

Building a Subscription Business.

Masterclass 2: How to plan around customer engagement



Manifesto
Growth
Architects



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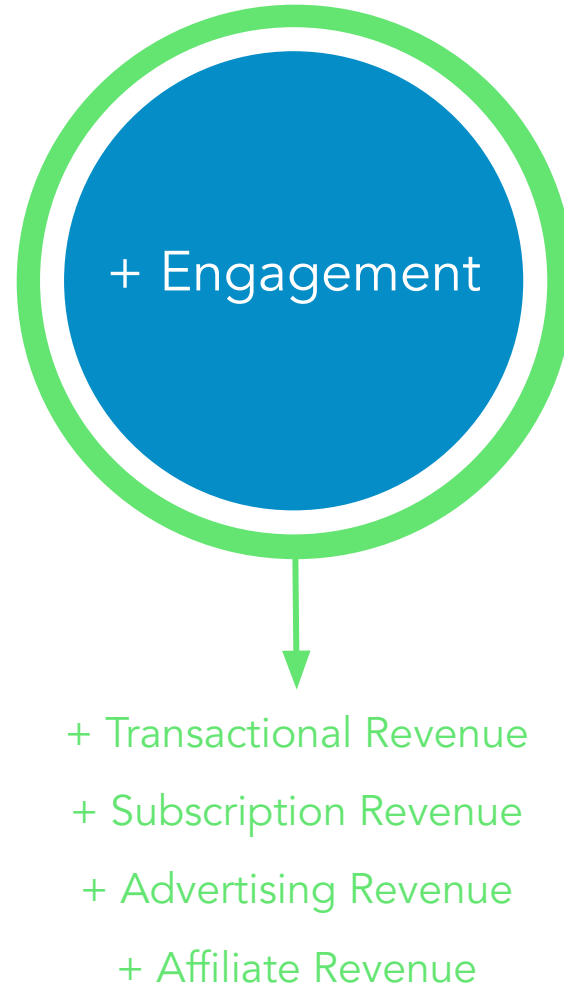
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Leading D2C operators focus on measuring and driving customer engagement

Why....

Engagement is a *leading* indicator of performance i.e. when engagement improves it is a sign that business performance will improve; this is because greater engagement directly drives all types of revenue.

Sales is all important, but it is a *lagging* indicator of performance i.e. it's only telling you the financial consequence of what has already happened.

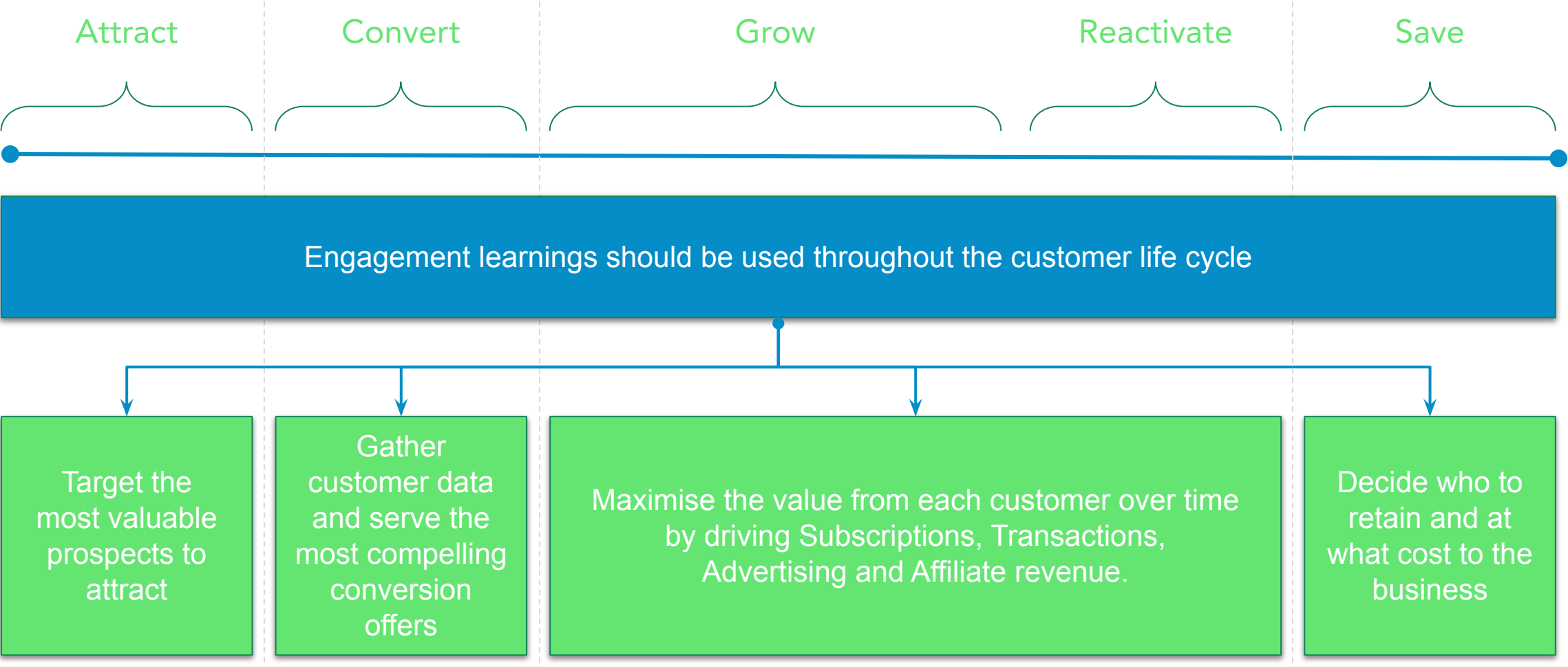


....How

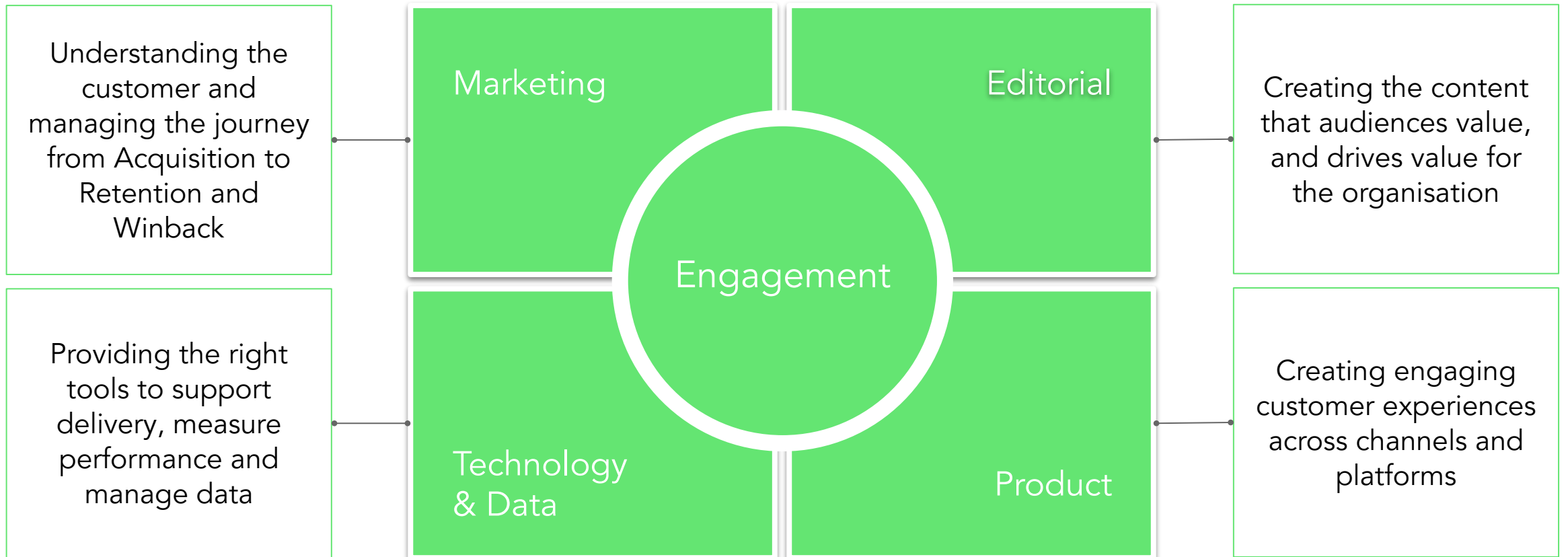
To organise around engagement a business needs to find its own measurement of engagement. This must be shared and understood across the whole organisation.

Engagement must be linked directly to the total value that a customer delivers to the business across all revenue opportunities i.e. Total Customer Value (TCV) and/or Customer Lifetime Value.

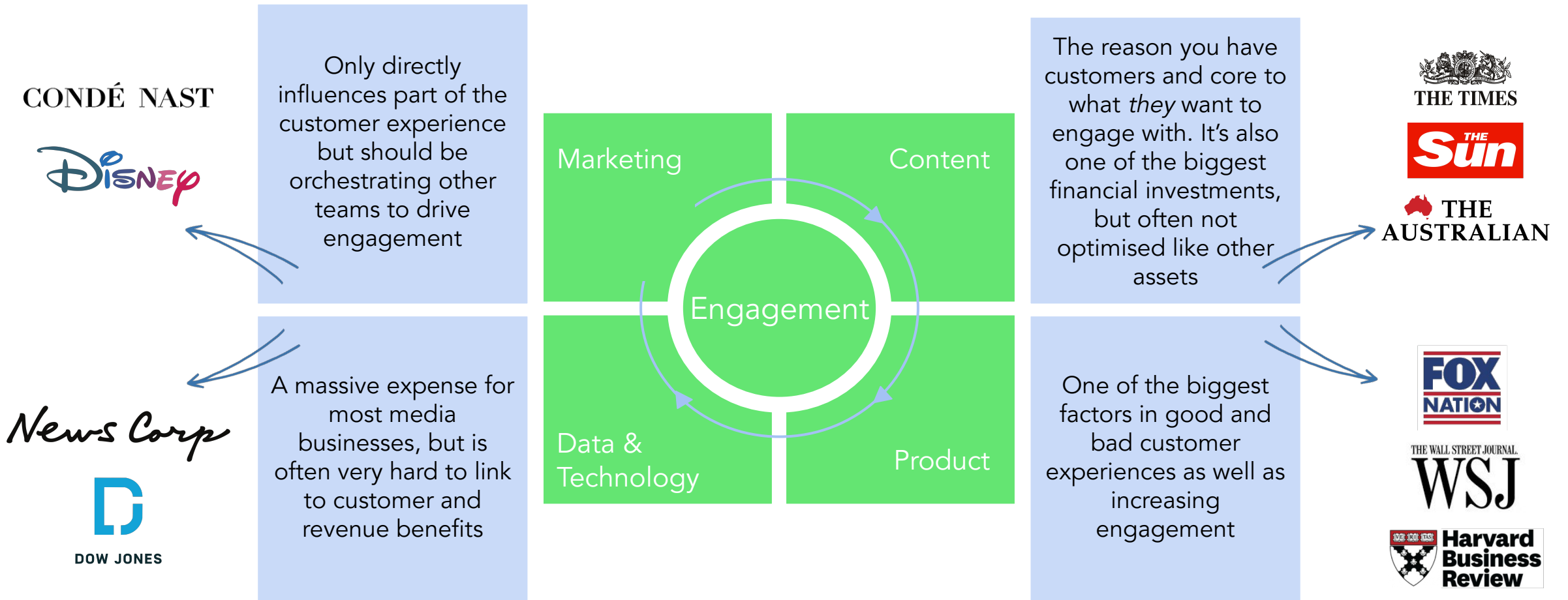
As well as delivering in-life revenue, managing engagement should be applied to all stages of the customer lifecycle



Engagement is a team sport; all four of these teams have to work together



Marketing functions in media companies increasingly see the opportunity to use their customer knowledge to be the leader of engagement approaches



In applying this to Operating Models we typically focus on four key considerations

1 **KPIs:** Alignment around common measures of engagement and where they fit in overall KPIs for each function

2 **Roles & Responsibilities:** Who is responsible for increasing customer engagement across the organisation? Are there owners in each function, or overall cross-functional leads?

3 **Execution Capabilities:** Are there existing tech, data & analytics capabilities that enable orchestrated efforts to increase engagement across all functions?

4 **Ways of Working:** Are teams working in silos or taking a joined-up approach to maximise engagement / usage habits?

	Marketing	Editorial	Product	Tech & Data
Engagement KPIs	Active Days	Views / Dwell time	OKRs	Cost Efficiency
Roles & Responsibilities	Audience Growth Acquisition Retention	Digital vs Print	Title vs shared services	
Execution Capabilities	Identity Resolution; Audience Targeting; Propensity Modelling; Orchestration; MVT; Performance Measurement			
Ways of Working	Prioritisation; Workflows; MVT; Performance Measurement			

Illustrative considerations

Engagement Framework

CREATE A UNIVERSAL GOAL

Needs to translate across News, Marketing, & Product

WHO

Identify members who are about to churn (*reactive engagement*) & segment the base (*proactive engagement*)

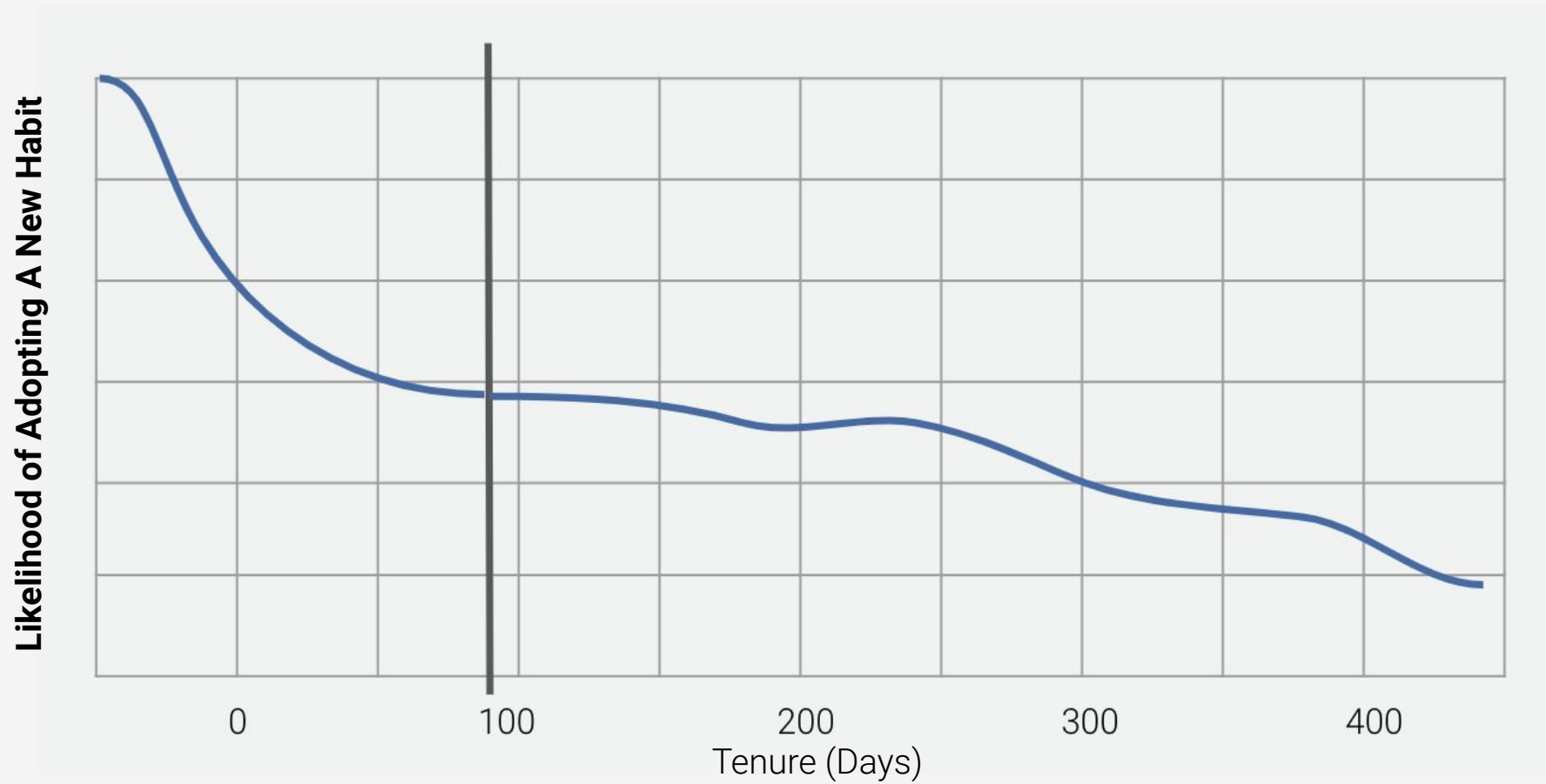
WHAT

Understand what habits keeps our members happy

WHERE

Build placements to promote new habits in our products

The Importance of Creating New Habits Early



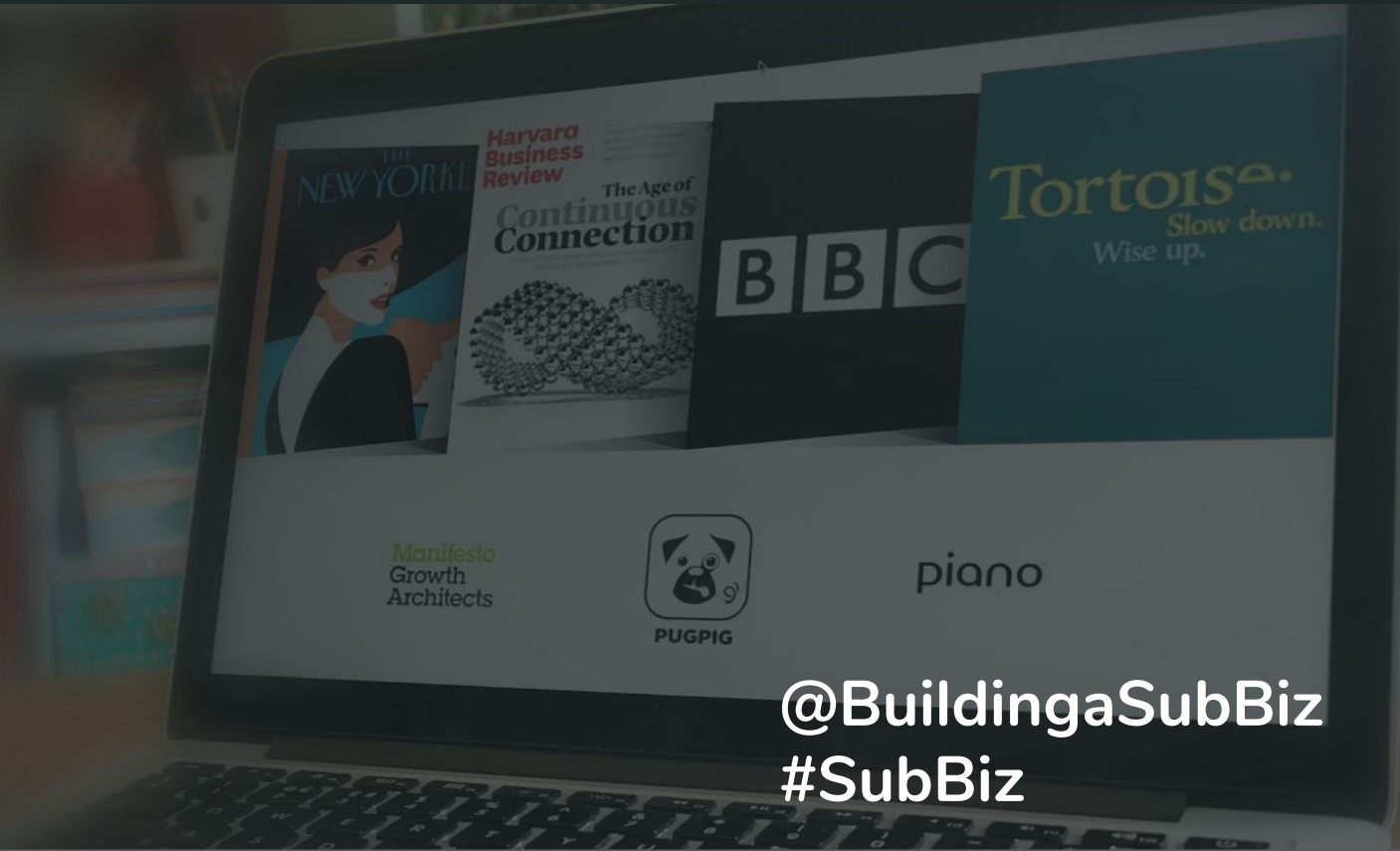
THE WALL STREET JOURNAL.

Thank you

How to design super-engaging digital products

When: June 17, 2020

Time: 15:00 GMT, 10:00 EST



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