



# **Looking Ahead to a Year of Transition and Transformation for Local Media**

**Thursday, Jan. 19, 2012**

**For audio: You can either dial in or listen through your speakers.  
Once you choose, please do not change settings.**

# Agenda

- Setting the Context for 2012 and Beyond
  - Bobbi Loy-Luster
  - Mark Fratrik
- Analyst Roundtable Discussion
  - Moderator, Bobbi Loy-Luster
    - Interactive Media
    - Directional Media
    - Video Media
    - Marketplaces
    - Mobile Media
    - Social Media
- Upcoming BIA/Kelsey Conference: ILM East
- Subscribing to BIA/Kelsey Advisory Services
- Q&A



# Analyst Roundtable Discussion

**Michael Boland**  
Senior Analyst and PD  
Mobile Local Media



**Rick Ducey**  
Chief Strategy Officer and PD  
Video Local Media

**Moderator**



**Jed Williams**  
Analyst and PD  
Social Local Media



**Bobbi Loy-Luster**  
VP – Client Services



**Mark Fratrik**  
VP, Research



**Charles Laughlin**  
Senior VP and PD  
The Kelsey Report®  
Directional Local Media

**Peter Krasilovsky**  
VP and PD  
Marketplaces (Vertical Media)



**Matt Booth**  
Senior VP and PD  
Interactive Local Media

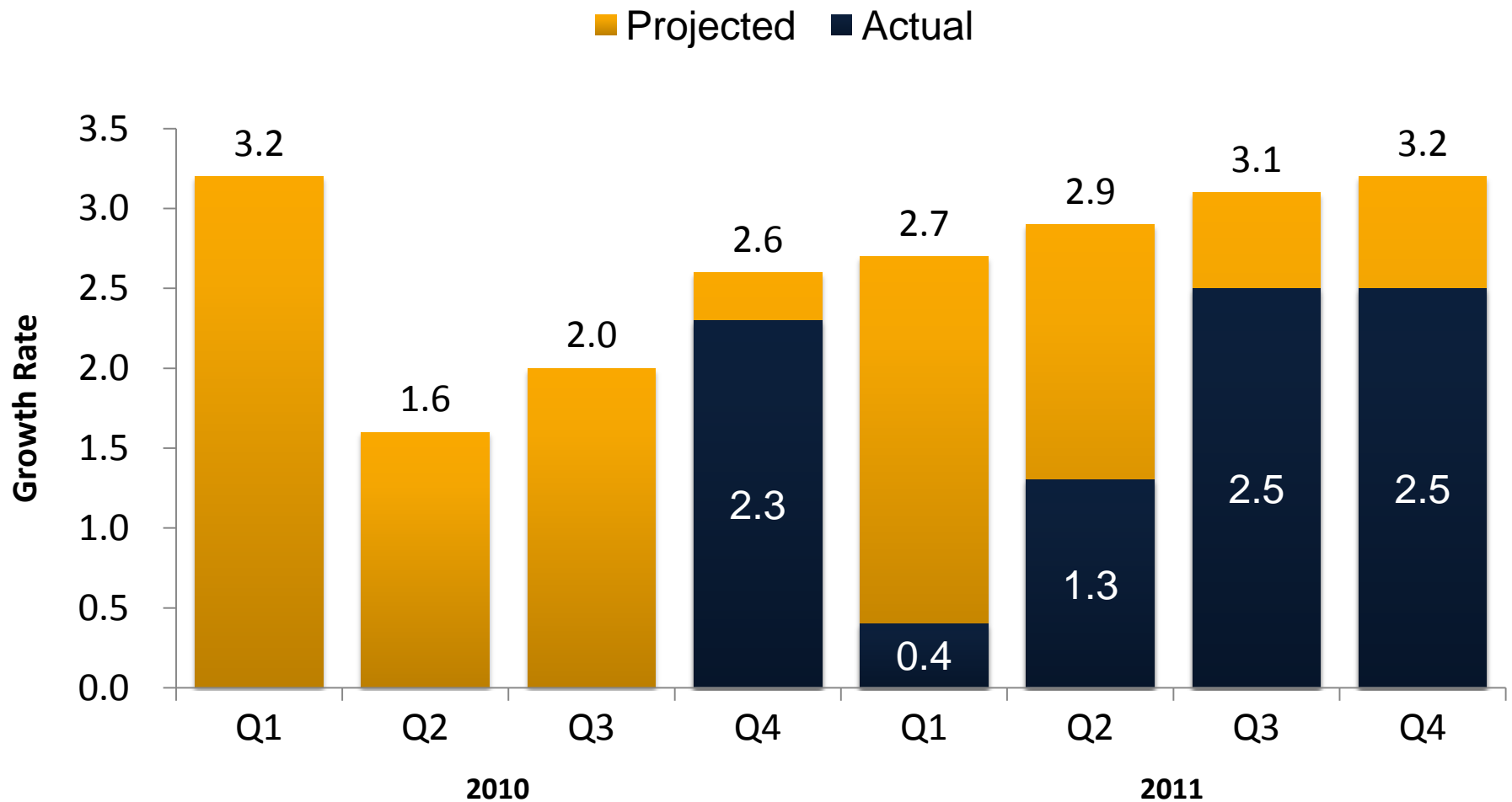
# Getting Ready for 2012

| What                          | Why  |
|-------------------------------|--|
| Focus on mobile opportunities | Mobile ad revenues will grow 50% this year as business models and payment platforms evolve                                 |
| It's about more than media    | Small and medium-sized business (SMB) services are a big opportunity for local sales channels                              |
| Take social seriously         | Real social business models — and revenues — will emerge this year   |
| All about measurement         | SMBs' use of call measurement doubled last year, indicating more precision in how they analyze media spend                 |
| Get connected                 | Connected TV will spur a revolution in backward leaning innovation   |
| BIA/Kelsey conferences        | <b>ILM East</b> March 26-28, 2012<br><b>SMB Digital Marketing 2012</b> Sept. 17-19, 2012<br><b>ILM West</b> Dec. 4-6, 2012 |
| Partnership conferences       | <b>Search Starts Here</b> April 21-24 2012<br><i>(Local Search Association Conference in Partnership with BIA/Kelsey)</i>  |



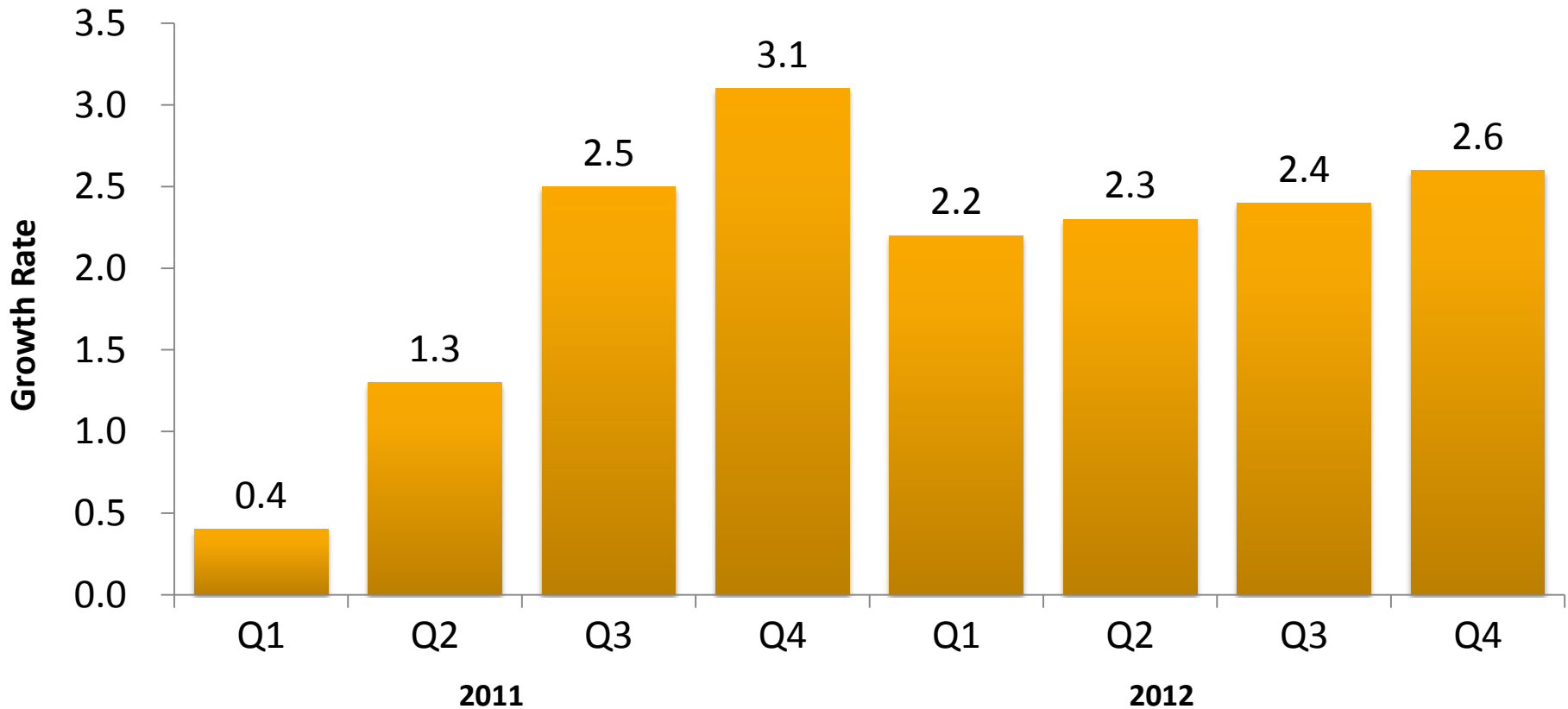
- Even with continuing global concerns, there is optimism for economic growth in 2012.
- It will be a strong year for political advertising — especially for local television and radio stations.
- Maturity of digital technologies is driving the delivery of content across multiple platforms, advertising opportunities are significantly increasing, and local media firms are starting to book incremental sales.
- BIA/Kelsey's forecast: By 2015 approximately 25% of all ad dollars spent in local media will be in digital media augmenting traditional media spending.
  - Increasingly, this will occur in coordinated cross-platform media buying with integrated creative and marketing campaigns.

# Quarterly Real GDP Growth



Source: The Wall Street Journal, Economic Forecasting Survey: November 2010

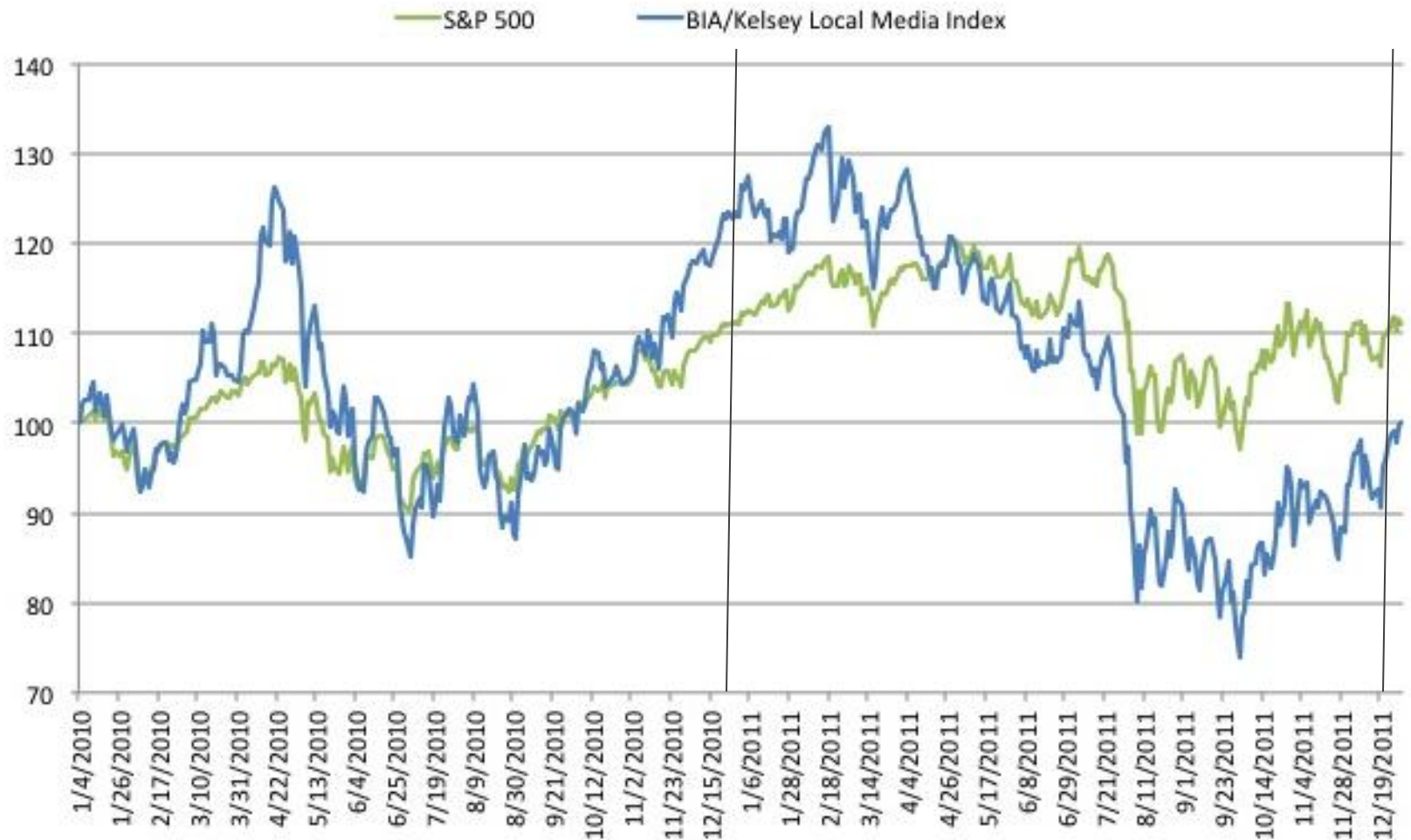
# Quarterly Real GDP Growth



Source: The Wall Street Journal, Economic Forecasting Survey: January 2012

# BIA/Kelsey Local Media Index 2010–2011

## BIA/Kelsey - Local Media Stock Index vs. S&P 500





- Self-Service: The Race to Manage ARPU and LTV
- Facebook Moves Closer to ERPM Deployment and Unified Messaging
- Free Video for SMBs
- Microsoft Funds Leading Bid for Yahoo
- Groupon Effect Awakens Downstream SMB Services Market
- Crowd-Sourcing Goes Mainstream



Self-Service: The Race to Manage ARPU and LTV

Crowd-Sourcing Goes Mainstream

# Interactive Media — 2012



## Self-Service: The Race to Manage ARPU and LTV

# Interactive Media — 2012



## Crowd-Sourcing Goes Mainstream



- Telecoms Hang Up on the Phone Book
- Comfort in Numbers
- Other Digital Surpasses IYP Revenues
- Stop Calling Me Yellow
- Print Makes a Comeback, Sort of



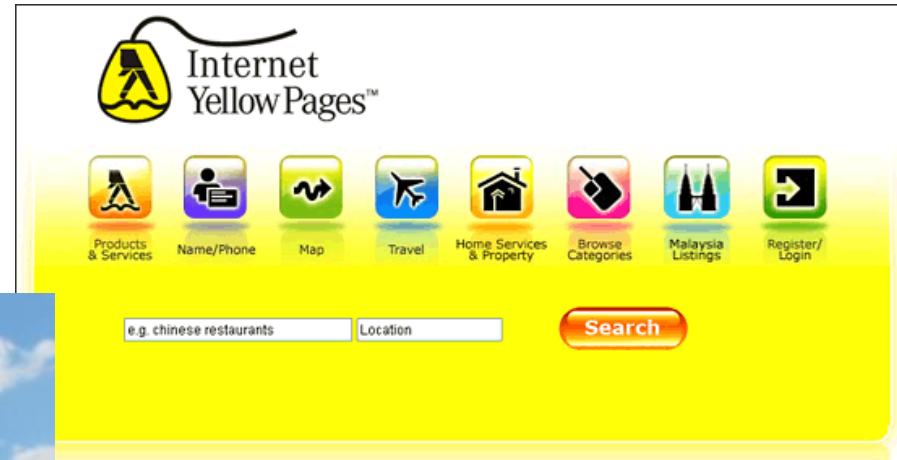
- Telecoms Hang Up on the Phone Book
- Other Digital Surpasses IYP Revenues

# Directional Media — 2012



## Telecoms Hang Up on the Phone Book

# Directional Media — 2012



**Other Digital Surpasses IYP Revenues**



- The ‘Super Bowl’ of Online and Mobile Video
- Connected TVs Become Mainstream
- Tablet PCs Create New Niche in Video Ecosystem
- Accepted Video Metrics and Analytics Drive Spending Growth
- New User Interfaces for Video Search, Discovery, Engagement



- The ‘Super Bowl’ of Online and Mobile Video
- Connected TVs Become Mainstream

# Video Media — 2012



## The 'Super Bowl' of Online and Mobile Video

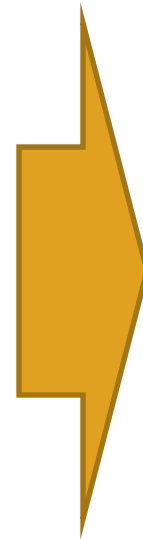
# Video Media — 2012



## Connected TVs Become Mainstream



- Credit Card Co. Shopping Spree
- Too Soon for Payment Platforms
- Local Shopping Looking for Loyalty
- Amazon Goes Deep Locally
- Deal Sites Evolve Into Shopping Portals
- EBay's Local Play
- Review Sites Will Diversify
- The Smartphone as Digital Wallet
- Apps Not the Savior for Monetizing Premium Content
- Pay per Call Fades Into Background



- Amazon Goes Deep Locally
- Deal Sites Evolve Into Shopping Portals

# Marketplaces — 2012



Syphon

**Price Check by Amazon**

**The Blind Side**  
John Lee Hancock (DVD)  
New & Used from **\$4.46**  
★★★★☆ (584)

Share

**New** **Used** **Collectible**

**New** (76 offers) **FREE Super Saver Shipping**

Price Check In-store Deal  
Share in-store price and save an extra \$0.27

\$5.49  
**\$5.22** **amazon** **Get Deal**  
FREE Super Saver Shipping

**\$6.99** **Mama's Back...** **100% positive ratings**  
FREE Super Saver Shipping

**\$7.99** **pocketacesd...** **99% positive ratings**  
FREE Super Saver Shipping

**Thank you for sharing in-store price with us!**

**PSPgo - Piano Black**  
Sony (Sony PSP)  
New & Used from **\$108.95**  
★★★★☆ (322)

Share **Color: Piano Black**

**New** **Used** **Collectible**

**New** (28 offers) **FREE Super Saver Shipping**

**\$175.99** **Remarke** **50% positive ratings**  
\$3.99 shipping

**\$182.95** **This-That-Plus** **85% positive ratings**  
\$3.99 shipping

**\$184.00** **autoandboat...** **97% positive ratings**  
\$3.99 shipping

**\$168.99** **Key2West Ga...**

## Amazon Goes Deep Locally

# Marketplaces — 2012



## Deal Sites Evolve Into Shopping Portals



- Mobile Market Growth
- Mobile Monetization Goes Mainstream
- Deals Go Mobile
- Mobile Payments Take Off
- Mobile Social Sharing Is the New Black
- Voice Search
- The End of the Check-In as We Know It
- Let a Thousand Mobile Websites Bloom
- Apple Maps Out Its Future
- The Table Market Gets Flamed



- Mobile Monetization Goes Mainstream
- Mobile Payments Takeoff

# Mobile Media — 2012



## Mobile Monetization Goes Mainstream

# Mobile Media — 2012



## Mobile Payments Take Off



- Social Advertising Shifts Toward Performance; Inventory Still Drives Dollars
- Reputation Management and Social CRM Converge Into Single Platform
- Real SoLoMo Business Models Emerge
- Twitter Makes a Strong Local Push on the Road to IPO
- Google+ Connects the Dots (but How Many People Will Be There to See It?)



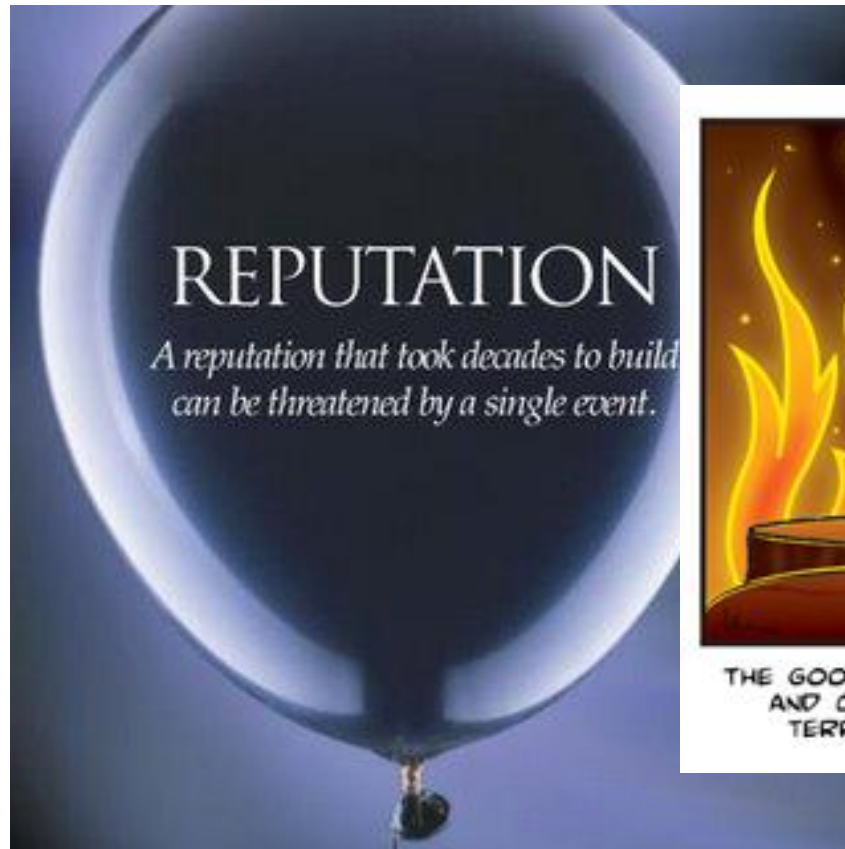
- Social Advertising Shifts Toward Performance; Inventory Still Drives Dollars
- Rep Mgmt + Social CRM = Single SMB Dashboard

# Social Media — 2012



**Social Advertising Shifts Toward Performance;  
Inventory Still Drives Dollars**

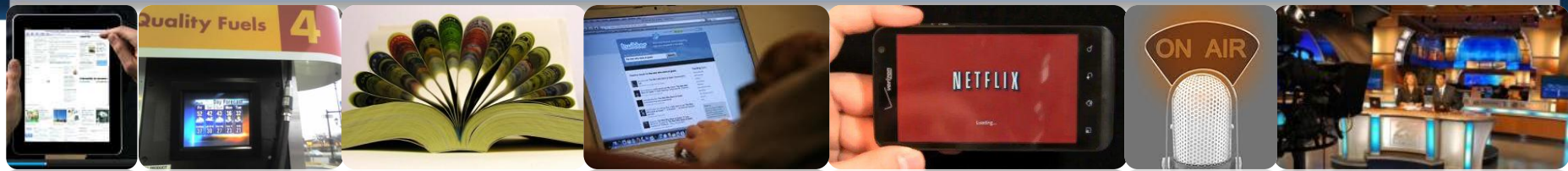
# Social Media — 2012



THE GOOD NEWS IS YOU NO LONGER PLACE FOR THE SEARCH TERM "CUTE AND CUDDLY." YOU NOW DOMINATE FOR THE TERMS "ALMIGHTY, EVIL, TERRIBLE, UNFORGIVING, PAIN, SUFFERING, NASTY, AND HORRIFYING."

**Rep Mgmt + Social CRM = Single SMB Dashboard**

# How Can BIA/Kelsey Help You?



- Continuous Advisory Services covering whole local media ecosystem
  - **Interactive, mobile, verticals, video, directories, social**
- Client Value
  - Ongoing direct access to BIA/Kelsey's:
    - Proprietary research
    - Expert analysis, strategic insights
    - Networking
    - *Unbiased advice and consultation*
- Client ROI
  - BIA/Kelsey becomes your very own *in-house* research team to support business, sales, marketing and investment activities.
  - **See what our latest research reveals — request a free report. Email [sales@biakelsey.com](mailto:sales@biakelsey.com) or call (703) 818-2425.**

# Competitive Intel & Benchmarking

- The world today moves fast and is extremely competitive.
- This brand-new service from BIA/Kelsey helps clients:
  - Measure current business operations against ‘best-in-class’ operations to improve quality and drive performance
  - Examine competitor products/services across the following categories of evaluation:
    - Competitive positioning/market share analysis
    - Business and pricing model utilized
    - Comparative technology evaluation
    - Products features comparison
    - Business relationships, partnerships, joint ventures, etc.
    - Distribution sales channel analysis
    - Market segmentation
    - Marketing strategy evaluation
    - Strength and weaknesses analysis
  - Interested? Email us at [sales@biakelsey.com](mailto:sales@biakelsey.com), and we’ll set up a call to see if we can help you.

# ILM

east

March 26 - 28, 2012 | Boston, MA  
Boston Marriott Copley Place

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CHANNELS  
COMMERCE  
CONVERSION

Join us at

# ILM

east

for 2-Plus Days of All Things 'Local.'  
On the agenda:

- BIA/Kelsey by the Numbers: The Case for Local Online Advertising (and Commerce)
- VCs: Follow the Local Money
- Interactive Local Commerce: The Fast-Changing Deals Revolution
- Cutting-Edge Demos
- Mobile Local Targeting: Reaching Smartphone Users
- The Boom in Local Social Media
- Agencies Plug Into Interactive Local Media
- Affiliate Marketing and Local Sites
- The Revenue Opportunities in Hypervertical/Hyperlocal
- CEO Panel: What to Focus on in Interactive Local Media 2012-2015

### Spotlight Speaker

**Ted Leonsis**, Internet pioneer, sports team owner, venture capital investor, filmmaker, author and philanthropist



### More Featured Speakers

**Merrill Brown**, Principal, MMB Media

**Jason Calacanis**, Founder and CEO, Mahalo

**Jay Herratti**, CEO, CityGrid Media

**Michael Silberman**, GM, Digital, New York Magazine

**Michael Zimbalist**, VP, Research and Development Operations, The New York Times Co.



**Special Promo for Today's Webinar Attendees: ILMWEB** (Save \$200 off registration price.)

[www.biakelsey.com/ILMEast2012](http://www.biakelsey.com/ILMEast2012)

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# Question-and-Answer Session

## Q&A

To submit a question, please use the control panel on your screen. We will do our best to answer as many questions as possible.

### For More Information About ILM East and to Register:

Visit [www.biakelsey.com/ILMEast2012](http://www.biakelsey.com/ILMEast2012).

Remember to take advantage of our special “thank you” for attending today’s webinar and use promo code **ILMEWEB** to save \$200 when registering. Only valid on new registrations.

### Contact Us

To contact us about our CAS programs and competitive intel services, please email **Steve Passwaiter at [spasswaiter@biakelsey.com](mailto:spasswaiter@biakelsey.com)**.

If you are interested in sponsoring ILM East, please email **Nanci Karas at [nkaras@biakelsey.com](mailto:nkaras@biakelsey.com)**.



**Thank you.**