The case for a truly representative Local Media

Finding a Business Model that works

June, 07, 2018
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The need for local journalism doesn’t need debate
A Local Media must represent and serve its citizens in the best possible way

• The print approach to local markets
• It is not about “participatory journalism”
• It is not about islands of coverage or small experiments
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It is about the enormous importance of product-market fit

A strategy based on how we can best add value for our buyers via each channel, while making sure that we offer consistent propositions and pricing across our channels

- It is about understanding – top-down and bottom-up – Indian cities that are growing 100% everyday
- It is about equal representation and diversity
- It is about the technology necessary for a convincing local experience
- It is about developing new ad products that solve for the local advertising challenge – scale and specificity
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The National Capital Region

What is a Capital Region – it is bigger than most countries

• The National Capital Region – taken together, Delhi and the cities bordering it – Faridabad, Gurgaon, Ghaziabad, Noida, etc – make up the second most populated urban settlement with a national capital at its centre. Tokyo is the first.

• 45 million people and counting
The National Capital Region

What does this scale mean

<table>
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<tr>
<th>Areas</th>
<th>Population</th>
<th>Semi-urban</th>
<th>Mobile Phone</th>
<th>%GDP</th>
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<td>45 M+</td>
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</table>

- National Capital Region – New Delhi +++
- Greater Bombay – Mumbai +++
- Bangalore as an IT hub
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The distinct users of NCR

Each segment is at least 5 million

- **Home-owner – 15%**
  - Deeply interested in Civic issues, local politics, Financial Services
  - 50% English-media

- **Working Professional – 20%**
  - Temporary ownership – auto, rentals, etc
  - Local markets, schools, food, entertainment, shopping, Jobs

- **Semi-urban user – 55%**
  - Basic financial services/Job-related – aadhaar, driver’s license, bank account, metro/rail info
  - What’s App - Hinglish

- **University Students – 10%**
  - Sports, Jobs, food, deals

- **Influencers**
  - Less than 1%, large social media following
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What are the key technologies that will support this experience

- **Cloud Comms**
  - chat, voice, video – for news, information and services

- **Maps**
  - The ability to integrate Map APIs into everything that is relevant

- **Payments**
  - The ability to transact wherever it is relevant

- **Search**
  - A sophisticated search algorithm to determine location relevance. The query must work

- **Immersive Search**
  - Experience without Experience

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Revenue per user

Max Users

Low
The Making of a Business Model

The technology stack as a product experience

**Local Media**

- Breaking, Exclusive, Live, Chat, Photos, Dashboards, Mailers, Video, Audio Search

**New User Acquisition**

- Crime, Politics
- Disasters, Weather, Pollution, Traffic
- Audio Search – how-tos, Where-tos
- Chat – services across the board
- Photos/Video – food, shopping, homes
- APIs Dashboards – routes, jobs, school results
- Guides – jobs, home

**Verticals and formats - Influence**

- Alerts
- App
- Short-term Membership
- Coupons
- Listings
- Mailers

**Value for audience and advertisers**

- 3-6 months: Short-term: Horizontal growth and return visits
- 6-9 months: Medium-term: Targeted advertising for very loyal audiences
- 1-3 years: Media as a service
E-Commerce is the biggest spender on Digital media accounting for 19% (INR 1,589 CR) of all digital spends. This is followed by FMCG (13%), telecom (12%) and BFSI (11%).

E-commerce also spends the highest (30 percent) on digital as a percentage of their overall ad spends. Telecom spends around 26 percent of their overall ad spends on digital media followed by BFSI, which spends 24 percent of their overall ad spends on digital media.

While FMCG has one of the highest contribution to the digital ad market, it spends the lowest proportion (7 percent) of its overall ad spends on digital media.
Advertisers will want us when we can offer meaningful platform scale and smart targeting

From Branded content to custom publishing

Capturing data to ensure pincode, technology and preference targeting

Top 3 in the segment
Local Media has the scale and specificity to attract national ad budgets

The key categories that look for specific audience profiling

- Electronics and Software
- Auto
- BFSI
- Data and Telecom
- Government

Custom Ad-models

- Users opting-in for three ads/coupons a week
- Targeted programmatic for specific use cases
- Custom Events in greater than 1 million neighbourhoods

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Thank you. I’d love any feedback or questions.

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