

# The new age of digital publishing



3 Feb 2013

We already have a month in the books for 2013. As I look at the next 90 days to nine months, I see an almost harmonic convergence of market conditions for digital publishing. It will be a time of great change, but digital publishing is having its breakout year.

In the interests of full disclosure, my company, Zinio, is the world's original and biggest digital library. When we started in 2000, the concept of reading a magazine on a PC or laptop was completely new. With the help of some excellent partners, we grew the business to the point where we have more than 5,500 magazines. And instead of that "newbie" concept of reading a magazine on your computer, the last year has been one of complete access. On the Zinio platform you can read digital magazines on any smartphone, tablet or PC. Those newbies of 2000 number more than 120 million people with a market potential of 4 billion.

#### The future of magazines

We are strong believers in digital and here is why. Digital publishing is very simply the future of magazines, advertising and the most effective channel for high quality engagement. It will be the best way for most print properties to scale their audience, control costs, and deliver premium content to a growing, rather than shrinking, audience. Out of all the categories comScore measures, (including search, mobile and online video) digital publishing has the highest growth rate in terms of users in 2012. Print circulation will stabilise and the best magazines will continue to command the right audience and revenue. However, the growth and excitement for publishers and consumers will be digital. We've set up new ecommerce opportunities with partners like ShopAdvisor and we're looking at new data reporting and advertising options with our publisher partners.

The opportunities are endless for those who are ready to take some risks. Big publishers need to be more urgent about driving paid digital downloads and in-app purchases because their revenue needs to grow across the 'appmosphere' through varied sizes of screens. Their efforts to scale revenue are being damaged by the move toward more programmatic buying such as ad networks and real-time bidding. Programmatic buying is dropping CPMs and removing the possibility to drive direct ad deals. Smart publishers therefore, need all access models to move digital publishing. Access comes from device agnosticism and a wide variety of subscription plans: single issues, subscriptions, back issues, monthly memberships and even bundles.

## Publishers will be driven to promote their digital versions

Smaller publishers are breaking out new business models at smaller audience scales with micro payments and independent app strategies. These new magazines like The Daily Beast and The Active Times will help promote bigger publishers through aggregation, but they will also challenge them for audience attention. This will drive publishers toward promoting their digital versions. It's already happening. Look at The Atlantic. Here's the oldest magazine in America publishing digitally, breaking exclusive digital content and providing many access points for readers instead of one.

Another underlying trend is in advertising itself. Advertisers are struggling to keep their connection to quality content. Their participation in network buying has put them on portals, blogs and potentially low quality, low engagement sites. To recapture that connection to the right audience and their quality content, they will need to advertise within apps and find better ways to get their message across. Digital publishing provides the largest ad size of all, and many additional opportunities to find that premium content and connect with a select audience instead of having the audience selected for them by ad networks.

### The end users are ready for the digital age of publishing

Finally, the end user. They're ready for the new age of digital publishing. Of course, they're ready on mobile devices. Whatever the predictions have been in this category, they have been historically exploded. Tablet sales this year, according to eMarketer will jump from US\$23bn to US\$37bn. And the phenomenon of "phablets" shows that the two device categories are clearly blending. We intend to add new search and social sharing features to capture the device explosion and marry it to content.

What will turbo charge digital publishing's breakout? Content. Content is the words and images that arrive during the consumer's digital journey. Consumers make choices in some cases, but more frequently the content they are served is based on habits, content aggregation, and programmatic targeting. Content has become less of a choice, and more of a bot-driven recommendation. It should be the other way around. Consumers should be encouraged to discover new content, not spin their wheels through the same worn out paths and participate in the development of choice.

### And the future belongs to...

The future belongs to platforms that can introduce new content and allow access to discover new content. At the higher levels of advertising and academia, I hear a lot about disruption and the importance of disruption in marketing. We need to disrupt the predictable flow of content if we're going to shake up consumer engagement.

The concept and spirit of discovery also fits with what ails the content business. Look at Newsweek. I would argue that its migration toward digital publishing will be led by a commitment to discovering new content. The best way for a legacy brand to solve its digital scale issues is to amp up the content. Give them something new, something exciting, something they didn't see anywhere else.

The new age of digital content has arrived. It is up to you to take the reins and ride the success.

#### ABOUT JEANNIEY MULLEN

Jeanniey Mullen is Global Executive Vice President and Chief Marketing Officer of Zinio, the world's most popular digital newsstand and publishing media marketiplace. She is widely credited for her pivotal role in ushering in the new waves of digital marketing, connection and communications. At Zinio, she is redefining and implementing strategies to create explosive growth through strategic partnerships with publishers, technology companies, brands and consumers.

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