

Innovation, the Future of Media & Design Thinking

Fred Steube

Senior Director of Emerging Technology

Cox Target Media

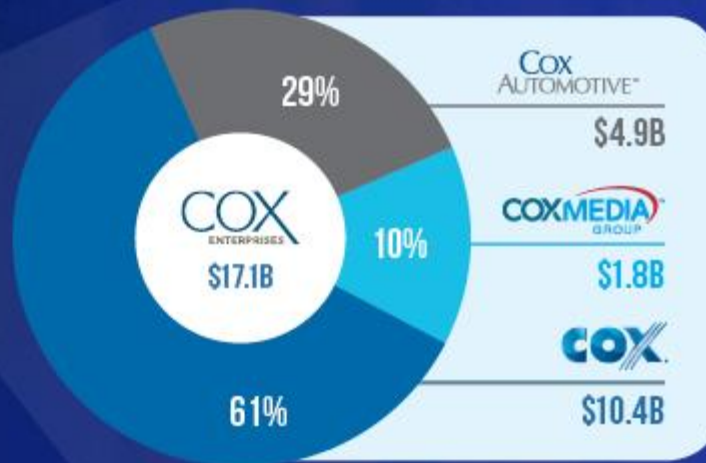


Hello! – I'm Fred

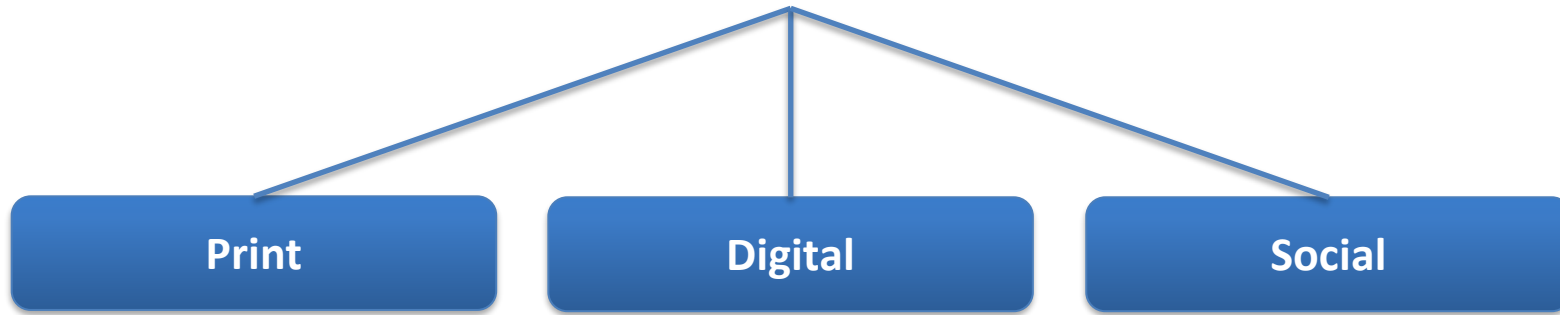


We Are A Media Company

COX REVENUES



Cox Target Media Brands & Assets



- Valpak

- Savings.com
- Savoo (International)
- Valpak.com
- Valpak App (iOS/AND)
- Favado
- PriceJump

- Blogger Network



Valpak – Scale in Local SMB's

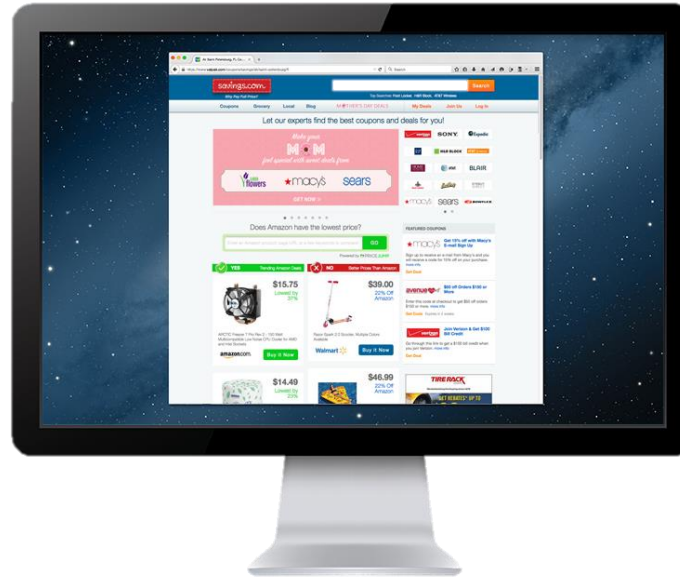


Open the neighborhood!™



Savings.com & Favado

- Retail eCommerce Promotions
- Print-at-Home Solution
- Sponsored Social Campaigns

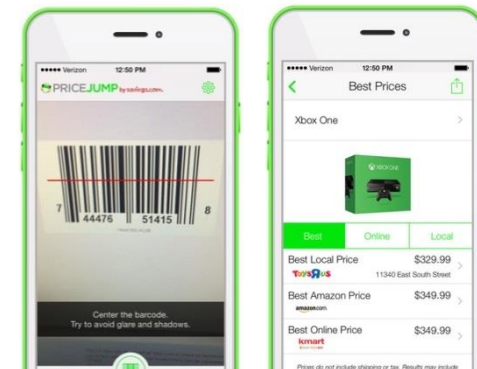


Examples of Innovation Experimentation



- CPG Mobile App
- Tech-savvy Household Decision-makers
- Powered by Deal Pros
- Print-at-Home Inmar

- Retail Price Comparison
- Amazon, Online & Local Deal Recommendations
- Innovation by Experimentation



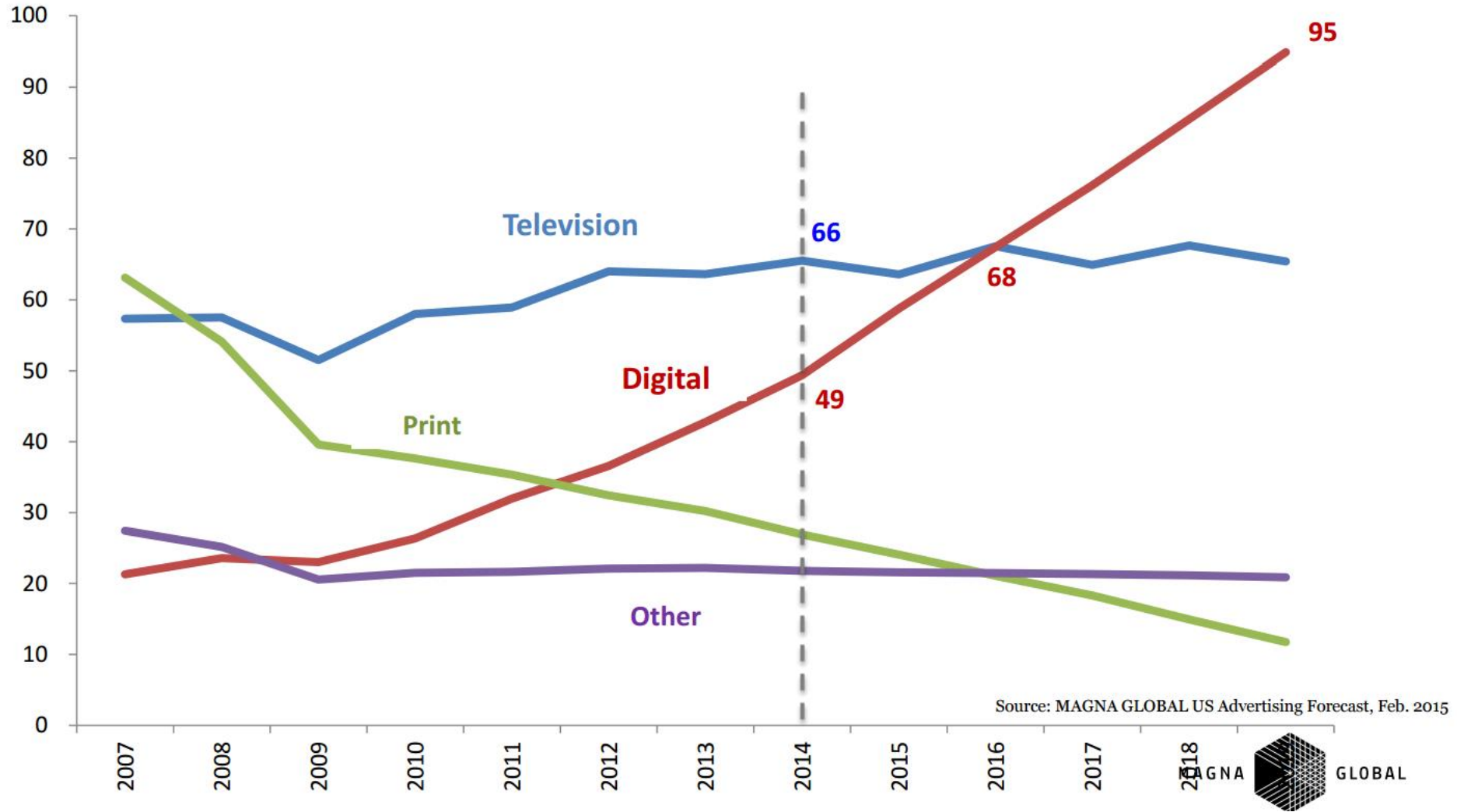
Media & Digital Trends



It's a Mobile World

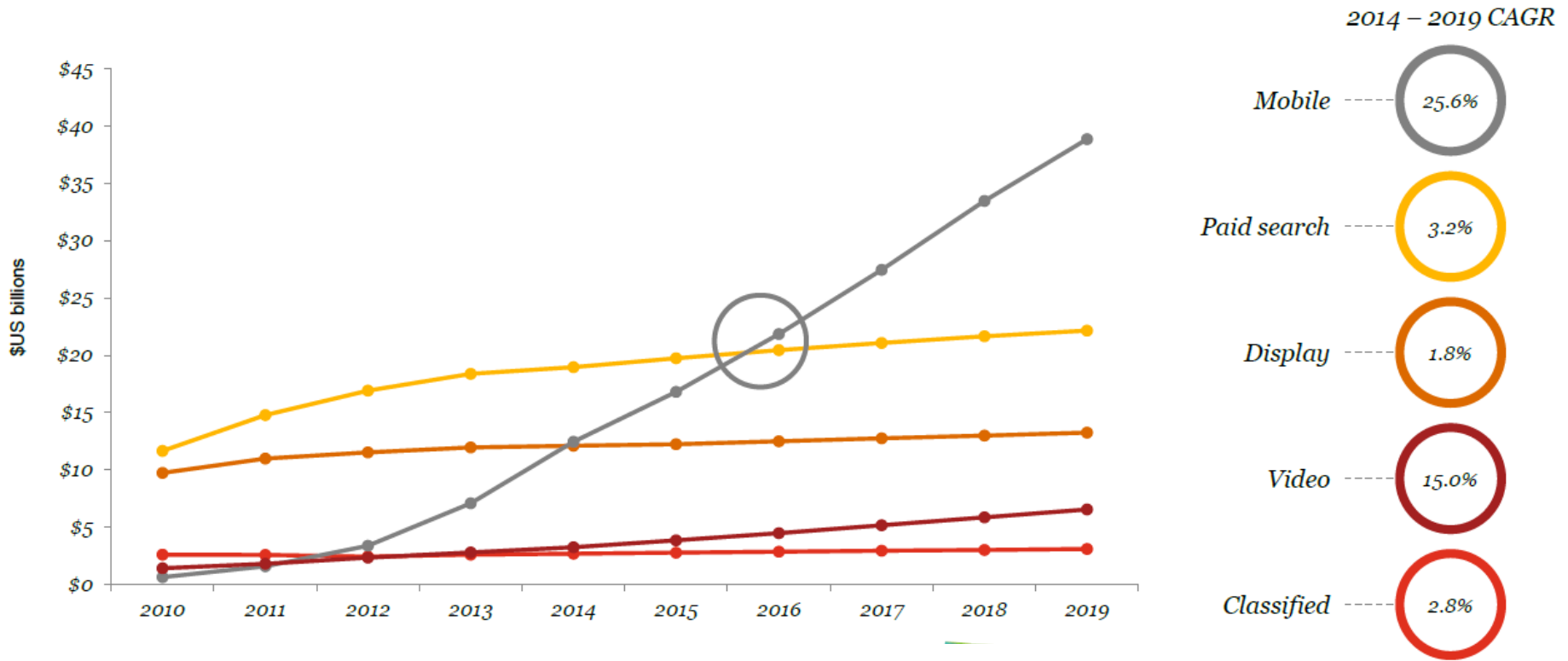


Advertising Revenue by Media Category: LT Forecast (\$bn)



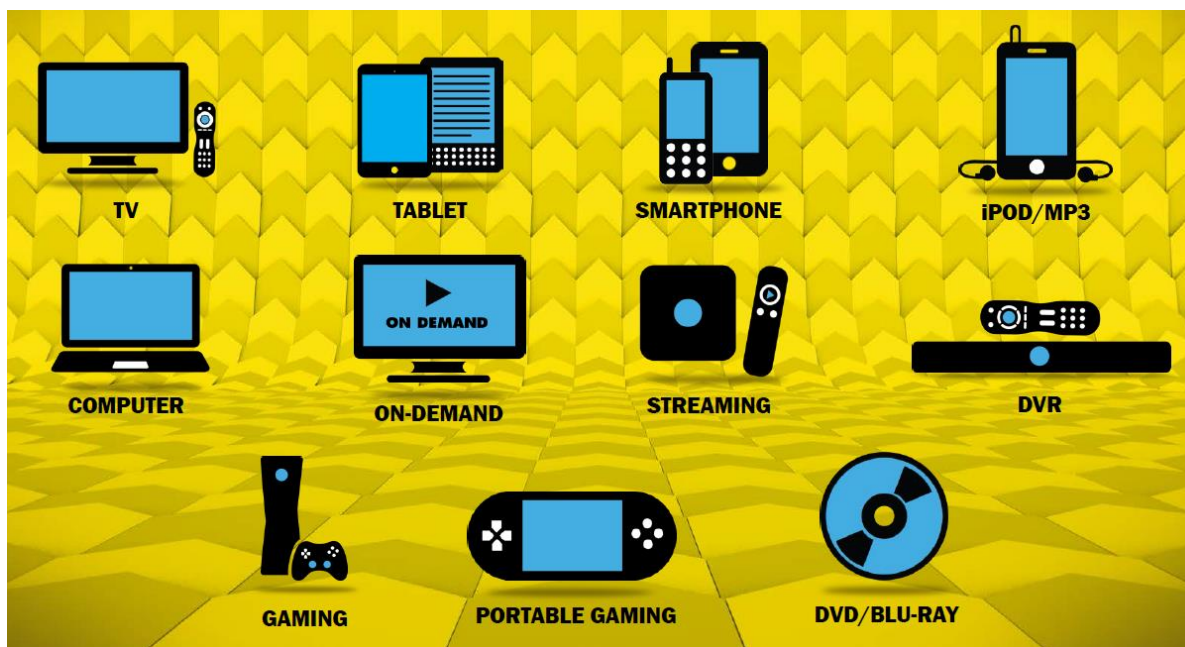
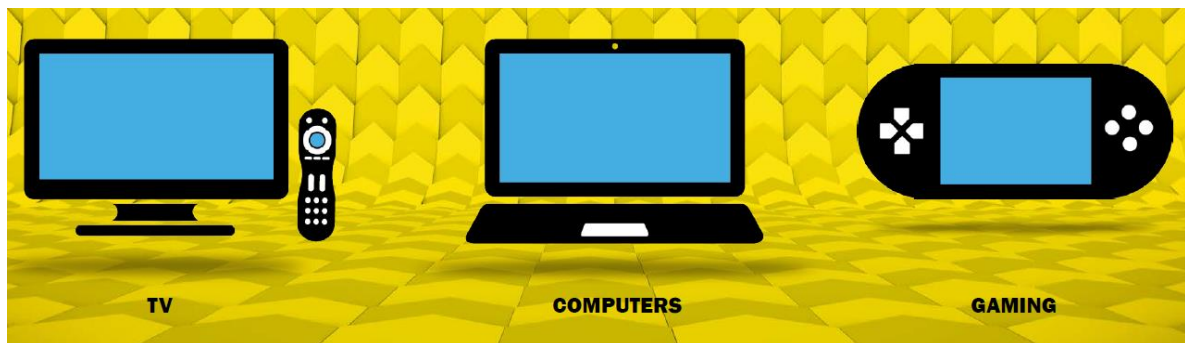
Mobile Will Lead Internet Advertising in 2016

US Internet advertising spend by category



Source: PWC, Cox Media Group Research Summit, 2015

Media Channel Growth



Source: CMG Research Summit, Danniele Paponetti, MTV

Mobile is the Dominant Online Channel

64% of time online is spent on mobile devices.

comScore, March 2015

Source: Cox Media Group Research Summit, 2015

Media Must Make Impact & Quickly Deliver Message



The average Gen Zer has the
**attention span of about
eight seconds.**

CMO.com, 2015

Source: Cox Media Group Research Summit, 2015

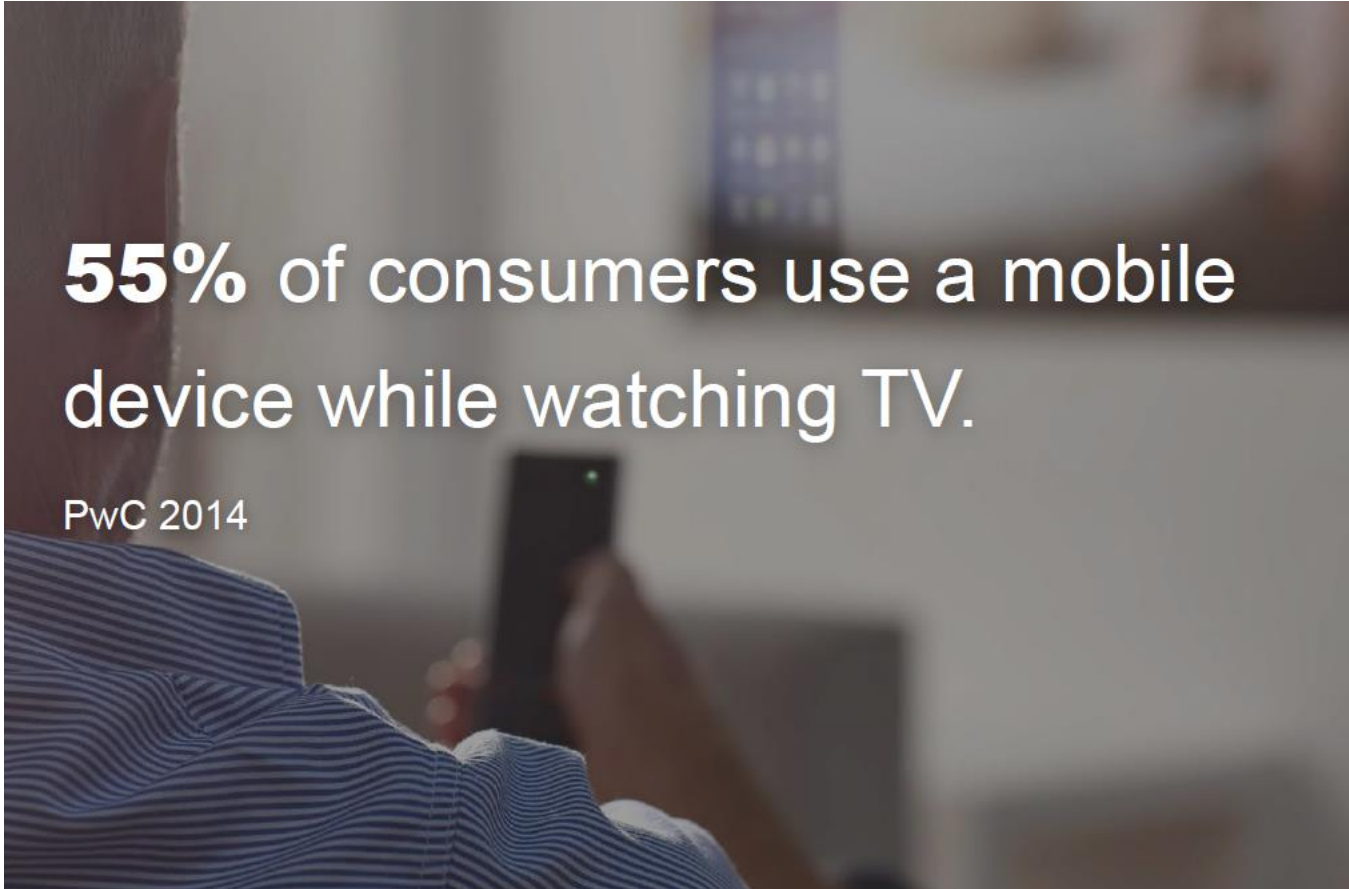
Advertising Needs to be Contextually Relevant

2 in 3 consumers want **ads**
customized to their city, zip
code or immediate surroundings.

Google, May 2014

Source: Cox Media Group Research Summit, 2015

Media & Advertising Becoming More Multichannel




55% of consumers use a mobile device while watching TV.

PwC 2014

Source: Cox Media Group Research Summit, 2015

Advertisers Have Opportunities, But Increasingly Complex

A photograph of a person's hands holding a smartphone and a coffee cup. The background is blurred, suggesting an outdoor setting. The text is overlaid on the left side of the image.

In the future, **99%** of everything we make will **connect to the Internet.**

mobilefuture.org 2013

Source: Cox Media Group Research Summit, 2015

Massive Opportunity of the Internet of Things

IoT Market Size (by 2025)

McKinsey&Company

\$6.1T



\$7.1T



\$14.4T

Connected Devices (by 2020)

Gartner

26B



32B



50B

Data Growth (2013 vs 2020)



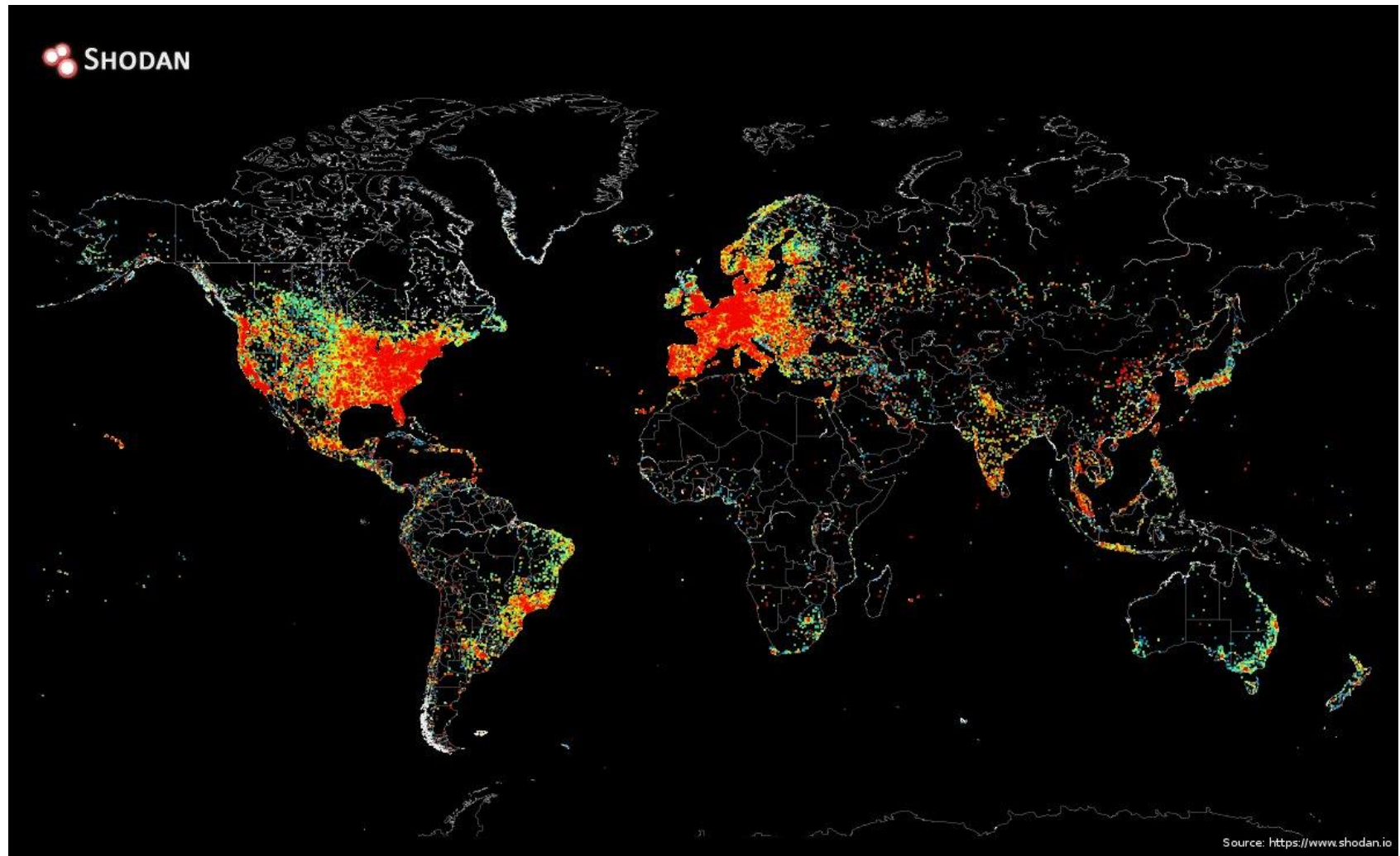
Total Data
4.4ZB → 44.4ZB

10x

IoT Data
.09ZB → 4.4ZB

49x

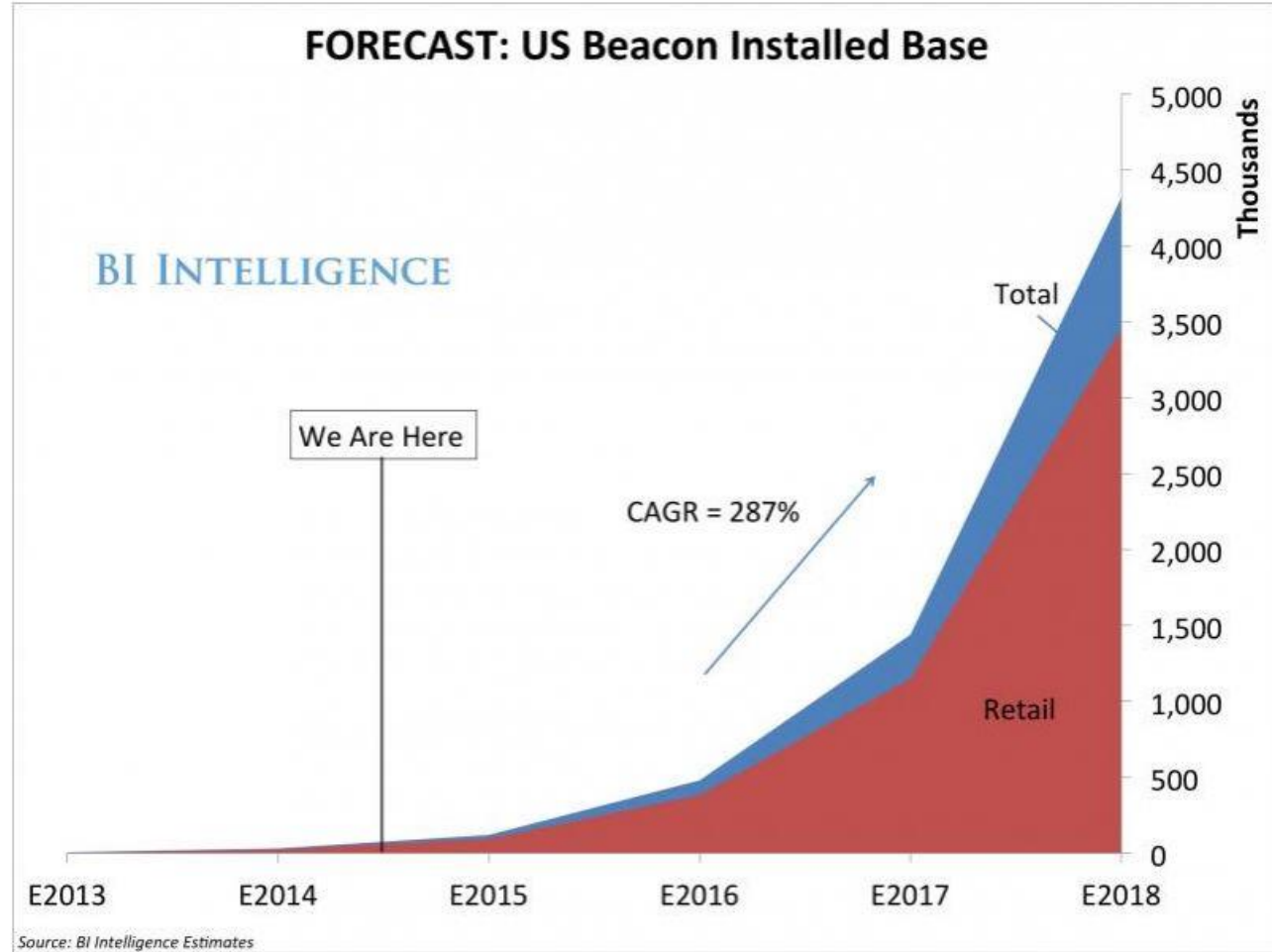
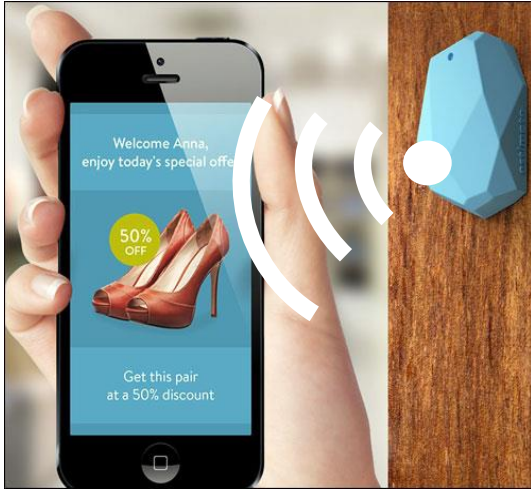
Connected World - However, Disparities Still Exist



Emerging Technologies in the Media Space



Bluetooth Low Energy (BLE) Beacons as a Shopping Utility



Connected Cars as Communications Platforms

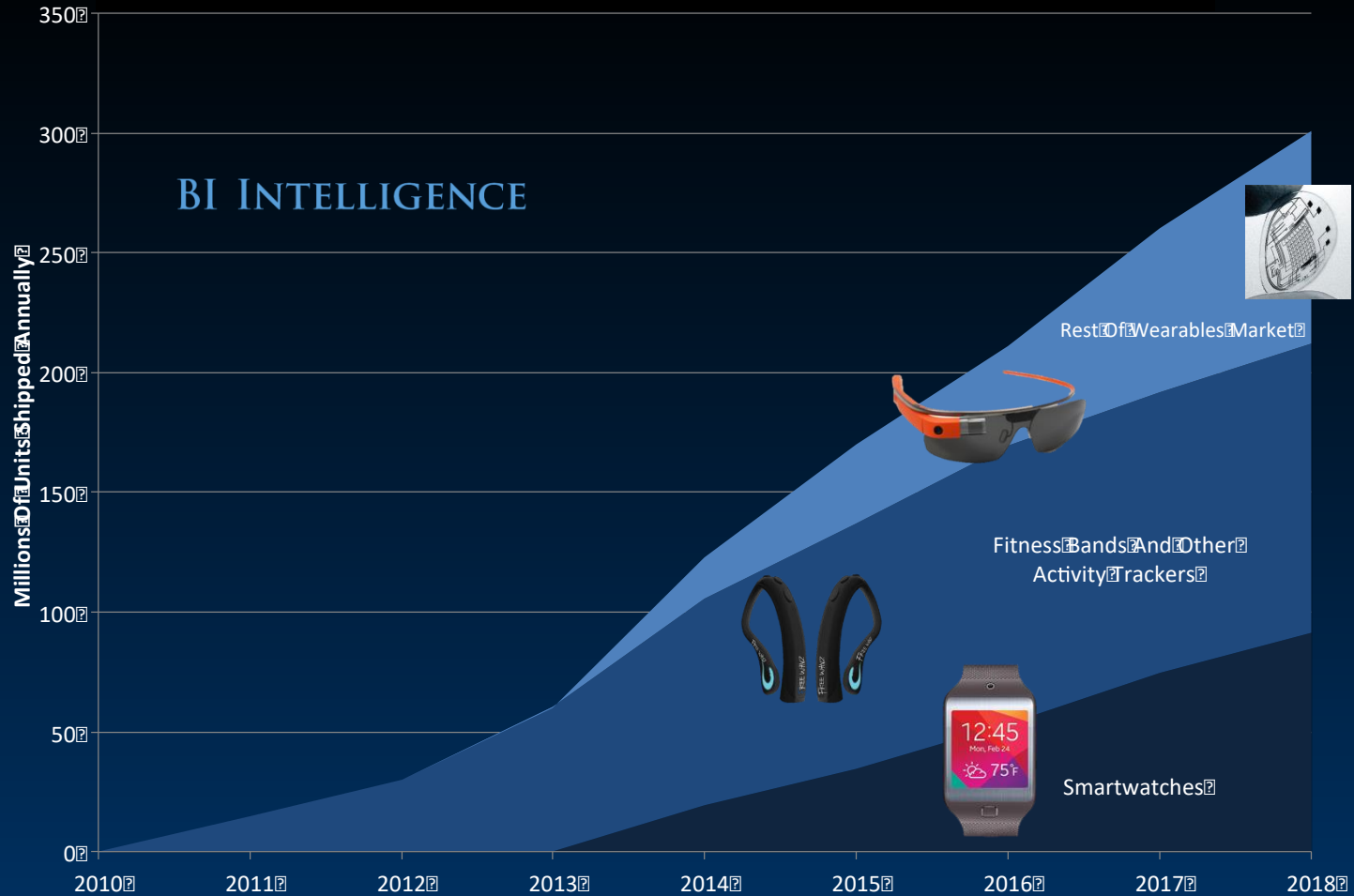
Connected Car Unit Shipment Forecast



Source: SBD, GSMA

Wearable Technology Growth

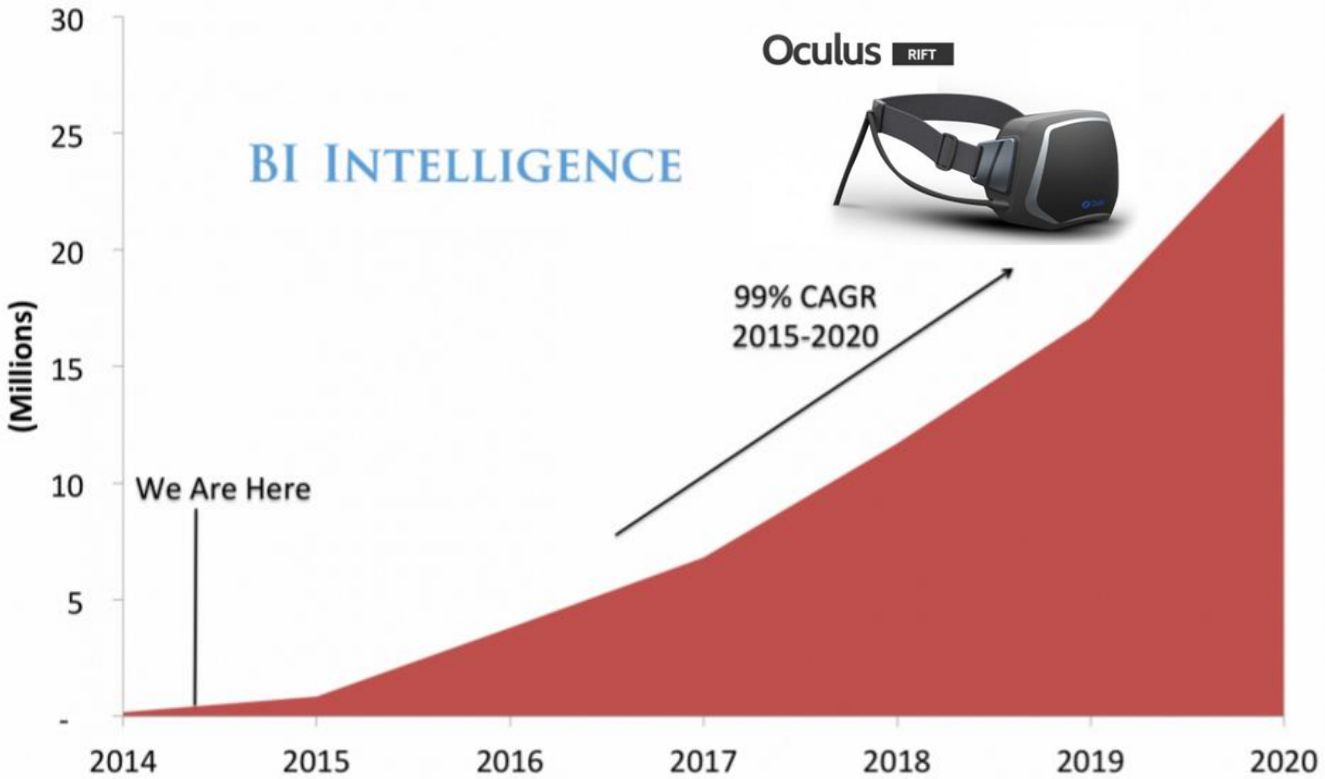
Global Wearable Device Unit Shipments



Source: BI Intelligence Estimates

Virtual Reality Growth

FORECAST: Global Virtual Reality Head-Mounted Display Shipments



Source: BI Intelligence Estimates
Note: Includes All Virtual Reality Headsets, But Does Not Include Augmented Reality Headsets And Eyewear Including Microsoft HoloLens Or Google Glass

BI Intelligence

The Future for Media Companies?



Disruption of Media Companies

TV

(Netflix)

On-Demand / Instant Access Anywhere



huluPLUS™
More TV. On more devices.

amazon
instant video
Instantly
Watch
Movies & TV Shows



Radio

(Spotify)

Pay for Access / Instant On-Demand Streaming on Internet-Enabled Devices



PANDORA®
internet radio

Digital Download Services



Print

(Groupon)

Consumer paid, performance-based advertising

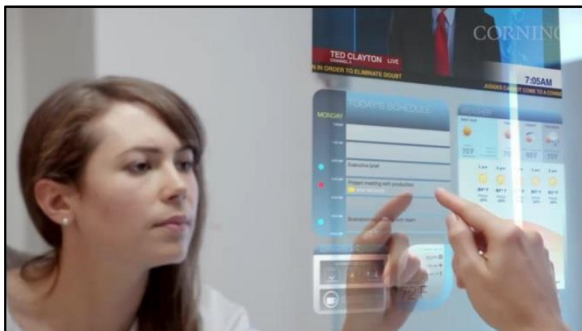


THE
HUFFINGTON
POST

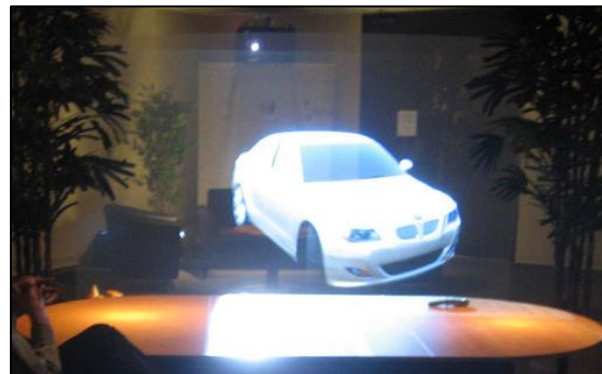
**Buzz
Feed**

The Future of TV: Personalized, Connected, Dimensional

Connected Surfaces - New Ad Contexts & Ubiquitous Consumption



Rich Media Formats – New Programming



- By 2017, more than half of the US population will regularly watch a TV show online
- Streaming TV & video content on smartphone, tablet and connected TVs will fuel audience growth

Flexible Screens – Increased Distribution



Smart, Personalized Ads



The Future of Radio: Personalized Content & Dist. Ubiquity

Partnerships & Streaming Radio Everywhere



PANDORA



User-Controlled, Personalized Radio



- 50%+ of the US population are digital radio listeners
- 63.2% of US internet users will tune in to digital radio monthly

Radio Stations Will Expand Content Offerings



Radios Will Not Exist in Cars – Mobile Connectivity



The Future of Print: Interactivity via AR, NFC, E-ink, OLED

Personalized Print & Mobile-Based AR



E-Ink – Rich Media Embedded in Print

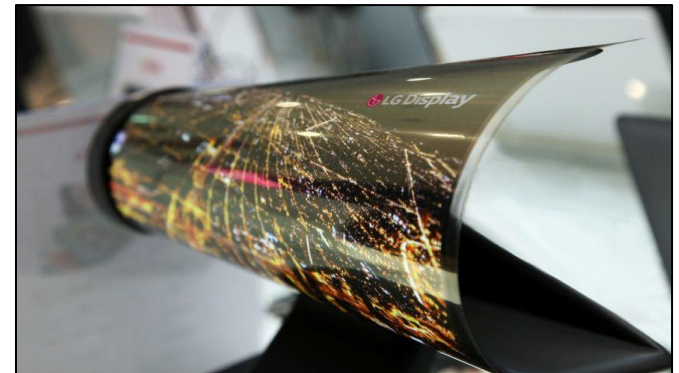


- Online advertising scale is currently much lower than print advertising – Will shift to digital
- ~ Every \$7 of ad spend via print newspapers, comparable digital advertising is only about \$1

Near Field Communications (NFC) Tags – Smart Posters, Sprayable Tags



OLED (Organic Light Emitting Diode) – Rollable Displays

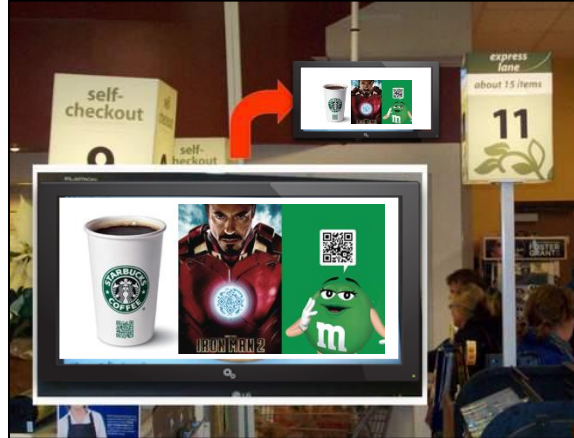


The Future of Media Will Take Advantage of the Internet of Things

Severe weather alerts or recovery drink offer



Facial scans & relevant marketing/ads



Coupon for milk sent when low



Promotion for auto service when needed



Tagged media – info & purchase opty's



Ad to save consumer \$ on home restoration



Ways Valpak & Cox Media Innovate



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Disruptive Innovation – New Markets, Channels & Businesses

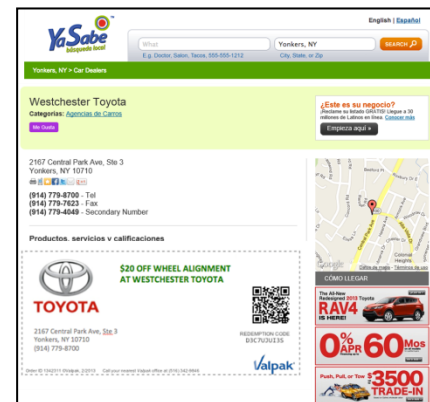
Patents & Intellectual Property



Automobiles As 5th Screens



New Markets (eg, Hispanic Marketing)



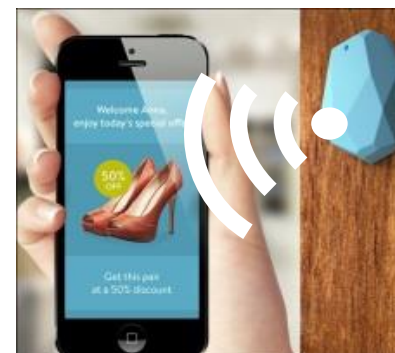
Print & Mobile-Based AR



Wearable Technology



BLE Beacons



1st to Market – Digital Wallets

Passbook



MS Wallet



Samsung Wallet



Google Wallet



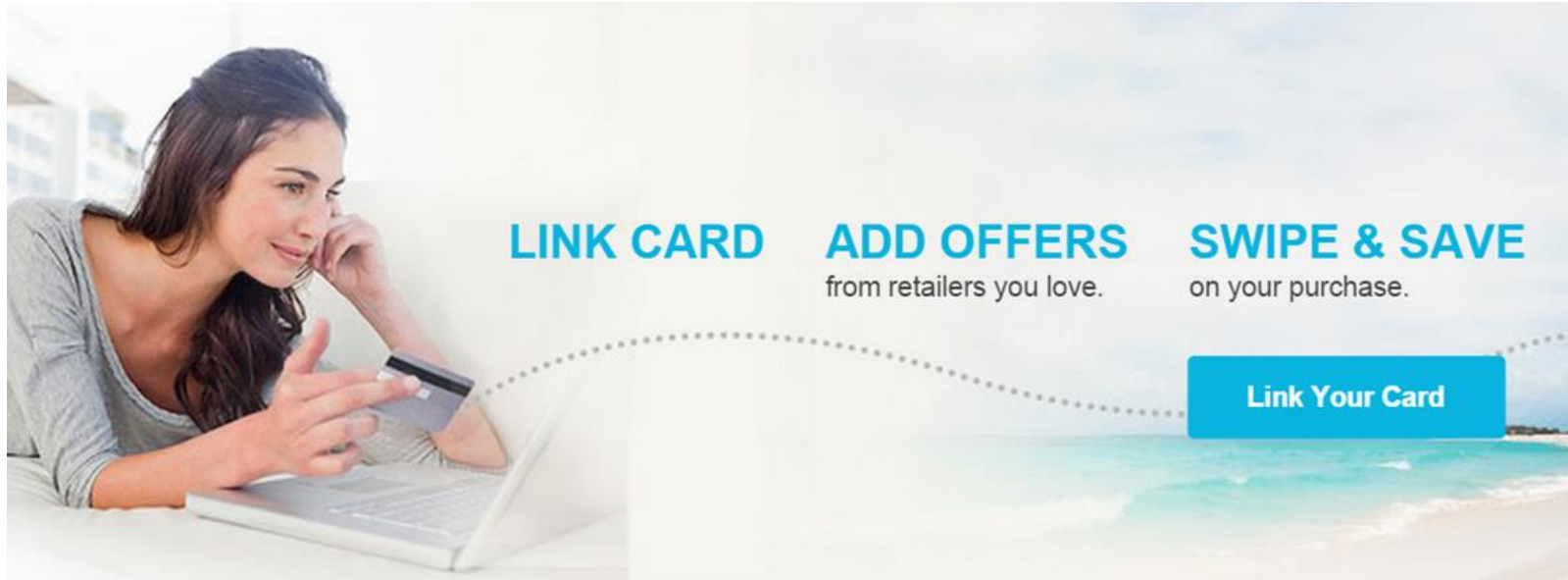
Apple Watch App



Automobiles as 5th Screens



Card Linked Offers



Augmented Reality as a Savings Tool

Phone thermometer & calendar know its summer & hot outside – Serve climate & seasonally relevant messages/offers

Smart appliance/refrigerator sensor detects low on milk, device location services detect position – Serve geo-relevant messages/offers

Phone GPS, Wi-Fi (triangulate), BLE Bluetooth, lightwave technology geolocate device consumer mapped to in-store products – Serve geo-relevant messages/offers

FREE w/ Ice Cream Purchase

25% Off Gal. Milk

Buy 1 -Get 1 Eggs – Today Only!

\$1.50 off Betty Crocker

Try Our New Organic Soups

\$1.00 off Post Cereal

\$0.50 off Heinz Ketchup

Preference/shopping list & historical purchase behavior indicate opportunity to serve product-specific messaging to geo-located device

Auditory beacon and/or preference/shopping list & historical purchase behavior indicate opportunity to serve marketing messages to geo-located device

AR Pattern recognition recognizes brand labels, logos, image elements, text patterns to serve product-specific messaging to device

favado

Strategic Partnership Development Examples

facebook.

Google Wallet

DELL™

GM

DISCOVER®

VISA

MasterCard

YAHOO!
SMALL BUSINESS

PayPal

bing

((mobeam))

CATALINA®
Personalized Digital Media

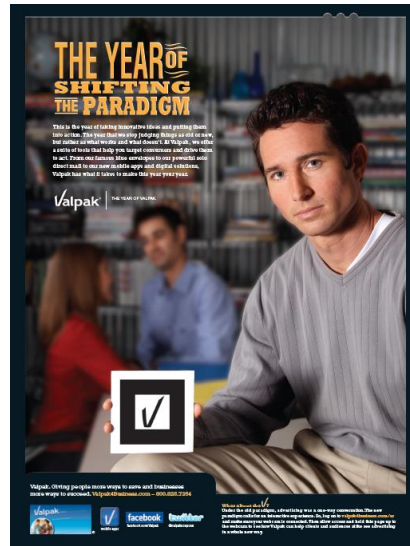
First Data™

SOFT
CARD™

ibotta
YOU EARNED IT

deem®

Early Print to Digital & AR Innovation at Valpak



- Feb 2010 Martha Stewart AR campaign
- First in direct mail industry to use AR with instant win & dynamic video (daily)
- First large scale innovation press for Valpak

- Apr 2010 B2B campaign
- 3D AR media kit featuring Valpak solutions
- AdAge & DMNews ad placements

- Feb 2011 with Sandra Lee
- One of the US largest early direct mailer use of QR codes
- Over 400MM QR codes tying print to mobile

USPS AR Campaigns

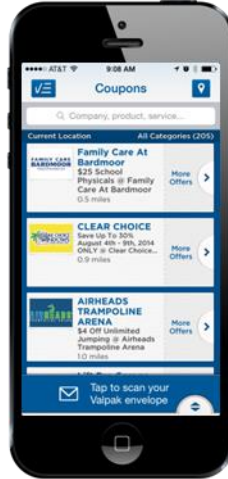
July-Aug Envelope (Local Examples Not Shown)



Sep Envelope (Local Examples Not Shown)



1. Update & Launch the Valpak App



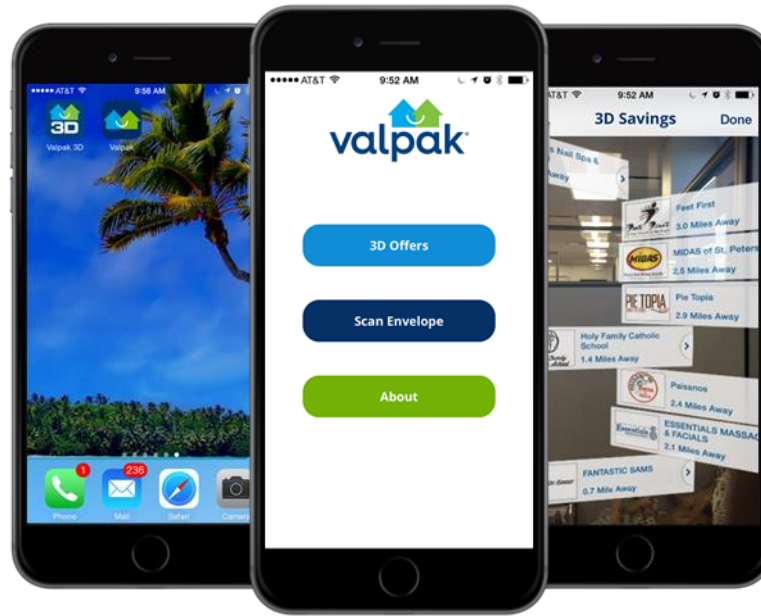
2. Scan the Back of the Envelope



3. Enjoy the Valpak 3D Animation & Partner Promotional Video



Valpak 3D AR App



wayfair.com

promo code
INSIDE
&
FREE shipping
over \$49

Furniture & decor that hits home

1) Download the Valpak 3D app from the App Store
2) Launch the app and select "Scan your envelope"
3) Point your device at the phone image for a message from Valpak

Valpak, Valpak.com and OpenTheNeighborhood are trademarks of VPMG, Inc. Copyright © 2015 VPMG, Inc. E00339
Valpak envelopes and offers are 100% recyclable. Other items such as stickers are not 100% recyclable.
Apple and the Apple logo are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc.

To advertise in Valpak
call 1-800-676-6876



Various Ways We Use to Innovate

**Hackathons,
Incremental,
Innovation Labs,
Design Thinking,
Stealth Hacking, &
Forming Partnerships**



CMG Innovation Summit



INNOVATION SUMMIT

BOULDER, CO | OCT. 7-9, 2014


Homework Examples

Example 1

Fred Steube

Tupac Hologram Snoop Dogg and Dr. Dre Perform Coachella Live
<https://www.youtube.com/watch?v=U0r7mP8VU>

Deceased rapper Tupac Shakur, Dr. Dre and Snoop Lion (formerly Snoop Dogg) at the 2012 Coachella Valley Music & Arts Festival in Indio, Calif. It was a 3D likeness of Shakur, but was actually a 2D image. Shakur's likeness was projected onto an angled piece of glass on ground, which projected the image onto a screen on stage.



This innovative media form is important as we move toward 3D technology (movies, AR, TV programming, smartphones) as consumers are demanding it and paying for it. As a media company, we will need to develop additional programming in new dimensional formats like 3D and much further out, holographic-based.

Example 2

Time Travel in Berlin or NYC w/ Augmented Reality Apps
<http://techcrunch.com/2014/09/22/time-travel-app-allows-you-to-see-the-berlin-wall-story-in-augmented-reality/>

Whether it's Berlin, Germany or MemoPoint NYC, you can see & feel what it was like 30, 50 or 100 years ago. Walk along streets & use your wireless device to see what landmarks looked like back in time.



The use of technologies like augmented reality, projected 3D, and soon holograms will allow media companies to tell new stories in new ways. Imagine building an application for radio that identifies a modern remix but allows a push of a button to serve the original song, or while watching a modern TV show or movie, allows a consumer to see the original media form. Or while watching or listening to any tagged media form provides additional information (set location, performer background, purchase capabilities, etc).



Exercise 2 PERSONAL PROJECT WORKSHEET

Fred Steube

Name your project. Have fun with this!
"Which Way to Woo a Woman that is Wearables Worthy" (coupons)

Our goal is to apply your skills and skills to solve problems in the real world. Create a coupon for a product or service that you can use in your personal practice at your home office. During Day 2, you will be creating an innovation plan for your personal project. This worksheet will help jump start the process.

What is the problem you are solving?
 There are a number of problems I am trying to solve:

- How to take advantage of the press and publicity (in the short term) of serving savings offers in wearable devices that makes sense
- How to utilize the future distribution scale that will come via wearables mass adoption (in time)
- How to serve an offer in a relevant context that provides utility & value in such a small screen

Why is this problem exciting and/or worth solving?
 The problem is exciting because of the large growth rate and publicity that comes with a good implementation in emerging technologies like wearables

The problem is worth solving as it can help position Cox Target media (Vespek & Savings.com as thought leaders) and because in time, this will be a large and relevant distribution channel

Last, solving this problem will open doors for sales conversions allowing us to position other core solutions while having this conversation



List all the questions you have as you embark on this design project?

- What content is most relevant and useful to consumers?
- Which wearables devices to go out with first (Apple Watch, Android Wear, Galaxy Gear, etc)?
- How should this effort be prioritized among the many other existing & backlogged projects?
- Is the engineering effort worth the PR, sales leads, etc?
- Build on our own or integrate with an existing partner network?
- Scale, scope, & timing of the proposed effort?



Exercise 3 SIX WORD MEMOIR

Fred Steube

Bill your life story or philosophy down to 6 words. See www.sixwordmemoir.com for examples and inspiration. This is how you will introduce yourself to your team!

Six Word Memoir
"Adventurous soul with disruptive technophilic tendencies"

(Working source/notes/ideas)

Connected Surfaces as Distribution Points

3D & Holograms: Context: Form & Display

E-ink & Electronic Paper

Other: Memos & 50 Memos

Smart Patches, Window Clings, T-shirt Tags via NFC, GPS, Beacon

Take Risks, Seek Adventure, Travel & Discover New Lands, Push the Limits



Exercise 4

Fred Steube

We believe breakthrough happens by getting out of the office and engaging with real experiences. Create a real-world experience that captures the essence of a story.

Santa Barbara Maritime Museum

How do you navigate the experience? What is guiding you?
 Navigation is done through a series of walking paths supported chronologically with a variety of displays from prehistoric through the modern day are telling the story of the Santa Barbara maritime industry and impact to the area.

How does the story unfold?
 The story unfolds via a timeline starting with native American (the Chumash Indians) settlement narrative written and video and then takes museum visitors through historical developments and events.

Parallel stories were also being told simultaneously (surfing culture, fishing culture, modern development impact, etc).

What is helping tell the story?
 A series of dioramas provides scaled visual aids along with real artifacts which provide physical evidence of time depictions and events. Hindrances include limited space of the museum and the ability to only display so much as well as budget (can't hire full time period actors on full sets). An interesting interactive fishing industry display was a fishing pole & line connected to a screen showing a sailfish which then emulated the fight of the fish - very cool!

Finally, what is the "story" in a nutshell? It might not be the intended story.

One "story" is that modern humans can and began to increasingly and negatively impacting the environment and area through whaling, overfishing, wrecking on reefs, creating oil spills, and removing habitat for indigenous peoples and sea life.

Another "story" is that the area created a great opportunity for to make a living and settle in an area that was bountiful in marine resources.



Design Challenge

Design a new multi-platform storytelling experience to meet the needs of your end user.

- >> integrate 2 or more platforms
- >> consider real world experiences

Break the Ice – Interview Stakeholders



Generate Ideas



Brainstorm Possible Solutions



Build Rapid Prototypes



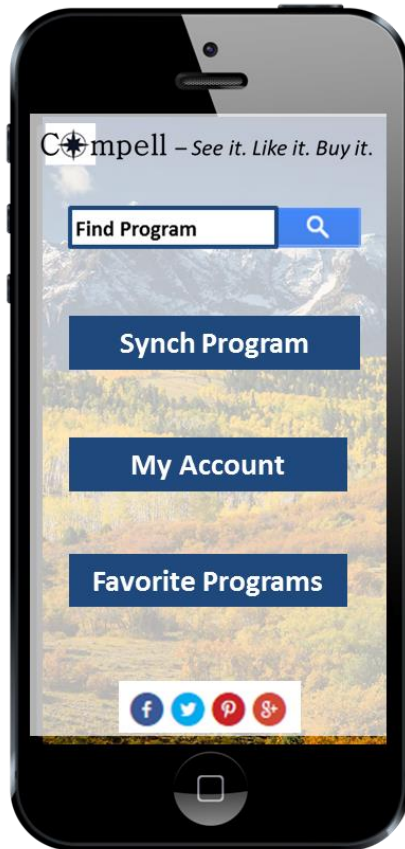
Pitch Sessions



Concept Example

Compell – See it. Like it. Buy it.

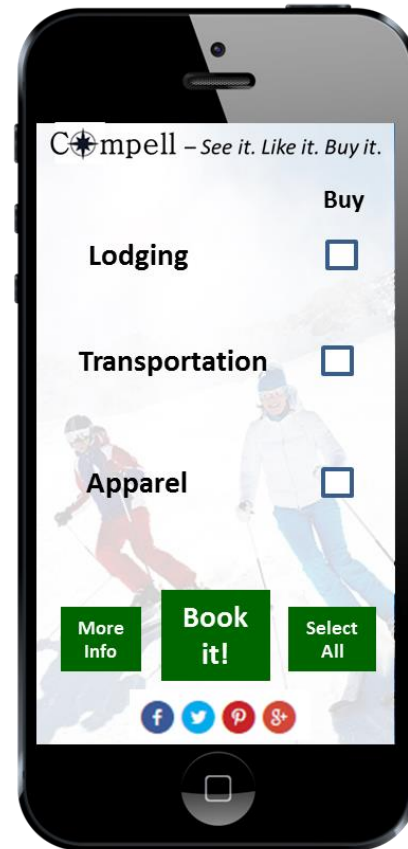
Launch.



Explore.



Buy.



The Future of Media by CMG



Watch Video: <http://youtu.be/5IKfE2zJlxl>

Thank You

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