

**FAIRFAX MEDIA NZ:  
PAVING THE ROAD FOR A  
DIGITAL FUTURE**







# New Zealand's largest media company

Fairfax NZ reaches 3.5 million New Zealanders every month  
(88% of population) via its digital and print brands

**stuff**

 **Neighbourly**

**kpex**

**stuff** fibre

**SUNDAY STAR★TIMES**

**THE DOMINION POST**

  
**Waikato Times**  
Our people. Our stories. Our Times.

**THE PRESS**



• WHO WE ARE •

**COMMUNITIES**

A PART OF MANY COMMUNITIES,  
BOTH REGIONAL & OF INTEREST

**TRUST**

BRANDS KIWIS TRUST  
& HAVE CONFIDENCE IN

**SCALE**

NEW ZEALAND'S LARGEST NEWSROOM  
- MORE STORIES MORE JOURNALISTS

• WHAT WE DO •

**HELPING KIWIS**

**CONNECT**

**&**

**THRIVE**

**IN THEIR COMMUNITIES**



**3**

# STRATEGIC PILLARS

## CONTENT

WE WILL RETAIN AND GROW AUDIENCES BY INVESTING IN **CONTENT AND QUALITY JOURNALISM**, BECAUSE TRUSTED CONTENT WILL ALWAYS BE SOUGHT AFTER.

## COMMUNITIES

WE WILL GROW BY **CREATING AND FACILITATING COMMUNITIES** BECAUSE WE RECOGNISE THAT IS HOW PEOPLE CONNECT AND STAY INFORMED.

## COMMERCE

WE WILL ENSURE ONGOING PROFITABILITY BY **BUILDING NEW BUSINESSES** - CREATING NEW ENVIRONMENTS AND PARTNERSHIPS THAT NEW ZEALANDERS VALUE.

# FY18-21 Key Priorities

**1**

**Grow engaged**  
and high value  
audiences

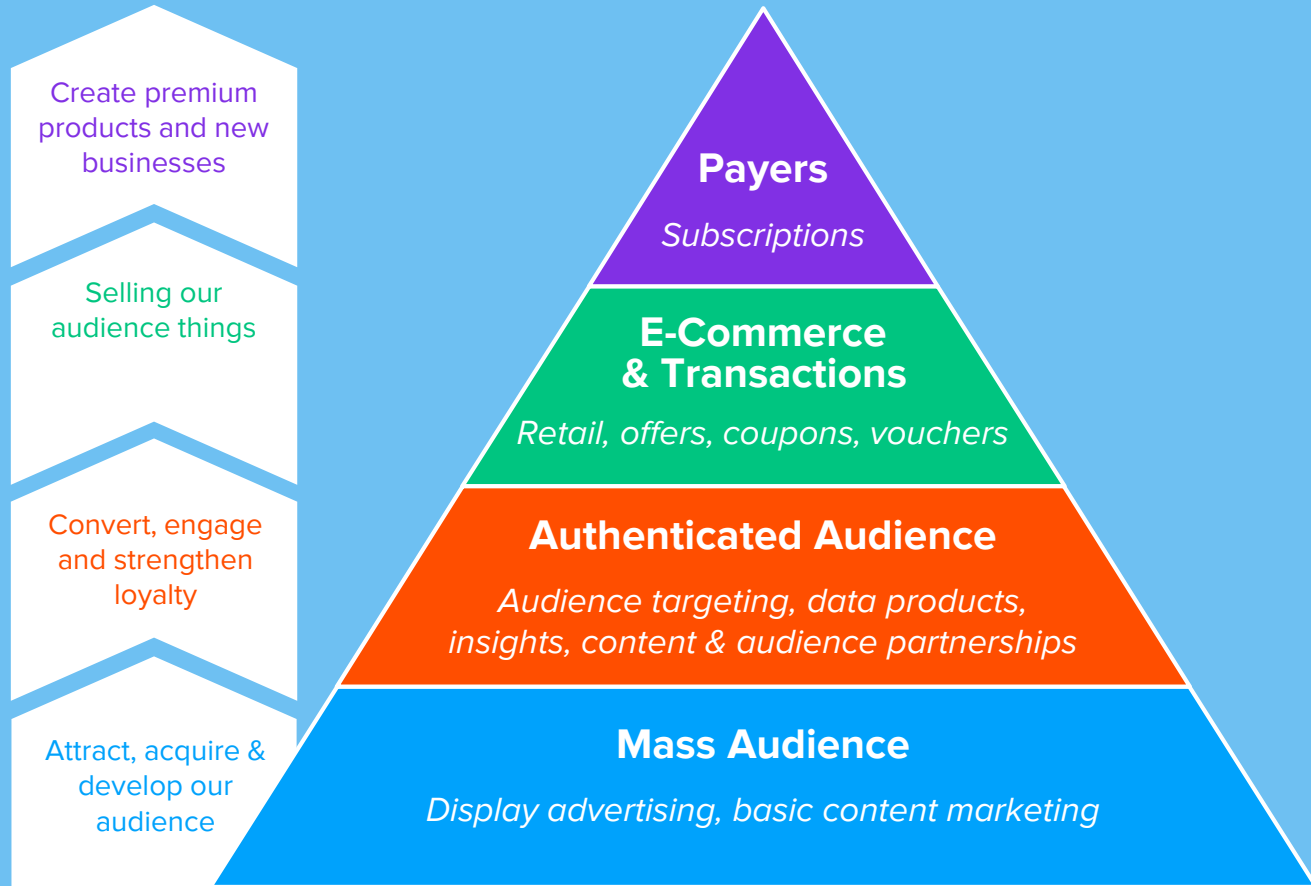
**2**

**Diversify** with  
new digital  
products and  
services

**3**

**Extend** the  
runway for our  
print products

# ARPU Model - the Engine of Our Strategy





# Growing Mass Audience

## How?

- **Best coverage** of major events
- Most **comprehensive regional coverage**
- **Social/SEO optimisation** of stories
- **Reticulate traffic**

## Successes?

**Monthly audiences**  
1.47m → 2.07m

**Monthly volume**  
170m Pls → 198m Pls

**Daily audiences**  
524,000 → 1.1m

▲ 93%

Attract, acquire &  
develop our  
audience

## Mass Audience

*Display advertising, basic content marketing*

# KPEX - Monetising Mass Audience

KPEX Monthly Revenue



# Growing Authenticated Audience

## How?

- **Develop capabilities** in identity and data management
- **Incentivise our audiences** to sign up or declare their data

## Successes?

**Stuff memberships\***  
104,000 → 960,000

**Neighbourly memberships**  
62,000 → 500,000

▲ 57%

Convert, engage  
and strengthen  
loyalty

Attract, acquire &  
develop our  
audience

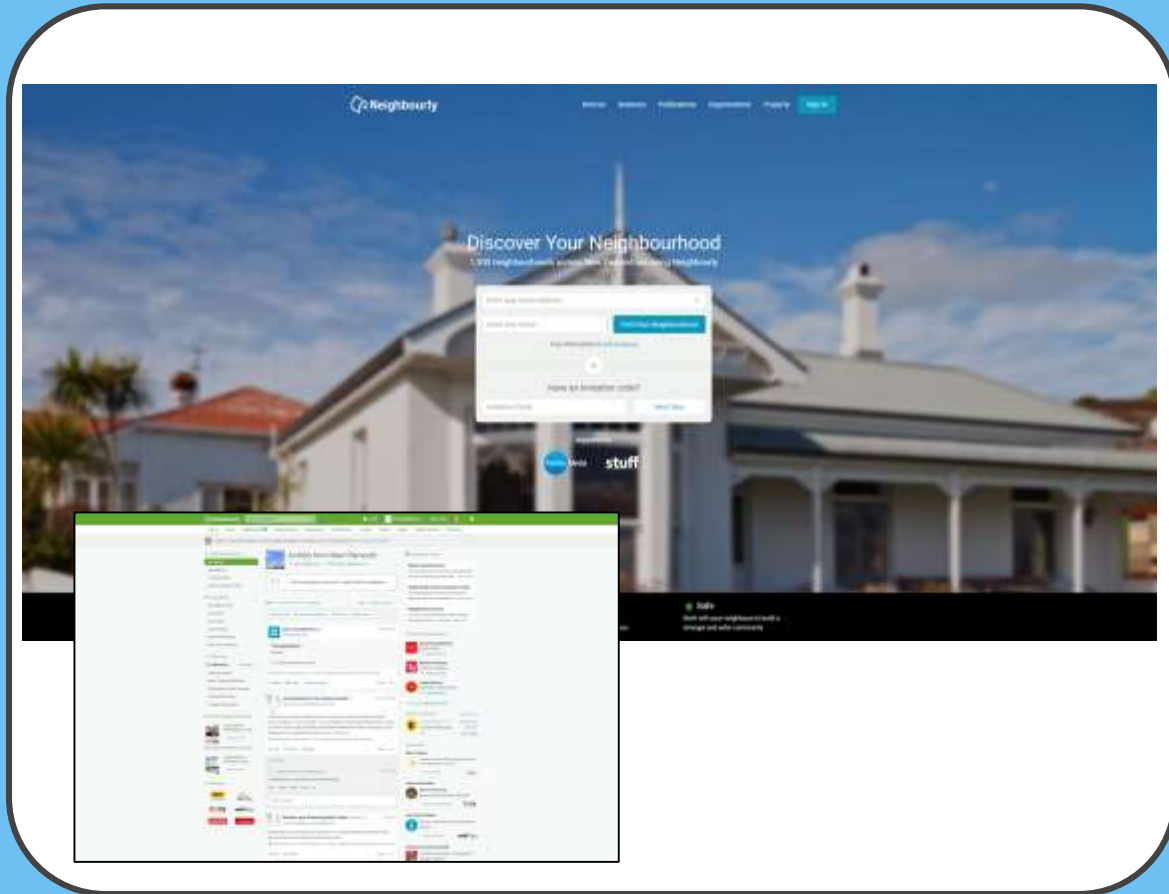
## Authenticated Audience

*Audience targeting, data products,  
insights, content & audience partnerships*

## Mass Audience

*Display advertising, basic content marketing*

# Neighbourly: Driving Membership + Revenue



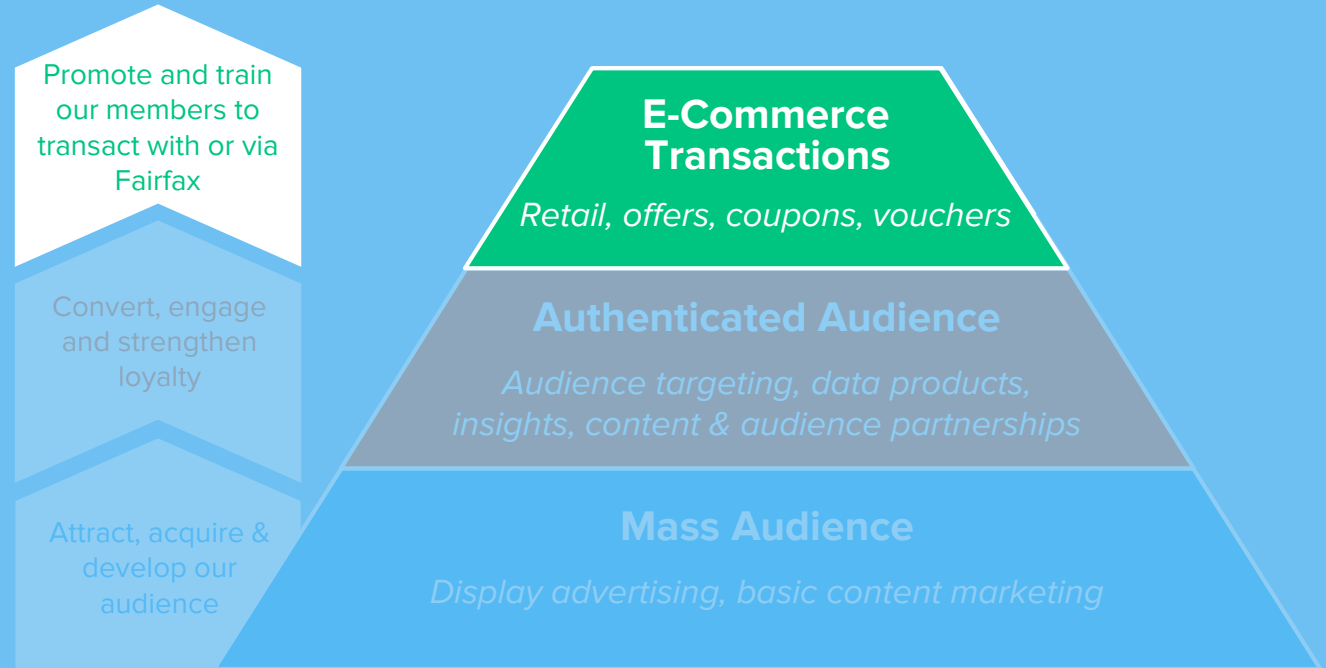
Rank	Name	Unique Audience (000)
1	Google	3,243
2	Facebook	2,660
3	MSN/Outlook/Bing/Skype	2,582
4	YouTube	2,266
5	Stuff	2,071
6	Microsoft	2,066
7	<a href="http://nzherald.co.nz">nzherald.co.nz</a>	1,838
8	Trade Me	1,755
9	New Zealand Government	1,748
10	Wikipedia	1,321
-	-	-
-	-	-
16	Neighbourly	777
17	NewsHub	752
17	Apple	752
19	Spark New Zealand	750
20	Pinterest	745

# Increasing E-Commerce Transactions

## How?

Leverage new capabilities to launch multiple transaction-based products

▲ 100%





# From Home Products to Events

**stuff**  
**LUXURY READER OFFER**

5 nights for family of 5  
**Value: \$5,713**  
**Now: \$2,849** (per person)

7 nights for family of 5  
**Value: \$6,418**  
**Now: \$3,798** (per person)

**All Inclusive Package Includes:**

- Accommodation and energy
- Transfer/Flies
- Bedroom/linen/cushions/bedspreads
- Breakfast of all varieties
- Minibar
- Spa/entertainment at all moments
- 24 hr room service/poolside and beach bars and sports only
- 11 Beach cabanas/beachside/lobbies
- WiFi
- Only drinks brought in permitted
- Complimentary in-room printer
- Freebook club
- Recreation facilities
- Personalized shopping list
- Laundry, ironing/pressing/socking
- Daily shuttle to and from the airport
- 24-hour security

**The Peace of Mind Guarantee**  
 If you're not 100% satisfied, we'll refund you 100% of the price of your purchase. A full refund is guaranteed.

**Melia Bali • All Inclusive • Family of 5!**  
**SAVE UP TO 50%**  
**CALL 0800 199 533 TO BOOK NOW!**

**stuff** escapes *the real China*

**POPSHOP** by stuff

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LoveSkin is a natural, organic, and cruelty-free skincare line. It's perfect for all skin types and is formulated with the highest quality ingredients.

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20-2998

**NIGHT NODDLE MARKETS**

夜面市场

**INDEXED**

Home Decor Bedroom & Bathroom Kitchen & Dining

**Shop local.**

We know how important it is to have good quality products in your home. Which is why we are proud to stock 100% NZ based brands and designers. Every product is hand picked by us and curated for you to shop online with ease!

Check out some of our favourite products from NZ designers below.

Plus, spend over \$100 in February and you could win a \$1000 travel voucher or KitchenAid Artisan Stand Mixer.\*

\*Terms and Conditions

# Why can we sell to our readers?

**stuff**

**#19 most influential brand**  
**#4 most influential media brand**  
**#1 most influential publishing brand**

According to Ipsos' Most Influential Brands in New Zealand 2017

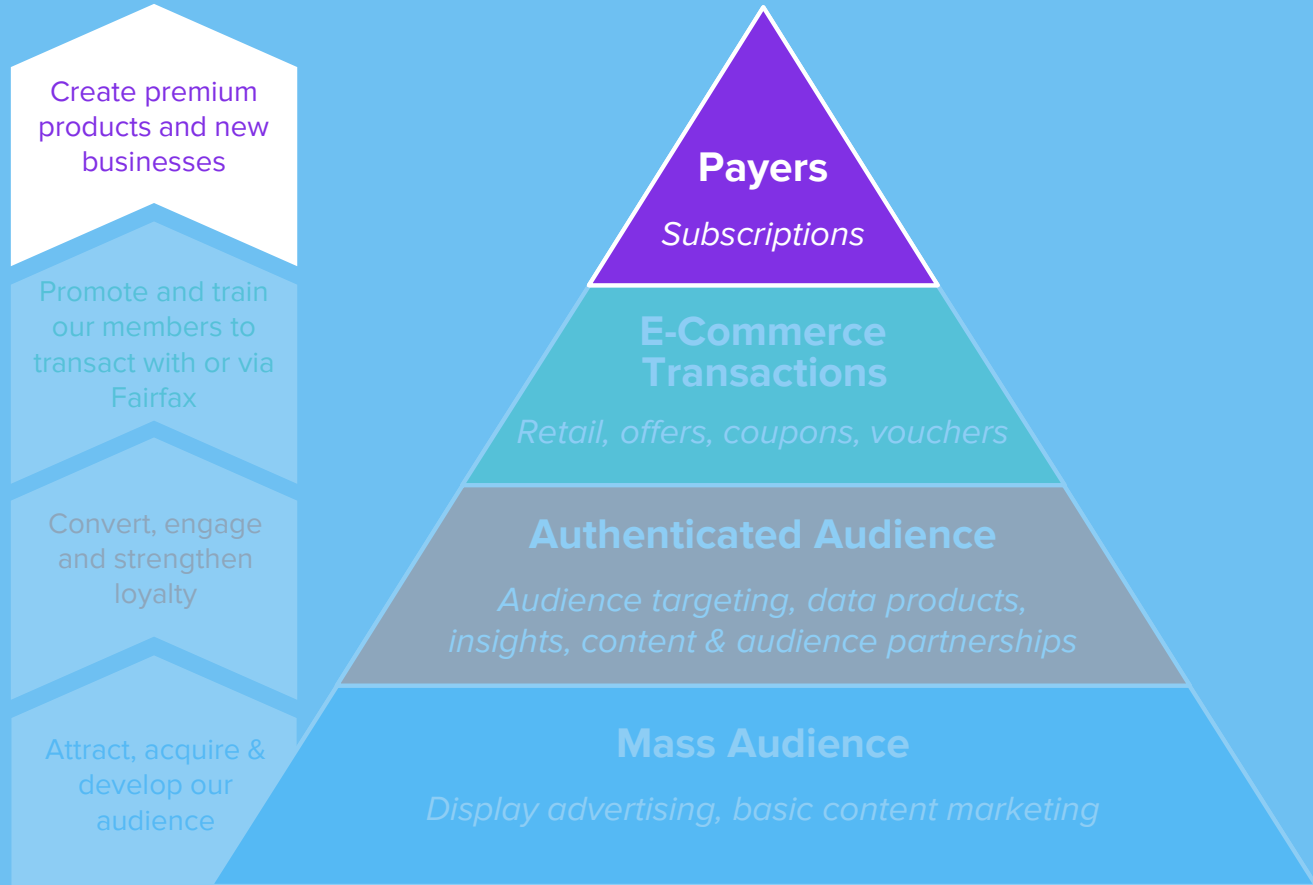
Our brands have influence and trust with their readers

We've built credibility, trust and authenticity with our readers through our community campaigns.

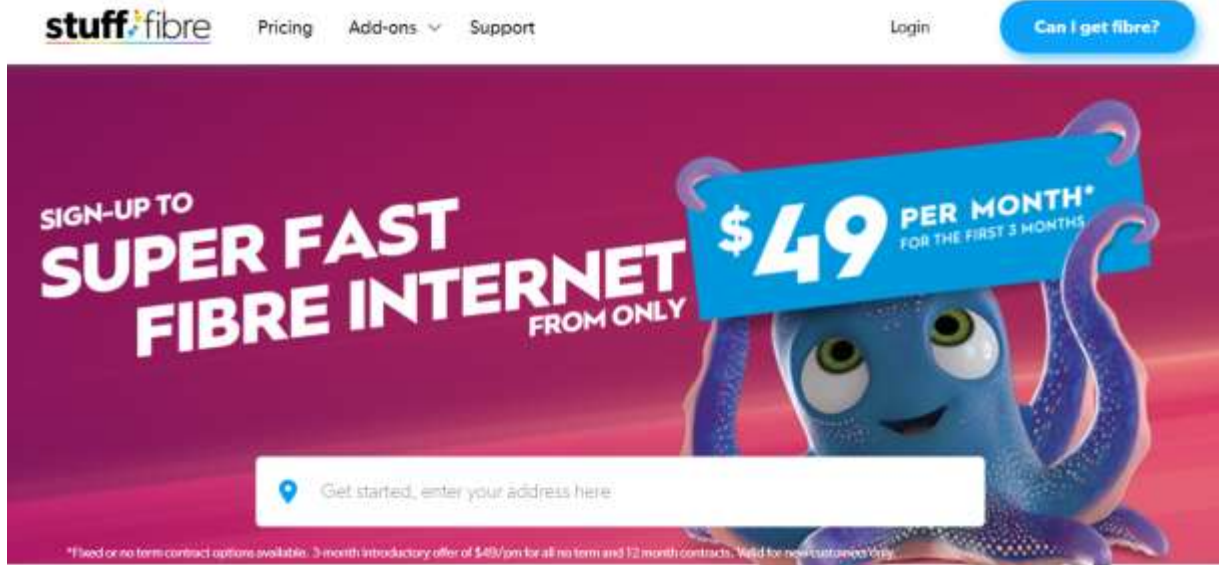


# Creating High Value Subscription Products

▲ 100%



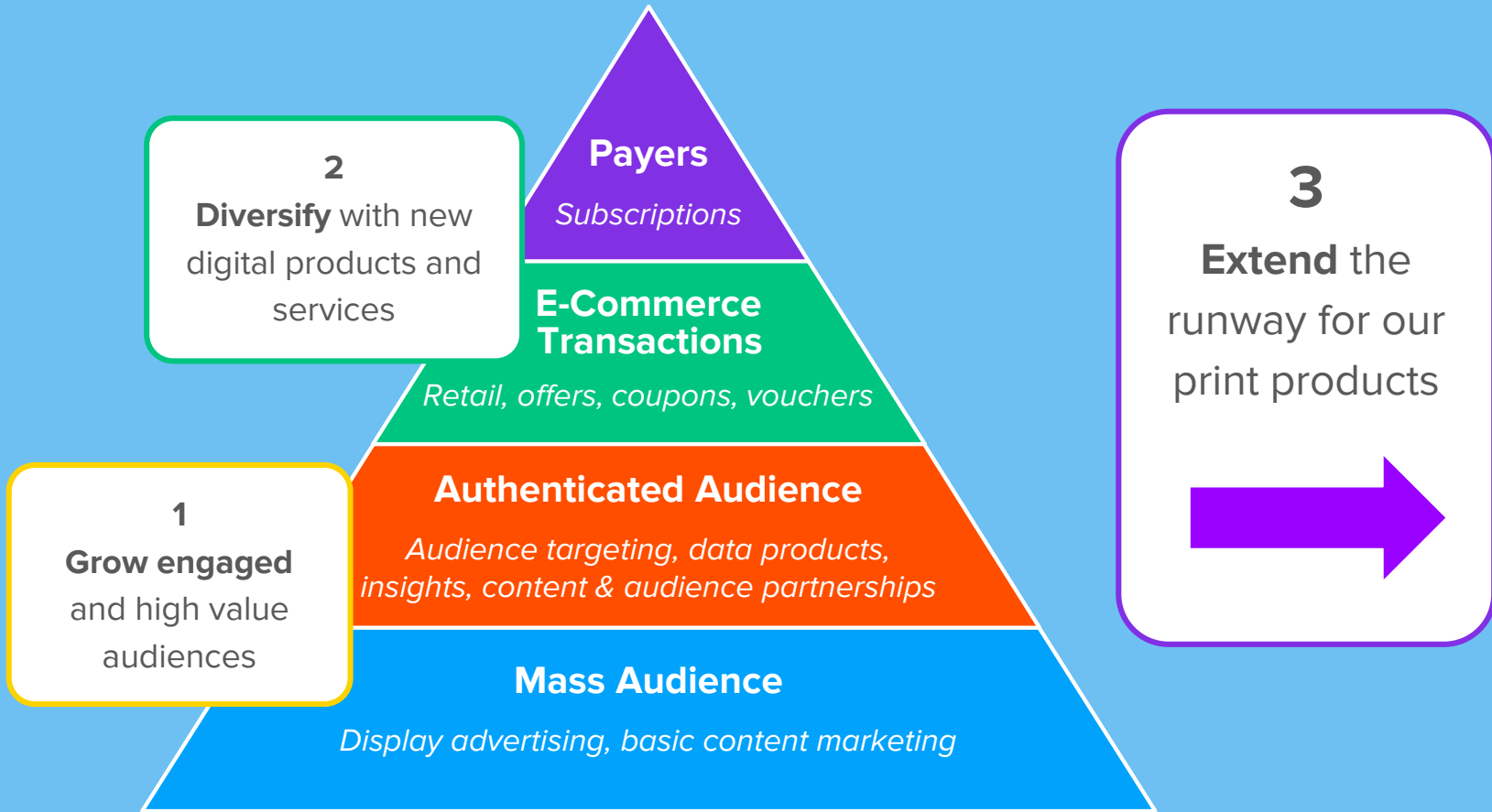
# The Success of Stuff Fibre



The screenshot shows the Stuff Fibre website interface. At the top left is the logo "stuff fibre" with a small star icon. To its right are navigation links for "Pricing", "Add-ons" (with a dropdown arrow), and "Support". Further right is a "Login" link and a blue button labeled "Can I get fibre?". The main banner features a blue octopus character holding a sign that says "\$49 PER MONTH\* FOR THE FIRST 3 MONTHS". The text on the banner reads "SIGN-UP TO SUPER FAST FIBRE INTERNET FROM ONLY". Below the banner is a white input field with a location pin icon and the text "Get started, enter your address here". At the bottom of the banner, there is a small disclaimer: "\*Fixed or no term contract options available. 3-month introductory offer of \$49/pm for all no term and 12 month contracts. Valid for new customers only."

**Here comes the super fast fibre internet you've always dreamed of.**

# FY18-21 Key Priorities

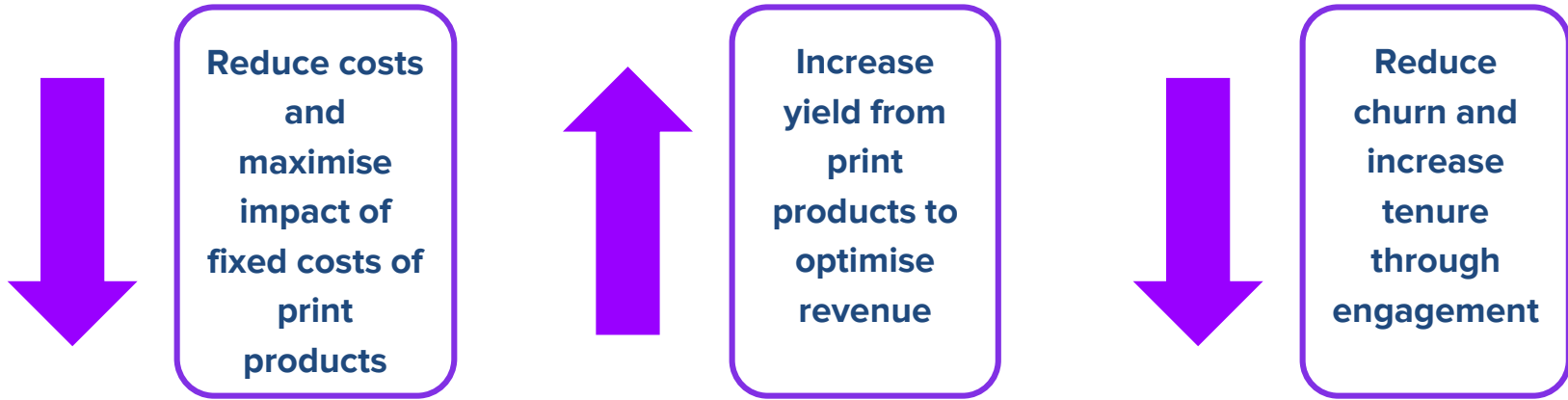




# Extending the life of print

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- Review traditional print models to improve efficiencies
- Optimise revenue through targeted pricing model
- Minimise churn with CLV engagement activity



# Reviewing traditional print models



Welcome to the Express of the future.



Welcome to the Nelson Mail of the future.

## 13 The new model stuff

- Bierheim Neighbourly Public page
- A Marlborough Express Daily email newsletter
- A three-day per week morning, paid broadsheet
- A strong community paper twice a week
- Commercial publications including property

## The new model

- Nelson Mail content across your devices on Stuff and Neighbourly
- Printed morning paper four times per week, Mon, Wed, Fri, Sat
- Strong community papers across Nelson and Tasman advocating for our community
- A daily email newsletter dedicated to the top stories of the region, including key info such as Family Notices

**Nelson Mail** **The Leader** **The Leader**

# Optimising revenue: Mather-based pricing



## Parameters

- 9% average price increase across 10 print publications
- 10% “business as usual group” – priced by FFX

## Progress

- Mather stop rate is performing marginally better after 3 months
- Tracking approx 1% up vs. budget for Q1FY18 (Q1FY17 was tracking -1.5%)

Stops	
Target (Mather)	5.72%
Control (Fairfax)	6.06%
Incremental	-0.34%

# Optimising revenue: Mather-based pricing



## Parameters

- Longest tenured publication: The Press
- First increases effective July 1, 2017

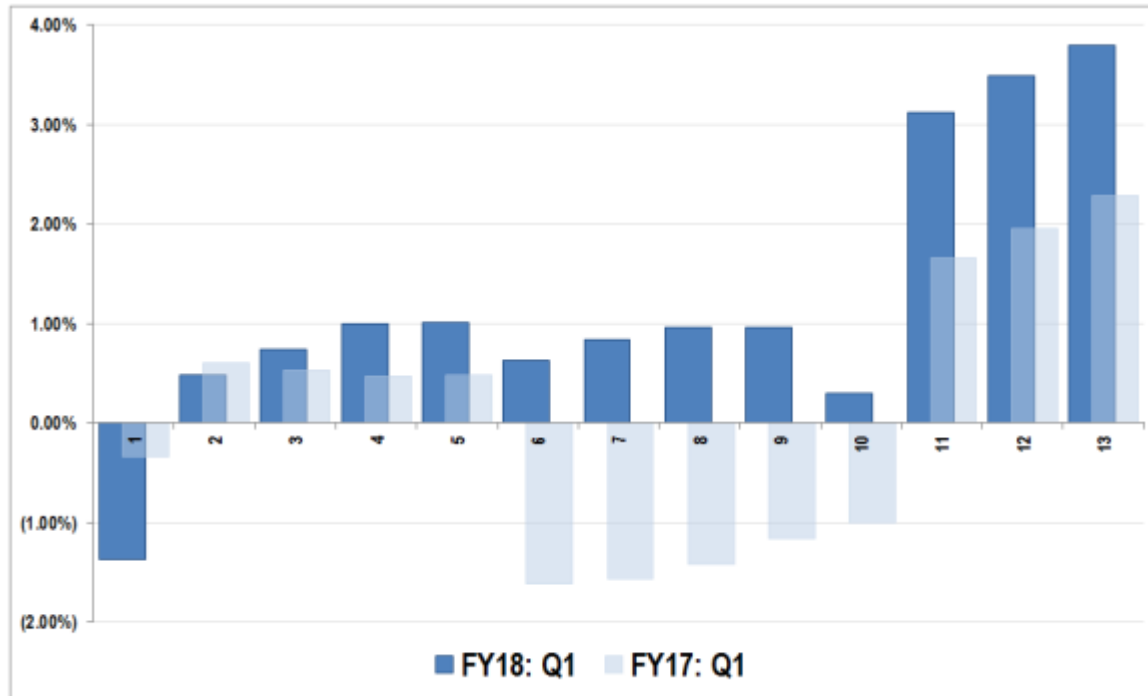
## Progress

- Mather targets stop rate is (-1.80%) lower over 3 months

Stops	
Target (Mather)	6.19%
Control (Fairfax)	7.99%
Incremental	-1.80%

# Optimising revenue: Mather-based pricing

Yield has been retained and increased versus budget and versus FY17: lower volumes, more revenue

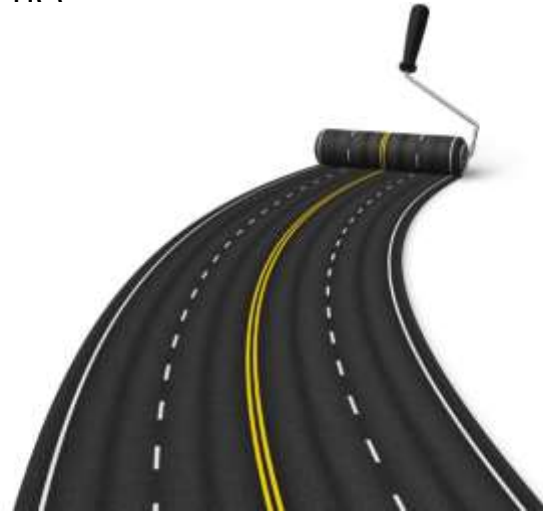




# The road ahead...

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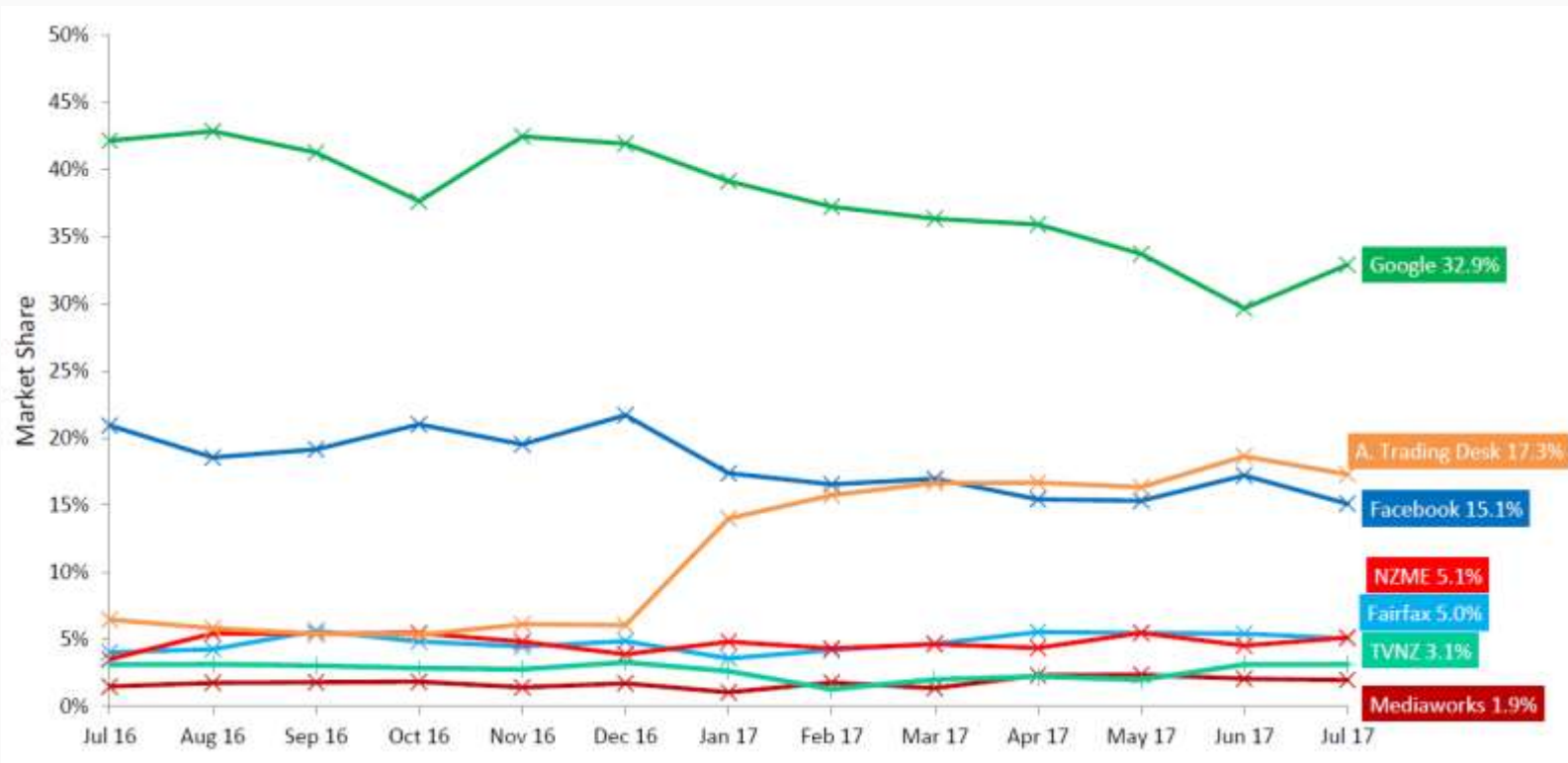
- CLV activity to reward and retain
- Include all data sets in Mather model
- Lead score to target and convert high value audience



THANK YOU



# Agency Trading Desks taking giant's share



# Iconic NZ Brand Client - Revenue Driven by Native

