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AUDIO STRATEGY AT HBR

Agenda

1. Narrated Articles
2. Our Podcast Network
3. The Amazon Prototype

Who Am I?

Former business journalist who moved into digital product development in 2005, with the NYT Co. (Worcester T&G, then Globe)

At WGBH came to understand the power of audio, experimented with different formats, how users connect with audio.

At HBR helping to drive audio adoption and how it can drive a subscription business.



Why audio now?



Text was the coin of the realm.



Video emerged, but hard to scale for traditional publishers.



Audio is a better space for us

Pocket users

Incubator findings

People hire audio to perform two fundamentally different types of jobs, and each results in very different listening behavior

Casual Listener

Jobs

- Fill empty hours
- Make drudge work less dreary
- Be entertained or informed
- Feel like I'm using my time better

Behaviors

- Use as an alternative to music
- Deploy when bored

Dedicated Listener

Jobs

- Tap inner curiosity
- Go deep on interest areas; get ideas
- Stimulate thinking / reflecting
- Stay up to date on current events
- Have interesting people in my life

Behaviors

- Deeply invested in stories, hosts and shows, e.g. goes to live tapings
- Looks forward to shows and makes time for listening (e.g. by walking instead of driving)

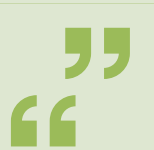
Narrated stories



Signed a deal with NOA; also considered Audm (acquired by NYT) and Curio.io.



They provide narrated files for 20-30 articles per month, we use them on the site and in our app, and they use them on their app. Semi-exclusive deal.





Small revenue share, narrators around the world (important to us).




Also working on audio in the car with Jaguar and Range Rover.


Key takeaways so far on Narrated Articles

 Most recent articles have highest volume of player starts, but similar play rates (plays per player impression).


 Longer and shorter articles have similar play rates, but longer articles have lower completion rates.

 Play rate highest on desktop at 4.3%.

 90% completion rate highest on tablet at 32% (though few plays on tablet).

 Plays from AMP pages now represent a significant portion (about 30%) of total plays.

 The Noa app accounted for 28% of all article plays.

 There is no discernible relationship between the individual narrator and the user's engagement.

Podcast network

Building original podcasts is expensive.

Typical margin on original for us: 30 percent.

Idea: Create a network.

Share 50 percent of ad sales revenue with the producer.

Creates a revenue stream for them. Also broadens their reach: one show went from 20K listens per episode to over 500K with us.

Avoids production costs for us. Creates instant ad inventory.

Lowers risk. They demonstrate a track record.

Studio model approach



Our editor and one audio editor, as well as the PM and a core group, hunt for good partners.



Also talk to potential podcasters in our networks of writers and contacts.

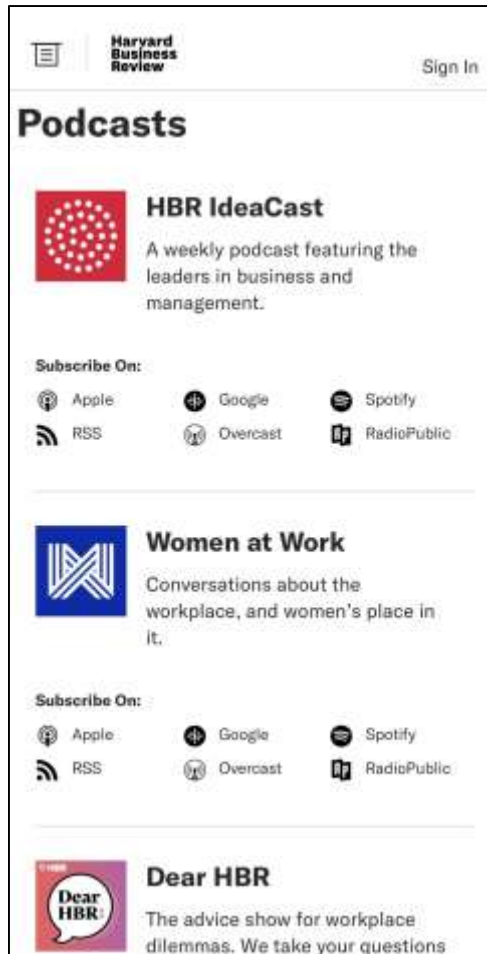


They recommend best candidates. Sales offers ideas on best ad possibilities.



We greenlight best shows one season at a time, negotiate a deal.

How are they performing?



BUSINESS CHARTS

- IdeaCast #3 in Management; #14 in Business (ALL)
- After Hours #4 in Management; #19 in Business (ALL)
- The Anxious Achiever #5 in Management; #25 in Business (ALL)
- Cold Call #7 in Management; #34 in Business (ALL)
- FOMO Sapiens #8 in Entrepreneurship; #42 in Business (ALL)
- Women at Work #9 in Management; #46 in Business (ALL)
- Dear HBR #13 in Management; #92 in Business (ALL)

TECHNOLOGY CHARTS

- Exponential View #9 in Technology (ALL)

FINANCIALLY

- From \$400K annually two years ago to \$1.6 million this year, even despite COVID.
- Many partners earning at least \$30K annually in revenue shares. Margin way up.

Financial halo effect

Eric's journey with HBR: an engaging form of self-development.



"I've been working for Airbus as a software engineer for about two years and most of my work reading is TechCrunch or Forbes. But I wanted to use something to help developing myself professionally. I want to get a more rounded feel for business..."



"I had been listening to podcasts on entrepreneurship and putting together the sources I wanted to listen to. I came across an HBR one called Cold Call, after a friend of mine recommended it. I think it was just, 'Hey, are you listening to this as well?'"



"...As soon as I heard one, I started listening to all of them. I really enjoy learning about those little bits of insight, whether it's a particular way a market behaves in a particular industry, or a way of thinking about team building that I hadn't ever considered..."



Case Studies Solutions

"...I was listening to Cold Call about booking.com. The topic was... directly applicable to something I was encountering at work. So I went to HBR.org and I bought the case for \$10 because I wanted some ammunition to say at work 'look, this is a good approach.'"

Added benefits

- Reaching new, younger audiences in places they don't expect us.
- New element for ad packages, conducive to sponsorship.
- Different brand experience. We have Women@Work fans, IdeaCast fans, AfterHours fans. HBR=PBS (the respected network).
- Users will convert to paid subs; also considering bonus episodes for subscribers.
- Niche membership strategy. Go very deep for most passionate audiences.

Amazon prototype

- New “knowledge skill” with Amazon in prototype.
- Providing longform content on Echo.
- Three publishers so far, up to 1000 stories in a feed.
- Moving past simple facts to longer natural language.
- Advocating for sub-call outs, subscription benefits, paywall activation, voice subscription.



Conclusions and Questions?

- Audio is still emerging, patterns can change fast.
- Remain experimental.
- It can drive business conversion, and help new audiences discover you.
- Production costs can be significant.
- Prepare for the future. Will Amazon be the Google of audio?