

vnu business media
europe

A practical approach to transformation into a total media company

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A few quotes about change

"Why someone as conservative as Murdoch would try to get hold of MySpace.com...?"

"The long tail is the holy grail for traditional media"

"Google is now a better known global brand than Coca Cola"

"Search will be the major breakthrough of B2B media in online"

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Three trends that lead to transformation

Changing Information Needs

- > The Internet has fundamentally changed the information behavior and needs of readers
 - Use of the internet as information source increased at the expense of print

Changing Advertiser Behaviour

- > Advertisers are likely to follow the reader in allocating their marketing funds
 - Investment in on-line advertising has already significantly increased

New Competitors

- > New, independent start ups are entering the market and form a new kind of competition for traditional publishers
 - Non traditional information players are very quick to recognize and exploit emerging reader and advertiser needs

Traditional publishers must adopt new ways of working to retain their share of reader and advertiser attention against new forms of competition i.e. transform

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Information behaviour professional has changed dramatically in an online environment

user	local	one size fits all	periodically	one source for all	low-service	Controlled (Free) & paid for in mixed models
actor	global	customized	anytime, anywhere, real time	all sources for one	high-service, high interaction	Free information generated by and shared in communities

In the IT-media world these developments are at full speed and IT-media can be seen as a predecessor for other publishing

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Changing roles for the (business media) publisher

Print publisher	user	actor	Interaction	Online publisher
	local	global	international	
	one size fits all	Tailor made	segmentation	
	periodically	anytime, anywhere	feeds	
	one source for all	all sources for one	retrieval	
	low-service	high-service	knowledge	
	awareness	selling		
	pure content reader	knowledge support interactive		

Transformation of the publishing role is needed in the online environment

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DIGITAL "1.0" in a nutshell

- > **The Internet**
 - Excess capacity of ad inventory leading to price deflation and online media burn out
 - Market valuation bubble led to a stop in March 2000, i.e., a complete write-off of growth options in internet stock prices
- > **Mobile**
 - Mobile internet did not take off (Wap access time was too long and transport cost was larger than buying a newspaper for a weather or news quote)
 - Bubble in mobile content - market developed in ringtones / ringtunes only
 - Significant delay in 3G roll-out
- > **Digital TV**
 - Limited take-off, roughly 10% of total global population by now
 - Exception confirms the rule: 60% in U.K., driven by Sky mandatory push
 - IdTV applications did not take off, except limited ones
- > **Convergence**
 - Large failure – the death of Vizzavi and Vivendi

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DIGITAL "2.0": it has arrived

- > **The internet**
 - ❑ Broadband has become **mainstream and dominant** vs. narrowband
 - ❑ **New behaviors have emerged** on the net: bundling of access services, blogging and social networking, P2P
 - ❑ **The long tail creates new business opportunities**
 - ❑ **Excess capacity of ad inventory** is no longer true, B2B media taking off
 - ❑ **Search** has developed a major way
 - ❑ **Profitable business models**, leading to recovery of market valuation
- > **Mobile**
 - ❑ **Mobile internet** is taking off
 - ❑ People enjoy **TV on their mobile**
- > **Digital TV**
 - ❑ Take-off is **happening** finally
 - ❑ **IPTV** is a new platform
 - ❑ **Second generation of interactive services** is being deployed
- > **Convergence**
 - ❑ **Broadcast on mobile, fixed mobile convergence, over the top services**
 - ❑ **Skype over IP phone**

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DIGITAL "3.0" - Some characteristics

Goodbye to old networks – the web is the network

Bandwidth will be a commodity – from broadband to "mega"band

All you can store – unlimited personal storage

A world of new global brands

The power to the audience

The emergence of powerful free communities

Search will move to profiling

Advertising will be relevant (read-contextual)

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Web 2.0

> **While the definition of a Web 2.0 application is still hotly debated, it is generally accepted that a Web 2.0 website would exhibit some basic characteristics. These include:**

- ❑ The site should not act as a "walled garden" - it should be easy to get data in and out of the system.
- ❑ Users usually own their data on the site and can modify at their convenience.
- ❑ Mainly web-based - most successful Web 2.0 applications can be used almost entirely through a web browser; this is commonly referred to by the phrase "network as platform".
- ❑ Data returns should be dynamic, not static, changing depending on variables associated with the user's query (e.g. profile, location, keywords).
- ❑ An "architecture of participation" that allows users to add value to the application as they use it;
- ❑ Some social networking aspects.

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Traditional role of Business Media

The fundamental role of Business Media is:

- > Connecting buyers and sellers, readers and advertisers, attendees and exhibitors;
- > Delivering news, analysis and vital business insights in (controlled circulation) publications to provide a platform for that connection as well as providing a physical marketplace where buyers and sellers can meet;

Business media is about:

- > Searching for information;
- > Searching for information through people;
- > Searching for people;
- > Searching for people through information;

Business Media gives the opportunity to:

- > Manage relations;
- > Manage information;
- > Make buying decisions.

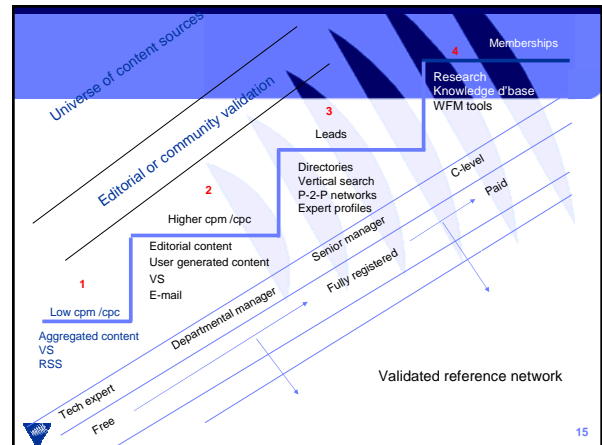
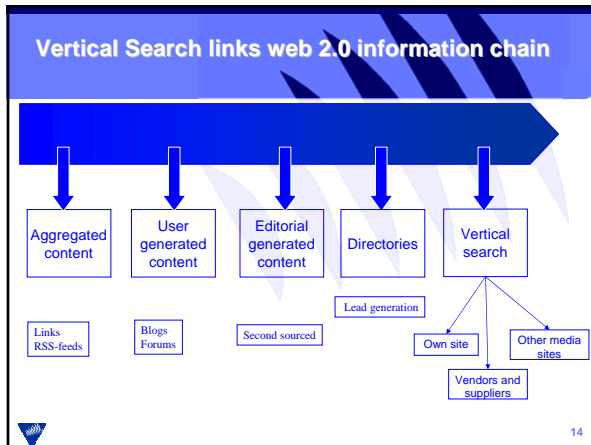
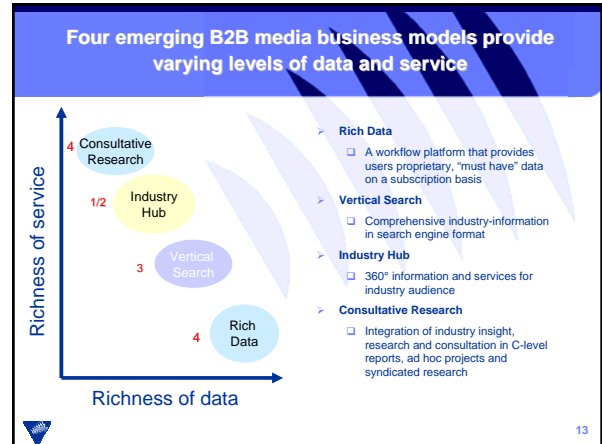
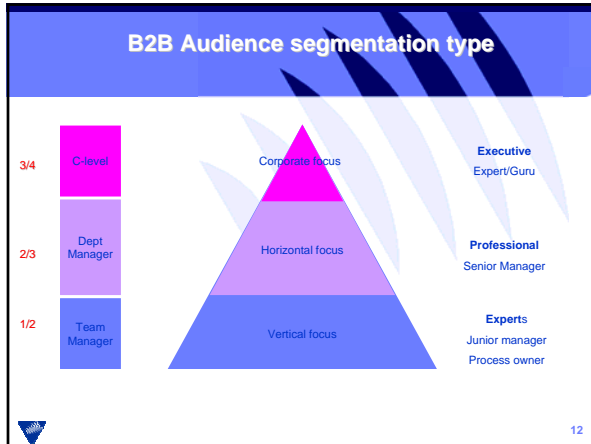
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DEVELOPMENT PATH PROFESSIONAL PUBLISHING

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DEVELOPMENT PATH BUSINESS MEDIA

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- ### Bringing it all together
- Business Media in print are (traditionally) based on editorial (second sourced) content, mainly targeted at the mid-level professionals; niche publications target sometimes C-level and vertical specialist areas;
 - The web gives business media the opportunity to go both broad and deep, to launch in verticals, to provide a platform for user – P2P - generated content;
 - We have to add:
 - Aggregated content, RSS feeds
 - User generated content, blogs, Forum, vertical wikipedia
 - Product- and service-directories, vertical search;
 - P-to-P-networks: professional & social networking
 - Our core competences are at level 1,2 and 3; information will be free for users;
 - Providing either rich data or consultative research, adding services (workflow tools) could be a next step in the development path. Business Media will go the route of free service models.
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- ### From base camp to Web 2.0
- Business Media Europe is an advanced "traditional" publishing houses, on its way to transforming it self to a total media player;
 - Business Media Europe has been forced to move fast because of the characteristics of its core markets: technology and classified recruitment;
 - The outcome of that transformation still has risks, however Business Media Europe is well on track to achieve 25 – 30% of its revenues in online in 2007; the medium term goals is to have 50% in 2009;
 - Business Media has reached in many cases "base camp" in its transformation: its online presence is based on a variety of off line brand and online only brands, products and increasingly services;
 - The major focus in the last 12 months has been to capture the development of Web 2.0-services:
 - Content aggregation and customization models
 - information retrieval and sharing models facilitated by advanced technology platforms; (blogs, forums, vertical search)
 - Lead generation models (marketing 2.0),
 - New platforms are integrated in the online offerings like audio- and video-webcasting: business media has its own television studio's in London.
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transformation
unleashing total media

Our Mission is 'To be the indispensable connection between business, people and information through Total Media'

'Total Media' noun [pl.] An approach to media by VNU that includes every possible platform as a complete means of distributing and sharing information and knowledge.