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This case study-driven Deep Dive Report is designed as an accompaniment to our full report: The Publisher’s Guide to eCommerce
Author's note

In November 2019 we published The Publishers’ Guide to eCommerce, a comprehensive 11,000 word report which offered 10 strategic considerations - founded in case studies from around the world - for media companies considering moving into this space.

The report was the first of its kind in exploring this emerging market in this depth. Partly, that’s because the concept of eCommerce remains relatively nascent for many organisations. Yet, as our study showed, others have been actively embracing this arena for a decade or more.

We followed up the original study with a series of deep dives into the efforts of specific publishers, such as BuzzFeed, POPSUGAR and Marie Claire UK, who have been eCommerce pioneers. This analysis is brought together for the first time in this report.

A lot has changed in the seven months since the original report was published. The COVID-19 pandemic has dramatically affected most industries, including the publishing and media sectors. Arguably, the advertising downturn associated with the pandemic makes it clearer than ever that companies need to diversify their revenue streams. Facing an “extinction event,” as the current crisis has been called, may encourage publishers to look again at eCommerce and its potential.

In doing this, it makes strategic sense for publishers to identify propositions which build on their existing relationship with audiences; and which play to their strengths. Audience data and insights, coupled with trust and name recognition, are valuable commodities which can be harnessed to support eCommerce activities.

Historically, as BuzzFeed CEO Jonah Peretti noted at the start of 2020, media companies have not done a good job of this.

“…A longstanding problem in the media industry where content creators provide the inspiration to buy a new product, go on a vacation, or watch a new show—but don’t capture much of the economic value created,” he argued. “This is sometimes referred to as the “attribution problem,” where Google and other middlemen end up capturing value they didn’t create. We see a real opportunity for us to reclaim some of that profit.”

Peretti, as this new report shows, is not alone in this optimism.

If publishers can further understand, and anticipate, the user journey - including the role of content as a driver for purchase decisions - then this remains a firm foundation on which eCommerce products and properties can be built.
Damian Radcliffe is the Carolyn S. Chambers Professor in Journalism, and a Professor of Practice, at the University of Oregon. Alongside holding the Chambers Chair, he is also a Fellow of the Tow Center for Digital Journalism at Columbia University, an Honorary Research Fellow at Cardiff University’s School of Journalism, Media and Culture Studies, and a fellow of the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA).

An experienced digital analyst, consultant, journalist, and researcher, Damian has worked in editorial, research, policy, and teaching positions for the past two decades in the UK, Middle East, and USA.

This includes roles in all media sectors (commercial, public, government, regulatory, academic, and nonprofit/civil society) and all platforms (print, digital, TV and radio).

Damian continues to be an active journalist, writing monthly columns for ZDNet (CBS Interactive) and What’s New in Publishing, and frequently appears in other publications such as journalism.co.uk and IJNET.

He writes about digital trends, social media, technology, the business of media, and the evolution of journalism. Damian is the author of 50 Ways to Make Media Pay, a special insight report sponsored by Sovrn and published by What’s New In Publishing in March 2019. The report is available in both English and Spanish.

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ABOUT US

Founded in 2008, What’s New In Publishing provides a single destination for independent publishing businesses looking for news, advice and education across a wide range of publishing subjects.

We cover developments in digital publishing, magazines, and newspapers, focusing on the issues and technological advances confronting the industry at a time of profound disruption, offering practical and useful advice from “What’s New?” to “What Next?”.

With many thousands of publishers worldwide subscribing to our weekly e-newsletter and many more visiting the site regularly, WNIP is one of the world’s longest running and leading B2B websites covering the publishing industry.

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Earn more from every reader.

It’s more important than ever for publishers to diversify their revenue streams. eCommerce continues to grow as an important revenue source, and the case studies featured in this report illuminate how publishers are responding to a changing marketplace.

The studies also underscore the importance of being both innovative and flexible. There’s rarely a one-size-fits-all approach that publishers can take, but it’s also evident that there’s always space for good ideas. That’s why our platform is focused on giving publishers that space. Whether through eCommerce strategies, display advertising, proprietary engagement technology, or data monetization tools, we’re dedicated to keeping storytellers independent. And with access to an award-winning support team, you’ll always get the help you need to thrive.

- Monetization tools that fit every publisher
- Engagement technology maximizes the value of every reader
- Best-in-class link monetization with CPA and CPC deals
- Powerful editorial and analytics tools
- Full-service advertising management
- Best-in-class support

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Power to the publisher.
DEEP DIVE:
More than just cat memes: BuzzFeed’s major eCommerce expansion

BuzzFeed may feel like a new kid on the digital block, but the site is actually more than a decade old. Founded in November 2006, the site was estimated to be worth $1.5 billion in summer 2015\(^1\), although the values of many of these digital darlings (think Vice, Mashable and Mic) have plummeted since then\(^2\).

Moving away from the listicles and cat memes, for which the site first became known, BuzzFeed launched the award-winning BuzzFeed News in 2012 (that site now employs more than 200 reporters and editors around the world) and the main site has expanded into different markets by publishing international editions, although several of these have been closed from May 2020 due to coronavirus.

The company’s ability to reach millennials, and harness the social web – in the heady days of 2014-16\(^3\) around 80% of their traffic came from offsite – has attracted investment and attention from old media (NBC Universal purportedly investing $200 – $250 million in 2015\(^4\) and another $200 million in 2016\(^5\)) and media watchers alike.

BuzzFeed now boasts 18+ offices and 1,300 employees around the world. And, despite a difficult past few years – during which time BuzzFeed has reportedly missed its advertising targets\(^6\), laid off 100 staff and embarked on a very public battle\(^7\) around newsroom unionization – it continues to expand and innovate.
Structuring for new revenue streams

As with many publishers, income diversification is a key strategic goal for BuzzFeed.

BuzzFeed’s CEO Jonah Peretti told CNN during a session at SXSW that in 2018 the company generated over $100 million in revenue “from business lines that didn’t even exist in 2017.” This activity, which includes eCommerce, accounted for around a third of the $300 million that BuzzFeed earned last year. Peretti expects to see a similar revenue pattern in 2019.

The Idea, Atlantic Media’s weekly newsletter on the business of media, noted at the end of August 2019:

“BuzzFeed projects it will break even this year and return to profitability next year... To meet these projections, BuzzFeed is betting on revenue growth in two relatively new areas of the business: commerce and off-platform video sales.”

To help achieve part of this long-standing strategic goal, in October 2016, the company established BuzzFeed Commerce, a dedicated division focused on driving social commerce within the company.

Led by serial entrepreneur Ben Kaufman, BuzzFeed CEO Jonah Peretti recalled to Fortune that when he first met Kaufman in 2014, “Ben was trying to create this idea of products that inspire people, that they want to share, that gives them a way to connect with their friends, and it was a BuzzFeed-y way of thinking about commerce.”

Two years later, Kaufman – and his start-up Scroll – were acquired by BuzzFeed, resulting in October 2016, with the creation of an entity known as the BuzzFeed Product Lab. The unit is tasked with “creating physical products and social commerce experiences, from personalized Tasty Cookbooks and Homesick Candles to new inventions like the Tasty One Top.”

Peretti explained the move was “an experiment, and maybe it won’t work and maybe it will work, but it’s not just an add-on to our business.” “... It feels like social commerce is going to be big in two years from now,” he added, telling Fortune that he wanted BuzzFeed to be ready for when that happened.
Kaufman, who was Buzzfeed’s CMO, stepped down from the company at the end of 2019.

**Tasty**

One of BuzzFeed’s biggest successes – in terms of both traffic and revenue – is its food brand, Tasty. More than 100 million people follow Tasty on Facebook; and the page has over 97.5 million fans. Tasty reaches nearly 540 million people globally, making it highly attractive to brands.

Tasty’s portfolio also includes a range of additional brands including, Proper Tasty (the British offshoot), Tasty Demais, Tasty Miam, Einfach Tasty, Tasty Japan, Bien Tasty, Tasty Vegetarian, Tasty Grill and Tasty Jr.

Alongside an active presence on social platforms like Facebook, Instagram, YouTube and Snapchat; BuzzFeed’s Tasty also operates a standalone website Tasty.co (with the BuzzFeed name tucked away discreetly at the bottom of the page) and app; has had bestselling cookbooks and operates a dedicated online shop. You can also buy a Tasty Smart Induction Cooktop on Amazon.

Clicking through the links on their own shop takes you to dedicated product pages on the Walmart website. Interestingly, the connection between Tasty and the BuzzFeed mothership is not immediately clear, even though it’s one of the digital publisher’s biggest successes.

In March 2018, BuzzFeed announced a partnership with Walmart, one which would see more than 90 Tasty-branded cookware products sold through the retailer.

This wasn’t the first time that the publisher and retailer had worked together; a model for partnership – starting small and then expanding – which others have followed. In December 2017, Walmart and BuzzFeed had partnered to include links in Tasty videos to buy kitchen tools, groceries and other accessories on Walmart.com and Jet.com.

“The starting today, when you open the Tasty app to view any one of their 2,000+ recipe videos, the recipe will include direct links to the kitchen tools, bakeware, and appliances that you’ll need to create a dish – for instance, a slow cooker, a nonstick pan or measuring cups. And beginning next year, we’ll integrate groceries alongside services like Walmart’s online grocery pickup.”
In August 2019, “shoppable recipes” were rolled out, as the partnership continued to expand. This functionality allows customers to add the full ingredient list from a Tasty video to a Walmart Online Grocery cart. The order can then be picked up at a Walmart store or be delivered to your home.

Tasty’s success stems, in part, from a recognition that BuzzFeed should “build our own ad products and generate revenue in ways that don’t depend on the platforms.”

Opportunities built around Tasty include: product placement, Tasty branded ice cream, a cookware range exclusive to Walmart, a creators program and sponsored YouTube shows, as well as a recent partnership with McCormick Spices, to create five different Tasty Seasoning Blends.

“BuzzFeed receives a licensing fee for each spice blend sold, and commands its normal rate for media [e.g. sponsored posts, Facebook, Instagram, YouTube, newsletters or gift guides promoting the products]. The dual revenue streams align with BuzzFeed’s plan to complement its advertising business,” AdExchanger observes.

Compelling content is a key part of this virtuous circle, with Peretti having noted that “Tasty inspires more than two-thirds of its audience to actually make a recipe.”

“Our content drives real world transactions,” he recently said, and it’s clear that the lessons from Tasty will shape the companies continued forays into eCommerce.

“Last year, BuzzFeed drove more than $425M in directly attributable transactions, and this year will be much bigger. In a world of infinite and overwhelming choice, we are the switchboard for culture, news, and commerce.”

**Other ventures**

The partnership with Walmart, is just one of a number of eCommerce strategies being deployed by BuzzFeed.

Led by Kaufman and his 65-person team, the company generated $50 million in revenue during 2018, through a combination of commerce and advertising. Digiday reported at the end of 2017, that BuzzFeed had 19 people writing commerce related content. Since summer 2019, BuzzFeed UK has hired 6 affiliate writers to fuel diversification efforts.

Aside from Tasty, perhaps the most obvious example of these eCommerce efforts are listicles (such as “30 Things Under $10 You Can Get On Amazon That People Actually Swear By”) with affiliate links.
This type of content can be found on aggregators, like Apple News, as well as BuzzFeed.com. The site has a dedicated shopping tab, with a number of listicle-led verticals, including one just for Amazon. BuzzFeed is a top-five referrer of traffic to Amazon. It also has a merchandise store on Amazon, selling BuzzFeed related swag, as well as a standalone store: Shop BuzzFeed, as well as numerous other ventures, including a homeware partnership with Macy’s.

Beyond this, the company continues to expand its eCommerce efforts, including leveraging their understanding of millennial audiences into helping partners to develop products that reach their target audiences.

In doing this, Forbes notes, they are not alone.

“Platforms like BuzzFeed, Tastemade, Spotify and Pinterest are expanding their business models and core competencies, applying their predictive analytics and trend insights to generate innovate new product ideas for strategic partners.”

One example of these efforts can be seen with Lunarly, a moon-based subscription service, which features a self-care box containing “everything you need to set your intentions and grow, like specially-curated plants or bespoke candles, wellness products, tools for mindfulness, and more.”

Although BuzzFeed’s involvement with this collaboration has been widely reported, there’s no mention of BuzzFeed on Lunarly site, although the story behind it is told via the “Built by BuzzFeed” pages.

These moves are part of what Peretti describes as a strategy which means that:

“Increasingly, we are creating content and brands that generate revenue from many different sources: commerce, advertising, platform revenue, and show development.”

By diversifying their revenues in this way – and spreading their bets accordingly – BuzzFeed are adopting a strategy which others may look to emulate.

Broadly speaking, their goal is to ensure that BuzzFeed and BuzzFeed News, along with BuzzFeed Media Brands (like Tasty, Nifty, Goodful) grow revenue across their core revenue streams: advertising, commerce, and studio development. “This will lead to many new opportunities,” Peretti predicts.

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CASE STUDY: BUZZFEED

Buzzfeed’s revenue streams, December 2017.

Via Buzzfeed
DEEP DIVE:

How POPSUGAR went from gossip blog to eCommerce pioneer

Founded in 2005-6 by husband and wife team Lisa and Brian Sugar, POPSUGAR initially began life as a side project: a blog focused on celebrity gossip, before expanding over the next decade into “a global lifestyle media brand focused on a curious, insatiable audience who wants to live an inspired, healthy, and full life.”

POPSUGAR reaches 300 million readers every month across various platforms, including 1 in 2 female millennials in the United States, delivering “inspiring, informative, and entertaining multi-platform content across entertainment, fashion, beauty, fitness, food, parenting, news and more.”

The company was purchased in October 2019 by Group Nine Media, joining a stable of titles which also include NowThis, The Dodo, Thrillist and Seeker.
An early pivot to eCommerce

Prior to a 2013 redesign, the site initially operated as a network of blogs on different topics. However, even at this point, it already made half its revenue from eCommerce.

As noted by the New York Times, these revenues included “fees retailers pay when a shopper clicks on an item on PopSugar and a $35 monthly subscription box it sells to 12,000 readers.”

“It’s a challenge to create a business today solely based on display advertising,” Co-Founder and CEO, Brian Sugar told The Gray Lady, “A person that reads articles is worth less than a person who watches video who is worth less than a person who clicks to a retailer and then actually buys things from us.”

Current eCommerce ventures include POPSUGAR Must Have, a quarterly subscription box containing fashion, beauty, home products, an apparel line – the POPSUGAR at Kohl’s Collection – and the makeup line Beauty by POPSUGAR.

Subscription boxes

Of these efforts, perhaps POPSUGAR Must Have is the best known. For $75 a quarter, or $270 a year, subscribers are sent a range of items (which POPSUGAR states are worth more than $300) selected by co-founder and POPSUGAR President Lisa Sugar and her team of editors.

The product has developed over time, moving from a $39.95 monthly box to one at $75 a quarter, and POPSUGAR previously also offered “Limited Edition” boxes at various points of the year. This has now ceased (although both the monthly and Limited Edition products are still referenced on their Facebook page).

Shop by Text

More recently, the company has introduced a weekly SMS product, whereby subscribers are sent deals which they can purchase by text.

“PopSugar’s move into texts comes after years of attempts to build a committed mobile app audience,” wrote Digiday’s Max Willens back in 2017. “It’s launched over a dozen apps over the past five years, from PopSugar Gift Guide to PopSugar Selfie, but few have taken root.”

“...Nearly 80 percent of PopSugar’s traffic comes from mobile devices,” Willens added, “so a
phone-focused commerce product felt like a ripe opportunity.”

Reflecting on developments in summer 2018, Willens observed that “to control the customer experience, PopSugar handles fulfilment. Unsold inventory goes back to the retailer or brand.”

He quoted Chris George, POPSUGAR’s EVP, Product Marketing and Sales Strategy, as concluding that Fridays tend to work best for conversions. “I don’t know if it’s payday, or people being in a more jovial mood, but day of the week does play a factor,” he said.

**Beauty Products**

Beauty by POPSUGAR, a more recent innovation from the brand, launched in 2018. Alongside being able to purchase products online, products can also be bought at select ULTA Beauty stores across the United States.

Representing their first foray into licensing, The Cut explained how the products stemmed from insights provided by the POPSUGAR audience.

“We asked them what was missing from their own makeup, what’s important to them, and what products they’d like to see,” Lisa Sugar said. “Their input is truly unique, and to tap into their specifics has enabled us to add new products that we know will be popular.”

Alongside the ability to purchase products, the standalone Beauty website features “How To” videos, as well as a limited number of “Stories” found via a button at the bottom of the page (and not updated since 2018).

Examples of stories found on the dedicated Beauty website include: “Beauty Junkies: Kate Lazarus”: a quick profile of their Influencer Marketing & Events Manager, “Twiggy Lashes: One Product, Zillions of Compliments” and “The Five Beauty Products You Should Always Have In Your Bag.” All five items are, naturally, from their range.

**Partnership with Kohls**

Another notable move (and certainly not their only one) into the eCommerce space, can be found in POPSUGAR’s partnership with the US retailer Kohls.

Back in December 2017, the two companies partnered to create a seasonal pop-up event in New York, which included displays of items curated by POPSUGAR editors, and available to purchase from Kohls. Located in the World Trade Center’s Oculus Building, Kohl’s and POPSUGAR live-streamed the event on Facebook³, and
also made the curated collection available for purchase online.

This was followed by another pop-up store in NYC’s Soho, in September 2018.

The companies deepened their partnership in late-2018 through the launch of POPSUGAR at Kohl's, an initiative which both parties actively promote.

Aimed at millennials, a core audience for POPSUGAR, the collection is styled and curated by POPSUGAR using insights gleaned through their consumer data. This includes analysis of what millennials are searching for, and interacting with, on their different properties. The new brand was launched across 500 Kohl’s stores and on Kohls.com.

“We have partnered with POPSUGAR to create an innovative, data-driven apparel collection leveraging our ‘speed to market’ model,” said Michael Gilbert, Kohl’s executive vice president of product development.

“As one of the most engaging media outlets in the industry, POPSUGAR will bring key predictive insights to tell us exactly what this customer wants through the content they are searching, browsing and engaging with across channels.”

“One of our biggest opportunities is in the millennial segment,” Ad Age quoted Greg Revelle, chief marketing officer at Kohl’s, as saying. “It’s the fastest growing market in general in retail.” The value, to Kohl’s, of using POPSUGAR’s data is that “they’re able to spot trends more accurately and sooner,” he said.

Other revenue efforts

POPSUGAR Inc. operates outside the U.S. in Australia, the Middle East, and the UK, with offices in San Francisco, New York, Los Angeles, Chicago, and London.

Alongside its core website, POPSUGAR also has a full-service creative agency, The Bakery, “that lives inside (and thinks outside) the walls of POPSUGAR.” The company also provides data consulting through POPSUGAR Insights, a research platform focused exclusively on women and designed to help marketers learn more about female audiences.

These efforts are complemented by a video production arm, POPSUGAR Studios, which has recently worked with brands like
Jeep and H&M – to create everything from branded content, to content in various formats such as display, video, mobile, and offline experiences. This includes a short-run pop-up site (it was only open for four days) the Mermaid Museum in Los Angeles, which was designed to support the premiere of Freeform’s TV series Siren.

Lastly, the company also recently moved into events, with POPSUGAR Play/Ground, a two day festival featuring discussions “with A-list celebrities and pop-culture luminaries, live fitness and wellness activities, art installations, a shopping bazaar, a beauty carnival, and so much more.” The event has its own standalone online shop, featuring apparel and a stationary set produced in collaboration with Cheree Berry Paper.

What these examples demonstrate is the interconnectivity of POPSUGAR’s businesses, and their efforts to intentionally leverage consumer insights derived from their core product, into spin-off activities.

Whether their new owners will seek to integrate these elements further across their other assets, or deepen this element across POPSUGAR’s assets remains to be seen. But, one things for sure, the company is unlikely to walk away from its eCommerce roots any time soon.
As print falters, Marie Claire UK goes all in with eCommerce

Originally launched in France in 1937, Marie Claire has expanded into a global brand. The US edition launched in 1994, with international editions for other markets (such as Japan in 2012) later coming on stream.

The most recent edition, Marie Claire Argentina went live at the end of February 2019, produced in partnership with the Buenos Aires based Perfil Group. The monthly print edition will also be available in Chile, Uruguay, Paraguay and Bolivia.

Globally, Marie Claire spans 29 markets and engages and connects with more than 75 million women around the world. This includes 35 million unique users, as well as “29 million social savvy fans and 11 million readers.”

The Marie Claire brand has been expanded to include the Marie Claire@work platform and extended now in many markets, as well as Marie Claire Powertrip, a conference for women executives.

Other Marie Claire brand extensions include: Marie Claire Maison, Marie Claire Enfants (Kids), Marie Claire Accessories, Marie Claire Fashion Shows, Marie Claire Beauty, Marie Claire Fashion Shows, Marie Claire Weddings, Marie Claire Monsieur, Marie Claire Travel and Marie Claire Idées.
Marie Claire UK launches an online fashion aggregator

In September 2019, Marie Claire UK announced plans to go digital only. Having launched in 1988, its final print edition is their November 2019 edition. The new digital-first Marie Claire UK will be published under a licence agreement with Groupe Marie Claire.

Prior to this, based on figures shared with What's New In Publishing, Marie Claire UK reached 4.6 million women a month across 10 different platforms including print, online, social and events, as of August 2019.

Explaining the move to a digital-only presence, a spokeswoman for the publication told the BBC that “consumers and advertisers have accelerated their move to digital alternatives,” noting the impact of changes in display advertising on their business model.

“Across the fashion and beauty sector, print display was down (25%) in 2018 and continues to decline at rates in excess of (30%) in 2019,” they said. “A strategy focusing on Marie Claire UK’s digital business will give the brand the best opportunity to secure a profitable and sustainable future,” they added.

At the heart of this strategy is the further development of their online fashion aggregator platform: Marie Claire Edit.

Launched in November 2018, the site partnered with major brands such as including Farfetch, Selfridges, ASOS, Topshop, NET-A-PORTER and MATCHESFASHION.COM. Consumers can shop by category (via the “Shop” tab on the main website), as well as select from items hand-picked by members of the team. “All stock is updated daily too, so you know you’ll be on trend no matter what,” they promised.

Alongside this, Marie Claire Edit also stated that they would make a yearly donation to Plan International UK, a children’s charity focused on advancing children’s rights and equality for girls all over the world.

The business model, as The Media Post outlined, is pretty simple. “Marie Claire gets a cut of the purchases via affiliate links, adding revenue from new native formats and social campaigns.” Marie Claire UK also operates an extensive voucher and discount page site, Marie Claire Vouchers which can offer another potential route to engage with Marie Claire UK consumers.

Promoting this pivot to eCommerce to potential brand partners, a press release announcing the initiative explained:

Marie Claire Edit's team
Via Marie Claire
“Under the strapline ‘Shop the brands you love. Fashion Editor approved', Marie Claire Edit offers a key endorsement angle for brands, with a Marie Claire Edit approved badge for items carefully selected by Marie Claire's Fashion Experts. It also offers a new point of purchase, leveraging Marie Claire's digital reach in fashion, which delivers strong SEO by targeting all long-tail keyword shopping terms.”

By summer 2019, just nine months after launch, it was revealed\(^8\) that the platform now offers products from over 6,000 brands and 40 UK and European stores and e-tailers. Marie Claire Edit is expected to “soon become the brand's biggest source of digital revenue.”

The financial success of the venture can be seen in data\(^9\) shared by the company in August 2019, which identified that the site has a 6% conversion rate and an average basket size of £397 pounds ($478 dollars).

Further figures shared with What’s New In Publishing\(^10\) indicate that Marie Claire drives £2 million a month in fashion sales for retailers across their different platforms.

Describing the move, a spokesperson told What’s New In Publishing:

“The Marie Claire Edit is a natural progression for us and really demonstrates the power of the Marie Claire brand to drive digital transactions. We’ve tried to anticipate the way women will want to both discover and shop and leveraging Marie Claire’s expertise in curating the latest trends and making them shoppable direct from Marie Claire UK’s website, the Marie Claire Edit serves the entire e-commerce journey, from the spark of inspiration through to check-out.”

With Future – a leading UK-based eCommerce publisher in its own right – recently having completed its purchase of TI Media\(^11\), which publishes Marie Claire UK, Country Life and Wallpaper* magazines, we can confidently expect Marie Claire UK to delve further into the eCommerce arena.

**Marie Claire Powertrip**

Launched first in the USA, then Brazil and Greece, attendees at a 2019 US Powertrip heard from a wide variety of speakers, such as Hollywood actresses Daisy Ridley and Regina King.

Participants also heard from leading women in Silicon Valley: Fidji Simo, who heads up the Facebook app (having previously been responsible for Video, Games and Monetization at the social...
network,) Stephanie Hallford, VP and general manager of business client platforms at Intel, and Kelli Hodges, director of product marketing at Dell's commercial business unit.

“The goal of this [Powertrip] was to build Marie Claire live and see this community interact,” editor in chief Anne Fulenwider told WWD last year.

**Other eCommerce efforts**

Marie Claire Edit was not the first attempt by the UK site to move into the eCommerce space.

In 2016, Marie Claire UK launched premium beauty store, Fabled by Marie Claire, in a joint venture with the online British supermarket Ocado. The site, which also has a physical store on London’s Tottenham Court Road, was sold to the fashion retailer Next in June 2019.

“Next and Fabled have collaborated over the past 8 months and, as a result of this collaboration, Next decided to acquire Fabled,” a press release for the acquisition said.

“Next acquired Fabled for a small upfront payment and an earn-out based on sales in each of the four years ending Jan 2021 – Jan 2024, with a minimum guaranteed payment of £3m, Reuters reported. “The deal represents a present value (PV) to Ocado of £8m as a result of future expected earnings.”

Marie Claire has recently announced its third major brand extension; Marie Claire Jet Style, which is opening its first salon in Kings Cross at the end of November in collaboration with renowned hair, retail and business entrepreneur Steph Stevenson.

The hair and beauty salon is designed for time-poor working women when they’re travelling. Over 215 salons are planned internationally over the next two years, located primarily in stations and airports.

Marie Claire is also exploring forays into emerging international markets too.

Marie Claire Paris launched its first Salon Wellness franchise in Banjara Hills, Hyderabad (India) towards the end of 2018. It now has three locations in the city; and has also expanded into New Delhi. Salon services include Hair, Makeup, Bridal, Skin and Beauty.

Prior to this, back in 2016, Marie Claire Paris ventured into the Indian market through a licensing arrangement with Epic Brands
Pvt. Ltd and the online Indian fashion eCommerce company Myntra for a prêt collection (ready-to-wear factory-made clothing).

Stéphanie Ertzbischoff, the brand Licensing Manager, Groupe Marie Claire, explained at the time that “designers of Epic Brand worked together with the Marie Claire designers at Paris to create this line of apparel.”

Meanwhile, Marie Claire Australia launched an app on the social media platform WeChat, in early 2019, aimed at Chinese consumers.

Gereurd Roberts, CEO of Pacific Magazines, which publishes the Australian edition said:

“This initiative highlights not only how Pacific’s brands continue to find innovative ways to help our commercial partners reach new audiences, but the company’s ambition and drive to grow. The Marie Claire WeChat mini-app is only one component of our wider strategy to reach Chinese luxury consumers, and there is more planned for the coming months.”

As more publishers look to expand into emerging markets like India and China, we can expect others to follow Marie Claire’s suit.
MINI CASE STUDIES:

How 5 media companies around the world are using eCommerce

Alongside these three publisher deep-dives, we also wanted to highlight some of the other interesting examples of eCommerce which can be found across the global media landscape.

Here are five case studies which caught our eye, from Heart Media and Dennis Publishing to Associated Media, NBC Universal and The Today Show.
Associated Media Publishing (South Africa)

Associated Media Publishing (AMP) is South Africa’s leading independent publisher of women’s media brands. This includes local, and international titles such as Cosmopolitan, Good Housekeeping/Goeie Huishouding, House and Leisure and Women on Wheels.

They reach c.3.5 million consumers a month through online, digital and events. In 2018, AMP generated around 6,253 pieces of original content, which garnered 85 million views.

In January 2019, after 15 years, AMP announced that they were not renewing their licence to print a local version of Marie Claire, instead focusing on digital output and events. This is part of a wider effort by AMP to reinvent the relationship between a magazine and its audience, a relationship which also includes a retail angle.

“In South Africa, eCommerce is still relatively small,” Julia Raphaely, the CEO of Associated Media Publishing told the Media Voices podcast in May 2019, “but I think that a magazine medium has an incredibly important part to play in curating products for consumers.”

One way that the company has begun to implement this approach is through the use of QR codes. In October 2018, AMP wrapped their marquee publications in giant QR codes. After scanning the codes on their smartphones and/or tablets, consumers were redirected to the “Ready to Shop” page of each magazine brand, where products were available for purchase.

AMP saw an immediate upswing in eCommerce related activity following this effort. From mid-December 2018 to mid-April 2019, QR scans grew from 7,000 to 17,430, page views in their shops grew from 47,000 to 84,441. Subsequently, the number of products available to purchase more than doubled from 1,500 to 3,174.

The initiative also received industry recognition, winning Bronze at the 11th IAB Bookmarks Awards (2019) in the Emerging Digital category for Interactive Mixed Media.

As Esther Kezia Thorpe, here at What’s New In Publishing has pointed out, “In Western countries, affiliate links and commissions are well-established revenue sources for publishers, thanks largely to Amazon.” But, in other markets, that model may not exist, or be the most appropriate way for publishers to monetise and creative shoppable content.

Editor’s note:
Sadly, Associated Media Publishing announced that they were closing their doors permanently from the beginning of May 2020 due to the coronavirus pandemic making it impossible for the company to continue trading. However, we still believe that there is value in their eCommerce approach, so have kept this case study in.

The QR code cover series
Via Mediaupdate.co.za
Dennis Publishing (UK and USA)

Founded in 1973, with the launch of its first magazine, Kung Fu Monthly, Dennis is now the UK’s 6th largest consumer magazine publisher, with a group turnover of over £130 million ($161m) a year. It has a portfolio of over 30 brands operating in four key areas: Current Affairs, Technology, Automotive and Lifestyle, reaching more than 50 million unique users and selling over 2.5 million magazines a month\(^6\).

By 2018, Dennis Publishing projected to make 40% of its 2018 revenue from eCommerce. At the heart of this is their automotive vertical and the site BuyaCar, through which users can buy a quality new or used car online, apply for finance and then have the car delivered to their home.

BuyaCar.co.uk was acquired in 2014 by Dennis, and since then turnover has grown from £400k in 2014 to £62m turnover in 2018\(^7\). Across the UK, 21% of all UK online motoring spend is spent with Dennis.

Importantly, as Pete Wootton, Chief Operating Officer of Dennis has outlined\(^8\), BuyaCar purchases vehicles from franchise dealers, but not until an order has been made, thus avoiding any liabilities associated with holding stock.

At the same time, it has been selective about the dealers it partners with, focusing on those who “really look after your customers.” After all, “if something goes wrong, it looks bad on Dennis, not the dealer,” Wootton says\(^9\).

Auto Express and Carbuyer, whose sites have 2.5 million and 1.2 million monthly visitors, help drive 15% of Buyacar customers\(^10\). Because of this existing readership, Dennis were confident they could convert elements of this active audience (readers are looking to buy a car!) into sales.

Dennis was named Media Company of the Year at the 2018 British Media Awards; and BuyaCar.co.uk shortlisted for Digiday’s “Best E-Commerce Strategy” award for 2018. However, the site notes\(^11\) that “Dennis hasn’t even scratched the surface of car commerce.”

“At just over 8 million used cars are sold in the U.K. each year,” they wrote in 2018, according to the Society of Motor Manufacturers and Traders, around 7,000 of which are sold by Dennis directly from its site Buyacar.co.uk.

“As an overall percentage of that market, what we’re doing is still very small,” said Wootton\(^11\). “We want to massively scale the business because we believe it will generate revenue in the hundreds of millions [of pounds] in the next few years. Next year, I believe we’ll make £100 million [$138 million].”
Heart Media (Singapore)

With 20 publications in Singapore, Malaysia and South East Asia, and offices in Singapore, Kuala Lumpur, Jakarta, Hong Kong and Shanghai, Heart Media also operates ten websites and organises a series of “exclusive luxury lifestyle events” in Singapore, Phuket (Thailand), and Penang (Malaysia).

The company seeks to produce “market leading magazines and digital media that connect with the region’s affluent and brand-conscious consumers through their chosen lifestyle activities.” Its titles include Men’s Folio, WOW (World of Watches, with different editions for Singapore, Malaysia, Hong Kong, Indonesia and Vietnam), the Singapore edition of the fashion magazine L’Officiel, a home and lifestyle magazine known as Form in Singapore and Room in Malaysia, Art Republik, and a quarterly high-end real estate magazine, Palace.

In 2015, Heart Media acquired the luxury lifestyle portal Luxuo.com. As of late 2017, the site had over one million unique visitors a month and more than over 2.5 million page views per month\(^{12}\).

“We hold a diverse portfolio of publications ranging from timepiece to fashion and even art and luxury yachts. Hence, we felt the need to acquire a digital property that would serve as a content aggregator for the whole group,” recounted CEO and Publisher, Olivier Burlot.

In 2018, they invested in the Hong Kong based online luxury marketplace Luxify, for an undisclosed sum\(^{13}\). The site has been described\(^{14}\) as “an eBay for the super-rich,” although as of November 2019 the online marketplace is being rebuilt after being acquired by My fashion Republic Group.

Despite the pop-up on their homepage, which has been there for several months, posts on Luxuo.com do point to relevant pages on the Luxify website (and you can access the old site).

Although advertising and events are their primary revenue sources, the company does invest in eCommerce. “We invest in eCommerce to understand how it works, but not to operate it,” their Olivier Burlot has said\(^{15}\), offering a potential model other publishers may look to emulate.

Alongside this, in 2018 the company invested in Aditus\(^{16}\), “a revolutionary new platform bringing the world of luxury to crypto-affluents, through a privacy-centric decentralised network utilising smart contracts and blockchain technology.” The site allows crypto-affluents “to make payments in cryptocurrencies such as Bitcoin and Ethereum” with the result...
that “it has never been easier to convert cryptocurrencies to real world assets.”

Aditus curates these opportunities, providing a marketplace for merchants and consumers alike, with all of the lifestyle products, services and experiences solely available for purchase through crypto-currencies.

Crypto transactions are also growing in importance as a revenue stream. Heart Media CEO Olivier Burlot told the FIPP Asia conference in Wuhan, China, in late 2018: “Within two years so many people have grown very wealthy through cryptocurrencies. Aditus.net earns three per cent commission on transactions “and if it is complex, it can go up to five per cent on the payment... so you can imagine that this is an increasing business for us.”

**NBCUniversal (USA)**

Early in 2019, NBCUniversal announced that some of its biggest TV brands – including NBC, NBC Sports, Telemundo, USA Network, Bravo, E! and CNBC Prime – would be embracing ShoppableTV.

Business Insider shared how the service would work, revealing that: “ShoppableTV will display an on-screen QR code for 30 seconds within ads and shows. Users can scan the QR code using their mobile phones and be taken immediately to an eCommerce site to buy the particular product. NBCU will collect not only a fee for producing the shoppable ads with partner brands, but also a percentage of sales resulting from QR code scans.”

“By pairing brands with our premium content, storming the purchase funnel, and removing the barriers consumers traditionally encounter between seeing a product and making a purchase, we're giving marketers a direct sales channel to millions of viewers across the country.”

Reporting on the announcement, The Hollywood Reporter wrote:

“The company said this marks the first time this technology, on which the company has worked with an undisclosed tech company, will be used on national U.S. television to attract direct sales. It recently tested the technology on NBC's Today, saying that within minutes it saw tens of thousands of scans and six figures in sales.”
The Today Show (USA)

One of the most successful, and longest-running TV shows in American history, Today (aka The Today Show) has been pioneering a number of different approaches to eCommerce.

Aside from being a testing ground for NBCUniversal’s new Shoppable TV strategy, the breakfast show has also been exploring other opportunities.

This included creating a dedicated space, today.com/shopping, as well as working with the broadcast show “to amplify the on-air promotion of products online and then build off that success and momentum.”

A popular segment on the show, “Steals & Deals,” reportedly netted the network $60 million in eCommerce revenue last year, selling over 2 million products during the holiday shopping season, “largely thanks to Jill’s Steals & Deals,” NBC News president Noah Oppenheim has revealed. The site drove more than $12 million in sales during the week after Thanksgiving.

Hosted by Jill Martin, TODAY offers three must shop on-air deals segments every month. The five-minute segment has an audience of around 3 million people, and a dedicated microsite on their wider website; and app.

Separate to this, Today has a separate site for coupons, vouchers and promo codes, and a larger online shop which features articles (e.g. “The best gifts for 1-year-olds, according to child development experts,” “8 high-tech gifts for the self-proclaimed gadget geek” and “25 gift ideas Grandpa actually won’t return,”) as well as links to fashion items on Amazon, a section enabling you to “shop what you saw on the show,” and more.

Traffic to Today’s online store grew by more than 80% in 2018, and the company revealed that it expected to increase revenue last year from eCommerce by 400%.

Much of their online content – complete with associated links to partners – would not be out of place on any of the women’s, or other, publishers sites more traditionally associated with the types of content which lend themselves to eCommerce.

The site is very transparent about the fact that it makes money through affiliate relationships; offering a potential benchmark of openness that others would be well served to follow.
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