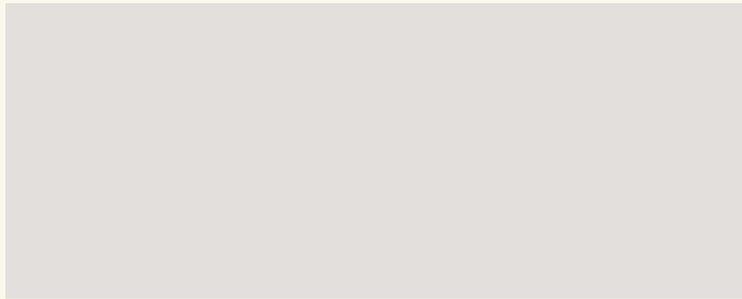


**WHAT**

**HAPPENED TO**

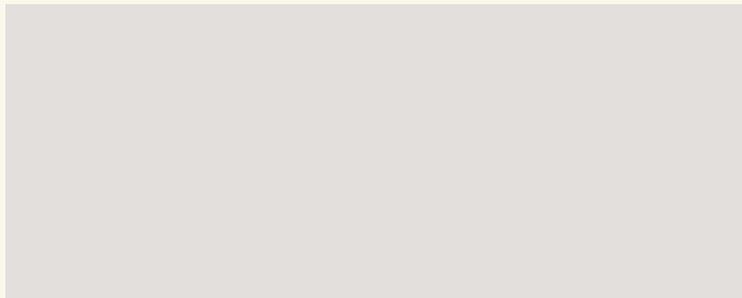
**NEWSPAPERS?**



**WHAT**

**HAPPENED TO**

**NEWSPAPERS?**



IN  
**10**  
SLIDES

AND  
**2**  
MINUTES

**Peter Winter**  
blastofwinter.com

Each local newspaper operated a monopoly defined by how far its trucks could get by sunrise



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and placed a hefty premium on distribution into the market it controlled

As with any highly  
profitable monopoly,  
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short-term ruled

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The extra 'circus rate' levy imposed on out-of-town advertisers in the early 1900s is still imposed on national advertisers today



But the Internet blew  
up the comfortable  
monopoly



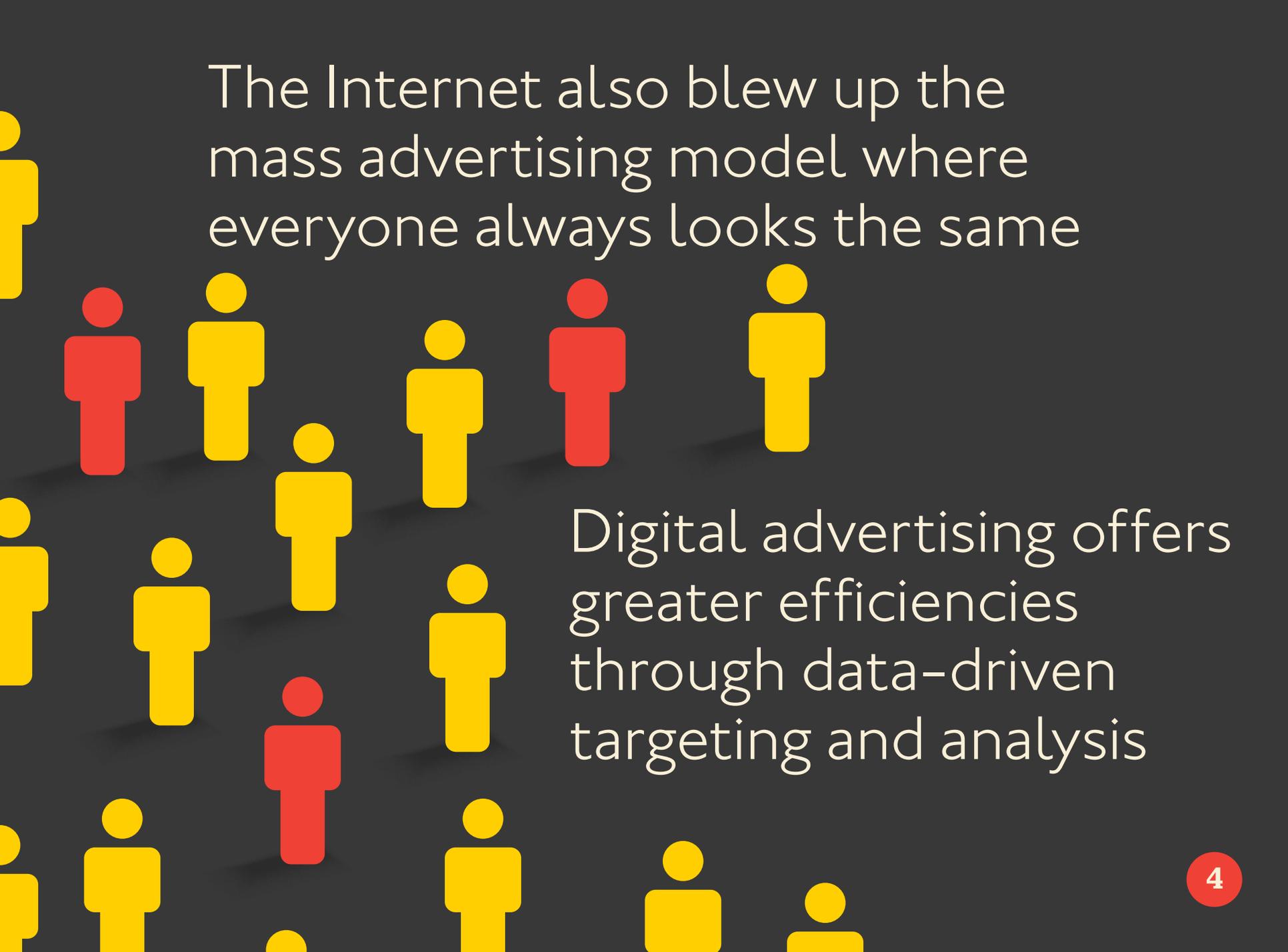
But the Internet blew up the comfortable monopoly

Digital insurgents invaded local markets and quickly fragmented the newspaper audience



The Internet also blew up the mass advertising model where everyone always looks the same



The background of the slide is dark grey. It is populated with numerous stylized human figures. Most are yellow, but several are red. The figures are scattered across the slide, with a higher concentration on the left side. The text is positioned in the upper right quadrant.

The Internet also blew up the mass advertising model where everyone always looks the same

Digital advertising offers greater efficiencies through data-driven targeting and analysis

The Internet blew up the product model  
of broad, bundled content, too



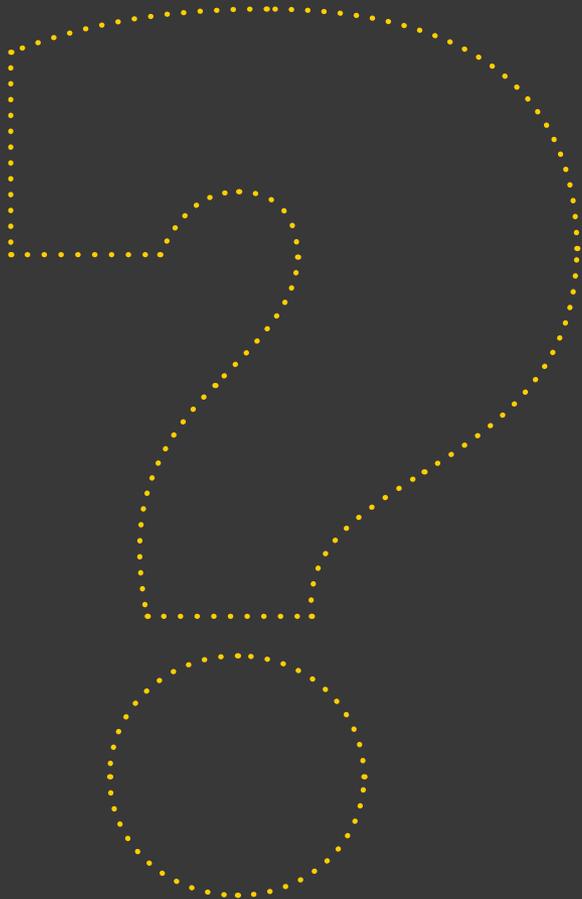
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The world is no longer horizontal.  
It's vertical.



So the challenge was to create  
whole new digital products,  
born on the web



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and create a whole new  
product cycle

But the culture had grown  
risk-averse and afraid of  
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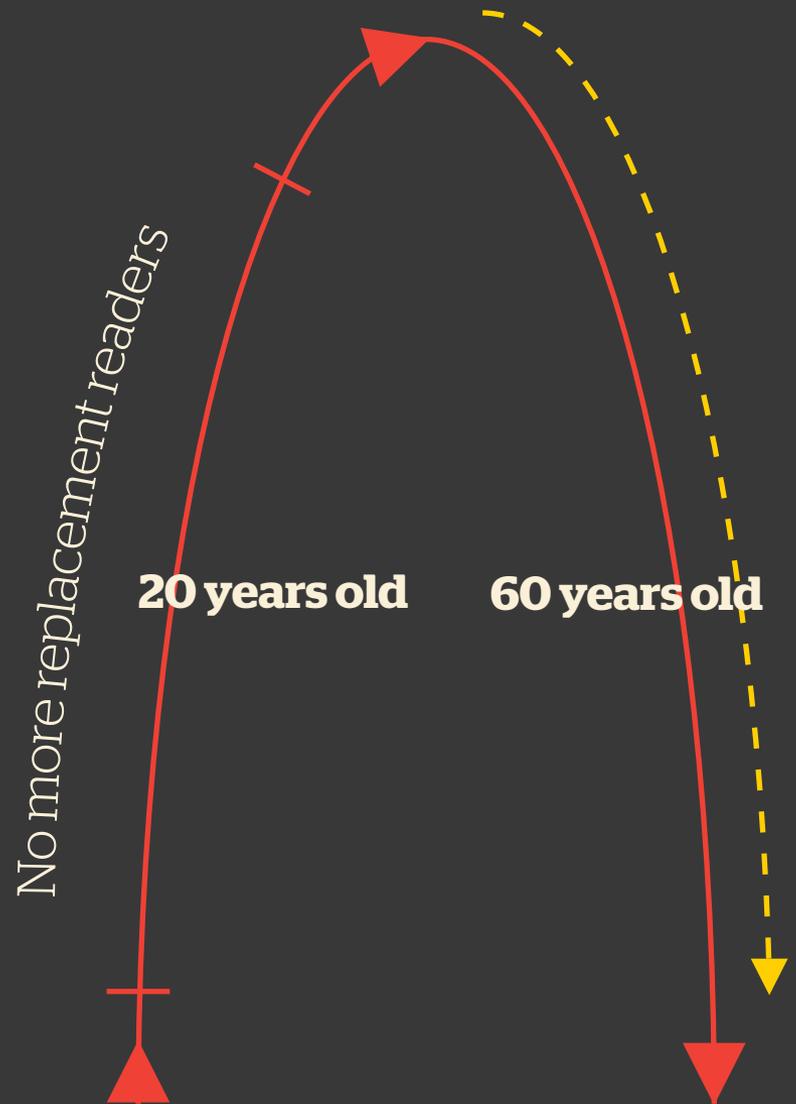


So all it could offer was the newspaper, online. No search. No social. No stream. No voice. No nuttin.'

It was not enough  
to persuade users  
to stay around or  
come back often

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to persuade users  
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come back often

And it was not  
enough to  
attract a younger  
replacement  
audience attractive  
to advertisers

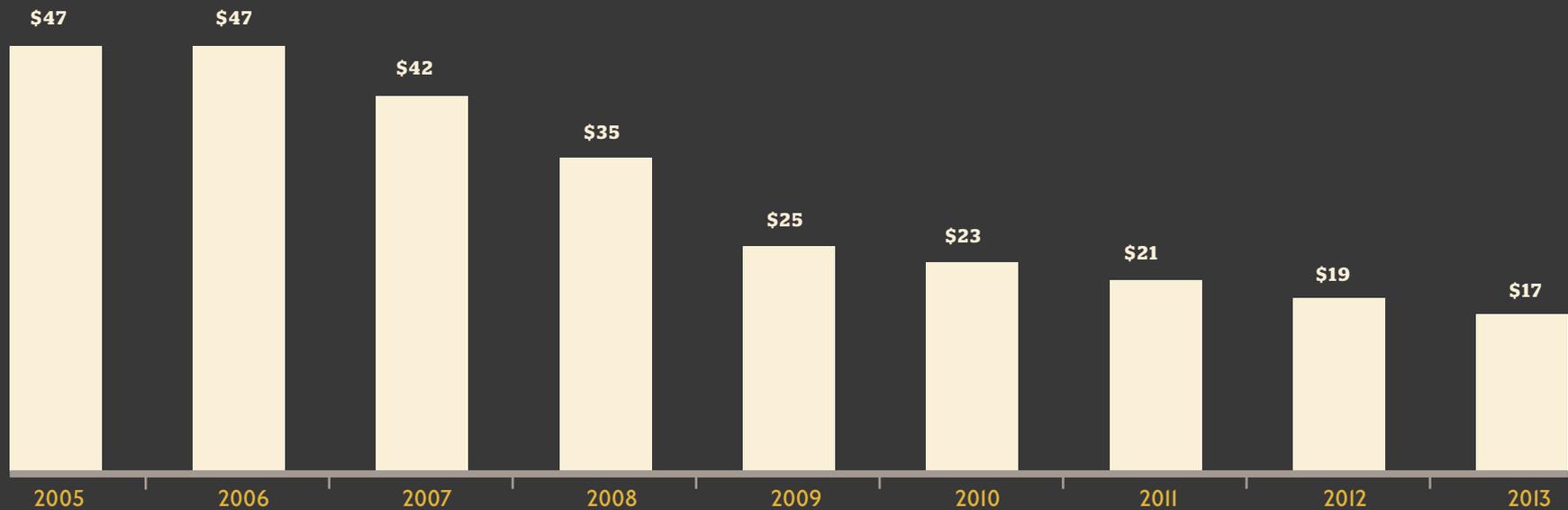


# So while print revenues collapsed,

## Annual Newspaper Advertising Sales

■ Print

\$ billions



# So while print revenues collapsed,

## Annual Newspaper Advertising Sales

■ Print

■ Digital

\$ billions



digital revenues never met expectations

Newspapers are dead, but a rich and exciting era of digital news and media has begun

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# The moral of the story:

- Success Can Kill
- Don't constrain a new business with the interests of its parent
- Failure is fine if it changes behavior
- The Internet is direct marketing on steroids, the user database is everything
- Digital news is a commodity if it is not differentiated

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# The moral of the story:

- Success Can Kill
- Don't constrain a new business with the interests of its parent
- Failure is fine if it changes behavior
- Neither the creator nor the distributor is king. The user rules all
- The Internet is direct marketing on steroids, the user database is everything
- Digital news is a commodity if it is not differentiated

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