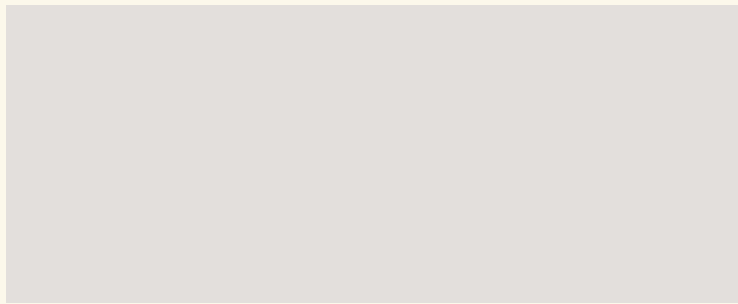


WHAT

HAPPENED TO

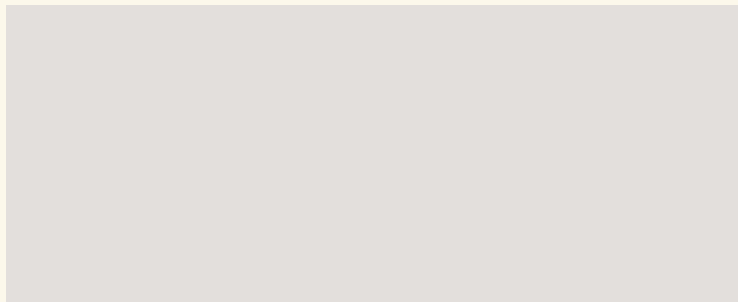
NEWSPAPERS?



WHAT

HAPPENED TO

NEWSPAPERS?



Peter Winter
blastofwinter.com

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



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



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

As with any highly
profitable monopoly,
the status quo and the
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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



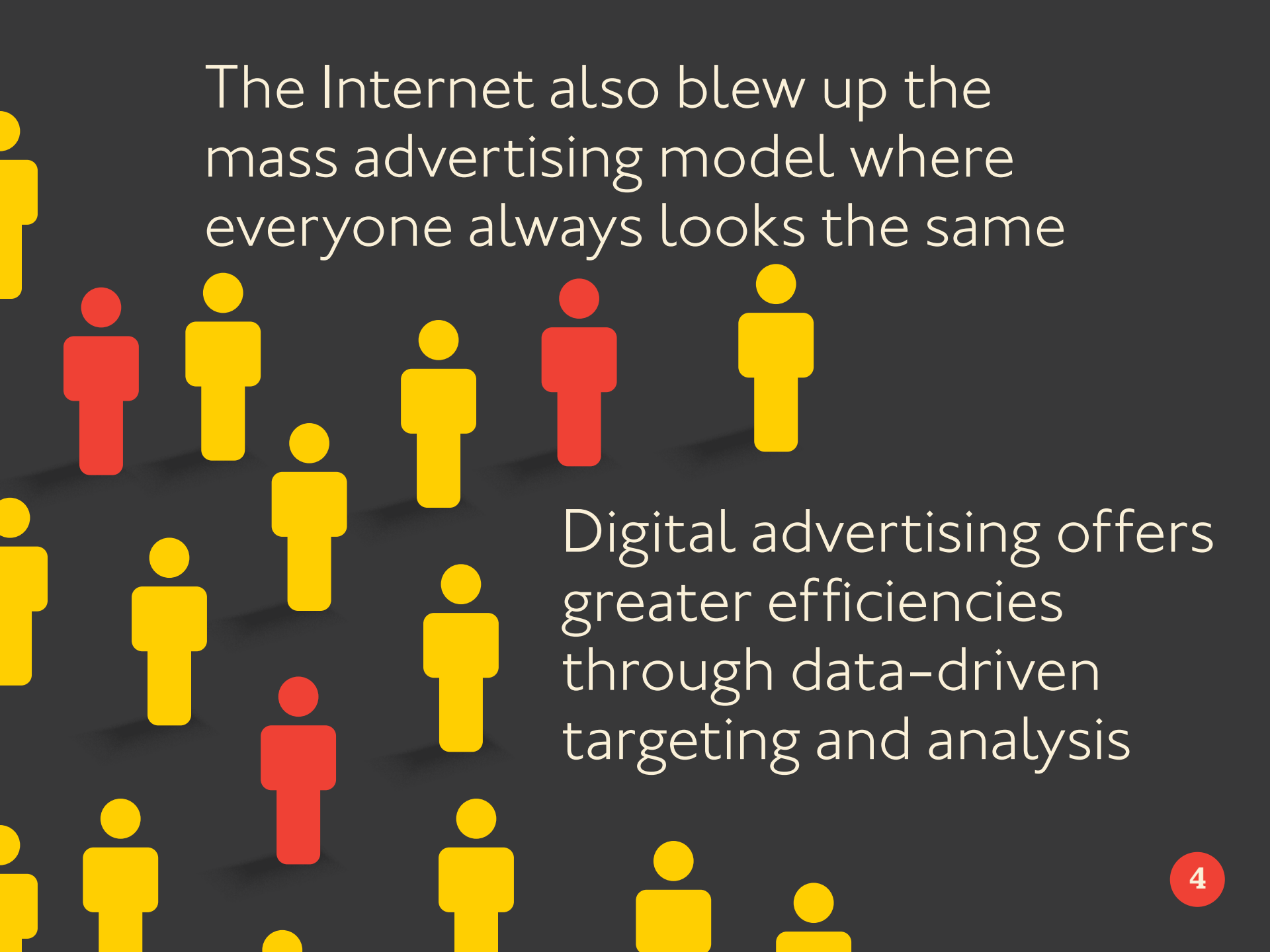
But the Internet blew up the comfortable monopoly

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 some appearing in the foreground and others in the background, creating a sense of depth. The figures are simple, rounded shapes with a circular head and a rectangular body.

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



So the challenge was to create
whole new digital products,
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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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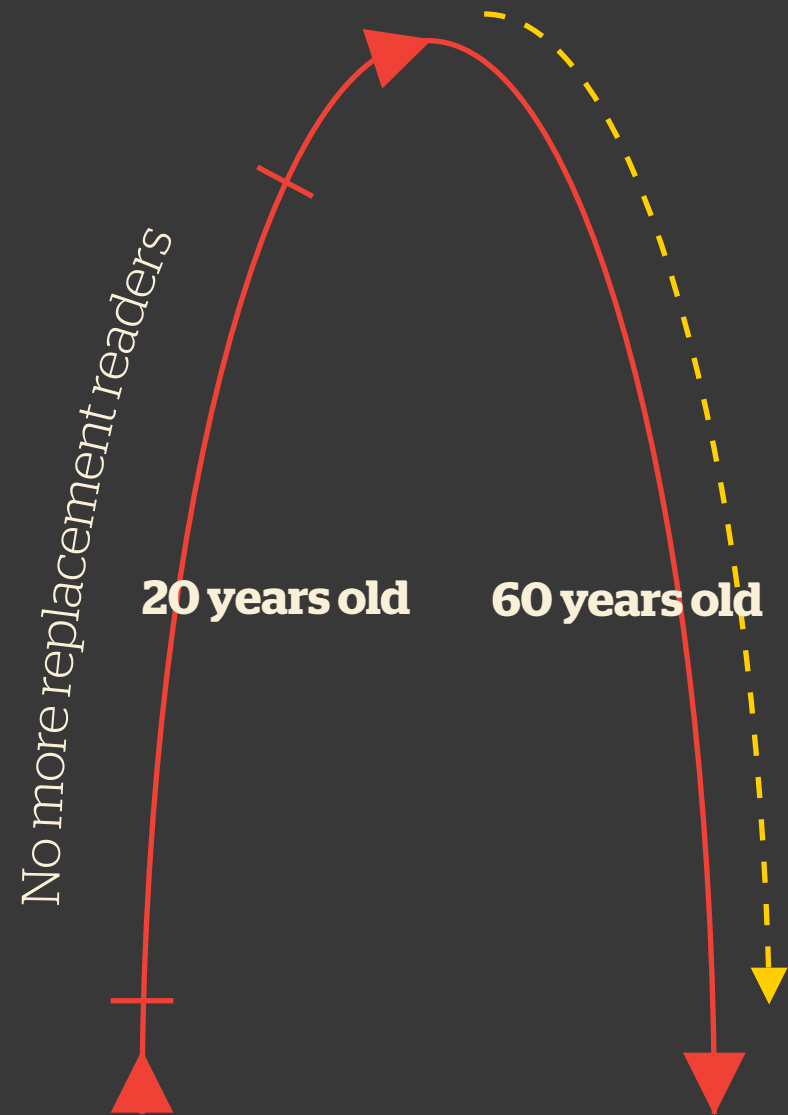


So all it could offer
was the newspaper,
online. No search.
No social.
No stream.
No voice.
No nuttin.'

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

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

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

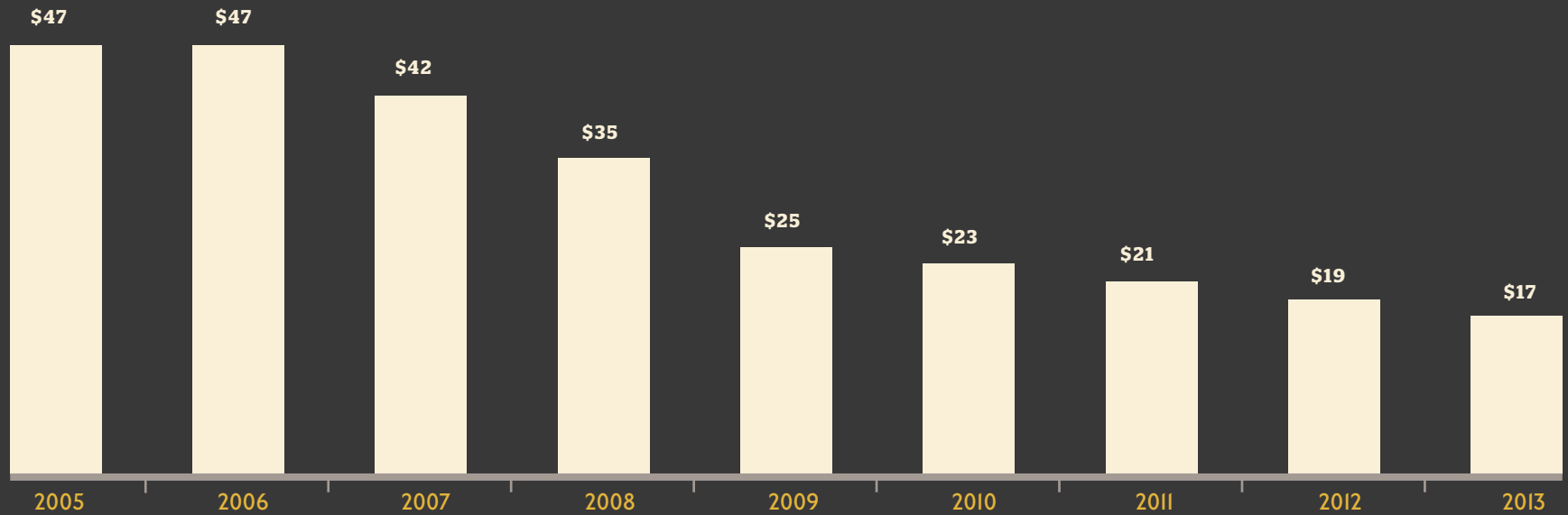


So while print revenues collapsed,

Annual Newspaper Advertising Sales

■ Print

\$ billions



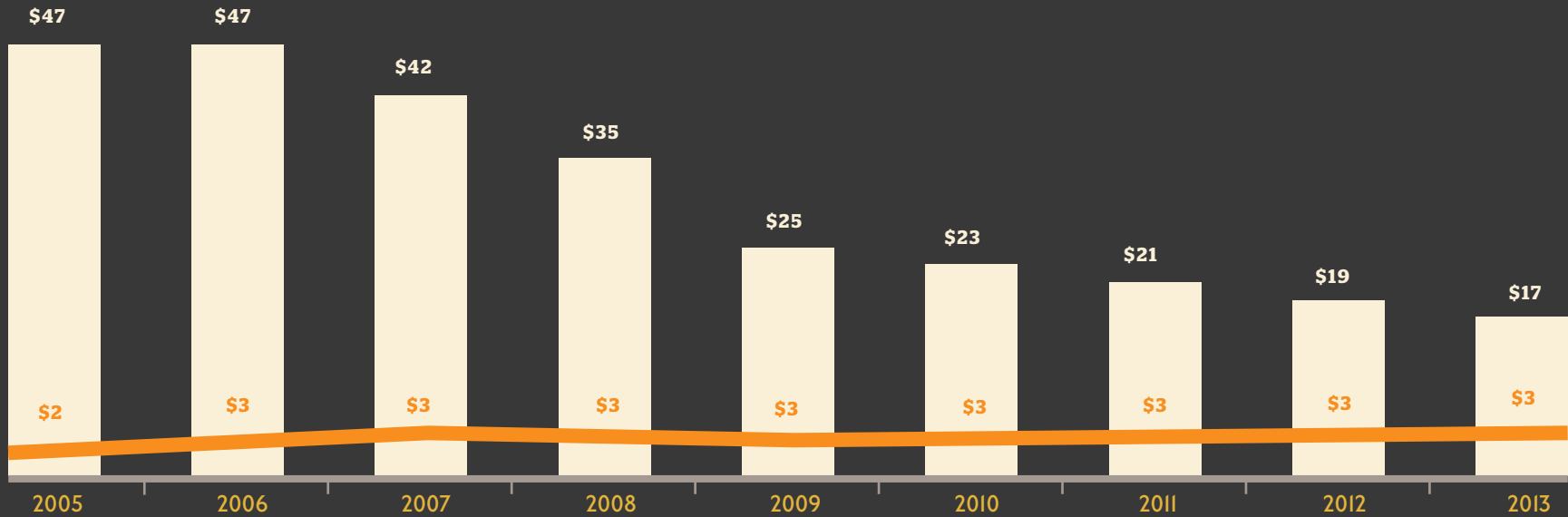
So while print revenues collapsed,

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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