

International trends in consumption of  
Tablet Editions and interesting case  
studies on promotion of Digital editions

Girish Ramdas, CEO, Magzter Inc.

**DIGITAL PUBLISHING IS NOT A  
GAMBLE  
IT IS THE FUTURE!**





# Digital Publishing Landscape

- Content
- Platforms
- Devices
- Aggregators
- Advertisers
- Readers



## + Content Trends



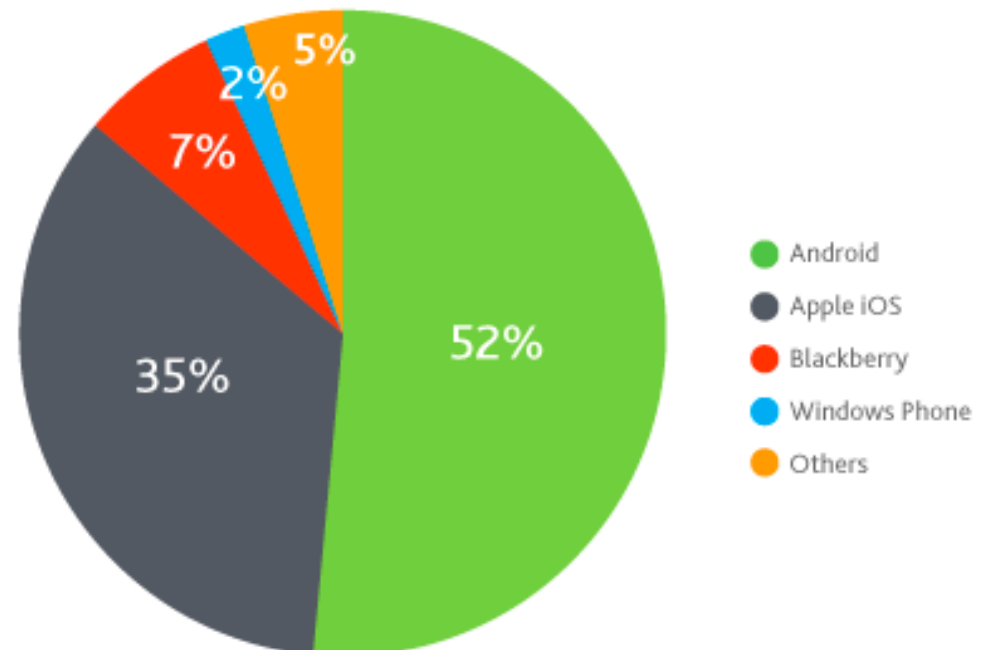
- Publishers move aggressively to Digital
- Publishers look to re-monetize archive content using digital delivery
- Publishers look to extract more value from their archived content by creating Mag-Books
- Publishers want to use simple tools to go digital instead of complex authoring tools – self-service, zero cost options being explored
- Print editors transition to digital editors
- Micro payments and article-level sale options being explored
- Digital-only magazines growing
  - Newsweek stops print edition

## + Platform Trends

- 2009 – Only iOS
- 2010 – iOS, Android
- 2011 – iOS, Android, others
- 2012 – iOS, Android, Windows 8, others

### Top U.S. Smartphone Operating Systems by Market Share

Q3 2012, Nielsen Mobile Insights

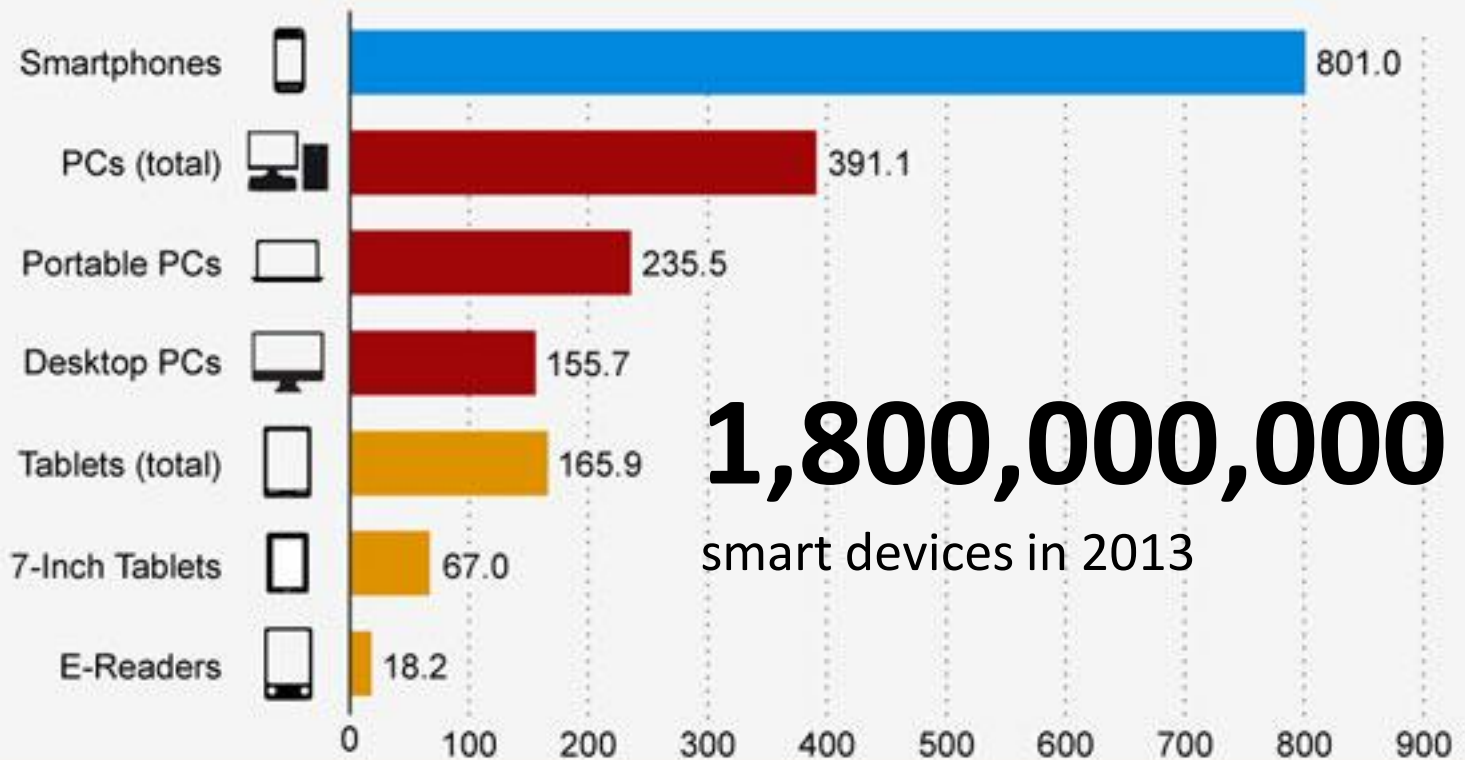


## + Device Trends

SALE OF CHICKLETS DROPS IN US DEPARTMENT STORES DUE TO SMART DEVICES!!!

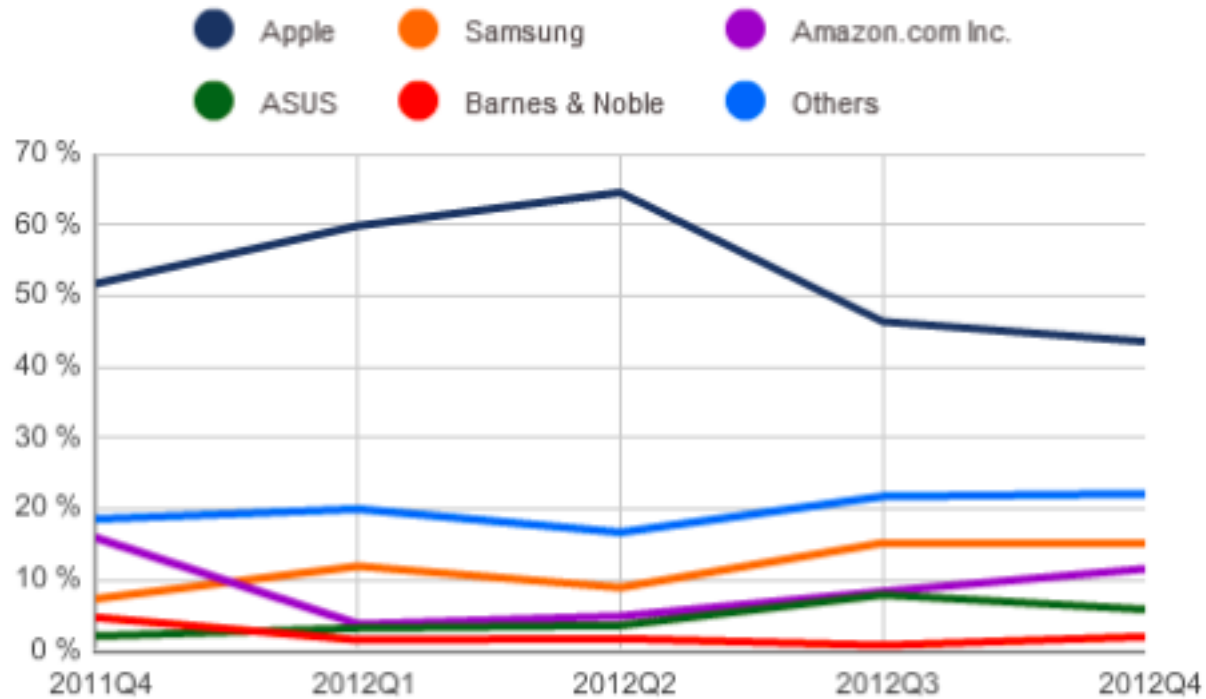
### Smart Device Boom Expected to Continue in 2013

Forecast of global electronic device shipments in 2013 (in millions)



# + Device Trends

**Top Five Worldwide Tablet Vendors, 2012Q4  
Five Quarter Market Share Change (Units)**



## + Aggregator Trends

Should Publishers build their OWN technology and apps?

Core competence

Cost of creation, managing, maintaining and promoting

Technology proof

Discoverability

- Content aggregation has been working for various digital content for many years no. It started with Music and then Books and Movies, now with Magazines
- Top Digital Music Stores
  - iTunes
  - Pandora
- Top Digital Book and Magazine Stores
  - Amazon (Kindle Fire)
  - iBooks
  - Magzter
  - Apple Newsstand
  - Kobo
- Top Digital Movie Stores
  - NetFlix
  - BigFlix



## + Advertiser Trends

- Advertisers shift to digital ads
- ABC counts digital replicas for circulation audits in USA and UK
- Publishers have 3 options to monetize digital
  - Retain the print ads in the digital editions and earn goodwill from advertisers – no extra monetization but giving value-add to print advertisers and retaining them
  - Retain the print ads in the digital editions and add links, videos, etc. and earn additional revenues
  - Remove the print ads from their digital editions and have digital only ads with videos, fully interactive, etc.



## + Monetization Trends



- Publishers have multiple options to monetize digital editions
  - Sales and subscription revenue
  - Create and sell SIPs (special interest publications)
  - Ad revenue
    - Retain the print ads – no extra monetization but giving value-add to print advertisers and retaining them
    - Retain the print ads but add interactivity and charge extra for adding links, videos, etc.
    - Remove the print ads from their digital editions and get digital-only ads
    - Get sponsors for the Tablet editions

## + Reader Trends



- 70% of digital magazine readers are NEW readers which means digital is not cannibalizing physical sales – in fact it is adding a new revenue stream for publishers
- More than 50% of smart device users need a cross-platform solution to read their magazine content
- Social sharing of information and articles from magazines increase visibility and sales of magazines
- Readers prefer original magazine layouts and quick downloads – they prefer exclusive videos and bonus content but not at the cost of bandwidth and speed of download
- Readers prefer progressive downloading of magazine pages instead of waiting for a long time to download the full magazines and then read them

# + Interactive pages



## Smartphones

Check out the award winning Nokia Lumia 900

at&t Windows Phone BEST OF CES 2012

The right Smartphones let everyone stay connected & work smarter.

- Share photos and contacts faster. Play multi player games. Just Tap with NFC
- Multi-task with ease, thanks to the increased processing power in the New Nokia Smartphones with Belle.
- Get all the updates from your social world in one screen.
- Customise your six home screens with what's most important to you.
- Keep your favourites within easy reach through live widgets.

603 Lumia 610 Lumia 900

C2-03 C5-05 N8-00

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PLAY THE VIDEO

## + Digital Mag Stats



- Top magazine categories
  - News – 34%
  - Lifestyle and Entertainment – 33%
  - Business – 12%
- Top devices by sales
  - iPhone/iPad – 79% (used to be 95% in 2011)
  - Web Browser – 9%
  - Amazon Kindle, Kobo, others – 7%
  - Android – 4%
  - Windows8 – 1% (launched only 3 months ago)

## + CASE STUDY - SETUP



- PUBLISHER WAS LOOKING TO GO DIGITAL IN 2011 AND APPROACHED MAGZTER
  - NO UPFRONT INVESTMENT
  - DID NOT WANT TO ADD DIGITAL TEAM
  - WANTED TO DELIVER ACROSS ALL SMART DEVICES
  - WANTED TO HAVE DIFFERENTIAL PRICING FOR USA AND INDIA
  - WANTED TO ADD INTERACTIVITY
  - WANTED TO SEE REAL TIME SALES REPORTS
  - WANTED TO GIVE COUPONS TO THEIR PRINT USERS TO GO DIGITAL
- PUBLISHER WAS ABLE TO GET UP AND RUNNING WITH ALL THE ABOVE WITHIN 10 DAYS

# + CASE STUDY MARKETING



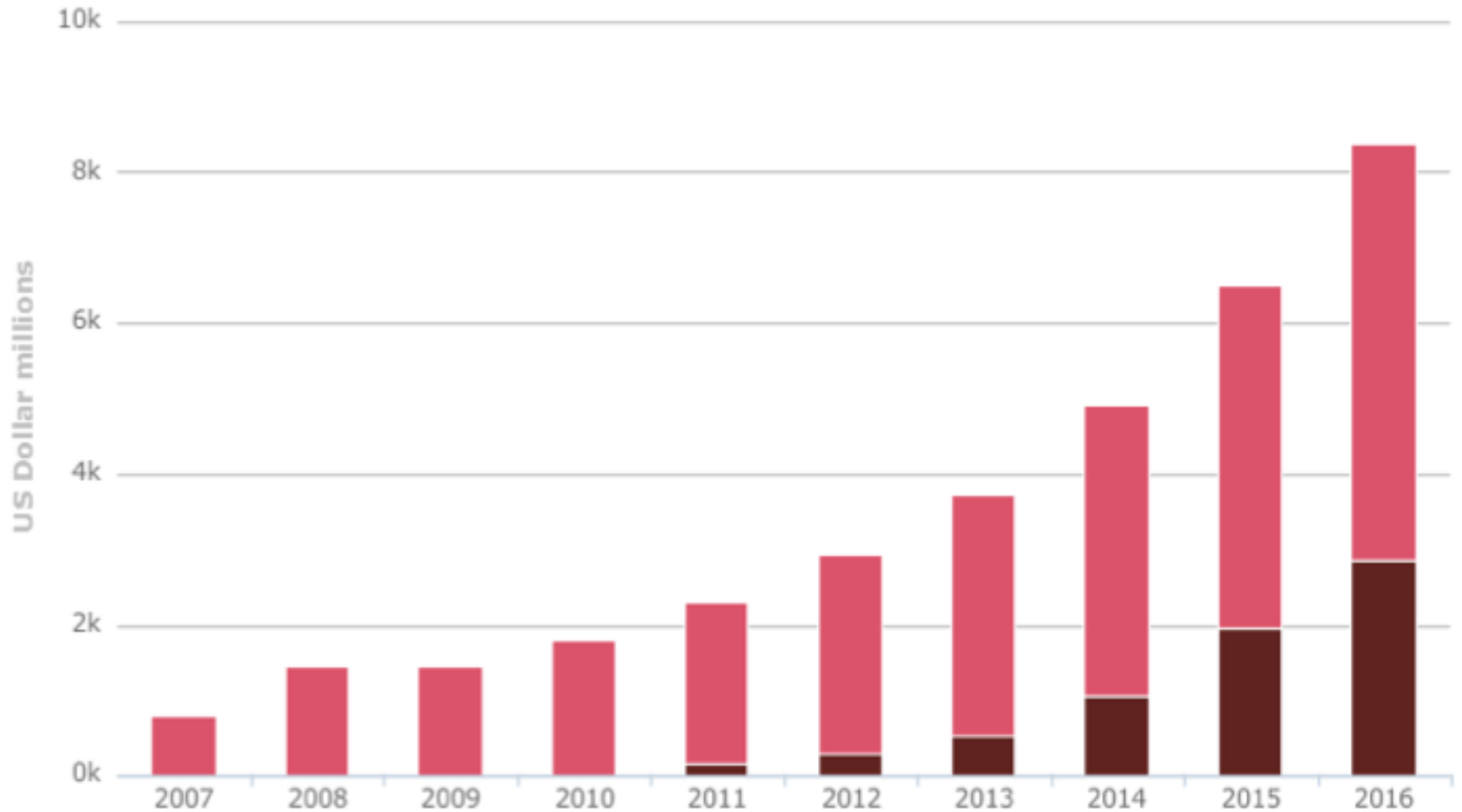
- TREAT DIGITAL ON PAR WITH PRINT AND CAPTURE FUTURE GENERATIONS
  - INFORM READERS
    - PROMOTE USING IN-HOUSE MEDIA
      - Press releases, website banner, subscription collateral
    - SET UP A SOCIAL MEDIA PAGE
      - Facebook, Twitter, Pinterest
    - ENGAGE YOUR READERS
      - Facebook, Twitter, Pinterest, Web
      - Social media deals and specials
  - GIVE FREEBIES TO THEIR DIGITAL READERS
  - ADDED DIGITAL BONUS CONTENT



# + THE FUTURE - \$8.3B by 2016



Global consumer magazine publishing market







# THANK YOU

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