

The Last Digital Media Investor

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“Digital Media Investor”

- Which means that I am probably crazy, bold or stupid—or all three
- Now focused on finding the components of profitable business models for media companies in the 21st Century

Ancient (and not so ancient) History

- Survived the first nuclear winter of the Internet running a web media company
 - Becoming a partner not a vendor
- Turned around About.com and sold it to NY Times
 - Change as a blood sport
- Have been part of exits valued at roughly \$2B
 - Most recently sale of the Purch consumer business to Future for \$140M
- Ran all the media and ad properties for IAC
- Currently involved with media companies: Purch; Topix; Spirited Media; Outdoor Project; and Skift.
- Also: Lending Tree; Adzerk

Why it took 7 years to be invited back

- Predictions from 2011:
 - From demographics to the individually addressable consumer
 - Display business will be commoditized and go programmatic
 - RFPs would be fewer and farther between
 - That programs would be anchored with customized marketing programs
 - Media companies would have too many sales people and too few marketers and data scientists

	Undifferentiated Ad Product	Differentiated Ad Product
Strong Brand	Traditional media brands. Erosion of CPMs over time	The sweet spot. Higher margins. More defensible
Weak Brand	Commoditized product. Moves heavily to programmatic	Occasionally junky but profitable.

I Adapted But I Never Left The Media Business

Ten Things That I Believe

1. Publishers have lost the battle for scale
2. Interests are occasionally aligned with platforms but they are rarely friends
3. Standard display is a long-term losing game for publishers
4. High reader equity and engagement matter
5. The ability to bring brands and readers together with integrity matter
6. Publishers must adapt to change
7. Publishers need a balanced revenue strategy
8. The ability to drive transactions still matters
9. We need to follow and serve consumers—wherever they go
10. Everything I say will be obsolete in three years

Hopeful Signs From My Companies

- Purch
 - Strong focus on driving transactions
- Skift
 - Industry leading authority
 - Profitable
 - Major conference
- Outdoor Project
 - Large engaged community
 - Growing base of unique content
 - Successful street fair series

Hopeful Signs From My Companies (2)

- Topix
 - Radical pivot to leverage FB
 - Total commitment to programmatic success
 - 6x revenue growth 2014-2018
- Spirited Media
 - Local news that younger readers care about
 - Smart, integrated marketing programs
 - Direct reader payments
 - Deep partnerships

But I haven't given up on advertising

Strong brands, reader engagement, driving purchases all make ad products more successful