Case Study

Piano Media profiles visitors and drives conversion

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Abstract

Publishers need to attract visitors to their websites with free content and encourage them to register for enhanced access. These registered users are the best prospects for conversion to paid subscription, but it is challenging to identify which registered users are the most likely to convert. This case study looks at how Piano Media used a tagging and profiling tool from VisualDNA to generate propensity scores that drove a threefold improvement in sales of subscriptions.

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Publishers using a content pay wall

Background

Piano Media is a Slovakia-based provider of paid-for content platforms for publishers. It provides a common payment system for all content placed behind a paywall and specialist expertise in driving revenues from paid-for content. The platform is currently used by 25 international and local media groups operating over 80 websites. The company was founded by Tomáš Bella, the former editor-in-chief of Slovakia's biggest news portal.

Publishers using the platform face a challenge around conversion of traffic into revenue. Typically, visitors to the sites fit into one of the three categories:

1. Unknown/unregistered;
2. Registered non-subscribers;
3. Paying subscribers.

Many publishers operate a freemium model in which free-to-air content is provided to attract prospects; some content requires registration before it can be accessed and full access requires a subscription. Migrating visitors through these stages is a classic direct marketing challenge, which Piano Media chose to address using a new data solution.

Identifying best prospects for conversion

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The problem

As part of the services it offers to clients, Piano Media wanted to be able to improve the performance of marketing to drive up conversions. A key issue was the ability to identify among registered users who are most likely

to become paying subscribers and also who to target marketing towards. If it could achieve those goals, the company would be able to prove the value it is adding to publishers.

Propensity model based on profiling

The solution

To help achieve this, the company approached VisualDNA, a London-based provider of psychographic audience data to digital advertisers and publishers. It supplies major agency groups and independent media planning organizations with privacy-compliant data solutions for online advertising and works with internationally renowned publishers to help them understand more about their site visitors.

Psychographic data aims to build a more complete and holistic user profile that enables marketers to reach and engage with audiences. Free quizzes are promoted via online advertising to create a psychographic profile, which is then combined with other self-declared consumer data to provide a deep data set on 150 million consumers worldwide. Tags are built into websites that allow for behavioural inference even on individuals who have not taken the personality test.

Picking out common characteristics

The project took a randomly chosen sample of 30,000 registered non-subscribers and compared its online behaviour with that of the entire population of paying subscribers. 'Look-alike' modelling was used based on randomly generated anonymous identifiers stored in cookies. This allowed VisualDNA to pick out common characteristics among the registered non-subscribers that could also be identified in paying subscribers on the Piano Media database. A similarity score was generated for each of the random samples of registered non-subscribers, representing how like a subscriber they were, and therefore the propensity to convert.

A mailshot was then sent by Piano Media to three groups identified within this set of 30,000 targets:

1. 5,000 highest similarity scores;
2. 5,000 randomly selected prospects;
3. 5,000 lowest scores.

Threefold uplift in conversion

Results

The outcomes from the project have proved the validity of both the profiling technique and the propensity model used. Of the top-scoring 5,000 registered non-subscribers, 1.59 per cent converted to paying subscribers, demonstrating the accuracy of the algorithm in predicting this likelihood. Profiling existing paying subscribers provided the basis on which targets could be scored using their behavioural characteristics.

Of the target group of 5,000 with the lowest propensity scores, conversion to paid subscription was only 0.22 per cent, further demonstrating the usefulness of the technique for selecting marketing prospects. The strongest validation of the model was that, in the random sample, conversion was 0.52 per cent, showing that the predictive

algorithm generated a threefold increase in conversion rate for the best prospects.

Piano Media was overjoyed with the results achieved and is looking to apply similar tags and profiling across a range of publishers it works with. For VisualDNA, the outcome delivered live proof of its technology and data, which is often difficult to achieve when working through a third party (such as an agency) where the results happen downstream and are often not communicated.