

Growing a Direct-to-Consumer (B2C) Video Business



Growing a direct-to-consumer (B2C) video business for a traditionally B2B media company

Growth



400%

Increase in Subscriber Base



650+%

growth in client team



**At least 2 more B2C
products
planned at client**

Actions

Create

- Set-up agile marketing War Rooms for 5 campaigns with over 30+ people, to rapidly scale acquisition and retention activity
- Used extensive McKinsey media content knowledge to lead campaign strategy behind 6 major marketing campaigns
- Scaled business rapidly – led direct recruitment of 11 people, created dozens of management processes and led vendor selection of new pan-European agency partner
- Produced 2 detailed playbooks (40+ pages) based on War Room experience to guide client towards self-management

Perform


- Embedded agile marketing techniques, running over 20+ A/B sprint tests in 2-4 week cycles to improve marketing
- Planned and executed multiple pricing/offer strategies to boost sales
- Managed platform development process and UI/UX issues
- Tested different strategies for customer lifecycle management function and implemented roadmap to develop capability

SUPPORTING PAGES




Building a direct-to-consumer video business

- A




Performance marketing


Boosting subscriber acquisition through funnel optimization and campaign management with agency partners
- B



Customer lifecycle management


Increasing customer lifetime value by reducing churn, driving free-to-pay conversion, and upselling and cross-selling
- 

Subscriber science

Using analytics to understand the behaviour of different customer segments and ways to maximise their value
- 

Platform development

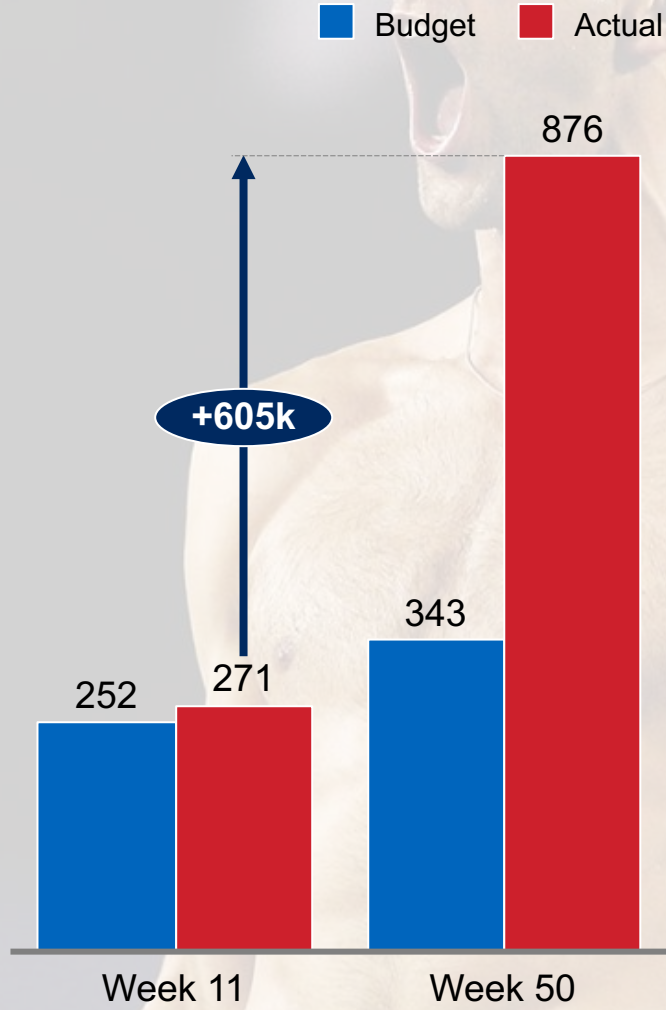
Designing a compelling UI/UX that maximizes conversion through funnel by rapid prototyping and MVP testing
- C



Capability Building

Developing the growth strategy and the team, capabilities and infrastructure required to deliver it

Closing subscriber growth since business-build start (k)

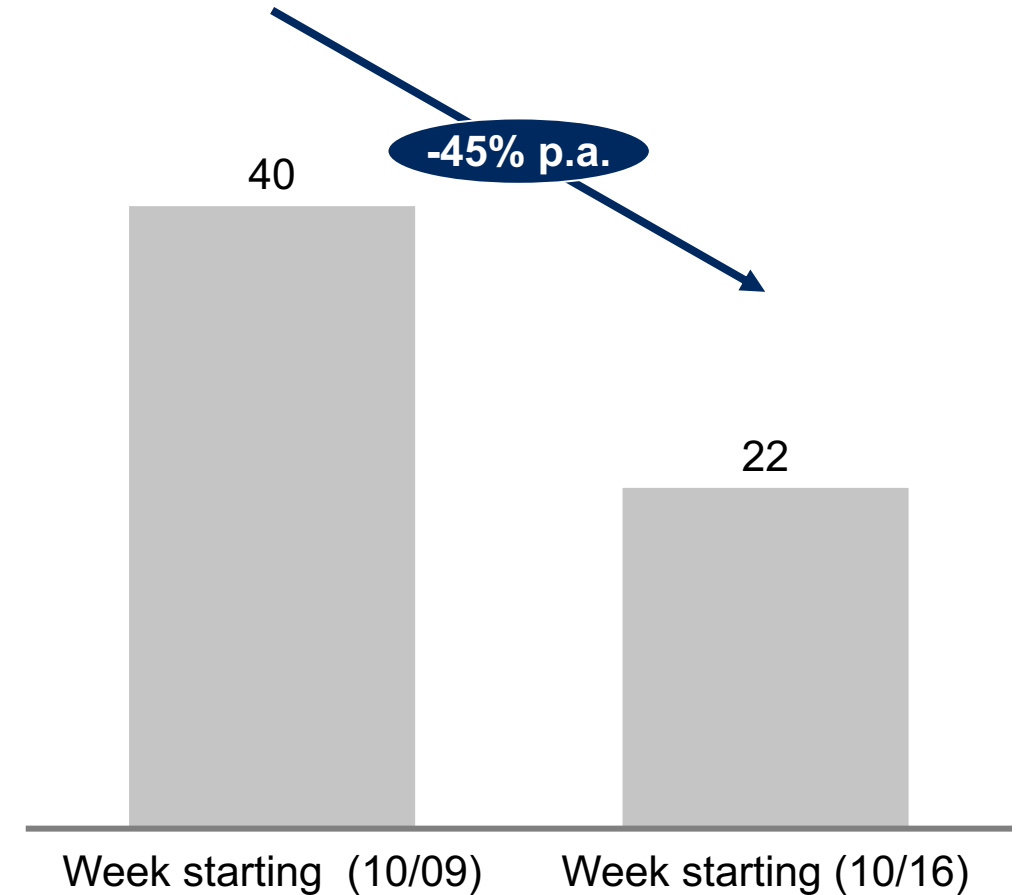


A Agile performance marketing uses 2 week sprints with A/B tests to drive continuous optimisation in acquisition marketing

Test-based/data-driven decision making leading to improved performance...

Test(s)	Impact
<ul style="list-style-type: none"> Change # of matchday posts and launched them earlier 	<ul style="list-style-type: none"> Reduce SAC by 50% with minimal impact on subs
<ul style="list-style-type: none"> Trialling new partners for programmatic Display 	<ul style="list-style-type: none"> Improved SAC by 80% on a week-on-week basis
<ul style="list-style-type: none"> Test new messaging on Facebook during match days 	<ul style="list-style-type: none"> Reduce SAC by 11% (on average) for Paid Social on gamedays
<ul style="list-style-type: none"> Implement new targeting rules for cities involved in matches for Display 	<ul style="list-style-type: none"> Increase in conversion rate for cities targeted by 50%
<ul style="list-style-type: none"> Optimise low performing keywords and audiences on Paid Search 	<ul style="list-style-type: none"> Reduction in CPA of 23% on a week-on-week basis

...with CPA improving in some cases by 45% week-on-week



B Similarly we sought to use email offers to reduce churn and improve retention with significant success

We ran an email test for expiring subscribers

- We ran a **50% off offer for expiring subscribers** in the UK and Poland over e-mail
- **Half of each audience received e-mails over the course of 5 days, the other half received e-mails over the course of 1 day**, with all e-mails steering towards the offer ending on the same date

Conclusions

- Open rate, click rate and **conversion rate is significantly higher for the 5-day series**

Optimisation

- Rolled out the rest of the winback walk series with only 5 day offers (no 1 day offers), pushing for increased conversion

The results increased renewal rates by 58%

	Average open rate	Average click rate	Average conversion rate	# Subs
Poland + UK				
5 day	12.13%	6.93%	2.45%	186
1 day	9.73%	4.61%	1.55%	94
5day vs. 1day	125%	150%	158%	198%
Poland only				
5 day	10.30%	8.22%	2.64%	65
1 day	8.53%	4.99%	1.48%	30
5day vs. 1day	121%	165%	178%	217%
UK only				
5 day	13.26%	6.31%	2.36%	121
1 day	10.48%	4.42%	1.59%	64
5day vs. 1day	127%	143%	148%	189%

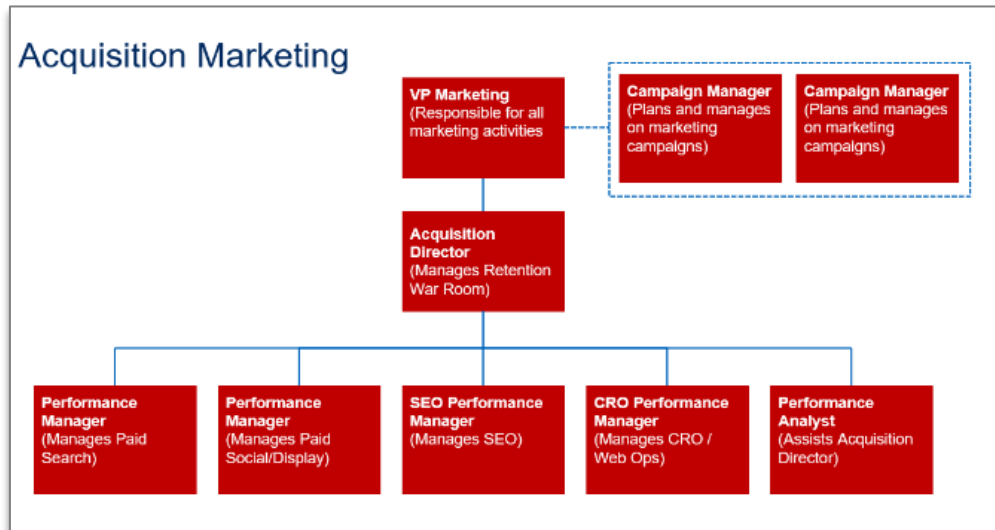
Open and click rates by email in series

	One day test				Five day test			
	DAY 1-A	DAY 1-B	DAY 1-C	AVE. 1 DAY	DAY 1	DAY 3	DAY 5	AVE. 5 DAY
UK								
Open rate	10.29%	10.77%	10.36%	10.48%	15.05%	13.51%	11.22%	13.26%
Click rate (of open)	3.17%	3.99%	6.13%	4.43%	7.54%	6.20%	4.78%	6.17%
PL								
Open rate	8.42%	7.96%	9.22%	8.53%	11.79%	10.92%	8.17%	10.29%
Click rate (of open)	4.19%	4.60%	6.06%	4.95%	11.80%	7.47%	4.02%	7.76%

C We have helped with organizational design and built up capability at the client to replace McKinsey personnel and scale the business

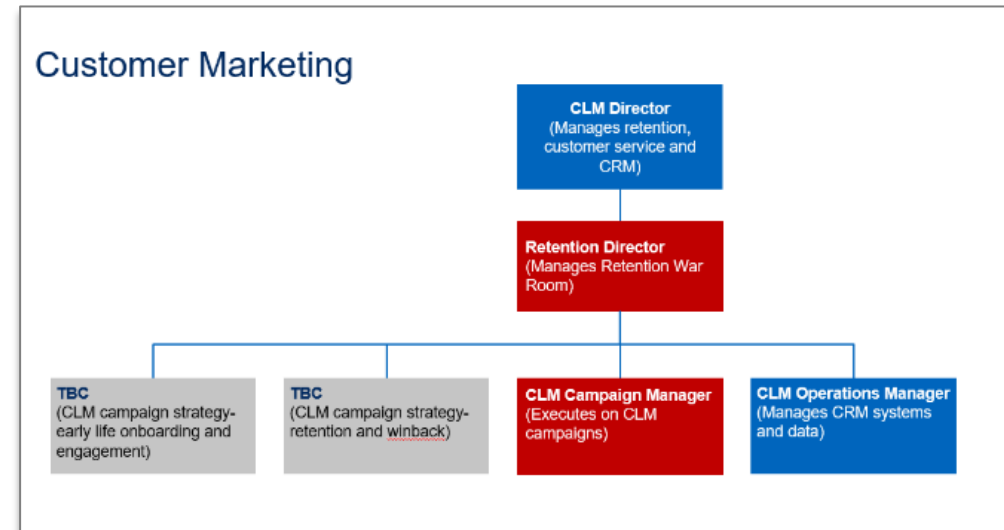
■ Roles now filled by ES Player talent

Acquisition:



- McKinsey occupied 4 different roles
- Served in Acquisition Director, Marketing Managers and Campaign Manager roles
- There have been 9 new hires since we came (inc. VP Marketing) with McKinsey directly involved in recruitment process

Retention:



- McKinsey occupied 2 different roles
- Served as Retention Director and Retention Manager
- There have been 2 new hires with McKinsey directly involved in recruitment process

TEAM PAGES



McKinsey Operating Team over Time

Central



Jonathan Dunn



Tom Meakin



Nikhil Lohchab



Shamal Thaker

Acquisition



Jason Heller



Michelle Jimenez



Rory Miller-Cheevers



Brendan Hanrahan



Markian Mysko von Schultze



Angus Taylor

Retention

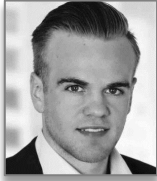


Christy Holzer



Shrina Poojara

Campaign management



Daragh Murphy



Gamze Demirci



Marco Beltrami