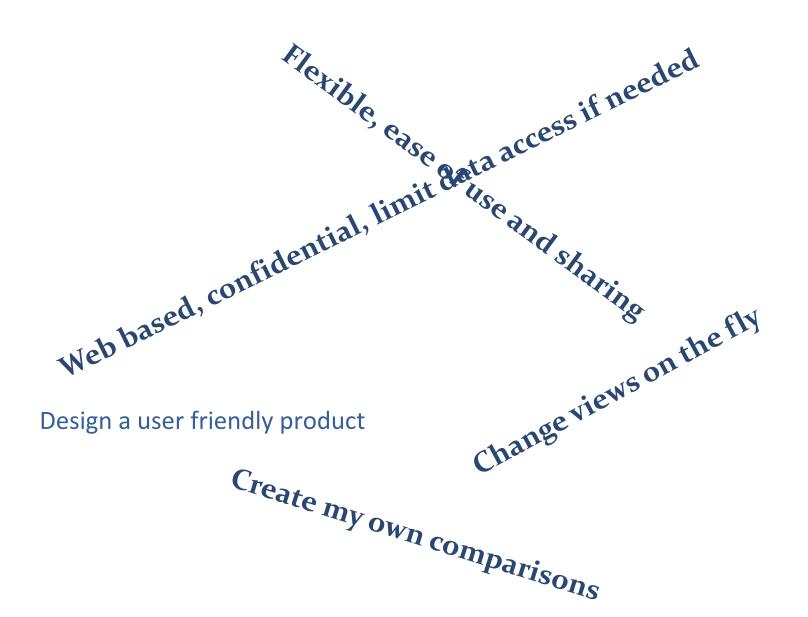
Identifying opportunities for improvement

mather:

Please share... We...
Build with the malizing data, a must!

Needed outside participation and buy-in

Inclusion in the Process



Adaption that have metrics industry.

24.7 usage, must have have industry.

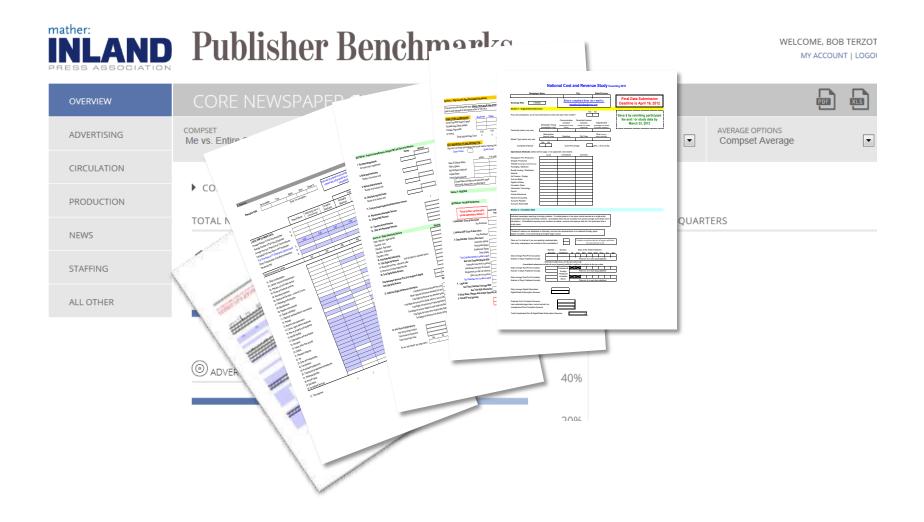
Keep listening. Shift the paradigm and rebrand

Welcome to **Publisher Benchmarks**



Let's take this baby out for a test drive

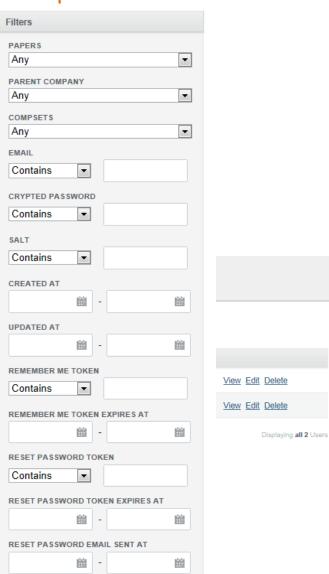
















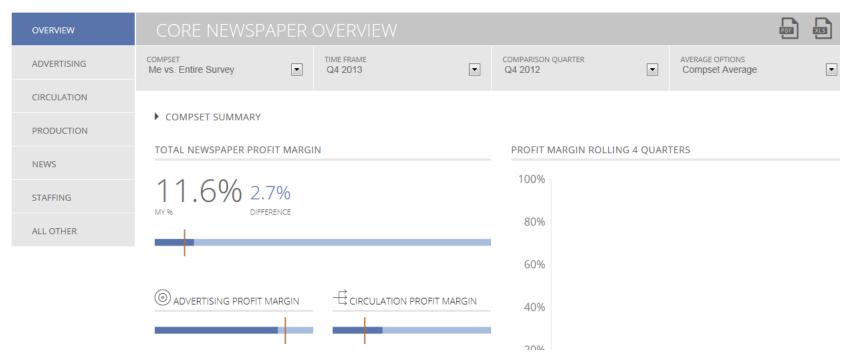
Publisher Benchmarks

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LOGIN	



INLAND Publisher Benchmarks

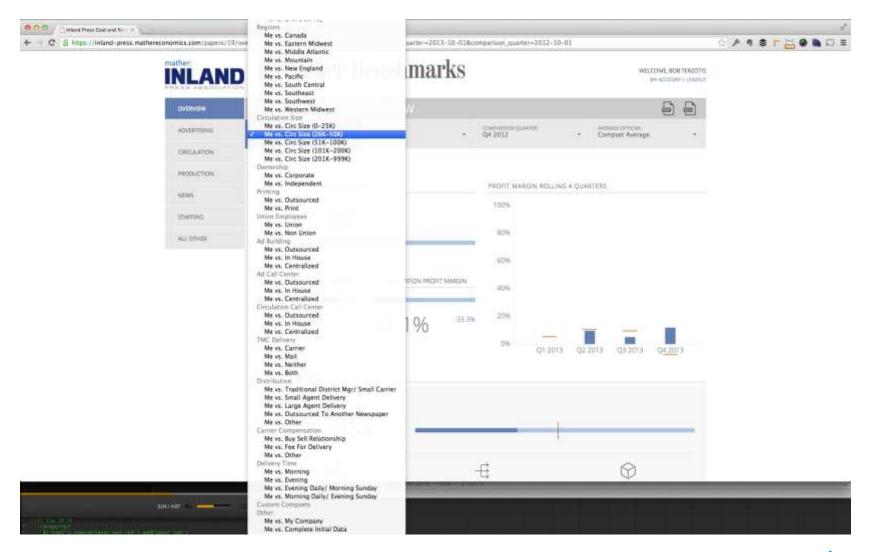
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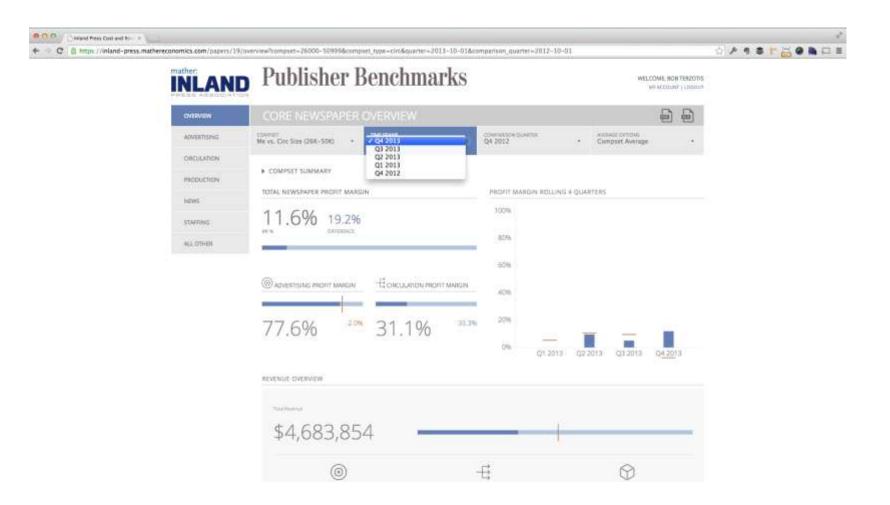
Inland Press Association

Publisher Benchmarks: Slice it anyway you want (within reason)



Inland Press Association

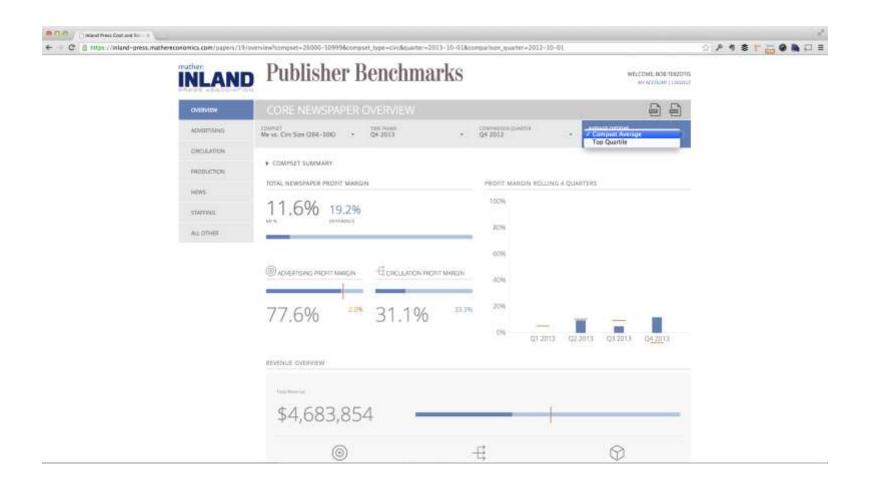
Publisher Benchmarks: Slice it anyway you want (within reason)

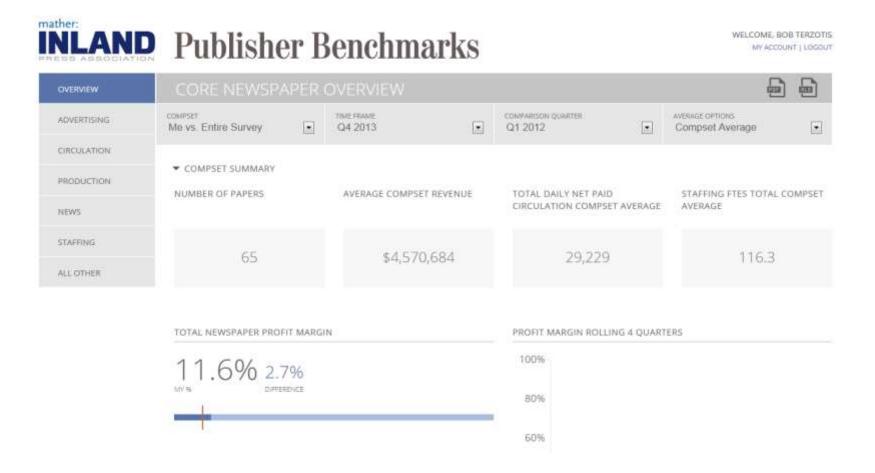




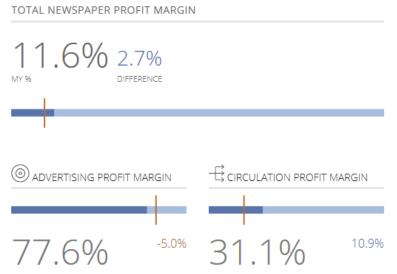
Inland Press Association

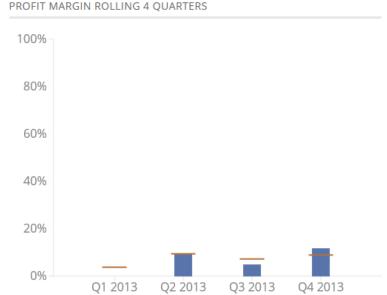
Publisher Benchmarks: Slice it anyway you want (within reason)













REVENUE OVERVIEW











EXPENSE CATEGORIES

Percent of Total Newspaper Expense





STAFFING FTES TOTAL



FTE CATEGORIES

Percent of Total FTEs

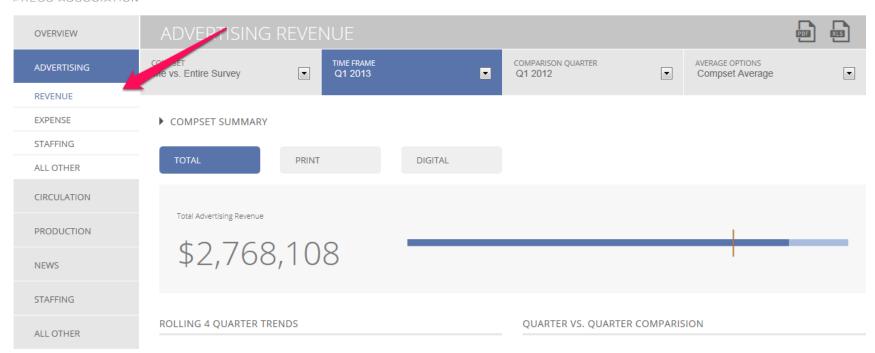
	My FTE	Compset	My %	Difference
ADVERTISING	28.3	23.7	23.0%	4.6
NEWS/EDITORIAL	34.3	30.5	28.0%	3.8



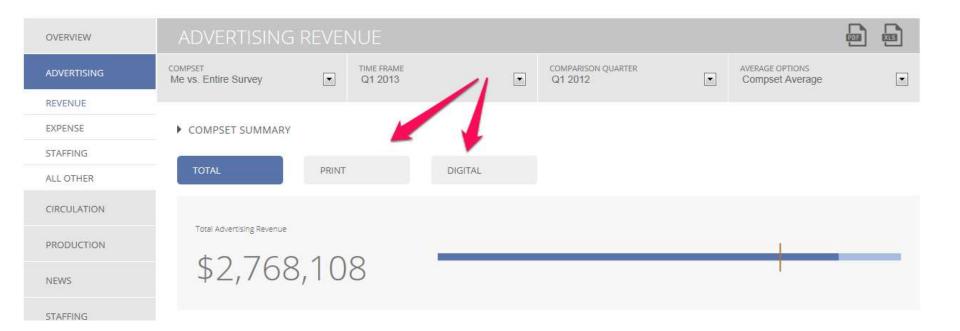


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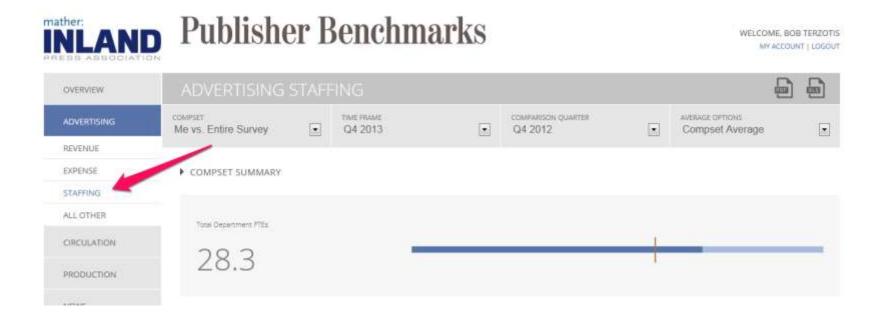






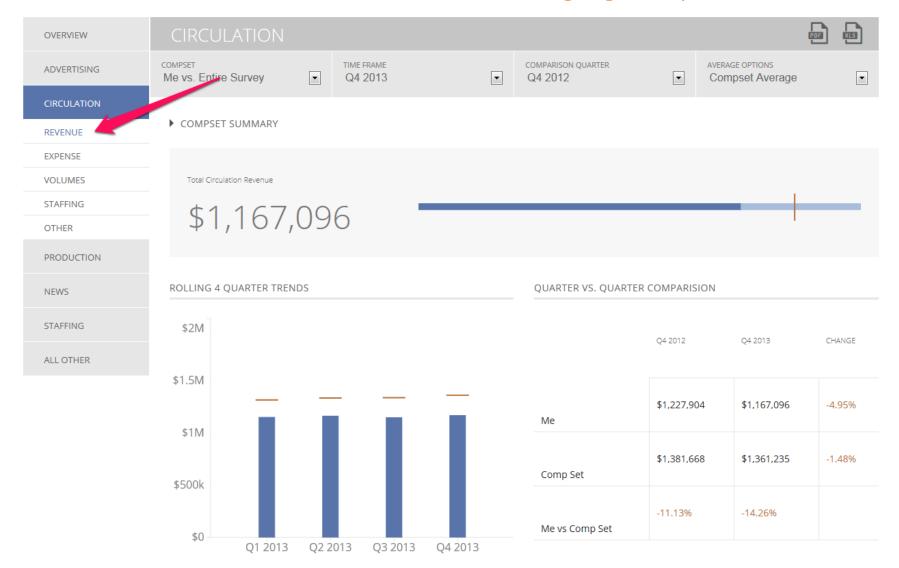


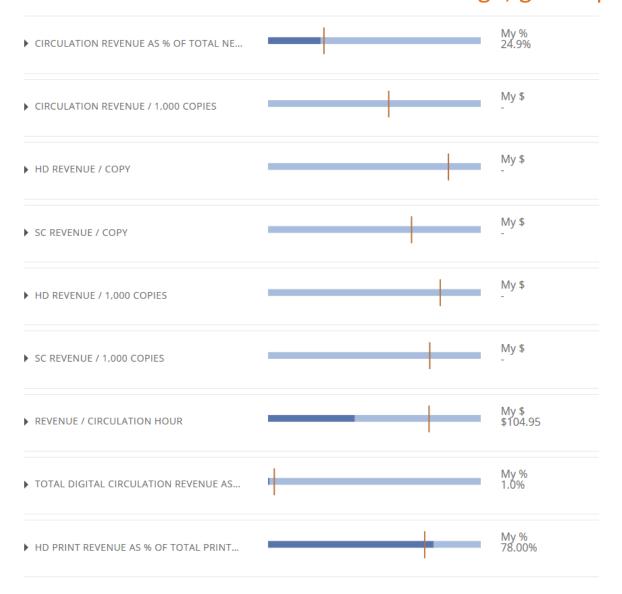






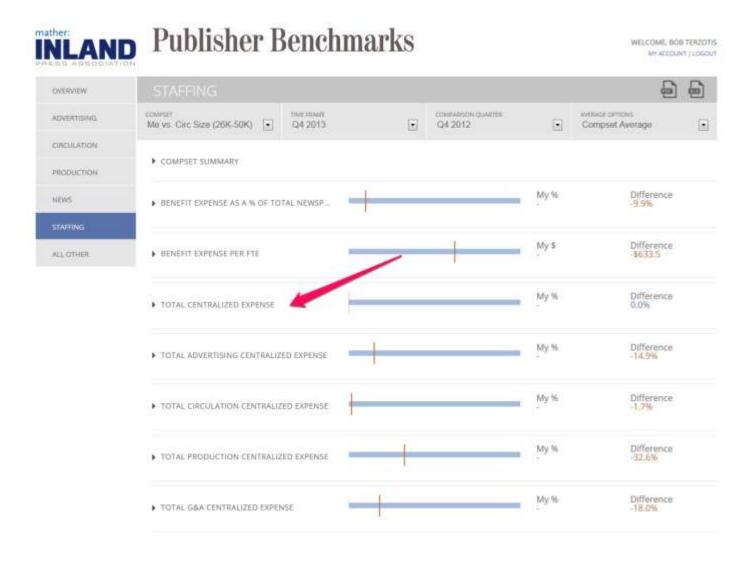






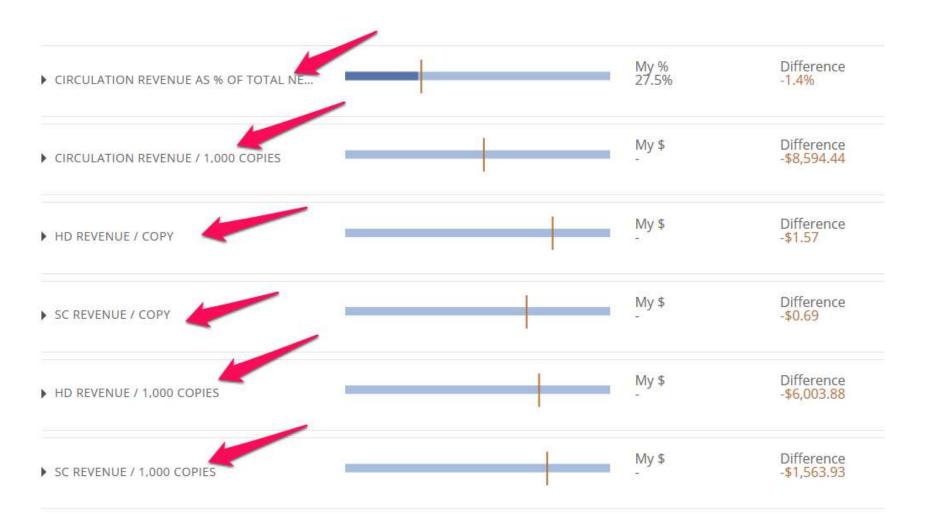


Inland Press Association Publisher Benchmarks: We Listened





Inland Press Association Publisher Benchmarks: Normalizing the data





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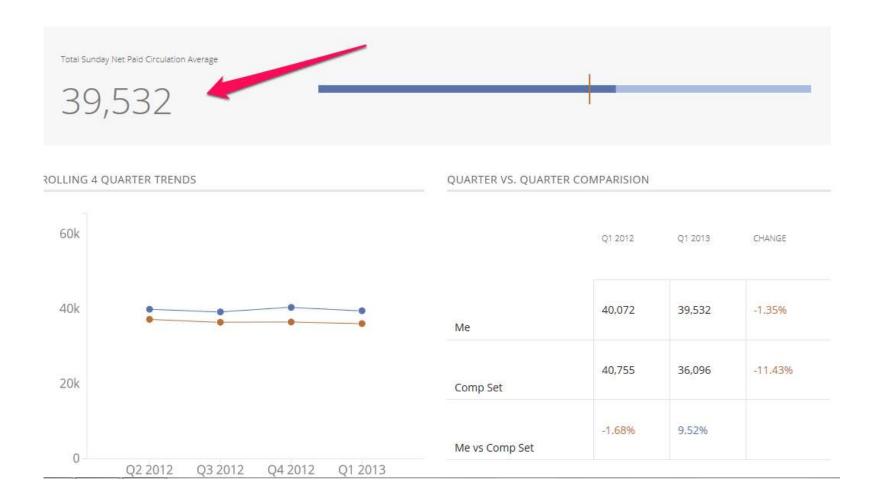
Publisher Benchmarks: More than revenue and expenses





Inland Press Association

Publisher Benchmarks: More than revenue and expenses





Inland Press Association Publisher Benchmarks: Cool features



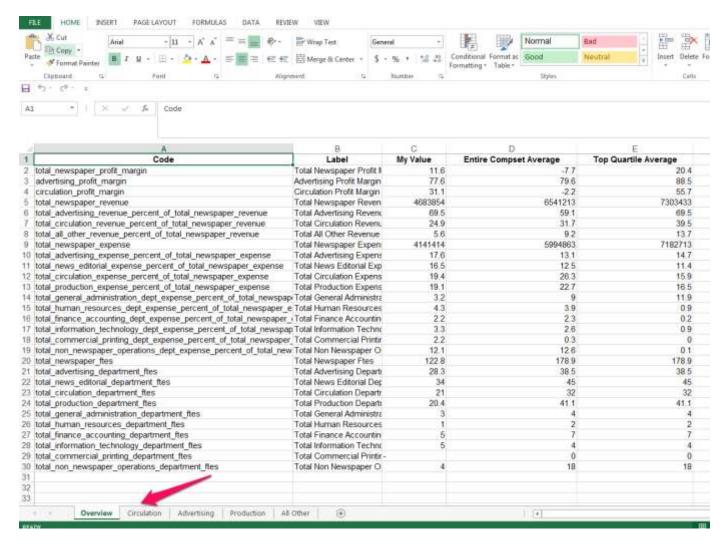
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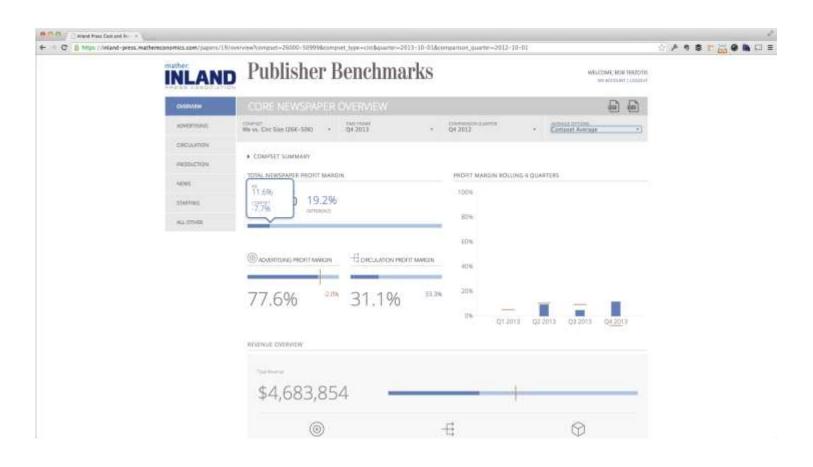


Inland Press Association Publisher Benchmarks: Cool features





Inland Press Association Publisher Benchmarks: Cool features





Inland Press Association Publisher Benchmarks: Updating for the future

	2012.1	2012.2	2012.3	2012.4	2013.1	2013.2	2013.3	2013.4	Metric	Metric Name	Overall Average
cv1	92.65%	92.65%	95.59%	95.59%	98.53%	98.53%	98.53%	98.53%	cv1	Daily Print Home Delivery	96.32%
cv10	76.47%	82.35%	85.29%	85.29%	86.76%	88.24%	88.24%	83.82%	cv10	Daily E-Editions Home Delivery	84.56%
cv11	23.53%	29.41%	33.82%	32.35%	35.29%	36.76%	36.76%	32.35%	cv11	Daily E-Editions NIE	32.54%
cv12	19.12%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	19.12%	cv12	Daily E-Editions Single Copy	22.43%
cv13	19.12%	22.06%	23.53%	23.53%	22.06%	22.06%	22.06%	17.65%	cv13	Daily E-Editions Other	21.51%
cv14	83.82%	83.82%	86.76%	86.76%	89.71%	91.18%	91.18%	92.65%	cv14	Total Daily E-Editions	88.24%
cv15	92.65%	92.65%	95.59%	95.59%	98.53%	98.53%	98.53%	98.53%	cv15	Total Paid Circulation - Daily	96.32%
cv16	73.53%	77.94%	80.88%	80.88%	83.82%	83.82%	83.82%	79.41%	cv16	Sunday Print Home Delivery	80.51%
cv17	61.76%	66.18%	70.59%	70.59%	73.53%	73.53%	73.53%	69.12%	cv17	Mail - Sunday	69.85%
cv18	55.88%	60.29%	63.24%	63.24%	66.18%	66.18%	66.18%	61.76%	cv18	Single Copy - Daily - Racks	62.87%
cv19	50.00%	54.41%	57.35%	57.35%	60.29%	60.29%	60.29%	55.88%	cv19	Single Copy - Daily - Dealers	56.99%
cv2	76.47%	80.88%	85.29%	85.29%	88.24%	88.24%	88.24%	83.82%	cv2	Mail - Daily	84.56%
cv20	35.29%	41.18%	39.71%	41.18%	44.12%	44.12%	42.65%	38.24%	cv20	Single Copy - Daily - Other	40.81%
cv21	70.59%	75.00%	77.94%	77.94%	80.88%	80.88%	80.88%	76.47%	cv21	Single Copy - Total Sunday	77.57%
cv22	51.47%	55.88%	55.88%	55.88%	57.35%	55.88%	55.88%	51.47%	cv22	Educational/University Copies - Sunday	54.96%
cv23	50.00%	54.41%	54.41%	54.41%	57.35%	57.35%	57.35%	52.94%	cv23	Third Party Sales - Sunday	54.78%
cv24	61.76%	67.65%	70.59%	70.59%	73.53%	73.53%	73.53%	67.65%	cv24	Employee/IC Copies - Sunday	69.85%
cv25	61.76%	67.65%	70.59%	70.59%	72.06%	72.06%	72.06%	67.65%	cv25	Daily E-Editions Home Delivery	69.30%
cv26	16.18%	20.59%	23.53%	23.53%	26.47%	27.94%	27.94%	23.53%	cv26	Daily E-Editions NIE	23.71%



- Data is KING!
- Better presentation + more flexibility = increased participation
- Increased participation improves the value received by all
- Inland Press Publisher Benchmarks has joined the 21st century!





Questions?



Bob Terzotis

Vice President, Operations

bob@mathereconomics.com

(337) 456-8353 office

(719) 237-2684 mobile

Mather Economics LLC

1215 Hightower Trail
Building A, Suite 100
Atlanta, GA 30350

www.mathereconomics.com

