



iSummit

Sept 29, 2014

## Emerging Technology, Shiny Objects & The Future of Media

### **Fred Steube**

Senior Director of Emerging Technology  
Cox Target Media – Valpak | Savings.com | Favado

iSummit

# Hello! – I'm Fred



# We Are A Media Company

COX  
ENTERPRISES

COX  
COMMUNICATIONS

COX MEDIA  
GROUP

Manheim  
AUTOTRADER GROUP

The Atlanta  
Journal-Constitution  
HOT 101.5  
97X  
KIRO 7  
The Palm Beach Post  
REAL NEWS STARTS HERE  
FOX 23

COX  
TARGET MEDIA

COXREPS  
coxdigitalsolutions

savings.com

Valpak

favado

# Cox Target Media Drives Promotional Transactions for Businesses & Helps Families Save Money

## Diversified Reach



40M  
affluent HH



6M  
monthly UV



157M  
display



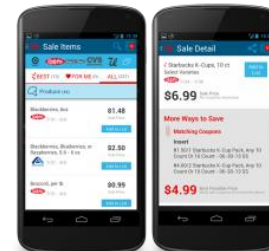
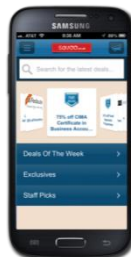
70M  
mobile



2.8M geo  
email



230 savings  
gurus



# 1st to Market – Digital Wallets

Passbook



MS Wallet



Samsung Wallet



Google Wallet



# Innovation – New Markets, Channels & Businesses

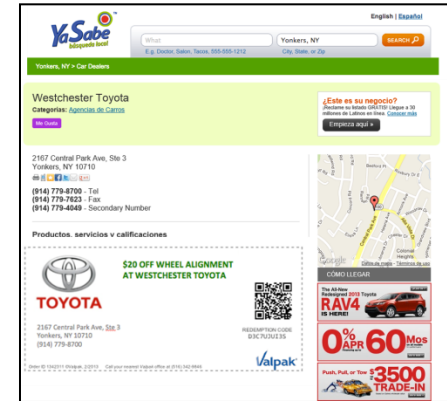
## Patents & Intellectual Property



## Automobiles As 5th Screens



## New Markets (eg, Hispanic Marketing)



## Print & Mobile-Based AR

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



## Wearable Technology



## Card-Linked Offers (CLO's)



# Our World is Digital



# Some Social Media Reach Stats



## FACEBOOK

- **Count:** 1.28 Billion Active Monthly Users
- **Reported Date:** March, 2014
- **Launch Date:** February, 2004



## GOOGLE+

- **Count:** 540 Million Active Monthly Users
- **Reported Date:** October, 2013
- **Launch Date:** June, 2011



## YOUTUBE

- **Count:** 1 Billion Active Monthly Users
- **Reported Date:** March, 2013
- **Launch Date:** May, 2005



## TWITTER

- **Count:** 255 Million Active Monthly Users
- **Reported Date:** April, 2014
- **Launch Date:** March, 2006

Source: The Social Media Hat; May 2014



# Some Social Media Reach Stats



## INSTAGRAM

- **Count:** 200 Million Active Monthly Users
- **Reported Date:** March, 2014
- **Launch Date:** October, 2010



## LINKEDIN

- **Count:** 187 Million Active Monthly Users
- **Reported Date:** April, 2014
- **Launch Date:** May, 2003



## PINTEREST

- **Count:** 70 Million Registered Users
- **Reported Date:** July, 2013
- **Launch Date:** March, 2010

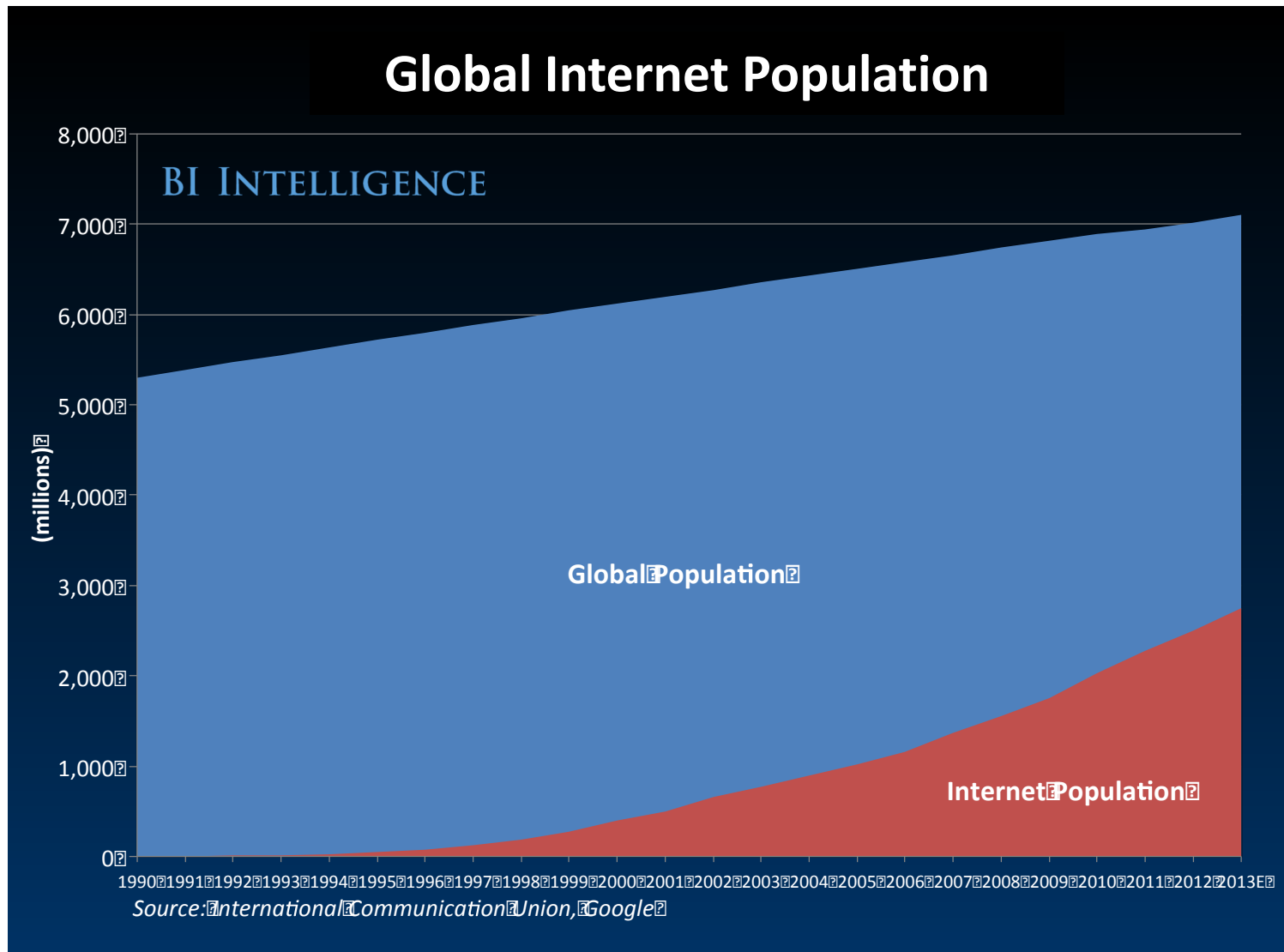


## VINE

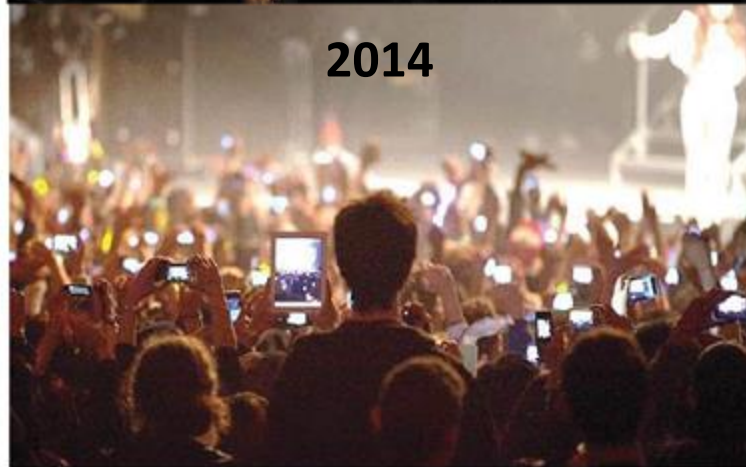
- **Count:** 40 Million Registered Users
- **Reported Date:** August, 2013
- **Launch Date:** January, 2013

Source: The Social Media Hat; May 2014

# Nearly 3 Billion People Online w/ ~Half to Join



# It's a Mobile World



# The Pace of Digital Business Transformation is Dizzying

**32 billion** connected devices & creating a **\$10+ Trillion industry by 2020**

- EMC Digital, April. 2014



**Highly targeted facial & pattern recognition advertising**

- Mark Cuban; Dallas Mavericks

**\$1.3 trillion** in mobile payments by 2017

- Juniper Research, Aug. 2013

**60 microprocessors** the average new car

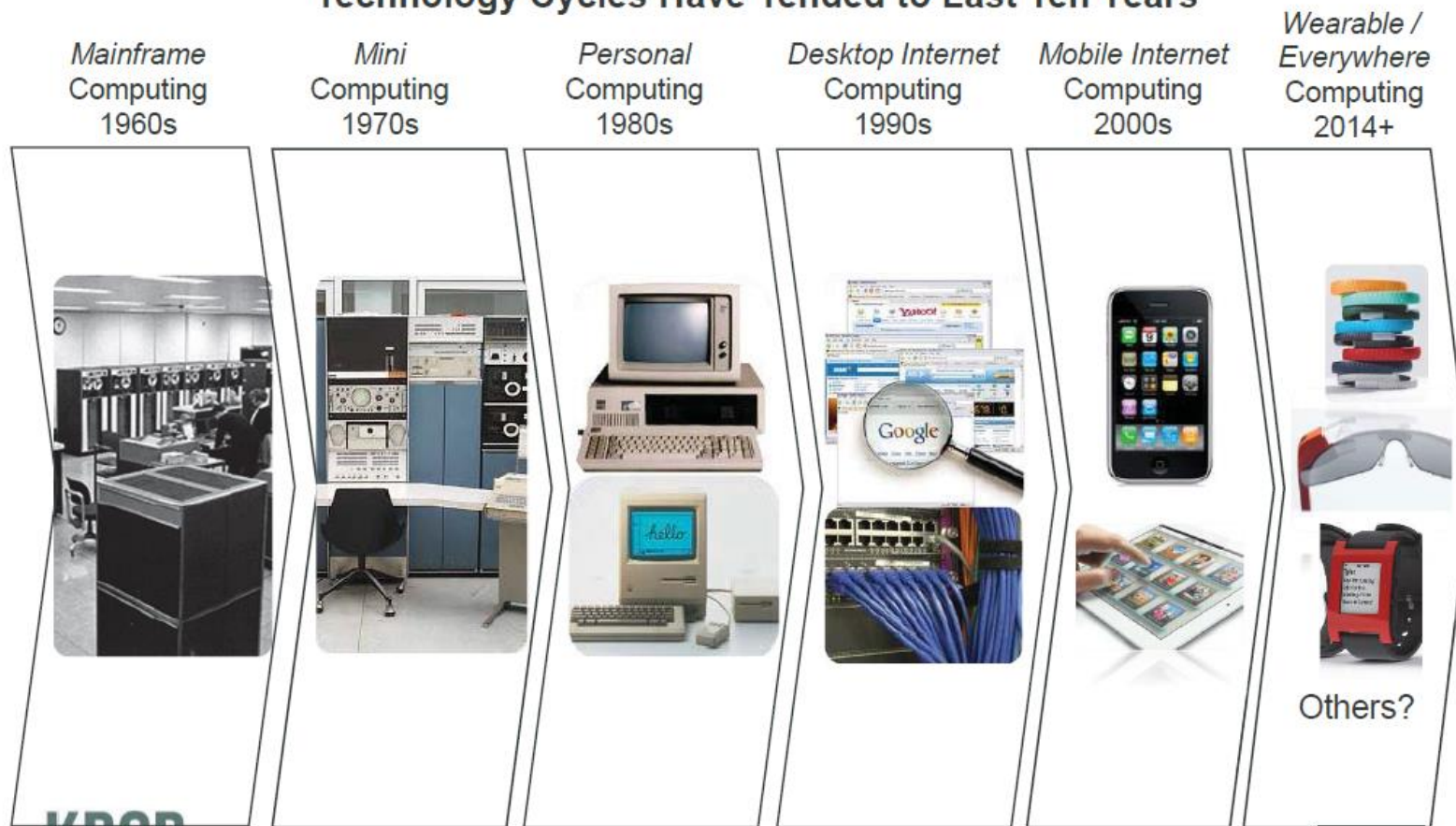
- MIT Technology Review, "The Internet of Things" Business Report, Aug. 2014

**Biometric authentication** will replace current methods of payment presentment

- Mobile Banking & Payments for Emerging Asia Summit, 2013

# Technology Cycles Compressing – Still Early Cycle on Smartphones + Tablets, Now Wearables Faster than Typical 10-Year Cycle

## Technology Cycles Have Tended to Last Ten Years

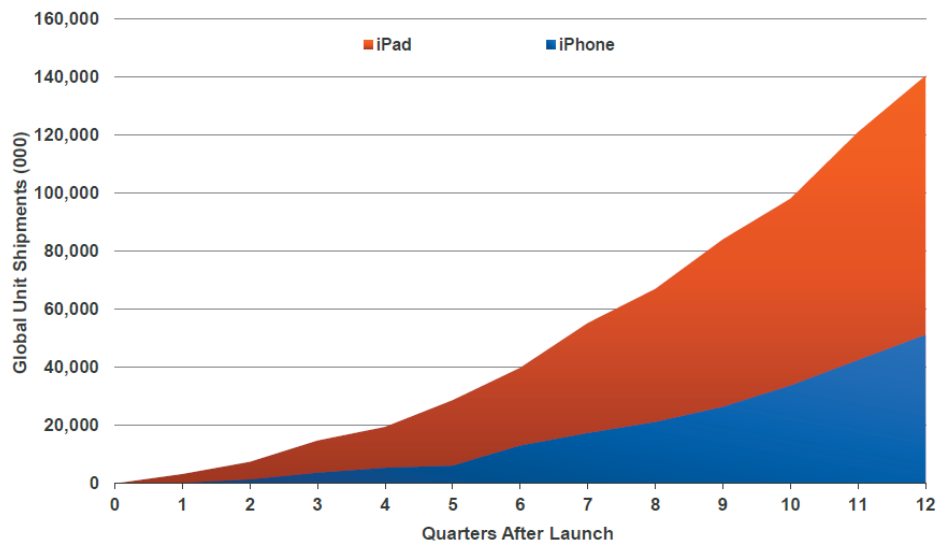


KPCB

Image Source: Computersciencelab.com, Wikipedia, IBM, Apple, Google, NTT docomo, Google, Jawbone, Pebble.

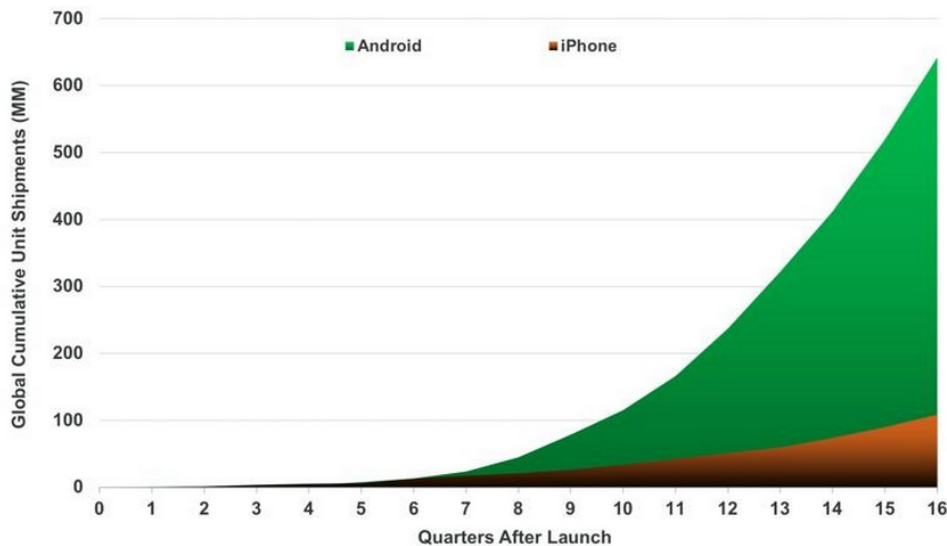
# Mobile Device Adoption Growth – Android = 4x iPhone

First 12 Quarters Cumulative Unit Shipments, iPhone vs. iPad



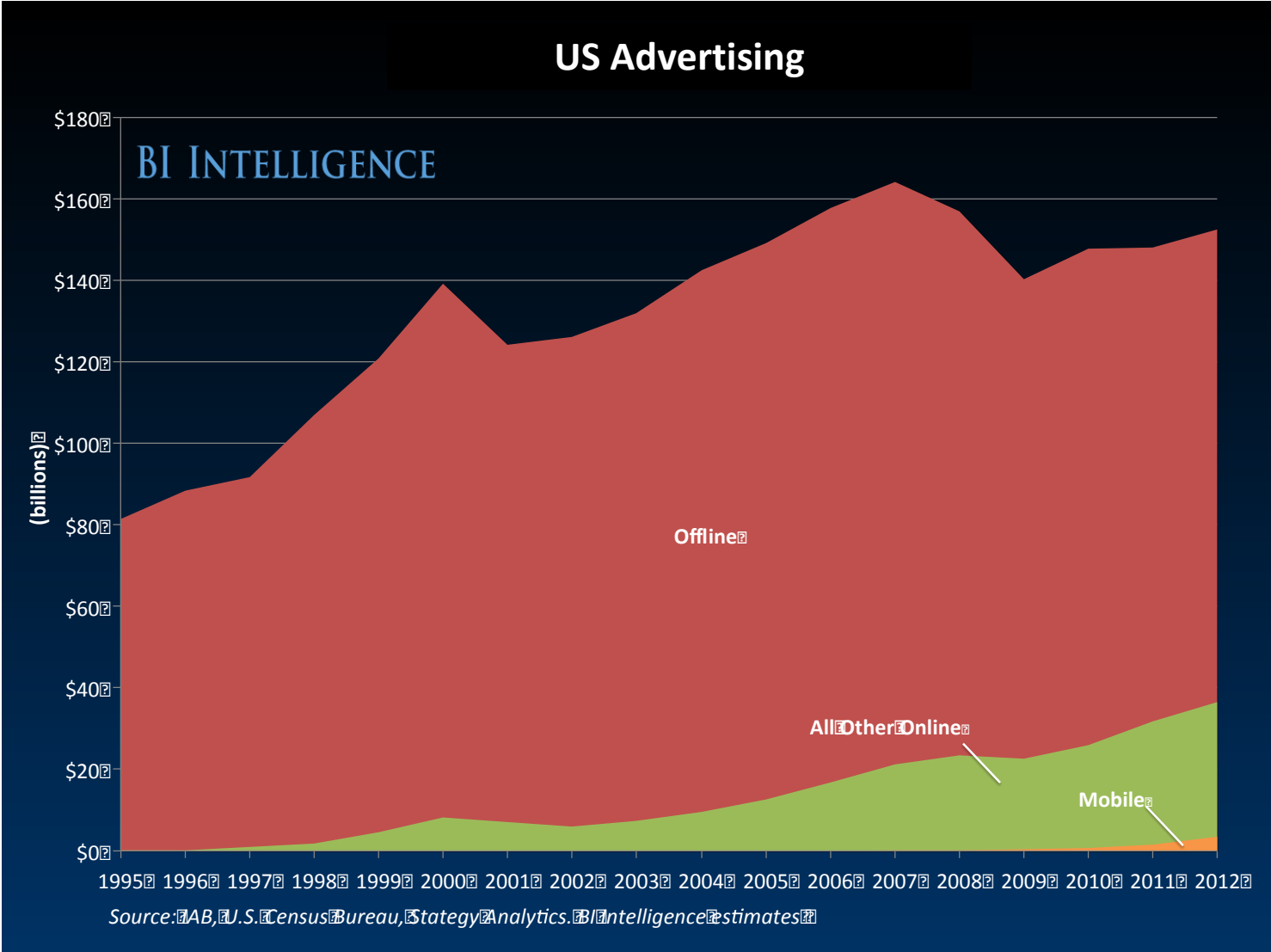
Source: KPCB, May. 2013; Gartner, Morgan Stanley Research, as of Q2, 2013)

First 16 Quarters Cumulative Global Android & iPhone Unit Shipments

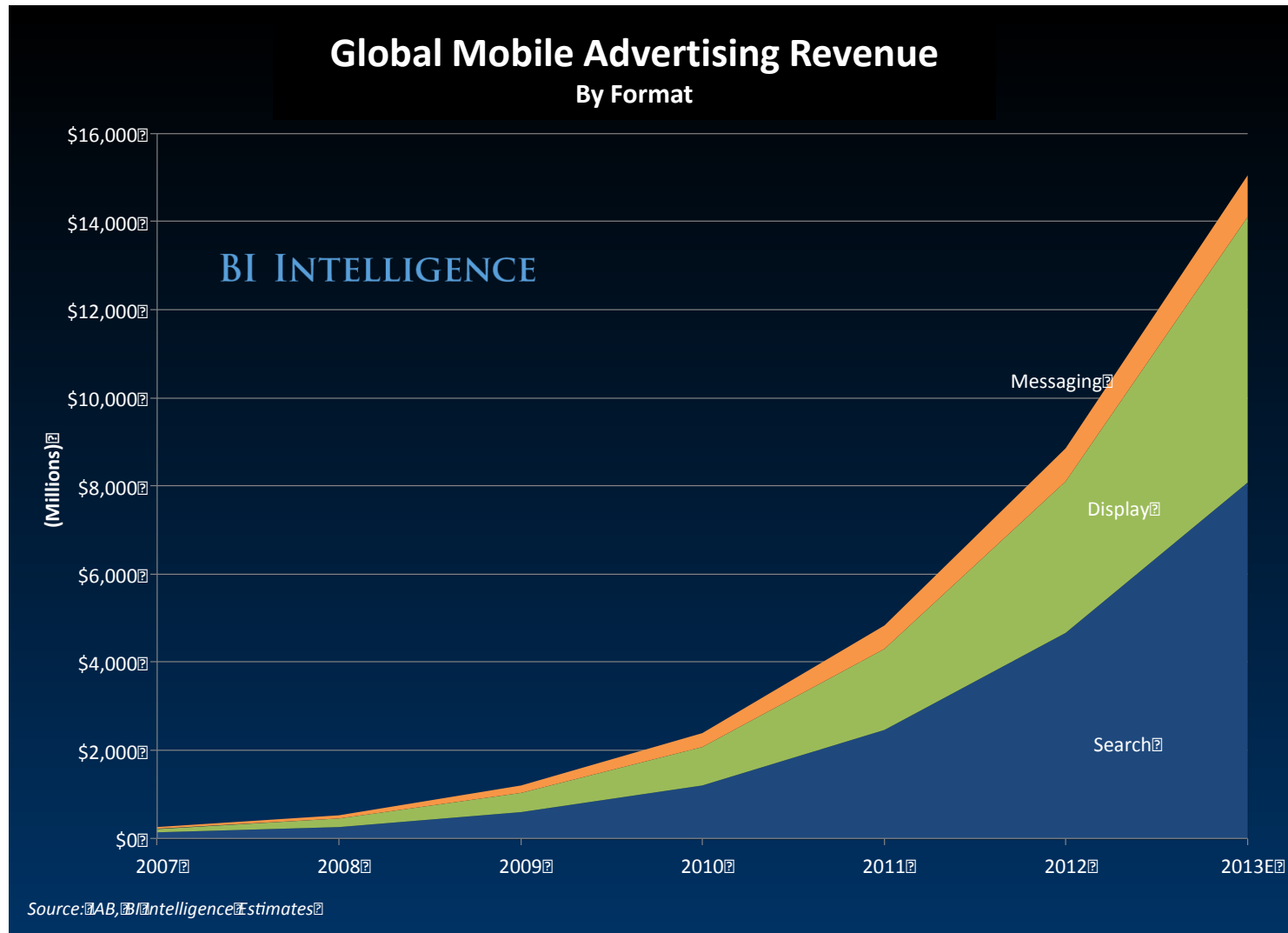


Source: KPCB, May. 2013; Gartner, Morgan Stanley Research, as of Q2, 2013)

# US Advertising Online Growth

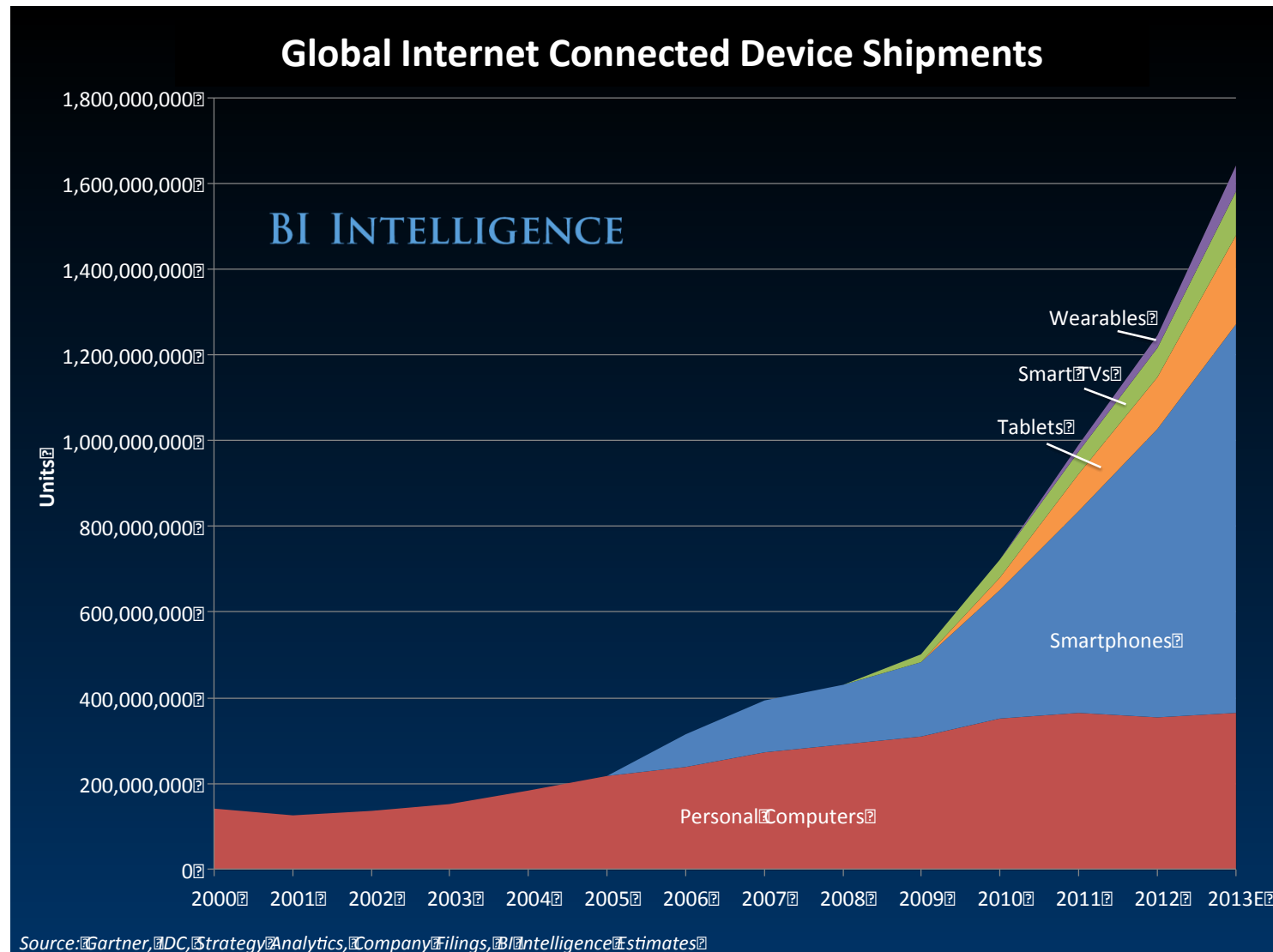


# Mobile Advertising = Where All the Ad Growth Is

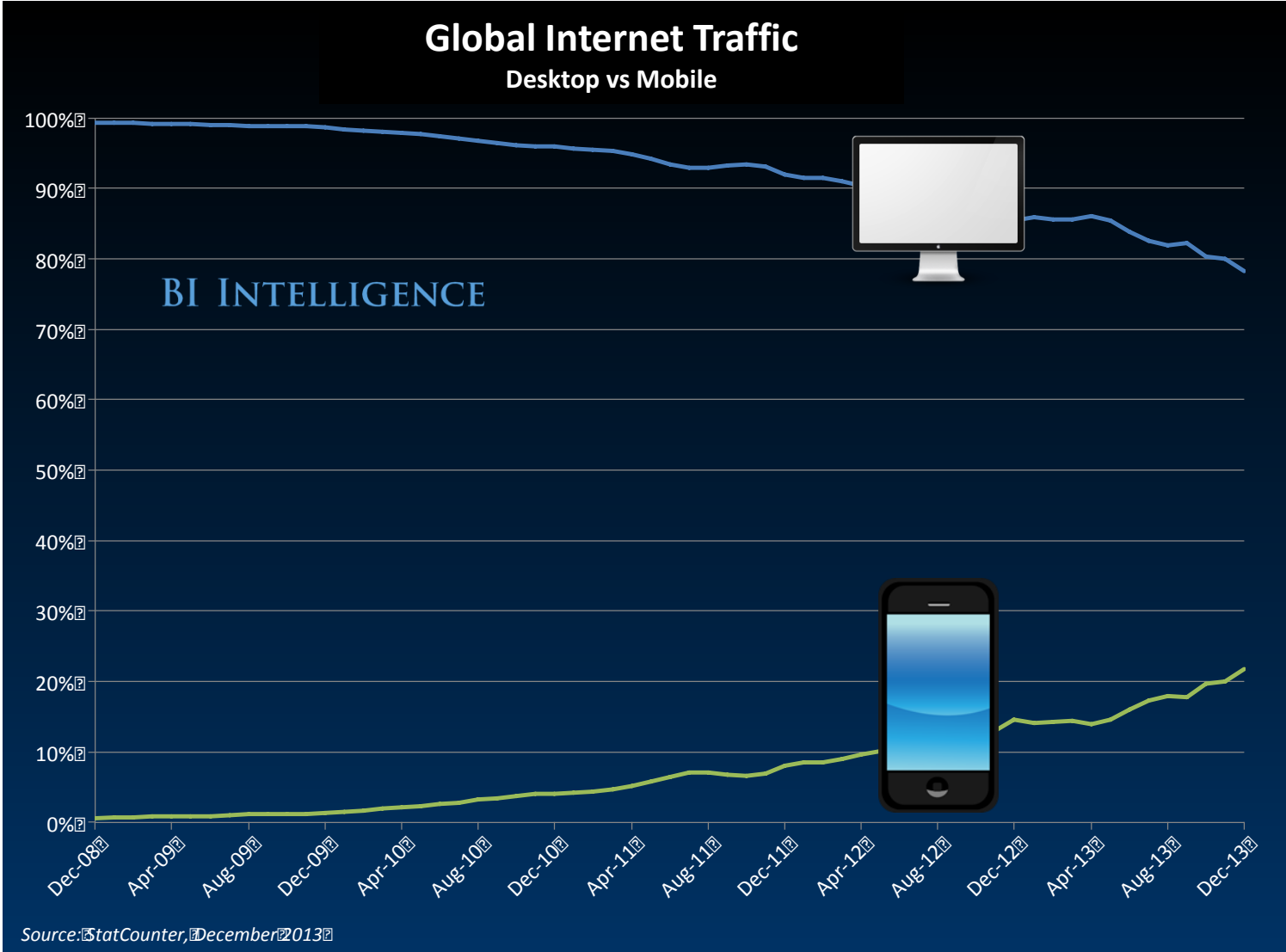




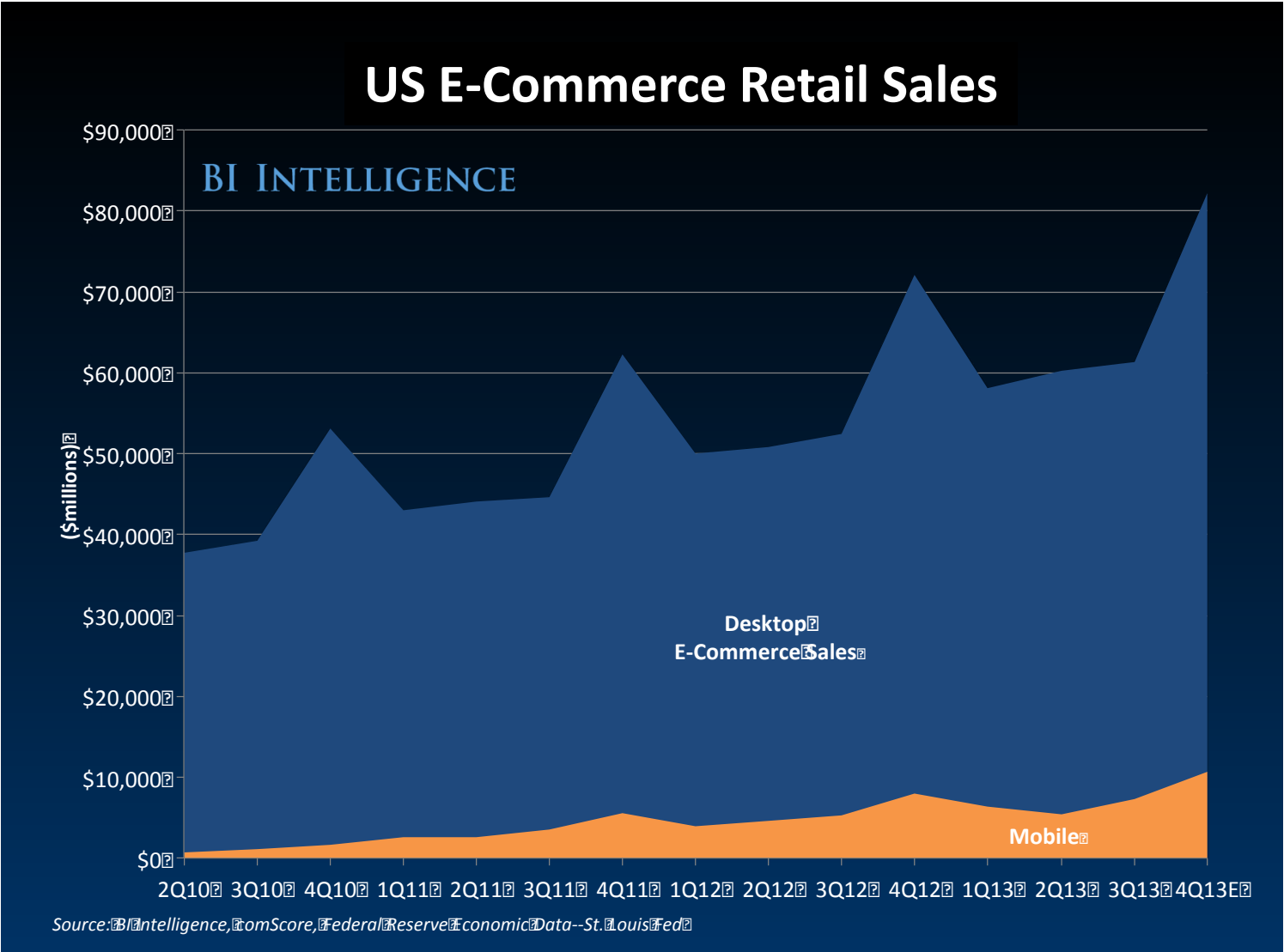
# PCs are Giving Way to Mobile Connected Devices



# Over 1/5th of Internet Traffic is now from Mobile



# Mobile is ~25% of E-Commerce Traffic, but Only 13% of Sales



# 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

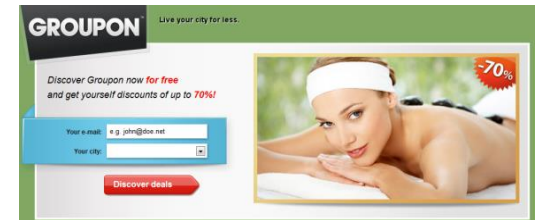
Digital Download Services



## Print

(Groupon)

Consumer paid, performance-based advertising



THE  
HUFFINGTON  
POST

**Buzz  
Feed**

# 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

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

**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**

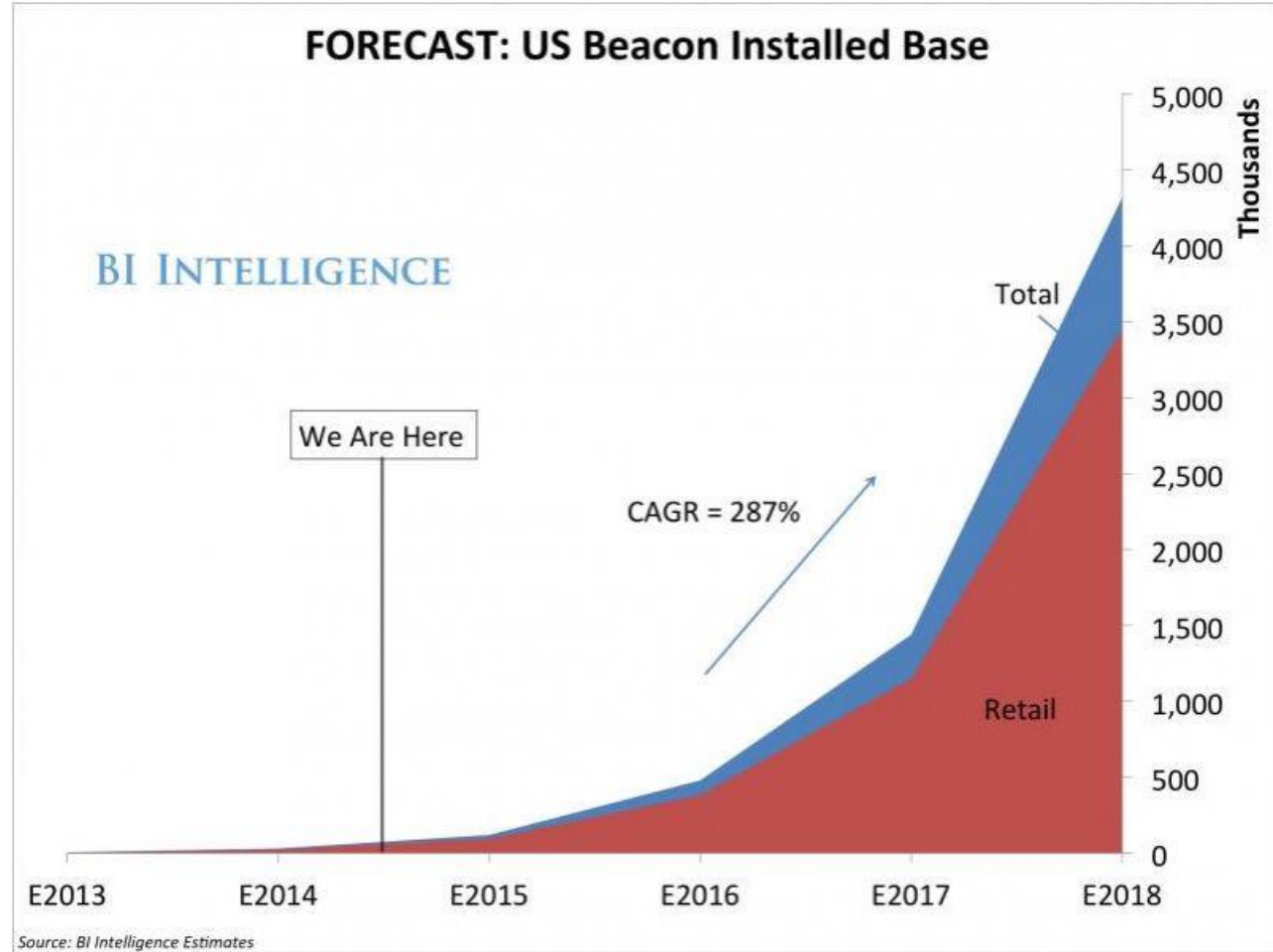
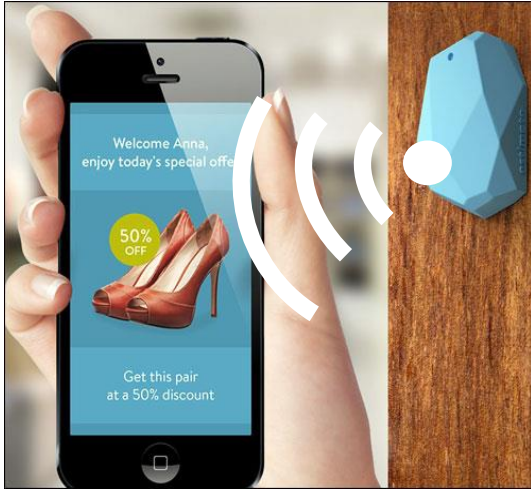
**\$1.00 off Post Cereal**

**\$0.50 off Heinz Ketchup**

**Great Grains**

**favado™**

# Bluetooth Low Energy (BLE) Beacons as a Shopping Utility



# Connected Cars as Communications Platforms

## Connected Car Unit Shipment Forecast

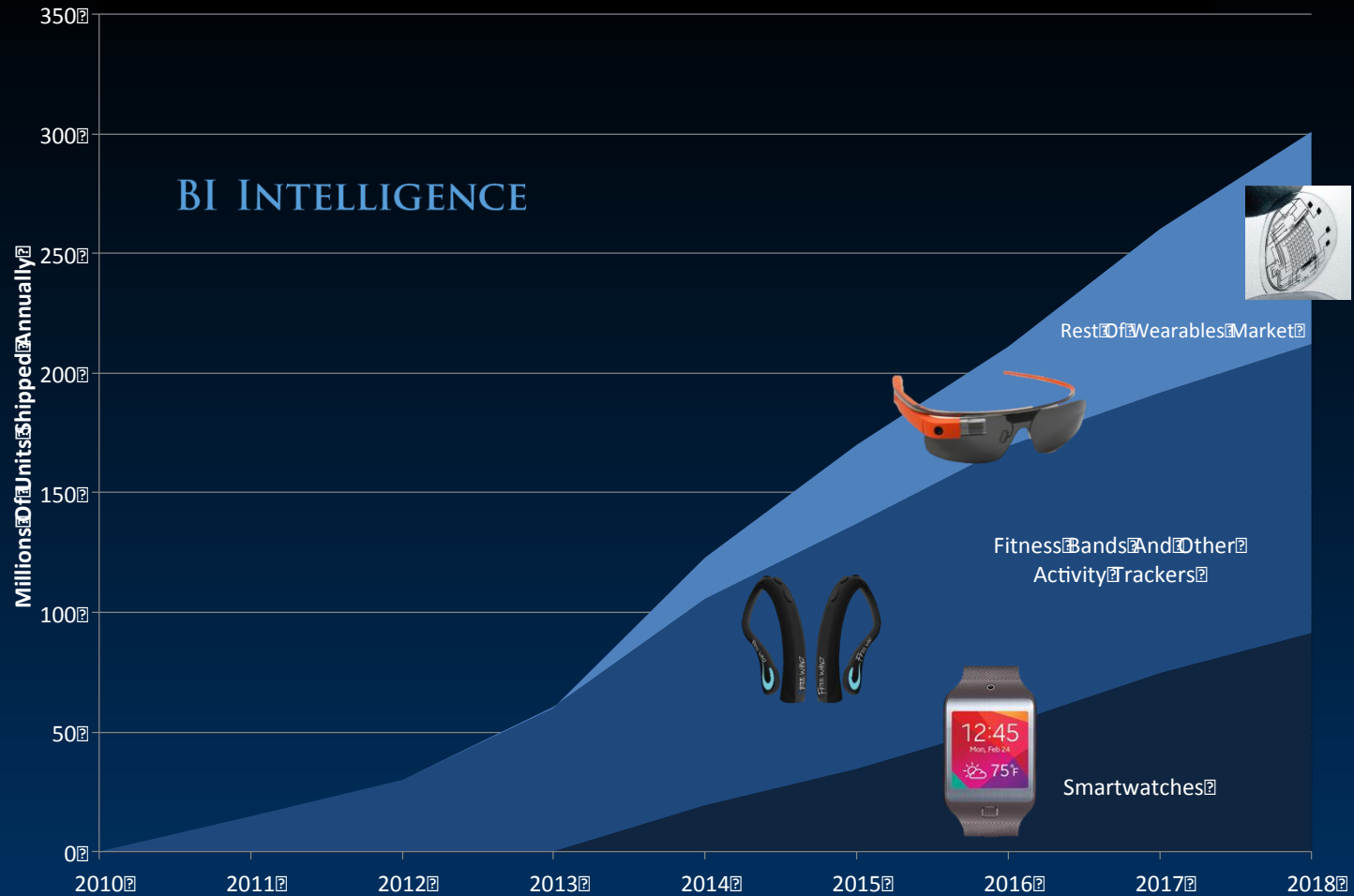


Source: S&P, GSMA



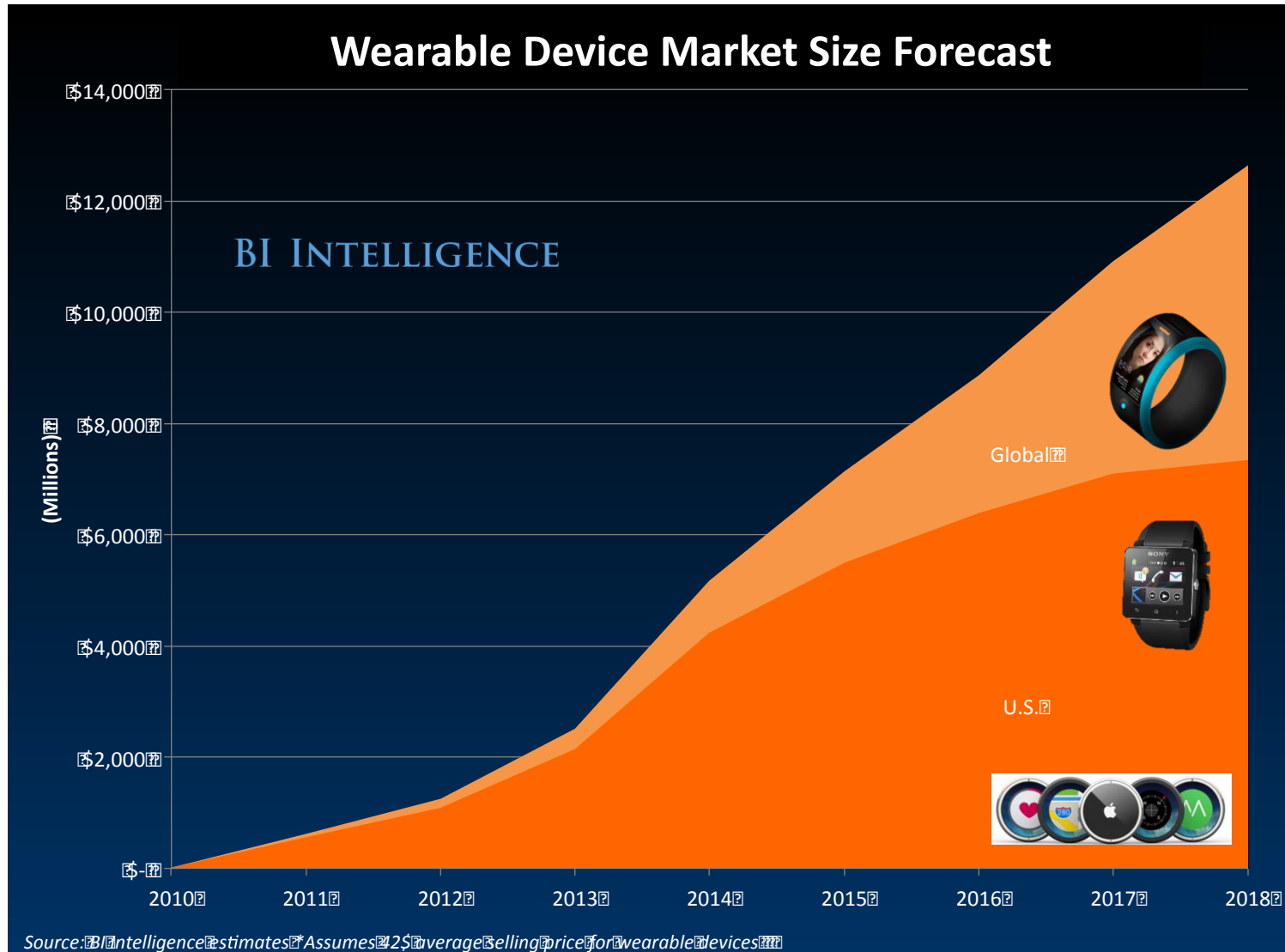
# Wearable Technology Growth

## Global Wearable Device Unit Shipments



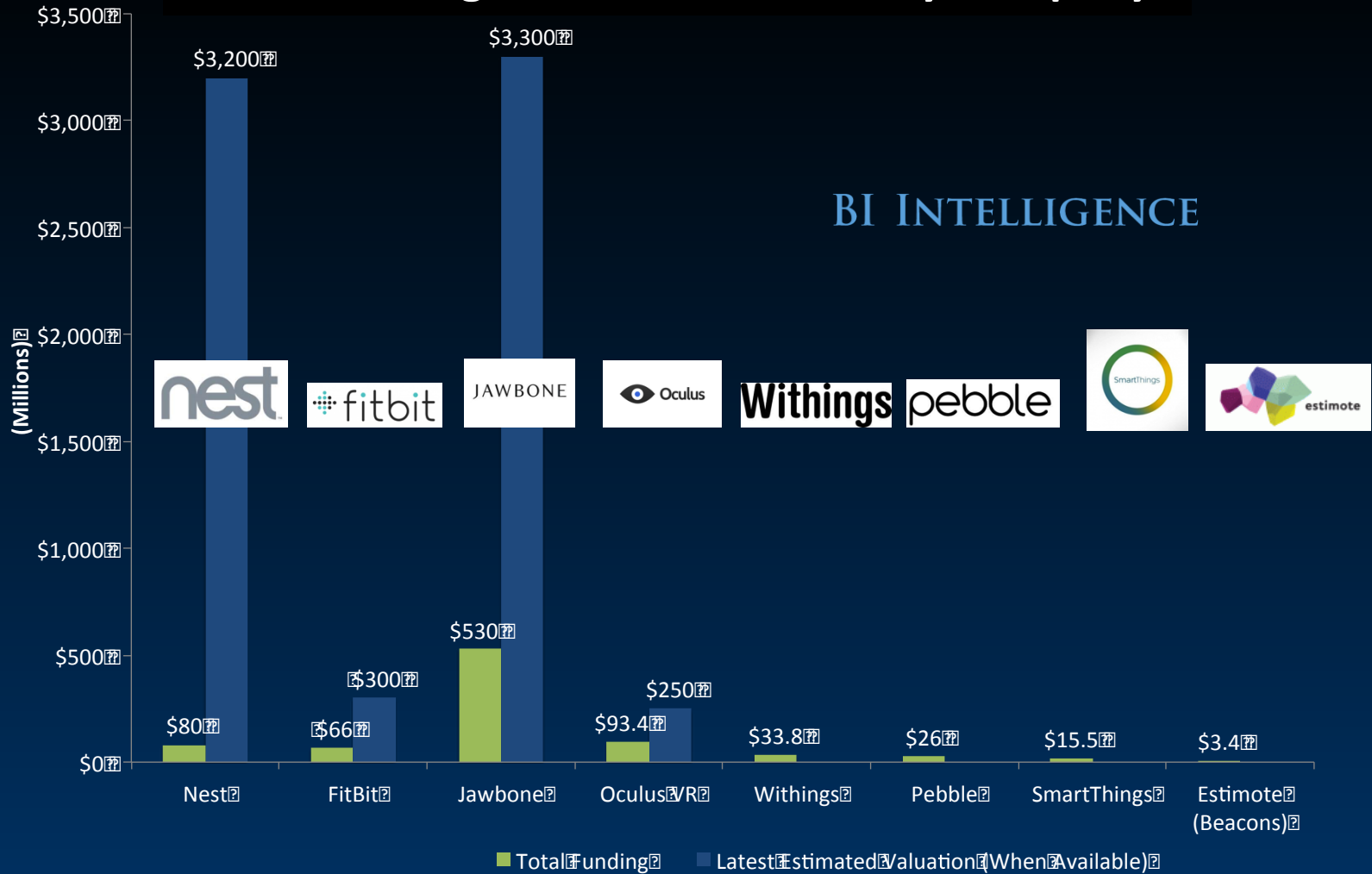
Source: BI Intelligence Estimates

# Wearables Will Remain Mostly A US-Based Phenomenon For Some Time



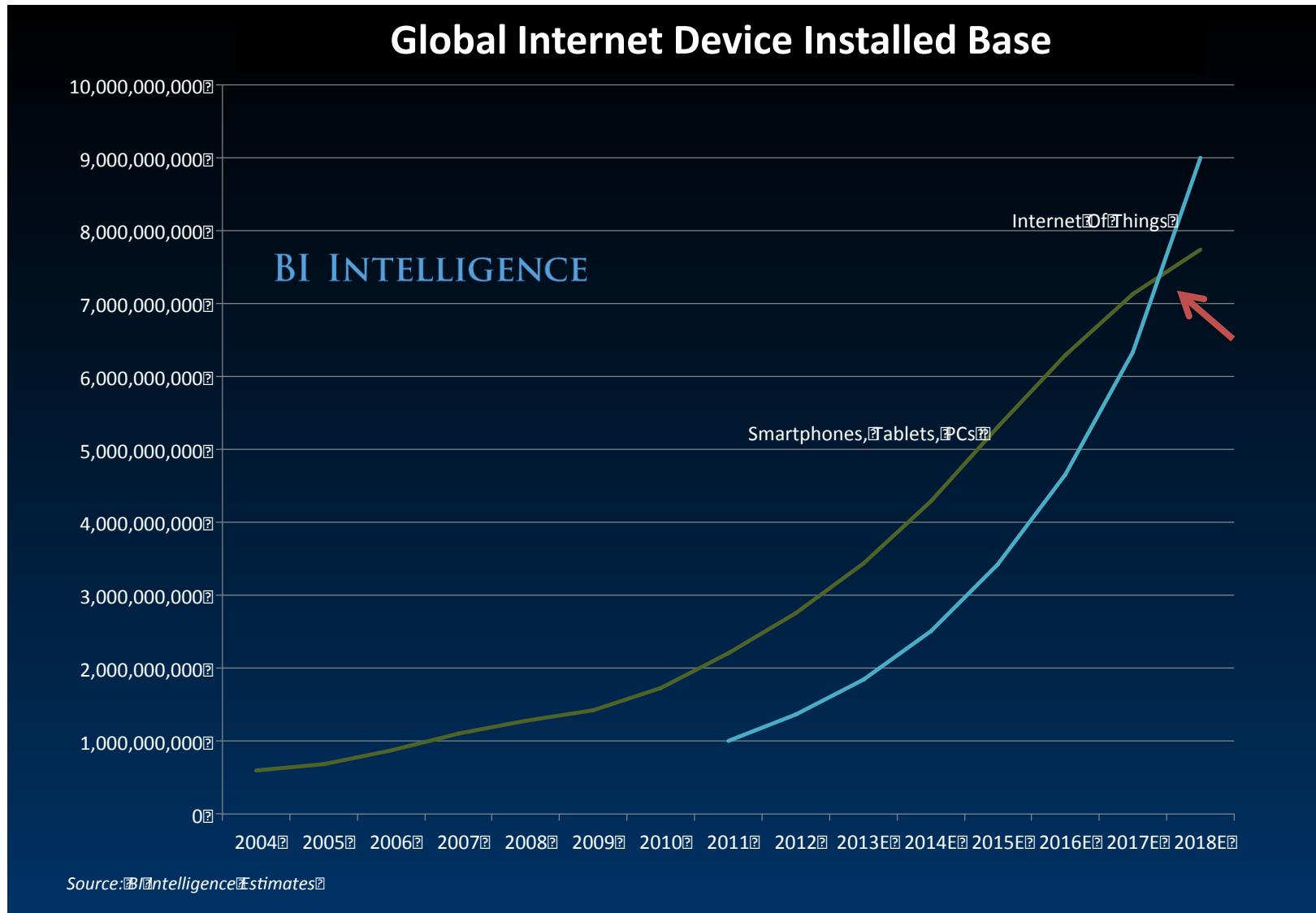
# Venture Capital Is Piling Into 'The Internet Of Things'

## Total Funding & Latest Valuation By Company

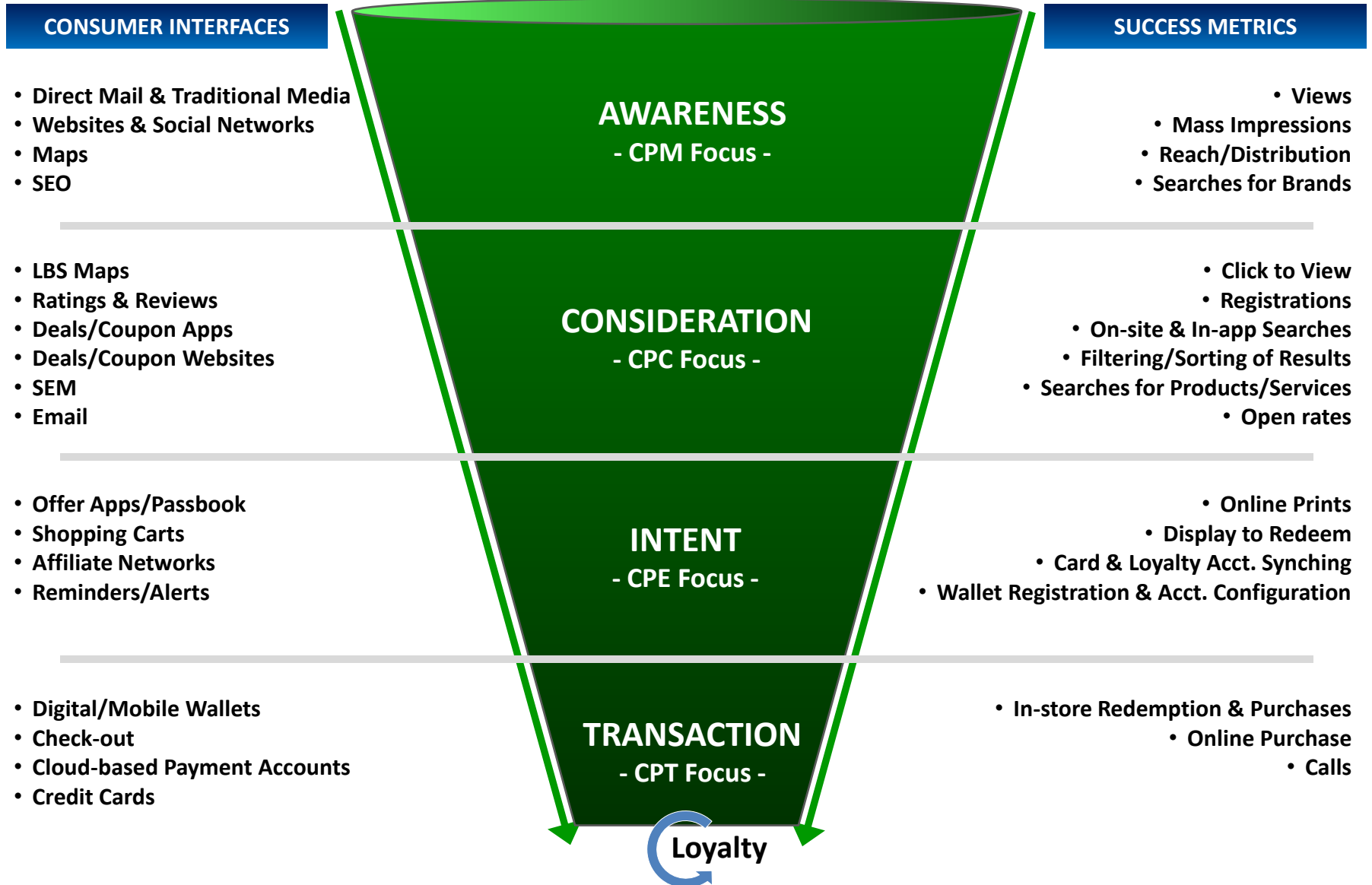


Source: News Reports, Company Releases

# The 'Internet of Things' Alone Will Surpass The PC, Tablet, And Phone Market Combined By 2017

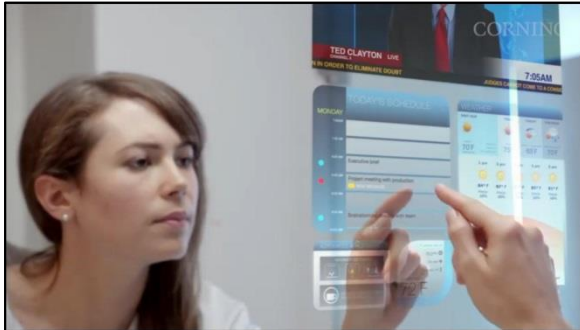


# Economic Trend Toward Performance-Based Models

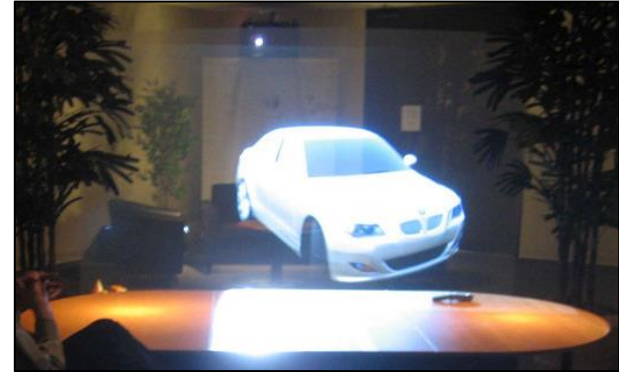


# The Future of TV: Personalized, Connected, Dimensional

## Connected Surfaces - New Ad Contexts & Ubiquitous Consumption



## Rich Media Formats – New Programming

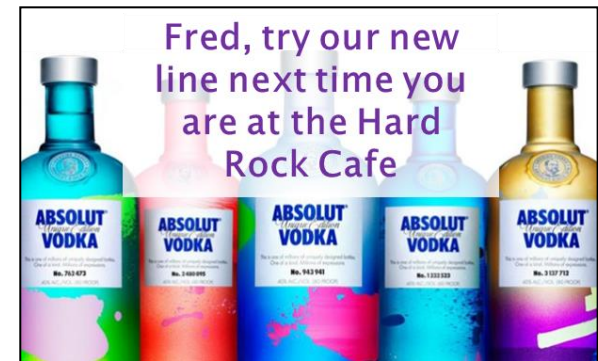


- By 2017, more than half of the US population will regularly watch a TV show online
- Streaming TV & video content on smartphone, tablet and connected TVs will fuel audience growth

## 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, Wireless

## 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



## Inevitable Transition to a Wireless Digital Future



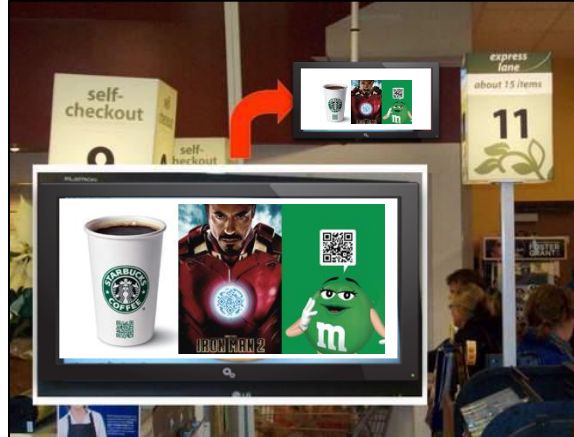


# The Future of Media Will Take Advantage of the Internet of Things

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



# The Future of CMG



Watch Video: <http://youtu.be/5IKfE2zJlxI>

# Thank You

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