



Key Drivers of EL PAÍS Digital Transformation

EL PAÍS

The 2012 –2017 period has been marked by growth

EBITDA Global
€000

+68%

12

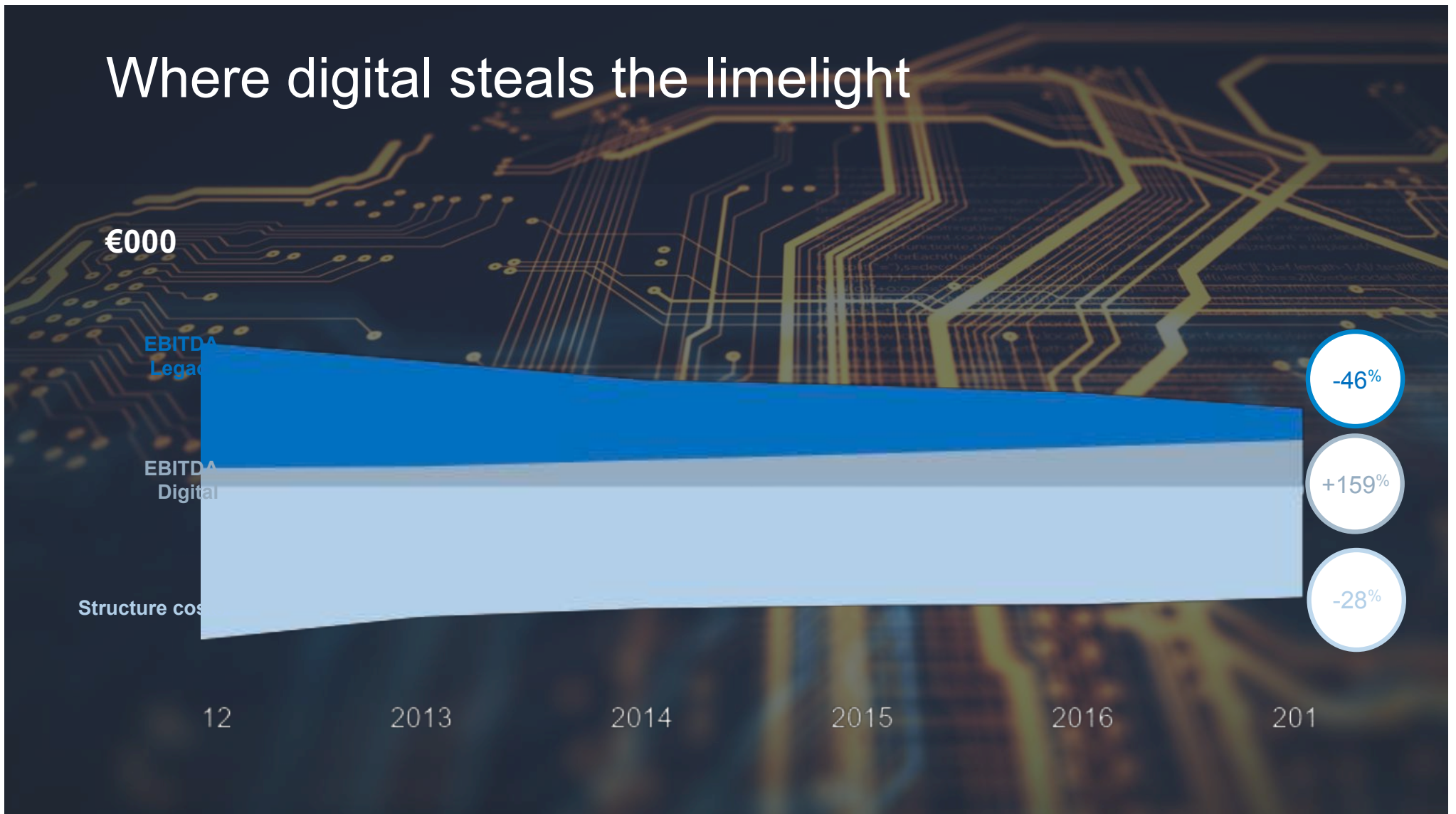
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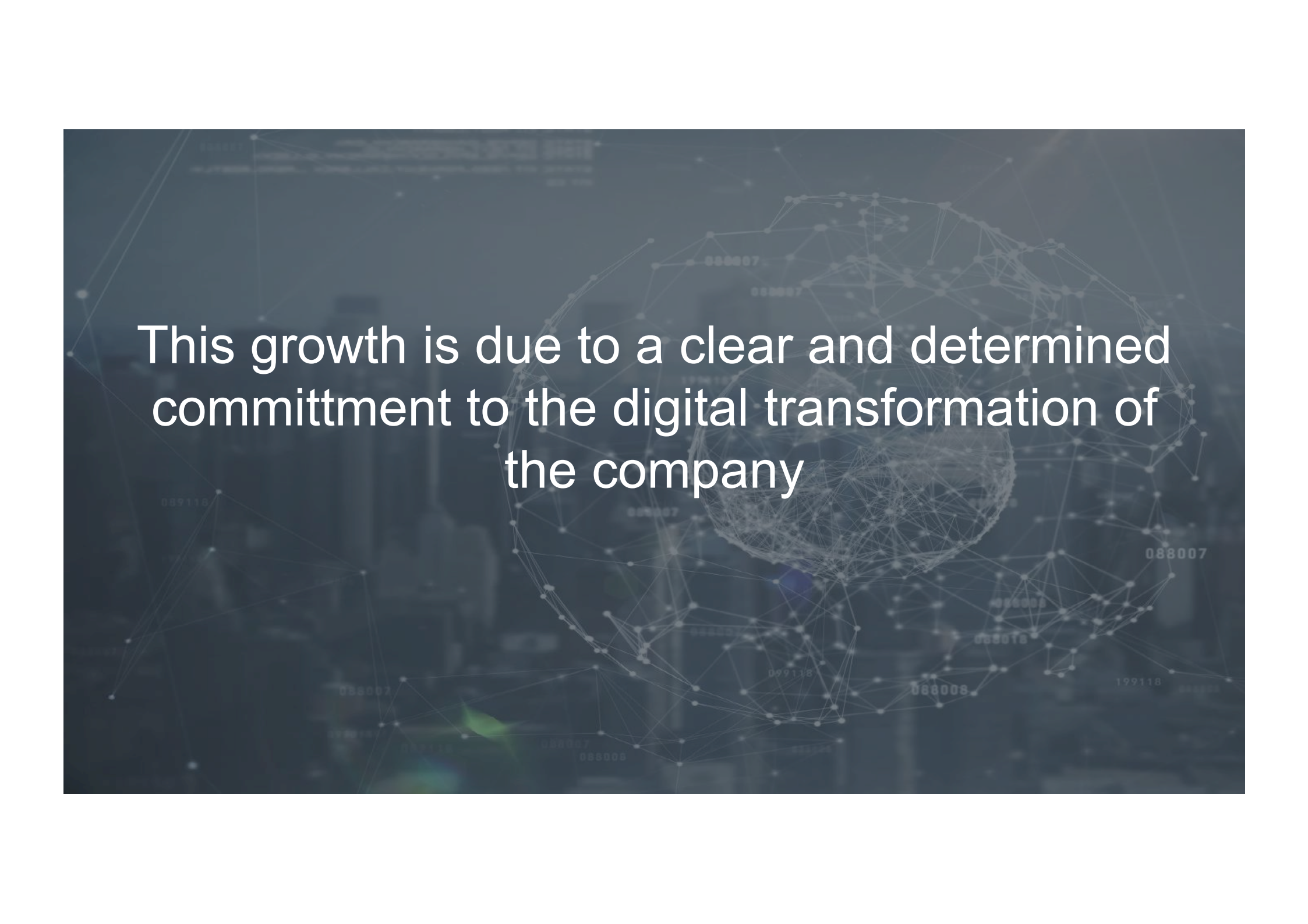




But it has also been a period with significant changes in the business model

Where digital steals the limelight





This growth is due to a clear and determined
committment to the digital transformation of
the company

Since 2012, significant increase in digital audiences ...



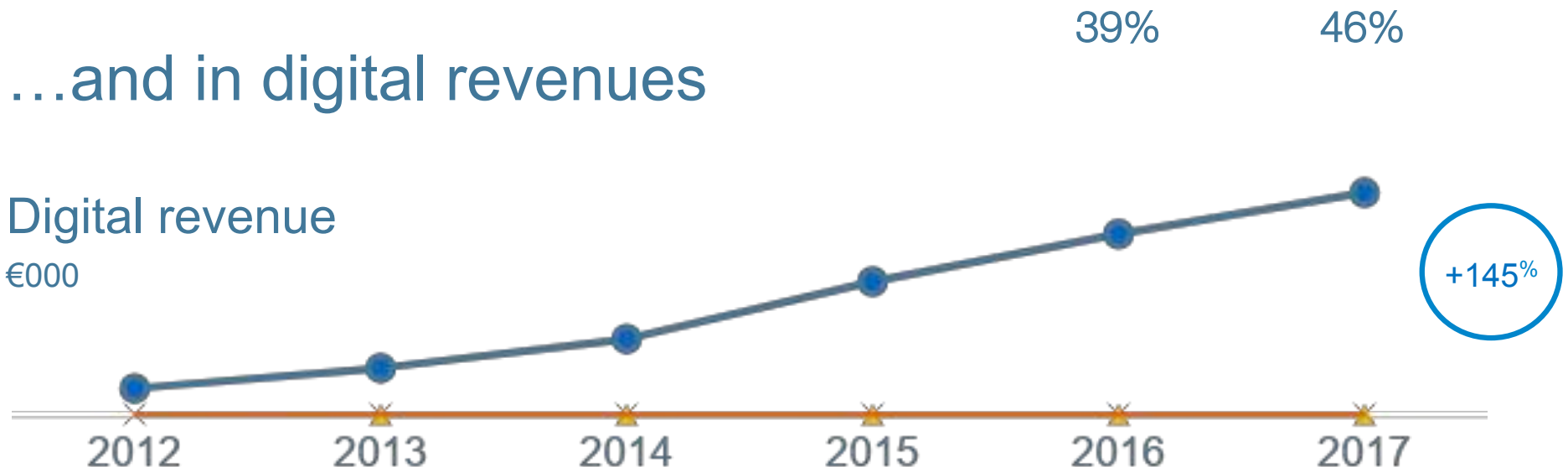
+87%
ADVOCATE READERS

A dotted line connects the bottom of the 'UNIQUE NAVIGATORS' circle to this text block.

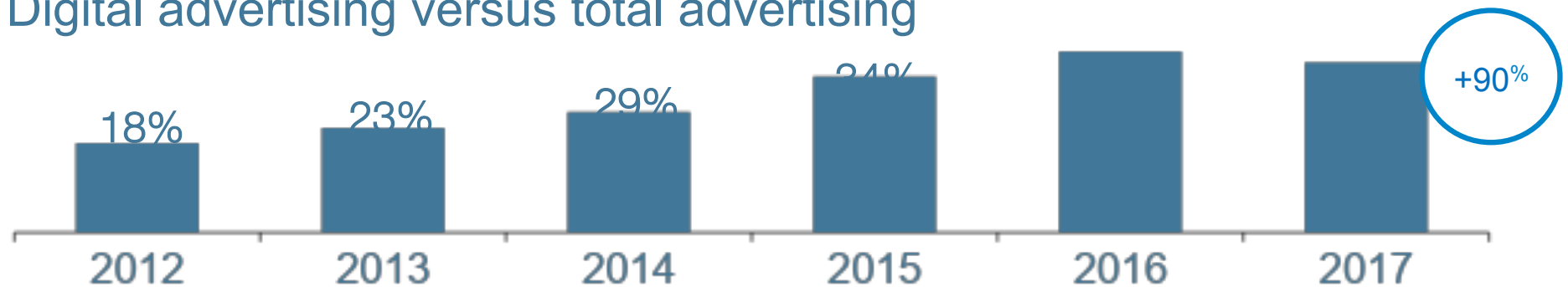
...and in digital revenues

Digital revenue

€000



Digital advertising versus total advertising





Drivers of the digital transformation

Drivers of the digital transformation



Product Development



Distribution



Globality



Data

Drivers of the digital transformation



Product Development



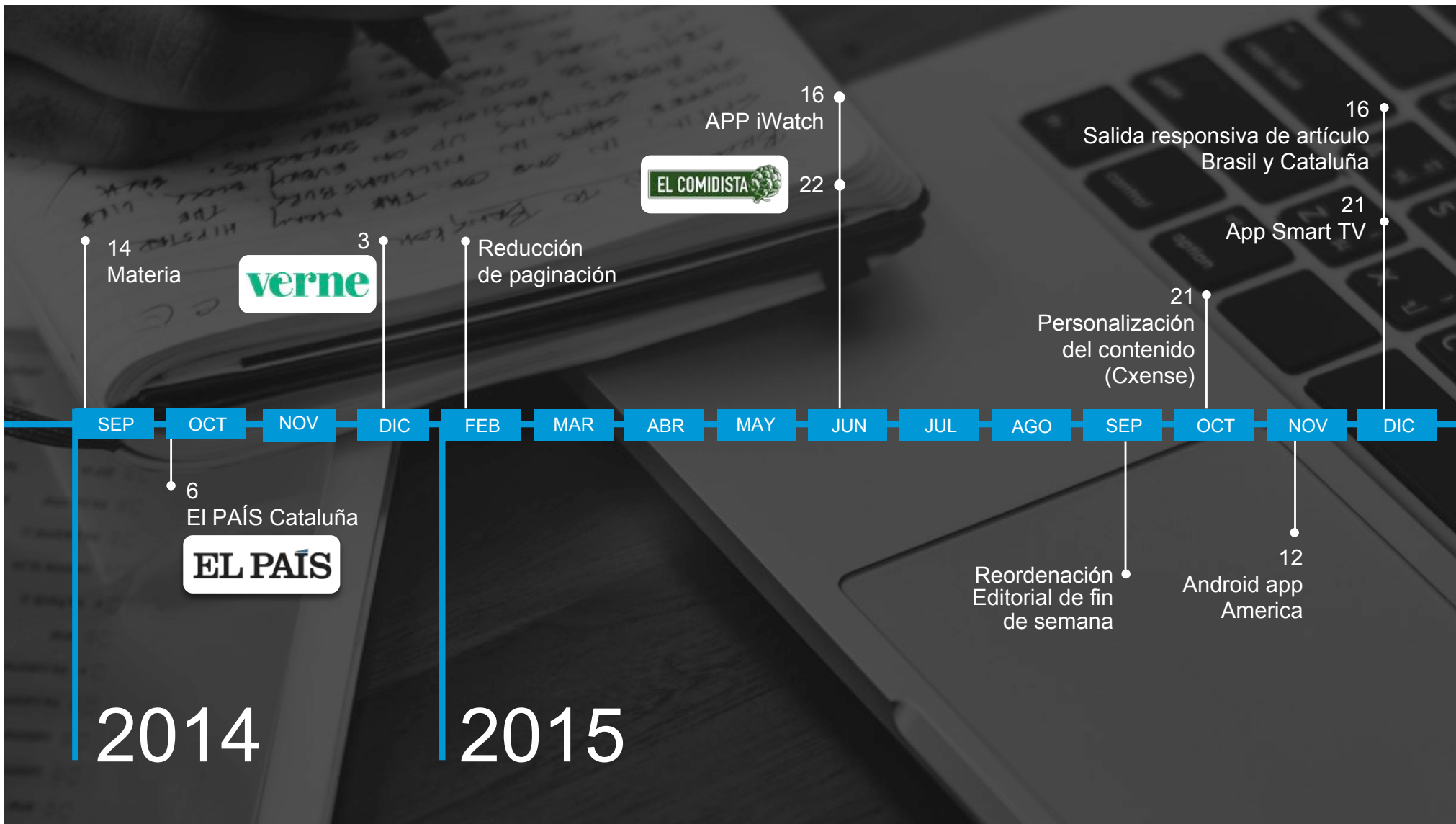
Distribution

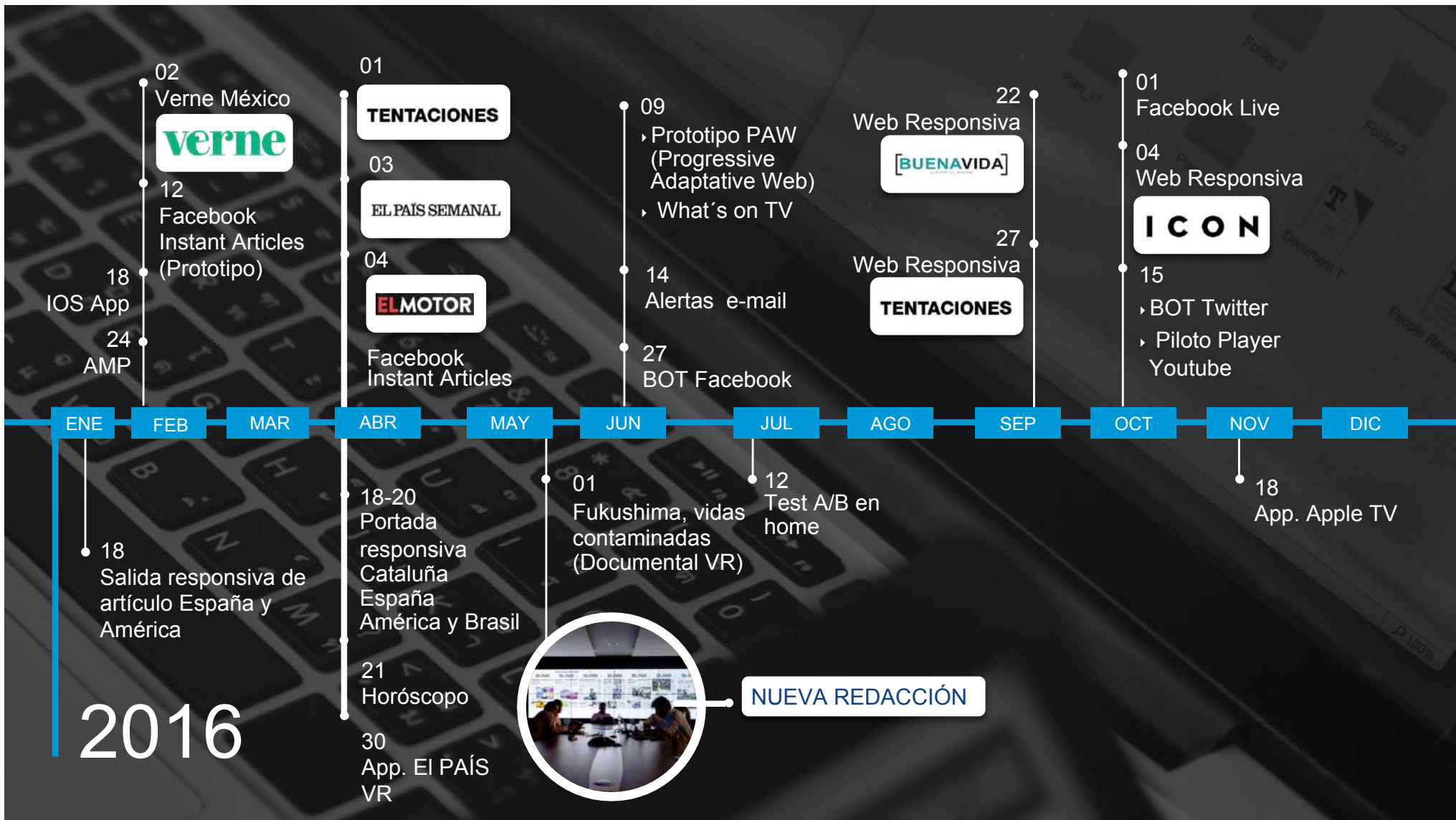


Globality

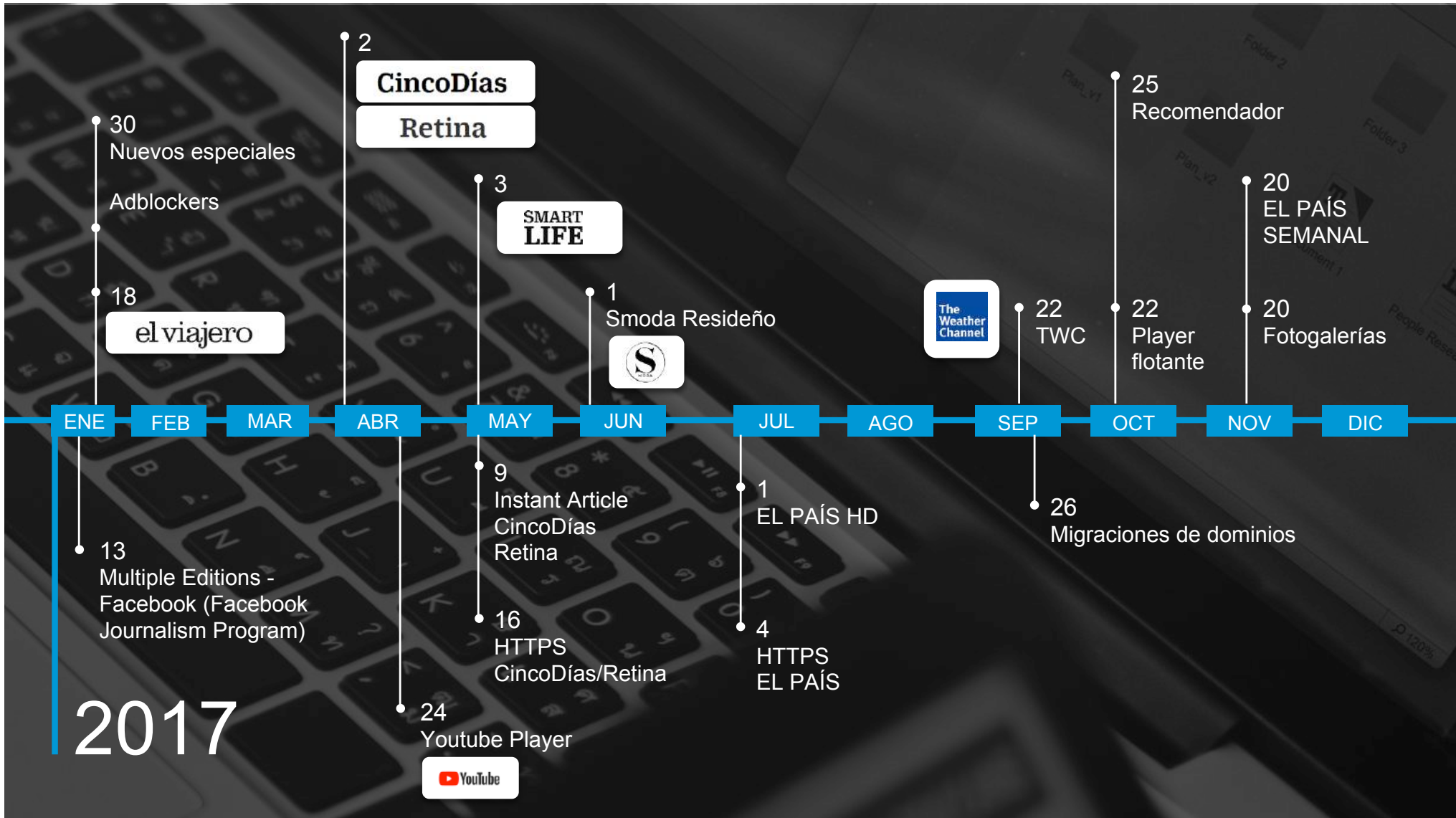


Data

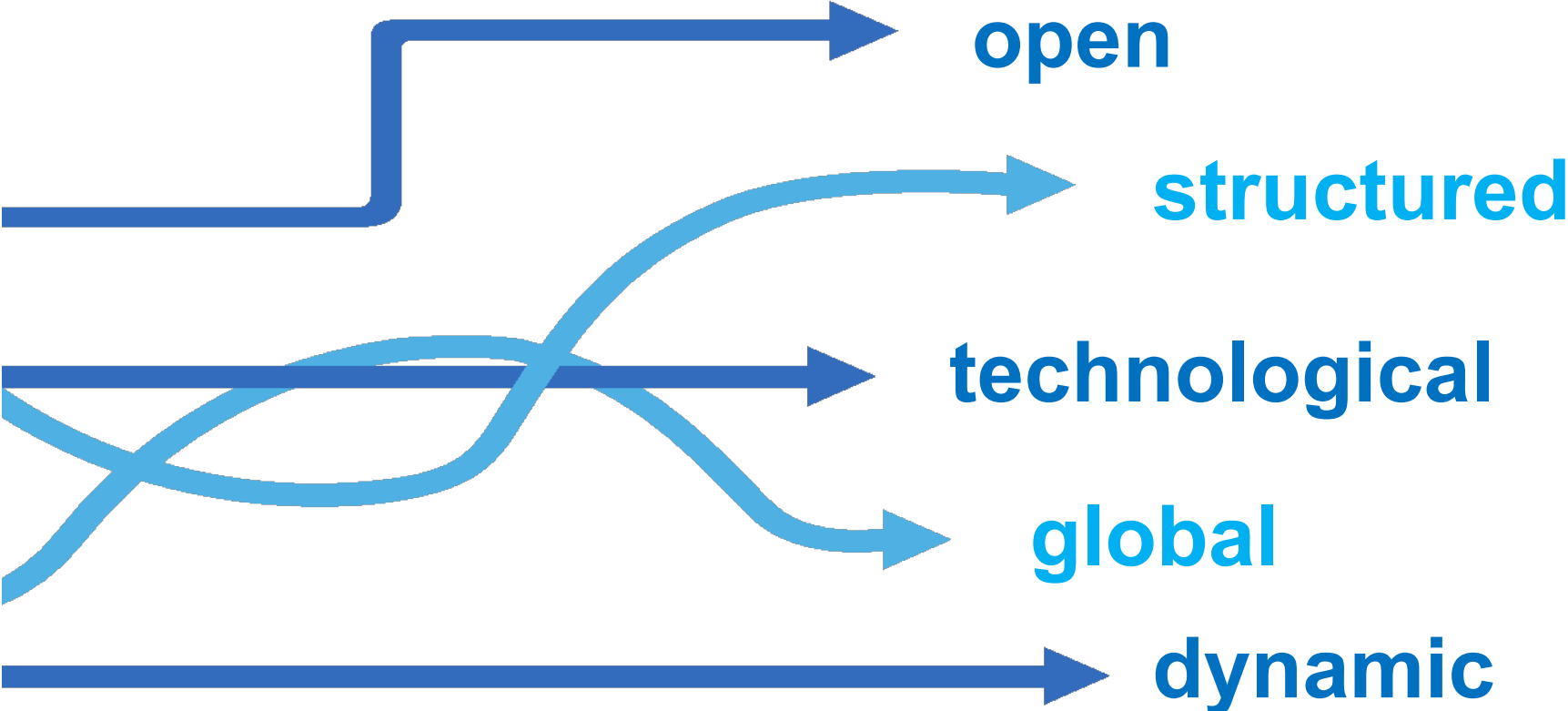




2017



A space that is...



open

structured

technological

global

dynamic

A photograph of a modern office interior. The space is open-plan with glass-walled rooms. In the foreground, there are blue chairs and a white table. A large circular light fixture is visible on the ceiling. The text is overlaid on the left side of the image.

A space that is open

We have reduced the number of individual offices to a minimum and increased to 16 the number of conference rooms and team work cabins. The newsroom now has many more open spaces as well as natural light.



A space that is structured

The core of the newsroom is the Control and Distribution Desk, which is set up as a command centre and from which the production and distribution of content to the various platforms is organized. Both the physical and the virtual work environments have been specifically designed.

A wide-angle photograph of a modern newsroom. The room is filled with rows of desks, each equipped with multiple computer monitors. Several people are seated at the desks, working. In the background, a large wall is covered with various data visualizations, charts, and maps. The ceiling features recessed lighting and a grid pattern. The overall atmosphere is professional and technologically advanced.

A space that is technological

The changes in the workflow are visually reinforced with a spectacular area of screens in the heart of the newsroom that allows monitoring the performance of the EL PAÍS products, with a special focus on mobile consumption, search trends, and social conversation. The video set is also located in this area.



A space that is global

This new technological space provides a 24-hour image of the work produced by the American and Brazilian editions, while the Central Control Desk includes a permanent representative from those editions across the Atlantic.



A space that is dynamic

Depending on circumstances, the layout of the working space can be modified. There is a meeting zone, a library and drawing-boards to boost creativity and team-work.

Product Development

Verticals

Mobility

Video

Product Development

Verticals

Mobility

Video

Verticals



Cinco Días
41% new readers



El Comidista
23% new readers



Materia
28% nuevos



Smoda
24% nuevos



BuenaVida
23% nuevos



ICON
21% nuevos



Tentaciones
23% nuevos



Verne
30% nuevos

Product Development

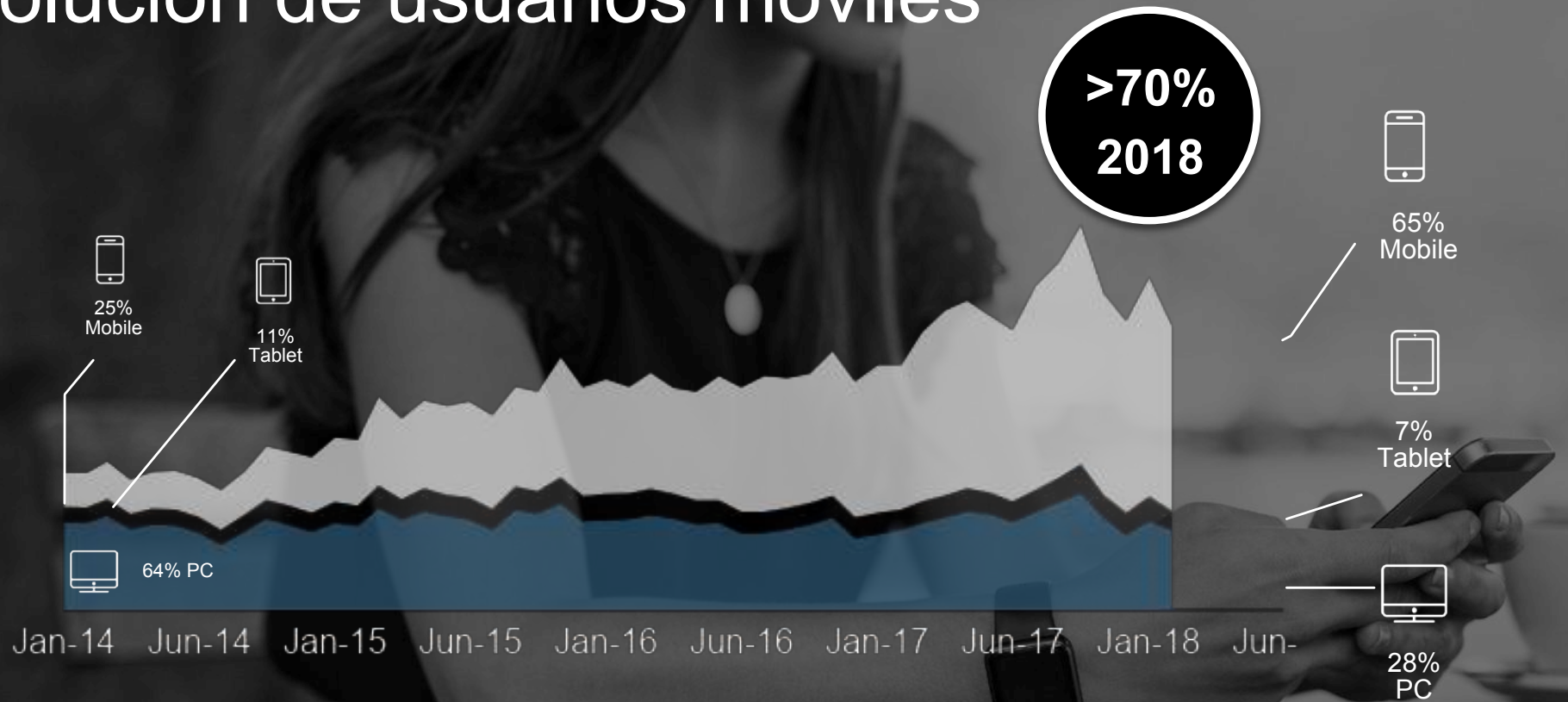
Verticals

Mobility

Video



Evolución de usuarios móviles



Product Development

Verticals

Mobility

Video



Impact across the organization



YouTube Player for Publishers

Fuente: Omniture. 2017



**Incremental
views and
time watch**

**New
revenue
source**

**Cost
savings on
hosting and
streaming**

Drivers of the digital transformation



Desarrollo de Producto



Distribution

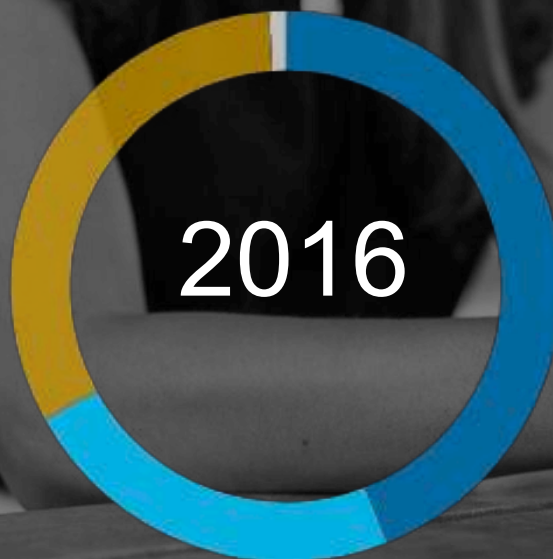


Globality



Data

Brand versus Distribution



New formats: Accelerated Mobile Pages



65% * of AMP readers are new to EL PAÍS

* 2017 Average. Omniture

New formats: Facebook Instant Articles



58%* of Instant Articles readers are new to EL PAÍS

* 2017 Average. Omniture

Drivers of the digital transformation



Product Development



Distribution



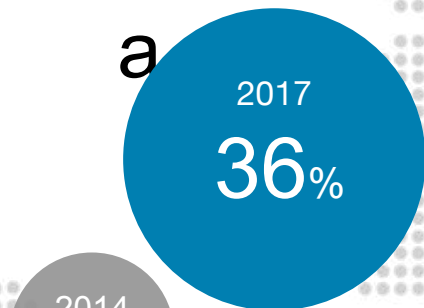
Globality



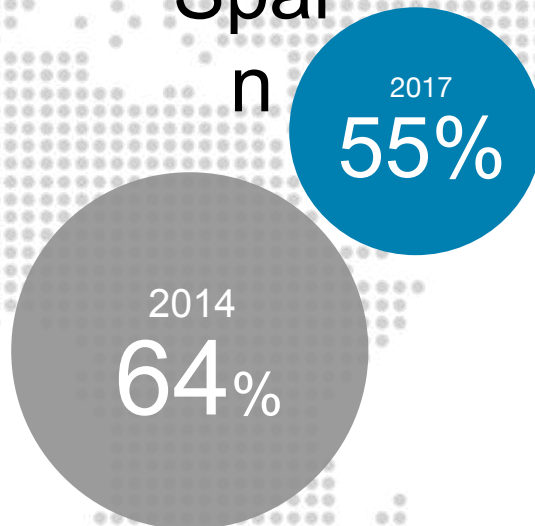
Data

We have scaled our audiences

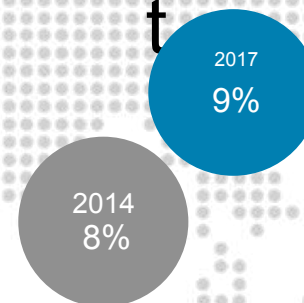
America



Spain



Rest



1º

Spanish-speaking news site worldwide



4º México
8º Brasil

EL PAÍS, a global brand

EL PAÍS AMÉRICA

Mexico

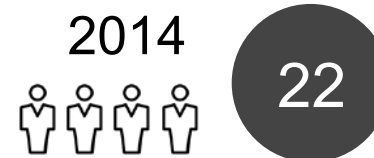
USA

Colombia

Argentina



EL PAÍS BRASIL



Drivers of the digital transformation



Product Development



Distribution

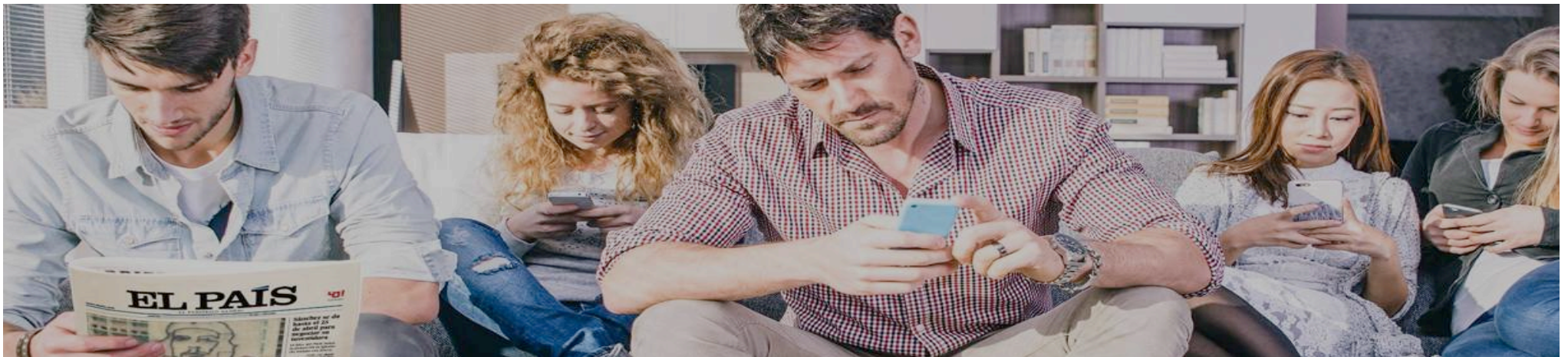


Globality

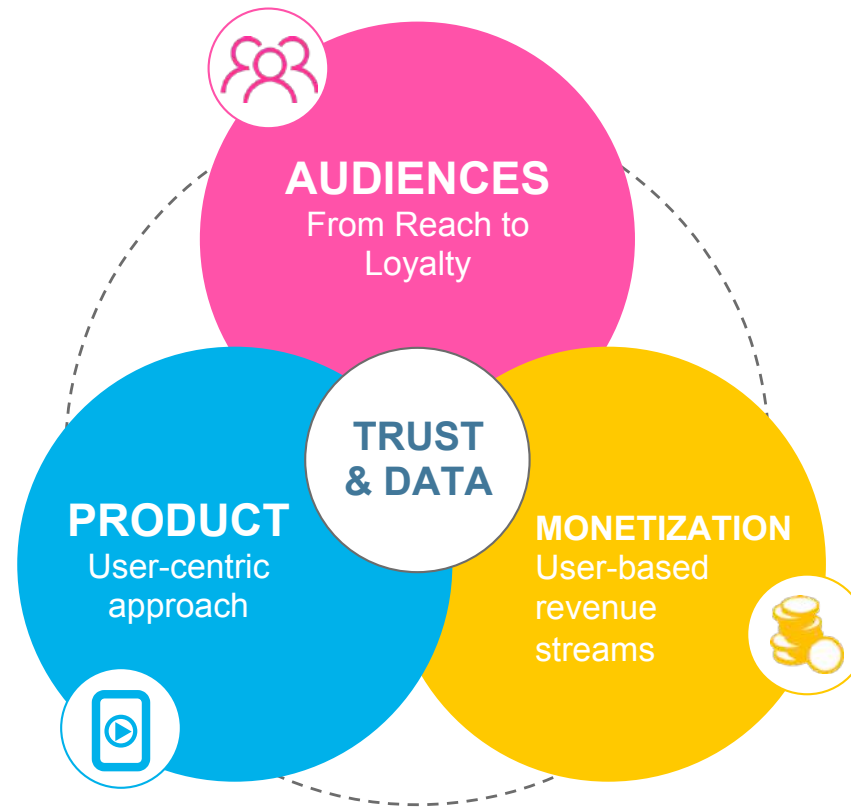


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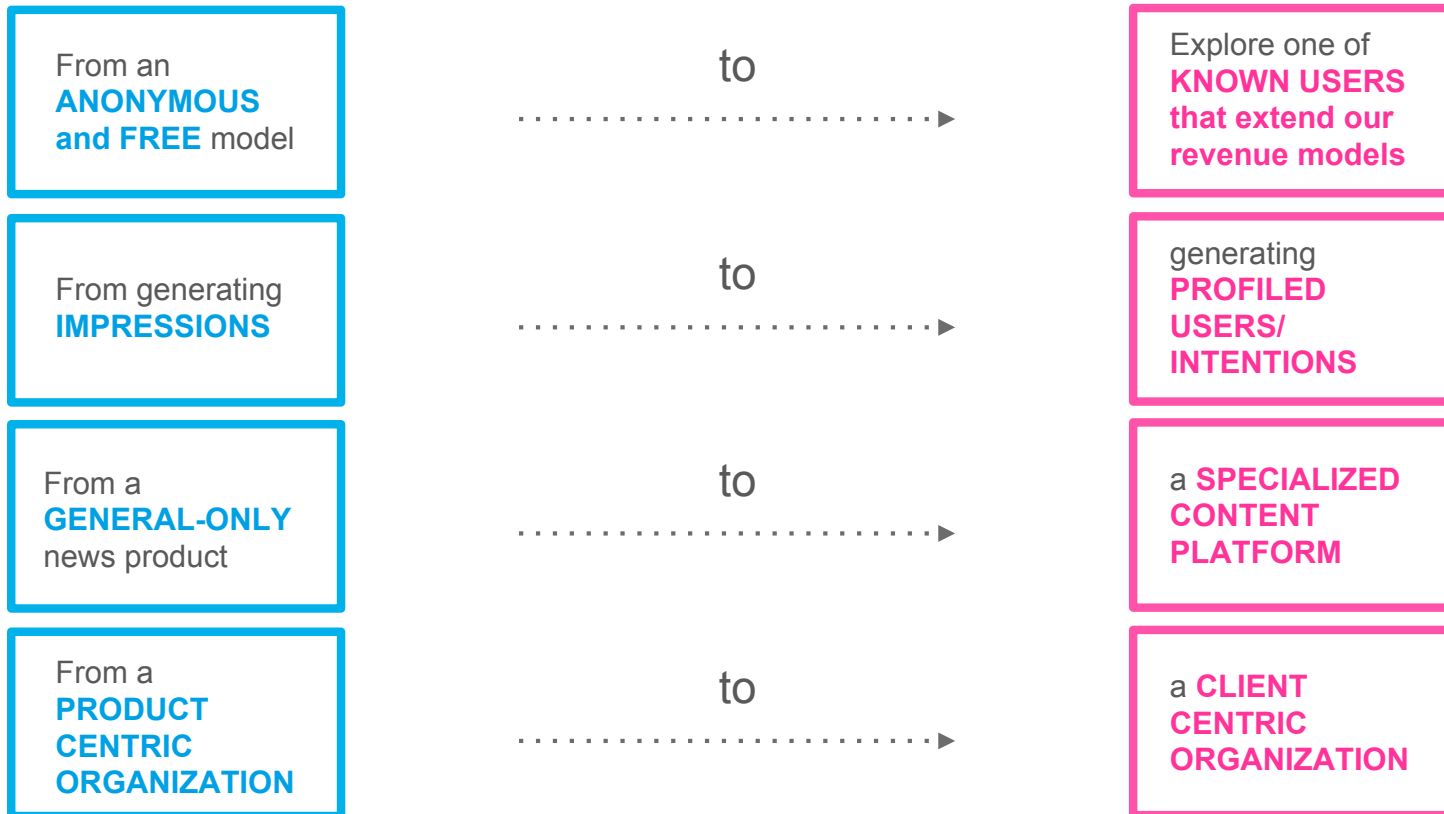
Readers have split into **multiple form users** who consume information and entertainment at different levels of involvement and who require a customised approach.



Trust and data at the core of the strategy



The new model

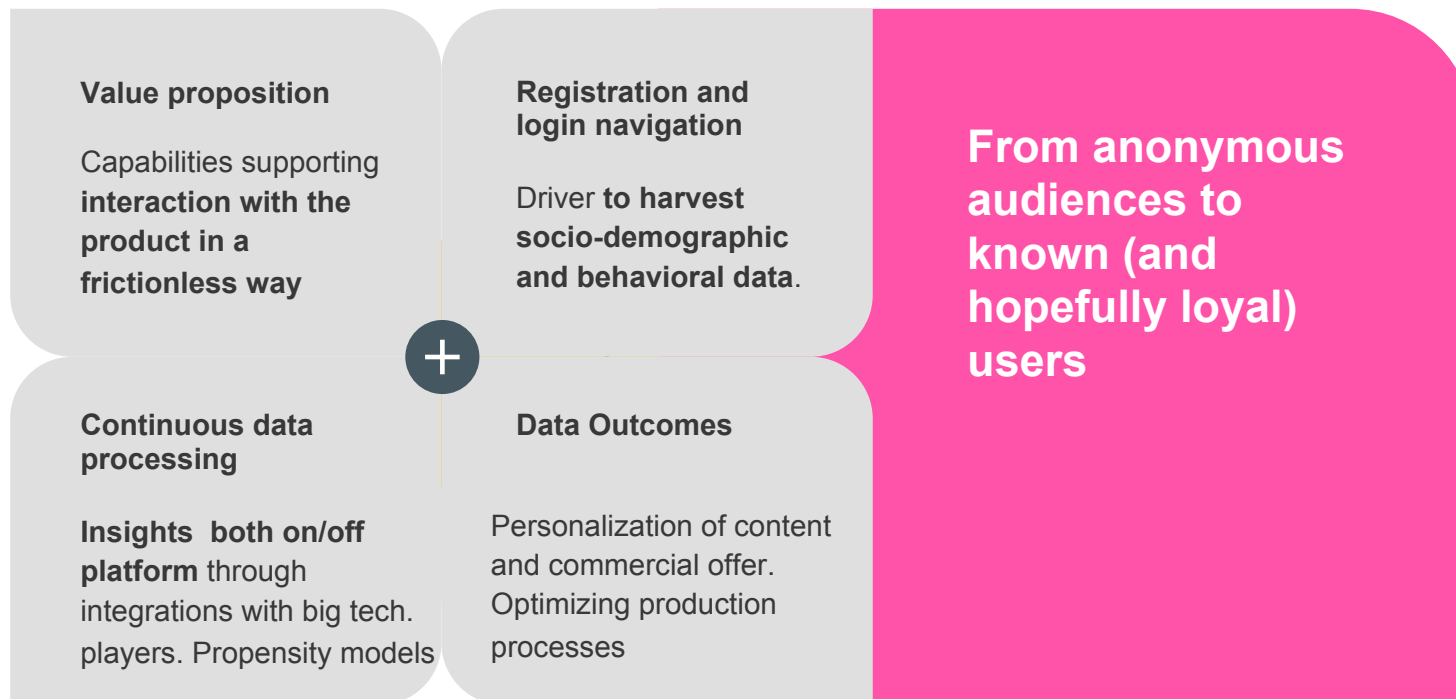




AUDIENCES: From Reach to Loyalty

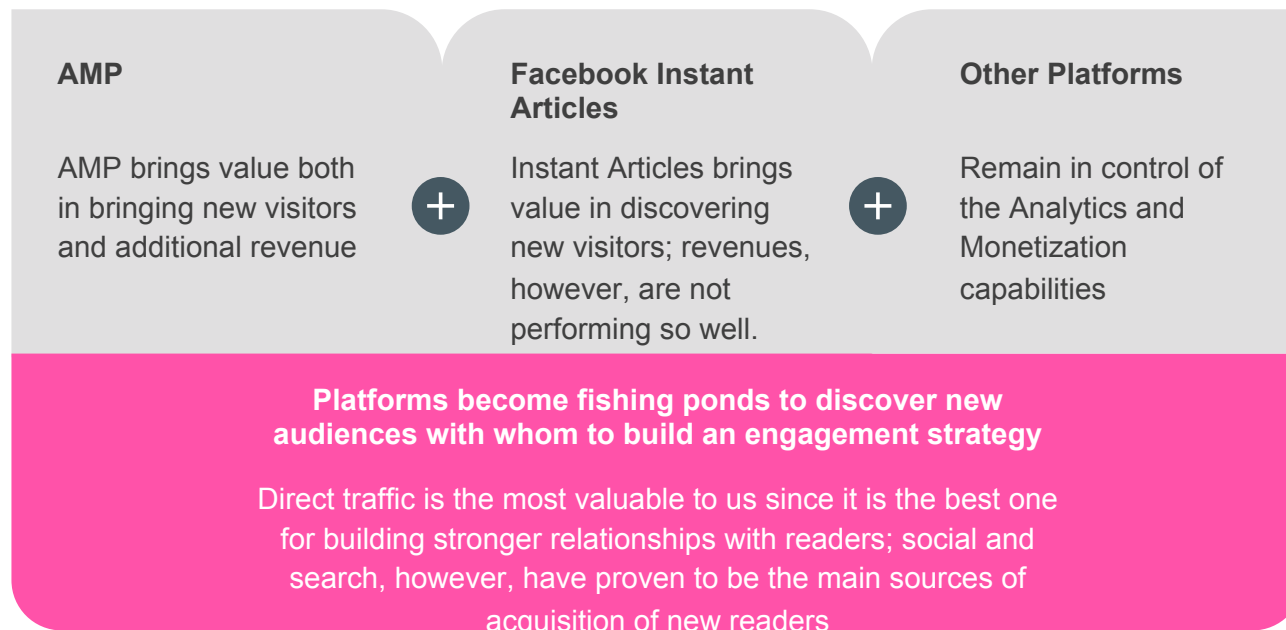
Audiences: From Reach to Loyalty

Data as the key distinguishing factor to support the Content, Commercial and Transactional Strategies



Audiences: From Reach to Loyalty

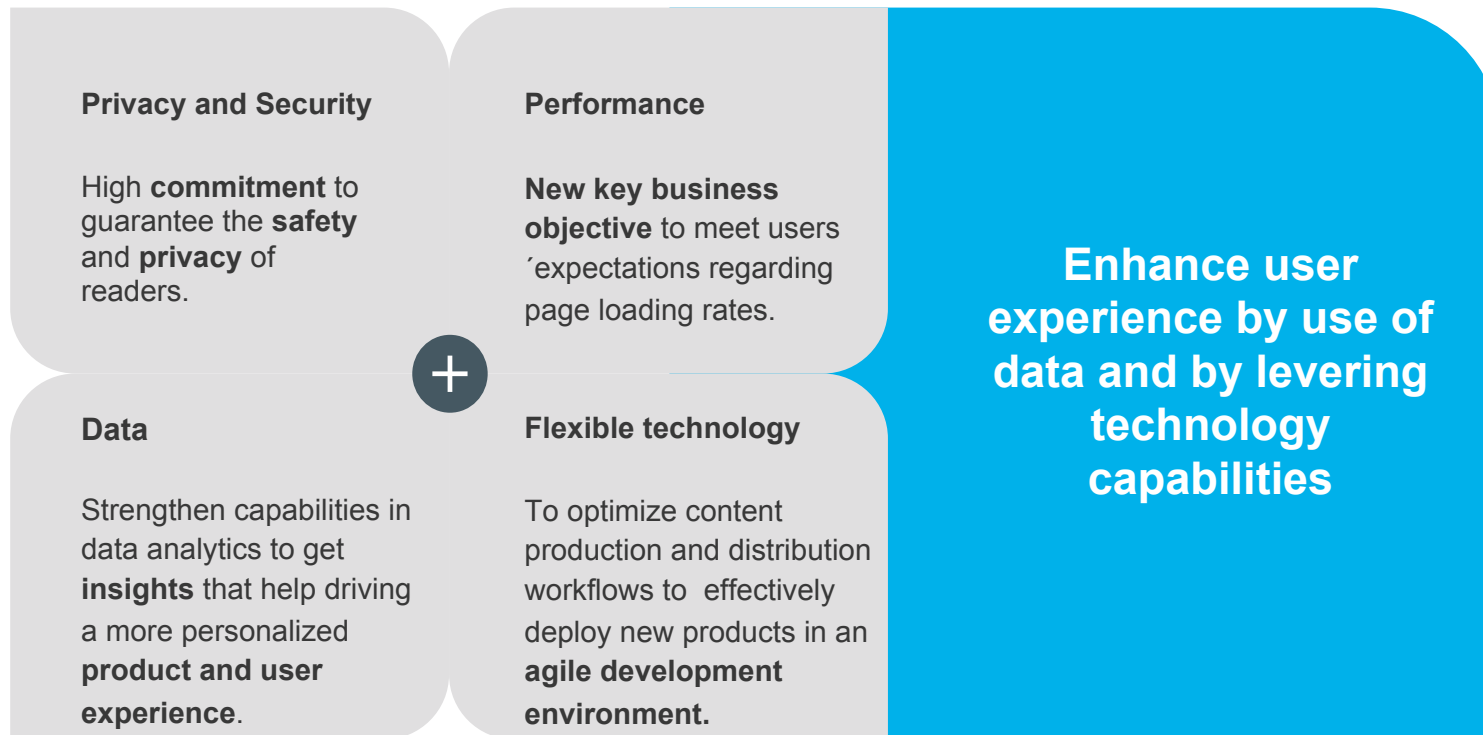
Does this mean that we abandon the discovery of new audiences? Not quite





PRODUCT - CENTRIC APPROACH

Product: User-centric approach



Product: User-centric approach

Platform - Verticals

Specific approach to niche communities based on social and demographic analytics.

Mobile

Increasing engagement with the audience by enhancing the mobile product.

Video

YouTube has proven to be a cornerstone of the video strategy with **outstanding time spent KPIs**



Globalization

Global perspective for local audiences

Innovation

Response to **machine learning technologies and voice-activated products** across multiple devices



MONETIZATION / User-based revenue streams

Monetization: User-based revenue model

Once scale has been reached, the moment has come to diversify our revenue streams by exploring user-based transactional opportunities

1

Digital Advertising Push
Premium programmatic advertising
Video and audio advertising
Audience Extension
Product Development and Commercial Innovation

2

Branded Content Development

3

Transactional Model

Expand affiliate partnership
Prescription model
Exploring different user-based revenue models

EL PAÍS

Thank you