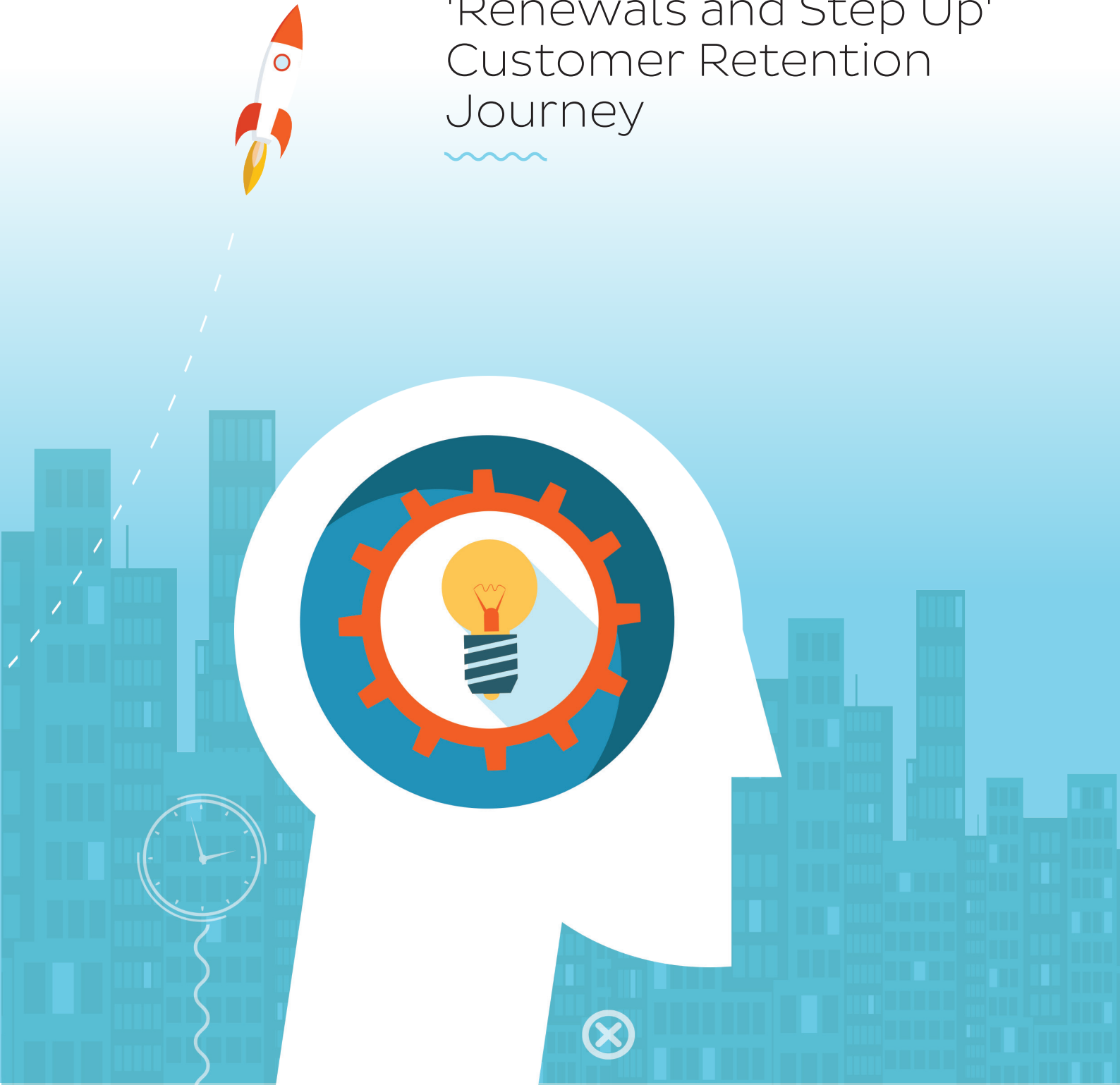


999 DESIGN GROUP
DBA DESIGN EFFECTIVENESS AWARDS 2017

SUBMISSION TITLE

FT.com
'Renewals and Step Up'
Customer Retention
Journey



FOR PUBLICATION

INDUSTRY SECTOR
Media

CLIENT COMPANY
Financial Times (FT)

DESIGN CONSULTANCY
999 Design Group

DATE OF ENTRY
1st July 2016

999



EXECUTIVE SUMMARY

As one of the world's most authoritative business voices, FT.com is widely considered to be a success story in pioneering a paywall and digital subscription model in a challenging marketplace for the global publishing industry.

Since then, its digital subscriptions have grown 12% to 566,000 with digital representing almost three-quarters of FT.com's paying audience. However, despite growth, FT.com relies heavily on its digital subscriptions to offset the continual decline in ad revenues. Managing customer churn rates in order to retain digital subscribers is therefore fundamental to ensuring the Financial Times continues to be one of the few profit-making broadsheets.

In a drive to improve renewal sales and reduce the impact of 'bill shock' cancellations, the Financial Times approached 999 to redesign their 'Renewals and Step Up' communications.

As email was the primary platform to get the message across, our mission was a challenging one. Time is a precious commodity and we all struggle to keep on top of our inboxes. How could we achieve the cut-through and engagement needed?

With an audience drowning in business information of varied quality, we knew simplicity would be key to the success of the design. Making it easy, both on the eye but also in its message.

After tapping into the mindset of FT.com's core audience we opted for a bold, visually compelling style and message approach. The aim was both to showcase the many benefits of FT.com while making the choice to re-subscribe as simple and easy as possible.

It worked.

In just 2 months the redesign had generated a £26k+ saving in subscription revenue and saw a significant reduction in cancellations, exceeding all project objectives.

This resulted in the new approach being implemented across the business with **FT projecting an additional £312,000 in subscription revenue saved over year 1.**



£26k
Revenue saved in 2 months



PROJECT OVERVIEW



INDUSTRY BACKGROUND

Amid the decline in the traditional media industry, FT.com is often cited as a shining example of what can be achieved when a niche publication introduces a paywall. In 2013, Financial Times became one of the first major newspapers to generate more than 50% of its revenue from its digital subscriptions and other products. However, the business news sector is fiercely competitive and, despite being a renowned global financial brand, FT.com doesn't even feature in the top 25 business news websites.

The reality is that, despite its digital growth, FT.com faces the same challenge as all traditional print publications around the world. Spending on national newspaper advertising has fallen by one-third since 2010 to £880m.

Online, consumers are turning to adblockers while advertisers favour programmatic and social media platforms. Display advertising fell by 15 per cent in 2015 and is likely to drop by the same amount in 2016. These numbers are the worst since 2009 when newspapers were battered by the fallout from the financial crisis.

These figures come off the back of a prolonged period of decline for the press. Since 2000, total daily sales of UK national newspapers have almost halved to fewer than 8m.

At least two titles, the Guardian and the Independent, remain lossmaking. Profits at the market leaders, the Daily Telegraph, the Sun and Daily Mail have fallen 40% in the past decade. Newspapers are also facing serious competition from digital players, such as BuzzFeed, The Huffington Post and The Quartz.

"According to one senior newspaper executive:

"The newspaper industry has been saying for years now that the day of reckoning is coming. Well, the day of reckoning is here and what's happening is structural and irreversible."

FINANCIAL TIMES ARE LEGALLY REQUIRED TO NOTIFY CUSTOMERS OF THEIR RENEWAL/STEP UP 30 DAYS BEFORE THEIR NEXT BILLING DATE AND USE EMAIL AS THE PRIME COMMUNICATION CHANNEL. IN INSTANCES WHERE THE EMAIL HARD BOUNCES A DM/LETTER IS ISSUED – TO 10% ON AVERAGE.

PROJECT BRIEF

With an average churn rate of 60% in the newspaper industry, FT.com has to work hard at keeping their customers loyal and loses many subscribers a year.

The largest proportion of these come from customers in their first year with **'Value'** – 'Not using enough' (41%) and **'Price'** (9%) cited far and above any other reason as the driver of churn.

The aim of the 'FT.com Renewals and Step Up' journey is to notify customers at their next billing date that their subscription is due for renewal at their current subscription rate and alerts subscribers that if they don't renew, it will step up in price.

Our brief was to create a new communications approach across both email and DM channels that would:

- ▲ Increase customer retention and subscription loyalty
- ▲ Maintain the FT.com's circulation base by reinforcing the value of subscription
- ▲ Reduce the 'bill-shock' effect: high volumes of cancellations after renewal payment had been taken.
- ▲ Improve the promotion of FT.com's features – that correlate with reduced attrition insights

OBJECTIVES

- ▲ 10% REDUCTION IN CANCELLATION VOLUMES



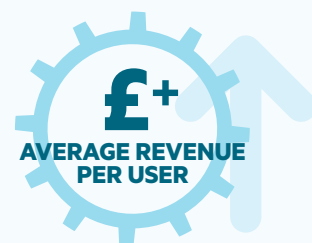
- ▲ 10% INCREASE IN ONLINE ENGAGEMENT

Measured as RFV = Recency, Frequency and Volume of content read



- ▲ MAINTAIN AN 'ARPU' ABOVE £

'Average Revenue Per User'



A key requirement was to create an approach that would make it easier for subscribers to understand the numerous benefits of a subscription and to improve engagement and relevance with a varied global audience.

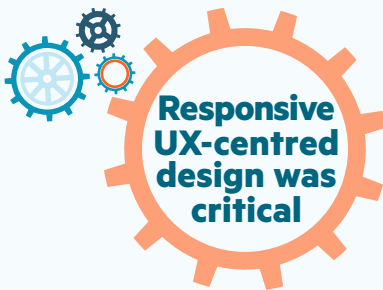
Another area of opportunity was the FT's 'commitment to quality' that needed to show exactly what makes the FT unique. This section needed to highlight why it's so important to renew your subscription and demonstrate that you are getting a great deal by doing so.

We had to work with some restrictions including personalised content areas that were established data fields and part of the legal requirement in both the email and DM formats.

The emails in particular needed to be designed to remove any UX frustrations and make renewals as easy as possible across devices.

Overall, the aim was to deliver greater creative impact across all communications with clear calls to action and relevant information targeted at the preferences of each subscriber.

**Mobile drives over
50% of FT.com's
traffic**



STRATEGIC APPROACH

We tackled this brief knowing that ease of use and clarity of information would be paramount. As our insights revealed, Financial Times subscribers are busy people who want to access information quickly.

With mobile driving over 50% of FT.com's traffic, a responsive UX-centred email design was critical to help build an ongoing relationship with the customer and give a seamless user experience on every device.

With this in mind, we set out to redesign a new communications framework that focused on 3 key principals; ease, clarity of information and visual impact.

This helped steer an approach to content that would:

- ▲ Present pricing information clearly to reduce 'bill-shock'
- ▲ Focus design around the '5 key benefits' most likely to retain loyalty
- ▲ Create a personal experience – individual information and tone of voice
- ▲ Relevant content – emails that embrace and feature dynamic data fields
- ▲ Encourage interaction and (re) discovery – dynamic links to FT.com
- ▲ Responsive design – apply HTML best practice to deliver the best possible UX across all devices in particular mobile
- ▲ Include regional contact details upfront

**PROJECT LAUNCH DATE:
MAY / JUNE 2015**



OUTLINE OF DESIGN SOLUTION

The previous design approach to the emailer and DM letter was text-heavy and visually uninspiring. It drew on the FT's traditional pink newspaper print background and was written in a 'letter' style format. The language used was rather formal and lacked a personal, human touch.

OUR APPROACH

Crucial to the design update was the tone of voice and copy approach. When considering this, we knew it was key to tap into the mindset of FT.com's target market in order to deliver an approach that would engage subscribers. We identified the characteristics that define FT.com audience as:

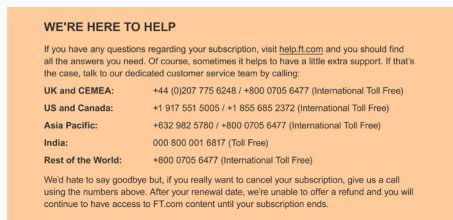
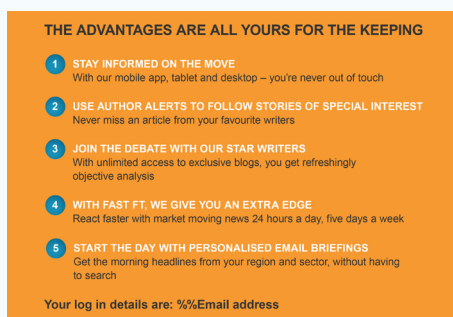
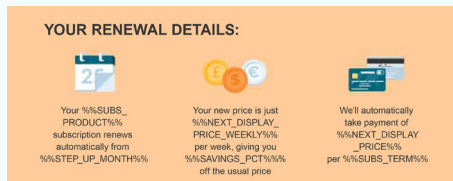
- Highly driven, switched on individuals with busy, high status careers
- Suffering from information overload – find it hard to find the information that's relevant to them

By drawing on these key customer insights we were able to devise a bold communication approach that both stands out and demonstrates real value to the FT's target audience. We were also keen to build upon the existing 'relationship' with the subscriber and show that we know and understand the audience needs.

This became the focus of our campaign theme and brought a fresh attitude overall by adopting a more familiar language and tone of voice with subscribers:



Our more emotive aspirational language made renewal an easy choice, and using 'situations' helped showcase the features and benefits such as 'stay informed on the move' or 'get the latest headlines comment and analysis on your mobile or tablet'.



UNDERSTANDING AUDIENCE NEEDS

We positioned the key subscription benefits messages as **'5 Advantages'** in short bite-sized engaging statements to show that the FT understand the audience needs. In addition we included links to FT.com content to drive awareness and allow the audience to engage with new features and benefits:

- ▲ We know our members are busy people
- ▲ We know they choose FT.com because they want to be well informed
- ▲ We also know they've no time for hassle and complication
- ▲ FT.com makes keeping up with the news simple and straightforward
- ▲ We give our readers one less thing to think about – offering them 12 months of thought-provoking news instead

We redesigned the email format with distinct content 'blocks' making it easier to scan the content with bold colour and graphic elements to allow us to feature each of the new sections:

- ▲ Personalised introduction
- ▲ Clear icon based pricing information
- ▲ Highlighted subscription benefits – including links to drive traffic to FT.com
- ▲ Region specific contact details for easy reference

We also developed a new bold visual illustrative style to complement the headline and our overall approach. The new image shows the busy nature of our audience minds and the surrounding city environment, time and travel challenges.

This was supported by a complementary colour palette and icon style used across the communications.

We considered every touch-point such as introducing a new bold subject line for the email to give us additional cut-through: 'Renew your FT.com subscription without a second thought'.

The principal components of the new theme were applied across the emailers and DM in a distinctive new design solution.



NEW CREATIVE ROLLOUT ALONGSIDE OLD FT EMAILER

View this email with images

FINANCIAL TIMES
Your subscription renewal

Re: FT.com Account Number: TEST3

Dear TEST3,

Thank you for subscribing to the Financial Times online. We appreciate your support for our journalism and hope that we've exceeded your expectations as a subscriber.

This notice is to let you know that in about a month – at the end of your current subscription term – your Premium Subscription to FT.com will renew automatically, ensuring uninterrupted access to the site. Details of your new rate are included below.

Our commitment to quality

The Financial Times employs more than 600 journalists, including some of the world's most respected commentators on business, finance and politics. People like...

- Chief economics commentator, Martin Wolf – a forum fellow at the annual meeting of the World Economic Forum in Davos since 1999 and a member of its International Media Council since 2006.
- Investment editor, John Authers – a frequent contributor on global media including the BBC, CNN, and MSNBC, and recently honoured as the UK's Investment Journalist of the Year for his FT.com coverage of the early days of the financial crisis.
- Columnist Lucy Kellaway, whose weekly columns have elegantly skewered management fads, jargon and office life for more than a decade.

In addition to supporting top-notch journalism, we have been working hard to expand our digital offering in order to add value to your subscription. Thanks to our web app and Android app, now it's easier than ever to get the news and vital insight you need – whenever you are and wherever you need it. Your existing username and password give you instant access on mobile devices.

If you're not one of the million-plus customers that has already downloaded an award-winning FT app to your smartphone or tablet, I encourage you to do so by visiting [FT.com/mobile](#) from your mobile device. We have improved functionality, content coverage, download speed and further enhancements are in the pipeline.

This is all part of our commitment to delivering the best possible subscription experience across all channels – on your mobile device and in print.

Subscription renewal details

From May your FT.com subscription will renew at the increased rate of GBP 35.99 per month (including UK VAT where applicable but excluding any local taxes which may also apply).

Your subscription will automatically renew at the new rate at the end of your current subscription term. Should you wish to cancel your subscription, we respect your right to do so before your current term ends. I would like to remind you that we do not provide refunds to customers who wish to cancel their subscription mid-term. However, if you do choose to cancel your subscription mid-term you will continue to enjoy full access for the remainder of your current subscription period.

Any questions?

More details about your subscription can be found in the [ft.com/help](#) section of the website, but if you have any questions, please contact our customer service team.

UK and CEMEA: +44 (0)207 775 6248 / +800 0705 6477 (International Toll Free)
US and Canada: +1 917 551 5005 / +1 855 685 2372 (Toll Free)
Asia Pacific: +632 982 5780 / +800 0705 6477 (International Toll Free)
India: 000 800 001 6817 (Toll Free)
Rest of World: +800 0705 6477 (International Toll Free)

To avoid a possible lapse in service, please take a moment to ensure that your credit card and personal details are still correct by logging into your account.

Thank you and best wishes.

Jon Slade
Managing Director
FT.com

*For subscribers in Norway, rate excludes 25% Norwegian VAT which will apply for online subscriptions and the online portion of FT.com and Financial Times newspaper bundle subscriptions.

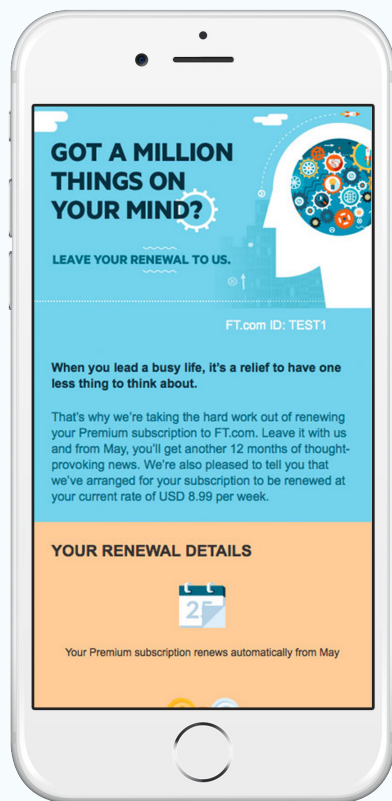
You're receiving this email as part of your FT.com subscription. This email was sent to craig.ferguson@999design.com.

We take your privacy seriously, to read our Privacy Policy [click here](#).

If you have any customer service queries or questions about your subscription please [contact us](#).

We use pixels in HTML emails (not in plain text emails) to tell us if the email is opened or links in it are clicked on. The pixel will be deleted if you delete the email. See our [cookie policy](#) for more information.

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FINANCIAL TIMES

To view this email as a web page, [click here](#)

Renew your FT.com subscription without a second thought...

GOT A MILLION THINGS ON YOUR MIND?

LEAVE YOUR RENEWAL TO US.

FT.com ID: TEST10

When you lead a busy life, it's a relief to have one less thing to think about.

That's why we're taking the hard work out of renewing your Standard subscription to FT.com. Leave it with us and from May, you'll get another 12 months of thought-provoking news. The rate's increased a little, to EUR 5.39 per week, which is still a saving on the regular Standard subscription price.

YOUR RENEWAL DETAILS

Your Standard subscription renews automatically from May

Your new price is just EUR 5.39 per week

We'll automatically take payment of EUR 280.28 per year (regional taxes may apply).

THE ADVANTAGES ARE ALL YOURS FOR THE KEEPING

- STAY INFORMED ON THE MOVE**
With our [mobile app](#), tablet and desktop – you're never out of touch
- USE AUTHOR ALERTS TO FOLLOW STORIES OF SPECIAL INTEREST**
Never miss an article from your [favourite writers](#)
- JOIN THE DEBATE WITH OUR STAR WRITERS**
With unlimited access to [exclusive blogs](#), you get refreshingly objective analysis
- WITH FAST FT, WE GIVE YOU AN EXTRA EDGE**
React faster with [market moving news](#) 24 hours a day, five days a week
- START THE DAY WITH PERSONALISED EMAIL BRIEFINGS**
Get the [morning headlines](#) from your region and sector, without having to search

Your log in details are: craig.ferguson@999design.com

Clear Zone

Delivered by ROYAL MAIL

IMPORTANT INFORMATION ABOUT YOUR FT.COM SUBSCRIPTION

Firstname and Surname
123 Road Name
City
AB1 1C2

FT
FINANCIAL
TIMES

Firstname Surname
Address line 1
Address line 2
Address line 3
Post code
Country

GOT A MILLION THINGS ON YOUR MIND?

LEAVE RENEWING YOUR SUBSCRIPTION TO US

Dear %Title% %Surname%,

When you lead a busy life, it's a relief to have one less thing to think about. That's why we're taking the hard work out of renewing your %SUBS_PRODUCT% subscription to FT.com. Leave it with us and from %STEP_UP_MONTH%, you'll get another 12 months of thought-provoking news. The rate's increased a little, to %NEXT_DISPLAY_PRICE_WEEKLY% per week. But because your subscription matters to us, you'll still benefit from a %SAVINGS_PCT% discount off the regular %SUBS_PRODUCT% subscription price.

PLEASE UPDATE YOUR EMAIL ADDRESS

We did try sending your renewal update by email, but it looks like the email address we have for you is out of date. To make sure you don't miss anything in the future, log in at [ft.com/youraccount](#) using your email address %Email address% and update your details online.

APART FROM THAT, THERE'S NOTHING MORE TO DO

Now you know what's happening, you're all set for another year. We promise to take care of renewing your subscription for you. But just in case you have any questions, over the page, you'll find easy ways to get in touch. There's also a quick reminder on how to make the most of your subscription, helping you get all the intelligent insight you need.

Yours sincerely,

Gemma Hyland
Head of FT.com Customer Service

GET READY FOR ANOTHER YEAR OF THOUGHT-PROVOKING NEWS

TURN OVER FOR 5 WAYS TO MAKE THE MOST OF FT.COM

FT.com ID: %SeRights ID%

YOUR RENEWAL DETAILS

Your %SUBS_PRODUCT% subscription renews automatically from %STEP_UP_MONTH%

Your new price is just %NEXT_DISPLAY_PRICE_WEEKLY% per week, giving you %SAVINGS_PCT% off the usual price

We'll automatically take payment of %NEXT_DISPLAY_PRICE% per %SUBS_TERM%

WE'RE HERE TO HELP

If you have any questions regarding your subscription, visit [help.ft.com](#) and you should find all the answers you need. Of course, sometimes it helps to have a little extra support. If that's the case, talk to our dedicated customer service team by calling:

UK and CEMEA: +44 (0)207 775 6248 / +800 0705 6477 (International Toll Free)
US and Canada: +1 917 551 5005 / +1 855 685 2372 (International Toll Free)
Asia Pacific: +632 982 5780 / +800 0705 6477 (International Toll Free)
India: 000 800 001 6817 (Toll Free)
Rest of the World: +800 0705 6477 (International Toll Free)

We'd hate to say goodbye but, if you really want to cancel your subscription, give us a call using the numbers above. After your renewal date, we're unable to offer a refund and you will continue to have access to FT.com content until your subscription ends.

GET READY FOR ANOTHER YEAR OF THOUGHT-PROVOKING NEWS

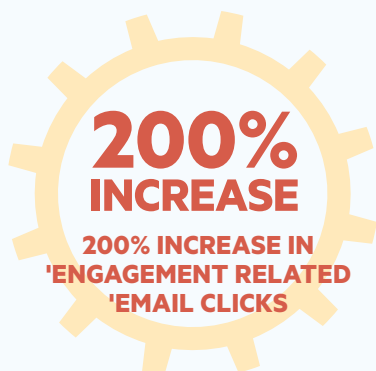
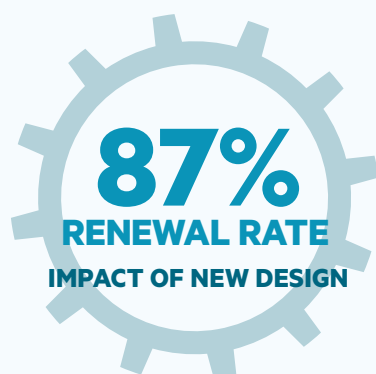
REMEMBER, IT'S EASY TO MANAGE YOUR SUBSCRIPTION ONLINE LOG IN AT [FT.COM/YOURACCOUNT](#)

You're receiving this email as part of your Financial Times subscription. This email was sent to hardbounce_test_abel@ft.com.

We take your privacy seriously, to read our Privacy Policy [click here](#). If you have any customer service queries or questions about your subscription please [contact us](#).

We use pixels in HTML emails (not in plain text emails) to tell us if the email is opened or links in it are clicked on. The pixel will be deleted if you delete the email. See our [cookie policy](#) for more information.

This email was sent by a company owned by Financial Times Group Limited (FT Group), registered office at Number One Southwark Bridge, London SE1 9HL. Registered in England and Wales with company number 879531.



SUMMARY OF RESULTS

MEASUREMENT STRATEGY

To ensure the results would be statistically valid, FT.com initially ran an A/B test against the previous email design for two months, targeting 16K+ subscribers.

Participants were sent one email 35 days before their renewal date which was randomly split 50:50 so subscribers would receive either the old or new email.

THE RESULTS WERE OVERWHELMINGLY IN FAVOUR OF THE NEW EMAIL DESIGN WHICH RESULTED IN:

- ▲ 18% reduction in cancellations
(When compared to previous email stats a 20% reduction)
- ▲ 17% (1.2%pts) reduction in cancellation rate
- ▲ 12% increase in online engagement (RFV)
(When compared to previous recorded RFV scores a 23% increase)
- ▲ 18% reduction in revenue loss through cancellations
- ▲ 2% increase in renewal rate on - average 87% of the cohort who received the new email design successfully renewed their subscription for another year.
- ▲ Very high email open rate 52.1% and unique click rate 8.6%.
- ▲ 200% increase in 'engagement-related' email clicks
(e.g. signing up to author article alerts vs. 'service' clicks such as T&Cs)
- ▲ 10% increase in page views subscribers who received the new email design averaged 238 FT.com page views per month

RESULTING IN FINANCIAL SAVINGS:



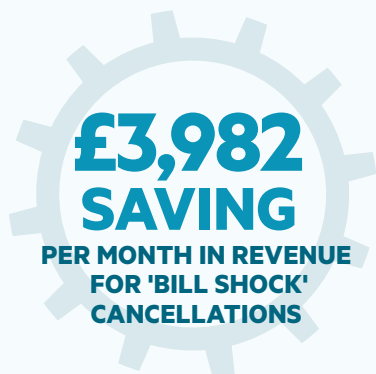
- ▲ £26,000+ revenue saved during 2 month test



- ▲ £312,000+ revenue savings over year one



- ▲ New email ARPU of (+£2.04 above target)



CUSTOMER SERVICE – BILL SHOCK IMPACT:

Price previously accounted for 9% of cancellations, it has now reduced to 6.1%

- ▲ Saving = £3982 per month in revenue for cancellations specifically due to the billshock effect
- ▲ We also saw a 3% reduction in the volume of customers who rejected a cancellation-save offer from the Helpdesk
- ▲ 69% of pre-test customers rejected the retention offer vs. 66% who received the new creative.

This means, the new creative not only generated less cancellation requests, but was also more successfully at retaining those who went on to complain.

IMPROVED ENGAGEMENT:

The significant increase in 'engaging' clicks (RFV score) was key for driving traffic back to FT.com and encouraging customers to demonstrate the positive behaviours that result in reduced instances of attrition.

Our new email design tracked click-through rates for each of the promoted content features to ensure recipients were engaging with the email rather than ending their journey at their inbox as per the old email design.

Different tracking URLs for the new vs. old email design were used to ensure the effect on online engagement and page view volumes were being reliably measured.

WIDER IMPACT

The overall success and impact felt by this campaign has resulted in the creation of a new FT style being introduced across the wider subscription and retention department communications.

This has also resulted in the creation of formal guidelines to capture the illustrative style we have subsequently developed and applied across many other digital campaigns as well as internal communications for the department.

SUMMARY OF RESULTS

METRICS USED:

Comparative analysis was carried out using the following measurement metrics as indicators of success:

- Cancellation volume
- Cancellation rate
- Renewal rate
- Average Revenue Per User (ARPU)
- Revenue loss through cancellations
- Page views (per subscriber, per month)
- RFV Engagement Score (recency, frequency and volume of content read*)
- Email open rate
- Email unique click rate.

***RFV Engagement Score was calculated based on three variables:**

- Time since last visit to FT.com (recency)
- Number of visits to FT.com in the last 90 days (frequency)
- Number of FT.com content items read in the past 90 days (volume).

**'THE DESIGN OVERHAUL
HAS DRIVEN ENGAGEMENT
RELATED BEHAVIOURS
AMONG OUR AUDIENCE'**

Many FT departments are aware of the success and impact of this particular project and the following testimonials support this:

"Working with 999 on this campaign allowed us to demonstrate a smart use of analytics alongside an email design that cuts through the noise to engage and create value for our subscribers.

A tremendous overhaul of the creative approach led to a dynamic and illustrative design that, whilst staying true to the Financial Times brand, ultimately allowed us to drive engagement-related behaviours among our audience.

The results exceeded our benchmarks and is an impressive example of teamwork, collaboration and innovation around managing customer attrition risk."

Francesca Castagno, Retention Marketing Manager, B2C Marketing, FT.

SUMMARY OF RESULTS

'THIS EMAIL CAMPAIGN EXCEEDED OUR BENCHMARKS FOR REDUCING CANCELLATIONS AND GENERATED SIGNIFICANT REVENUE SAVINGS.'

'A FLOOD OF GREAT TEAMWORK, COLLABORATION AND INNOVATION AROUND ENGAGEMENT AND OUR RFV SCORES.'

JON SLADE – MANAGING DIRECTOR (B2C), FINANCIAL TIMES GROUP:

This is a really impressive piece of work. A flood of great teamwork, collaboration and innovation around engagement and our RFV scores. It demonstrates not just a smart use of analytics and RFV focus, but it's led to some fabulous results.

ALISON PARKER – CUSTOMER SERVICE DIRECTOR, FINANCIAL TIMES GROUP:

The analytics used in this email campaign have exceeded our benchmarks for reducing cancellations and generated significant revenue savings. We will continue to use this approach to improve all our in-life subscriber journeys and communications, enabling us to enhance our Customer Service operations and drive efficiency and savings across the FT group.

VAITHEGI VASANTHAKUMAR – PRODUCT MANAGER (SPECIALIST TITLES), FINANCIAL TIMES GROUP:

We're looking forward to sharing cross-business lessons learned based on what this test has been able to accomplish, particularly how various initiatives within email campaigns can drive engagement-related behaviour.

LAUREN DREW – MARKETING MANAGER (SPECIALIST TITLES), FINANCIAL TIMES GROUP:

We really think we can learn something from this test and the results.

OTHER INFLUENCING FACTORS

FT.com's marketing department used data about their subscribers' online behaviour to help determine the content for the new email design. Using a predictive analysis of subscriber trends, the aim was to find out:

- What FT content and subscription features correlated with an increase in online engagement?
- What FT content and subscription features correlated with a decrease in attrition?

Using the results we were able to choose the content and features that would demonstrate the most value for subscribers and reduce attrition risk.

The A/B test results for the old and the new creative demonstrated clearly that the new email design was the main driver for increased customer engagement.

RESEARCH RESOURCES

Fortune.com

FT.com

Enders Analysis, Media Research Agency

TheMediaBriefing.com

ComScore's top sites in the Business/Finance category of News/Research, January 2015

Clickz.com