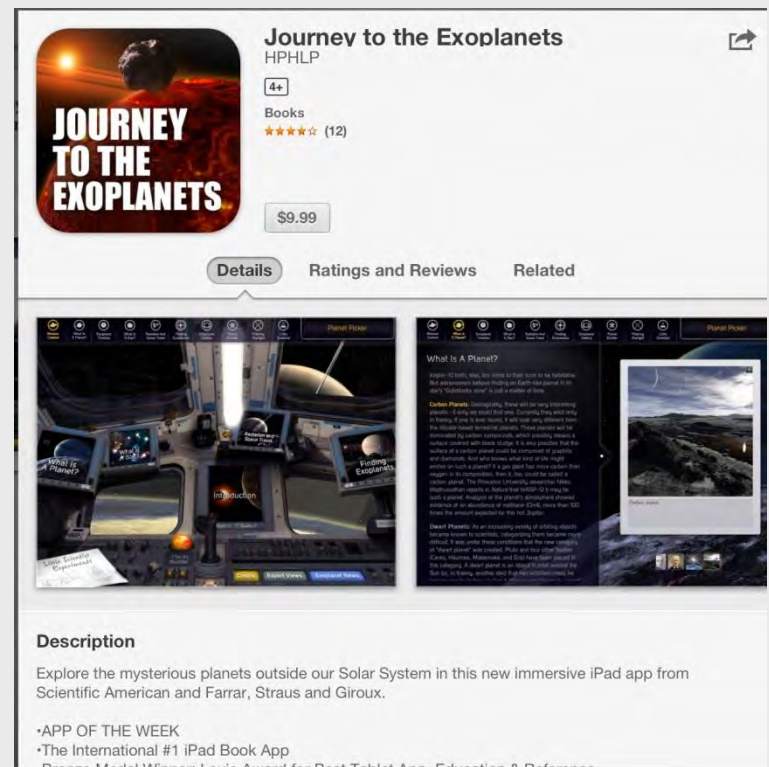
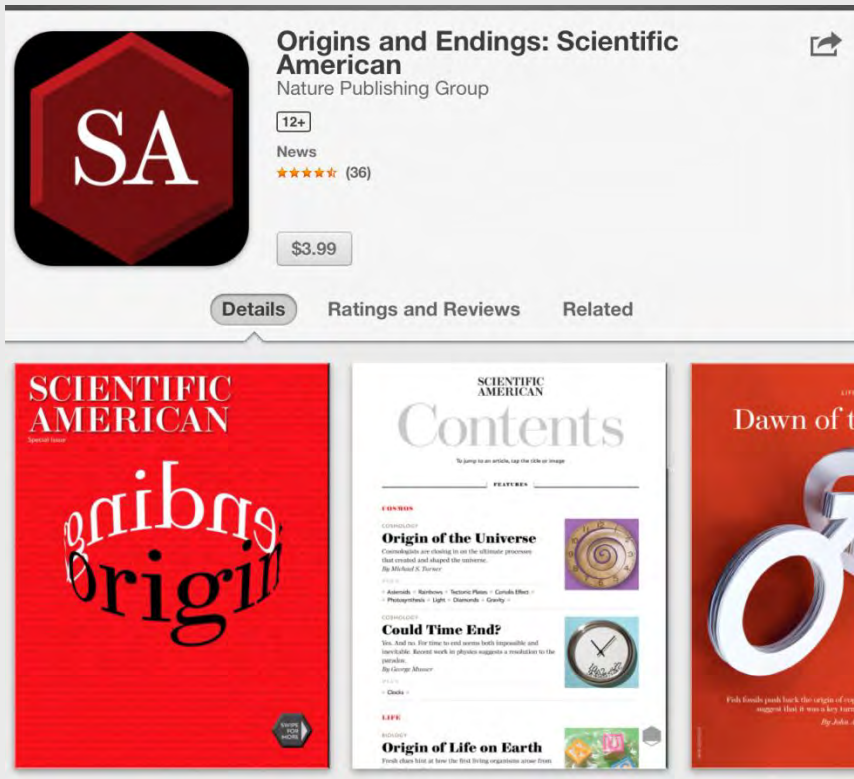


Scientific American Tablet Edition for iPad Launch Case Study

Presented by:
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April 17, 2013

Establishing a Beachhead in the App Store



Tablet Edition Launch Objectives

- Produce incremental consumer revenue
- Engage customers across print, online and mobile channels.
- Use interactive features to enhance core Scientific American brand attributes.
- Tablet Edition launch would need to support broader consumer marketing initiatives.
 - Aggressive migration of subscribers to continuous service renewal.
 - Increase average subscription value.
 - Protect direct relationships with subscribers wherever possible.

To Entitle or Not Entitle, That Is the Question....

- App Store pricing set at \$5.99 single copy/\$34.99 subscription.
- New print/Tablet combination subscriptions would be offered at \$34.97 on a continuous service basis only.
- Only subscribers who paid full price were granted an entitlement to the Tablet Edition free of charge.
- Customers who purchased their subscriptions at promotional prices have the opportunity to “upgrade” their subscriptions through a full price advance renewal.
 - Granted Tablet Edition entitlement for remaining term of servicing subscription.

To Entitle or Not Entitle, That Is the Question....

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YES! Renew my subscription to *Scientific American* at the rate selected below. This renewal order will include 12 print issues PLUS 12 issues of the tablet edition for iPad®. As a special bonus, in addition to the above, I'll also receive access to the iPad edition, starting now, for the remaining issues of my current subscription. (If you don't have a current subscription, please [click here to subscribe](#) and get the tablet edition for iPad.)

BONUS FOR YOU!

Includes access to the iPad edition for remaining issues on your current subscription!

ins.

ditions.

are expressed in US
[click here for institutional](#)

Step 1: Choose Your Offer

- UNITED STATES:** 12 issues for \$34.97
- CANADA:** 12 Issues for \$39 CAD
- INTERNATIONAL:** 12 Issues for \$44 USD

*These prices are intended for individual subscriptions only. All subscription prices are expressed in US dollars and include postage and handling. Canadian price includes GST. Please [click here](#) for institutional subscriptions.

Step 2: Your Email Address

Messaging promising Tablet entitlement on remaining service on print Subscription has been effective in driving upgrades

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Strategy Implementation

- Development of Proprietary Entitlement API.
 - CDS Web Services Gateway utilized to authenticate qualifying print and (digital) subscribers.
- Extensive Customer Service Training
 - 40 CDS Agents trained on Tablet Edition business policies and SELLING upgraded subscription plans.
 - Developed dedicated in house customer-service resource to respond to customer service cases escalated by CDS.
- Top to Bottom Review of Fulfillment Policies
 - Entitlement API permits Tablet entitlement in real time—not dependent on start issue of print component of subscription.

Risks and Rewards

- We anticipated that our strategy would result in some hard knocks.

