

For immediate release

Interactive Publishing

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Online Publishing: more that 70% of revenue potential untapped

The top online executives of the European publishing companies consider the potential of their industry far from exhausted. They find not even 30% of the revenue options are tapped. In the next two to three years publishers will better meet advertisers needs, they will offer more targeted products and they will see – and seek - substantial structural changes in the publishing business. The online directors of key publications such as Le Monde, The Guardian, La Stampa, Wall Street Journal, Verdens Gang, IHT, Neue Zürcher Zeitung, Spiegel, F.A.Z. or Politiken are convinced of a fast generation change in top management. Only then will the necessary integrated media strategy gain ground.

These were some of the results of the IP Masters, an executive roundtable organized by Interactive Publishing GmbH with the goal to assess the „immediate present and future of the online publishing industry“. The 20 executives who met in January for two days in Zurich are responsible for the future of their online ventures and represent key players of the European market. The extensive workshop revealed the basic convictions and beliefs of those leaders regarding the online publishing future. Where will the industry realistically be in two to three years? And how will it have gotten there?

Optimistic outlook

The reality of a still growing user base and the ever more reliable technical infrastructure is not reflected in the strategic outlook of the publishing industry at this moment. The considerable difficulties in the traditional publishing sectors are further detracting attention and energy from the online side of the business.

„The general outlook of the leading publishers is surprisingly optimistic“ says Interactive Publishing founder Norbert Specker „the next two to three years will bring online publishers much closer to what they think is their ideal business model. This change will be many times faster than the changes we have seen in the last two to three years — and it will be effected on a structurally much deeper level. An integrated media strategy is a question of survival, that is why the group sees great advances in areas ranging from staffing — particularly a change in top management towards a younger leadership who has grown up with the Internet — to in-house communication and integrated marketing efforts“. Online publishers understand very well that they are just a part in a brand building effort for the whole company, while paper publishers seem to take a more isolated view.

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Represented companies:

Le Monde, The Guardian, Verdens Gang, 20 Minutes, Neue Zürcher Zeitung, La Stampa, Spiegel, International Herald Tribune, Ha'aretz, The Wall Street Journal, Morris Communications, Expressen Online, European Newspaper Publishers' Association, Aftenposten, Tamedia, Espace Media, Politiken

Advertising supported

The ongoing discussion of free versus paid-for content was considered a weakness. Both revenue sources will have to be further developed; it is not an 'either or' question. The industry has a much better understanding of the advertiser side at this stage. Online publishers are confident to be able to meet the needs of advertisers within the next two to three years. Concepts regarding paid-for content appear lacking.

There is a growing sense that the advertising industry is underestimating the brand building value of advertising on online publishing sites.

However, the experts agree that the industry needs to develop standards, comparable methods of measurement and new products to enable better targeting for advertisers. The successful players of the near future will have invested in this area and cooperated internationally and nationally.

IPMasters participants

The members of the executive roundtable chaired by Norbert Specker were:



Participants at the IP Masters in Zurich, January 2003, from left: **Bent Nordbo** (Director Business Development, **Aftenposten Multimedia**, Norway) | **Torry Pedersen** (Managing Director/Editor-in-Chief, **Verdens Gang Multimedia**, Norway) | **Marcel Sennhauser** (Managing Director Online, **Tamedia**, Switzerland) | **Steve Yelvington** (VP Strategy and Content, **Morris Digital Works** Morris Communications, USA) | **Roselien Huisman**, Publisher, **Automobil Revue**, **Espace Media**, Switzerland) | **Otto Sjøberg** (Publisher, **Expressen Online**, Sweden) | **Anna Masera** (Managing Editor, **La Stampa Online**, Italy) | **Mathias Müller von Blumencron** (Managing Editor, **Spiegel online**, Germany) | **Simon Waldman** (Director of Digital Publishing, **The Guardian**, UK) | **Niels Roine** (Vice President, **20 Minutes Holding**, Norway/Switzerland) | **Derek Fattal** (Director Internet Business Development, **Ha'aretz**, IL) | **Neil Budde** (Former Editor Interactive Edition, **The Wall Street Journal**, USA) | **Julie Rutherford** (Director of Internet Services, **International Herald Tribune**, France) | **Claes Toft Nielsen** (Director Internet **Politiken** (Denmark) | **Bruno Patino** (CEO, **Le Monde interactif**, France) | **Meredith Artley** (Until November Associate Editor, **NYT.com** now editor with **IHT.com**, France) | **Jan Lamers** (Uitgeversbedrijf, Vice President **European Newspaper Publishers' Association**, Belgium) | **Wolfgang Frei** (Executive Director New Media, **Neue Zürcher Zeitung/NZZ**, Switzerland) | **Frank Gaube** (Managing Editor, **F.A.Z. Electronic Media GmbH**/Frankfurter Allgemeine Zeitung, Germany)

The key results and findings of the two day meeting have been integrated in a comprehensive illustrated strategic report „Interactive Publishing Europe 2003-2005“. There is a free executive summary of the IP Zurich report available at <http://www.interactivepublishing.net>

The complete strategic report with all findings and results can be ordered on the site (PDF) or under +41 1 256 70 88 (hardcopy) for Euro 830

Interactive Publishing GmbH

Interactive Publishing GmbH, operates from Zurich, Switzerland and Victoria, B. C., Canada. Since 1994 it creates products and services to help the international news and content industry in the transition towards a digital and interactive present and future. It created the conference Interactive Publishing Europe, the IP Top Award for websites, founded europemedia, the Content Summit and the Digital Screenshot Collections 'September 11' and 'FIFA World Cup 2002'.

Nextpractice

The moderation tools and software for the think tank were provided by nextpractice. The consultancy firm from Bremen under the leadership of Prof. Dr. Peter Kruse develops methods and tools to allow the measurement of soft-factors and to enable solution orientated communication in every conceivable network.

