

# 29% uplift in digital revenue.



We helped the Guardian achieve a significant uplift in digital revenue and overall profitability. This was done by creating a new digital-first and globally-focused strategy, then implementing a new operating model to deliver it.

#### Summary

Faced with declining revenues and £38m in operating losses, Guardian News and Media (GNM) knew they needed to do more than just cut costs in order to survive. Boxwood led a joint team that created a groundbreaking business model to transform the business from print to online, while retaining the principles that made GNM great. Results were immediate and spectacular: profitability is now ahead of budget by more than £13 million and digital revenues are up by 29%. An exciting future lies ahead.

**“The team of consultants was as skilled as you would expect. What was unexpected was the speed with which the individuals were able to adapt their styles to work with people at the Guardian whether it was the operations team or the creative areas. Consultants normally stick out like a sore thumb. This time we had the experience of people who quickly learned to both fit in and keep us challenged.”**

Sheila Fitzsimmons, Executive Director, Transformation

#### What we found

Despite its enviable reputation, GNM is not immune from the huge challenges facing the media industry. Faced by a rapid decline in traditional print revenues and increasing operating losses, they understood that simply cutting costs was not enough. They needed to invest in a sustainable future, which meant finding a way to stay profitable in an increasingly digital world.

The leadership team developed an ambitious vision and five-year plan. However, the unique ownership structure and culture of this newspaper group meant that they faced a difficult challenge to align the commercial, editorial and technical teams, while dealing with the unions and satisfying all of the relevant stakeholders.

Boxwood was engaged to help plan and implement the vision.

#### What we did

Our approach was based on the GNM's own traditions of telling a great story. We helped them identify the key activities required to make the five-year plan a success. Then, working with each of the three key communities within GNM – editorial, commercial and digital – Boxwood translated the vision in a way that made sense to each, and led a cross-functional team to implement it.

The output of was a shared business model, which allows better collaboration while remaining true to the principles that have made GNM great. In addition, we developed a new digital operating model for the technology function, started an international expansion and a 'digital-first' core news process which accelerated the transition from print to online.

#### What we achieved

The results were immediate and spectacular. In the financial year 2012/2013 profitability was ahead of budget by more than £13 million. Key digital revenues rose by 29% - and are now increasing significantly faster than the decline in traditional print revenues. GNM's global audience has reached a new high of 84 million unique browsers each month.

