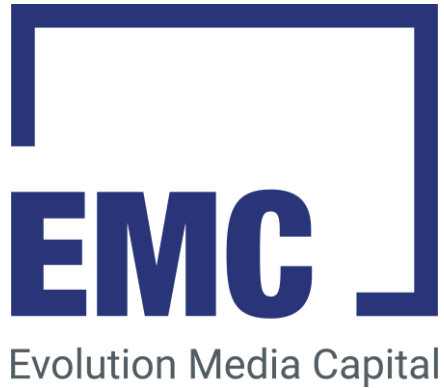


The New York Times Company (NYT) 2020 Q4 Earnings Summary

February 2021

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Key Takeaways

The New York Times Is Building Out A Portfolio Of Subscription Services Around Their Core News Product

PORTFOLIO

- **See bigger opportunities for Games and Cooking, and expect to invest more in content, product development and marketing**
 - The vast majority are bought independent, but do have some subscribers who buy all 3 products independently or a combination of 2
 - As of the end of the quarter, had nearly 850,000 Games subscriptions and 725,000 Cooking subscriptions
- **Will test the possibility of a subscription product for Wirecutter and experiment more aggressively with Audm**
 - These products are a way for The Times to mean even more in people's lives and also to make relationship with their brand more valuable

ADVERTISING

- **Experienced a hastening of declines in traditional print categories, at least some of which are unlikely to return**
 - Stabilization in digital ad business due to increasing potency of ad products and continued ability to rapidly transform their value proposition
 - Data-targeted media and audio remain their biggest growth drivers as they continue to introduce more unique first-party audience products
- **Expect podcast advertising to benefit from acquisition of Serial and the rights to sell advertising against This American Life**
 - Recorded \$36 million in podcast advertising revenue in 2020, up \$7 million from the prior year

PRODUCT

- **While many readers convert immediately in moments of high news need, there are plenty of others who do so over time**
 - With each passing quarter, their understanding of audience signals and their ability to act on them grows, making it easier to drive conversion
 - Far better at converting and holding on to people who engage across a range of topics than those who come on any single topic
- **Over the past year, have put a lot more resources towards the need for live news on a developing story**
 - Built new workflows and technological tools and could easily scale those to issues that go well beyond COVID and politics

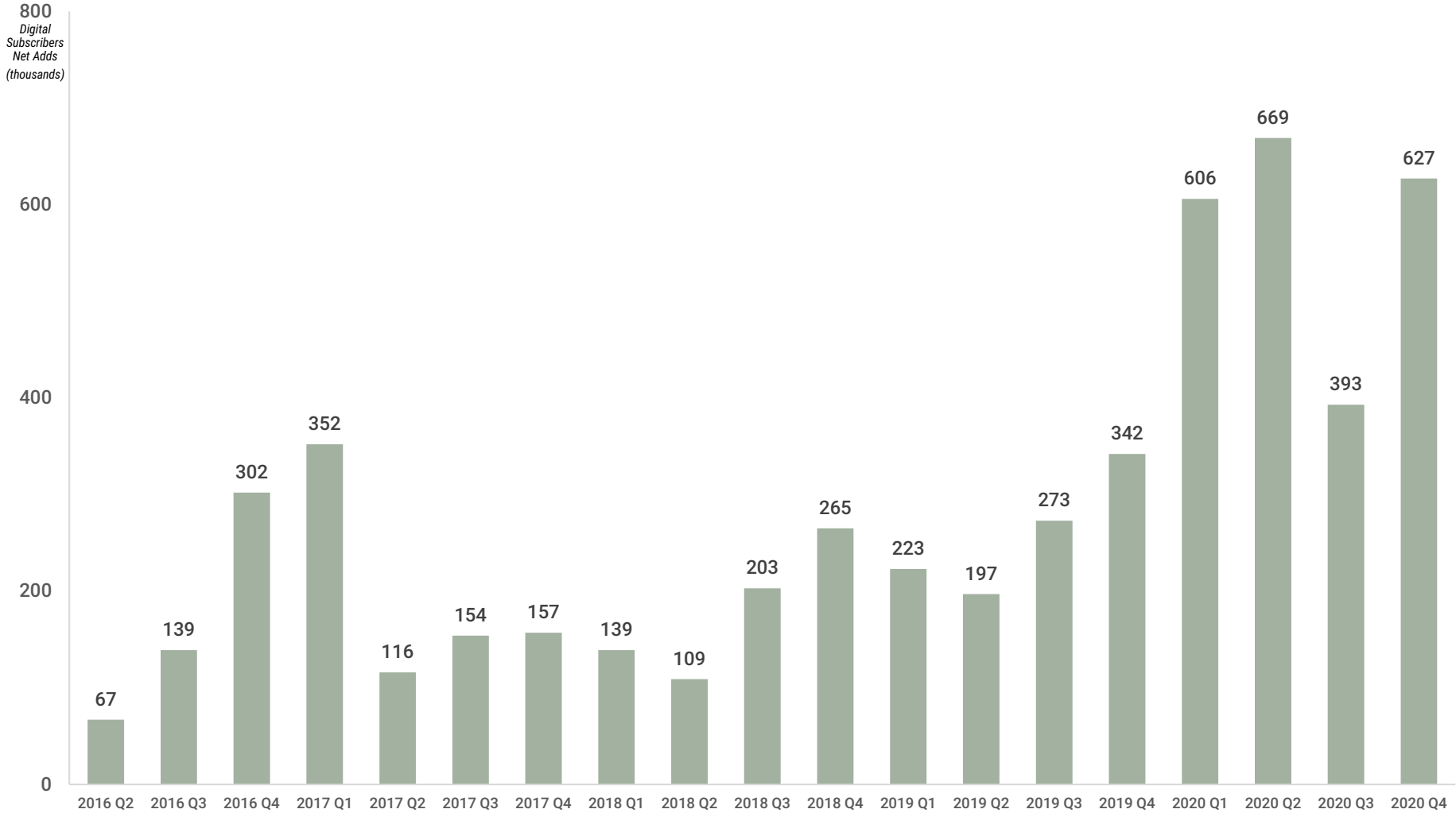
PRICE INCREASE

- **Still feeling really good about using \$1 a week pricing to bring large numbers of people in, particularly during big news events**
 - Given the large number of subscription additions in 2020, expect 1.6 million subscriptions will graduate to higher prices in 2021
- **Using data science, which ultimately should be better than randomly choosing which groups go into a step-up price**
 - Model chooses 80% of the subs that go to either step-up or full price because they want a 20% hold to test the efficacy
 - A bit more than 50% goes straight to full price and the retention on those who have gone to full price is slightly ahead of those who don't

There is plenty runway for growth with a billion people reading digital news and 100 million willing to pay for it in English

Digital Net Adds

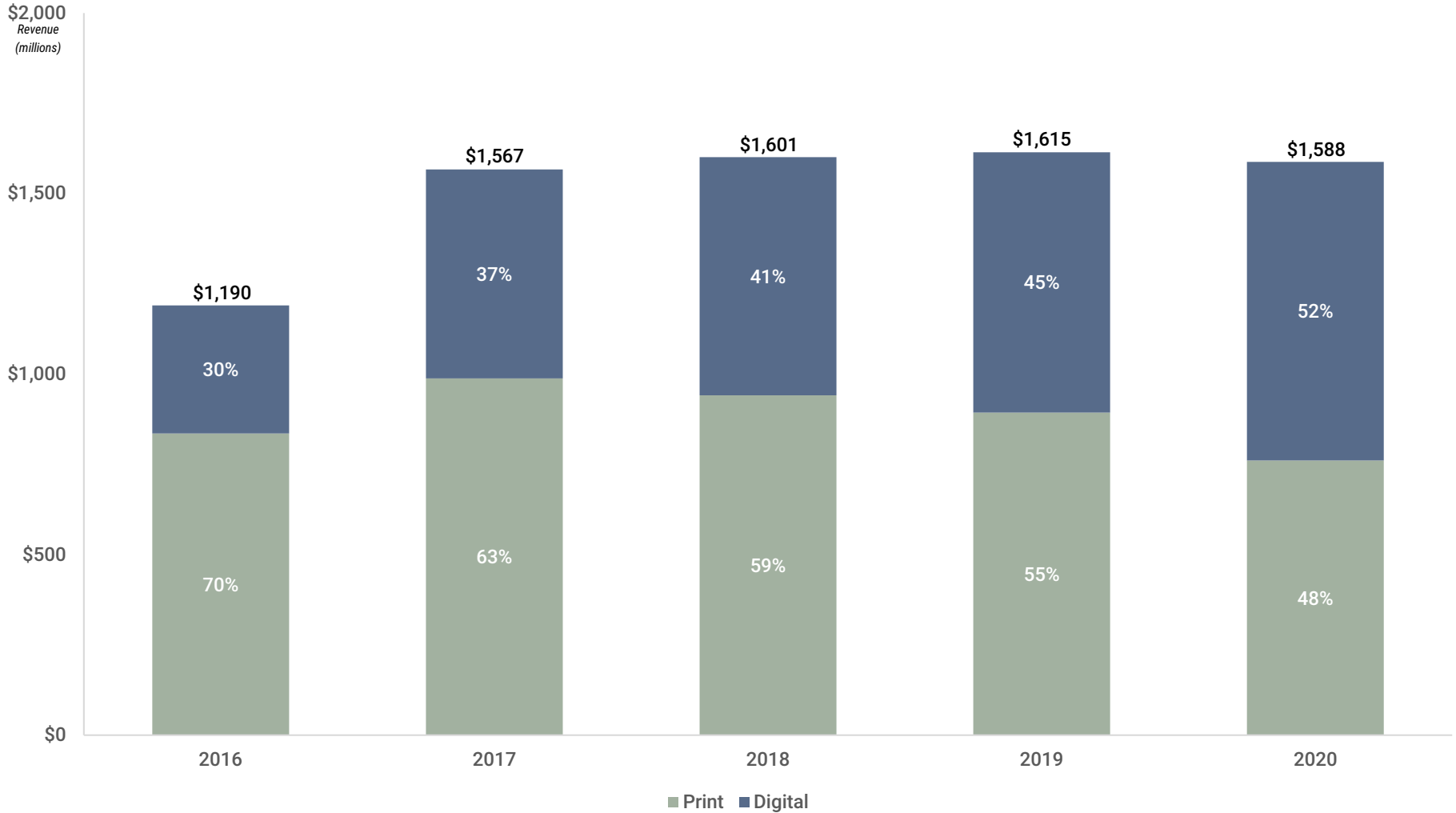
While 2020 Benefitted From A Strong News Cycle, They Have Improved Their Ability To Retain Subscribers



They are getting more aggressive about experimenting around using audio products to drive consumers to their products

Revenue

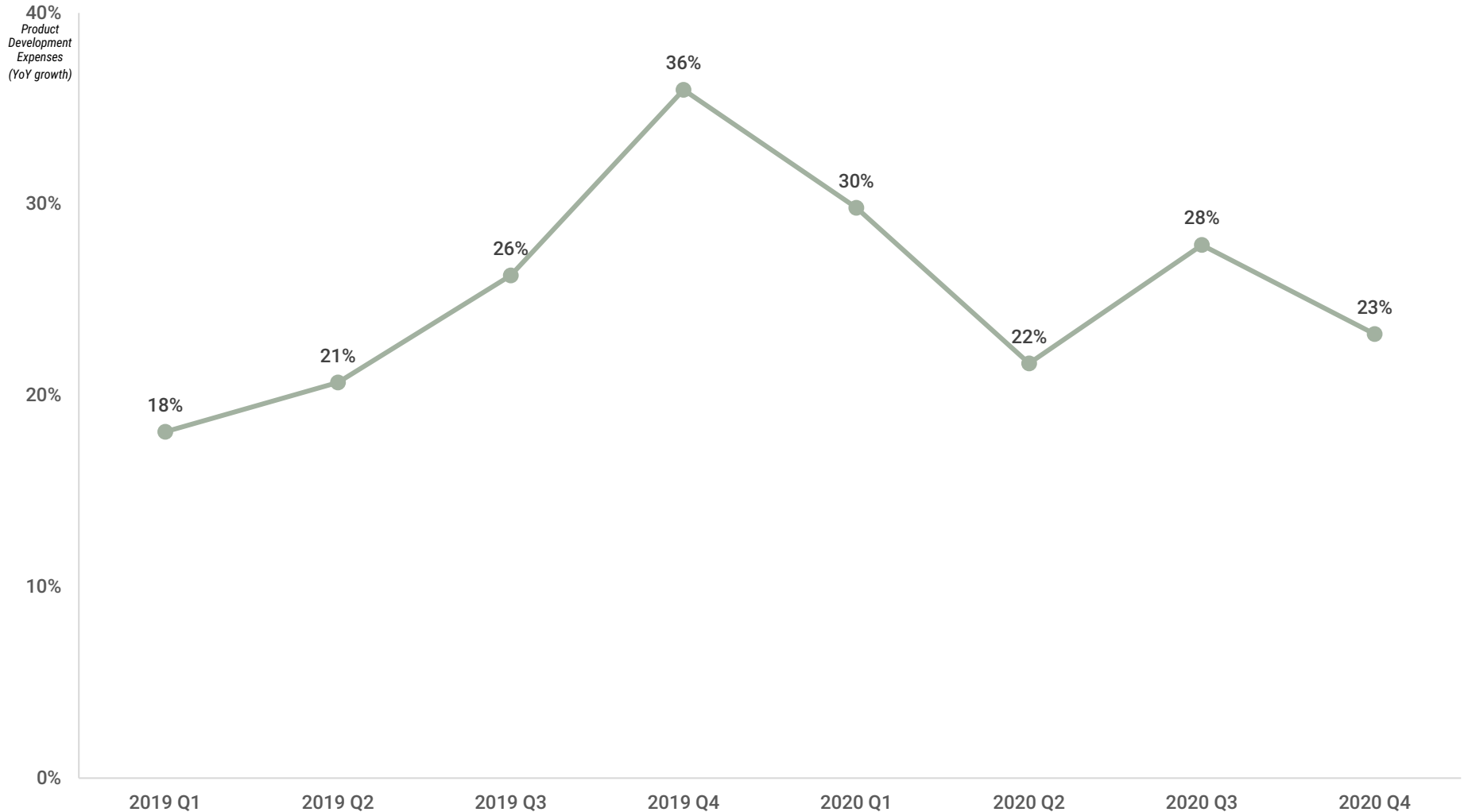
The Past Decade Has Proven Their Strategy Of Journalism Worth Paying For Through A DTC Subscription



Managing the continual decline of the print business by focusing hard on cost management to maintain profit margins

Product Development

There Will Be More Investments Into Underlying Tech Infrastructure That Can Be Scaled Across Products



Improvements to the app and home screen expand their competitive differentiation beyond just the story itself