

The Internet:

Where we are
Where we are going



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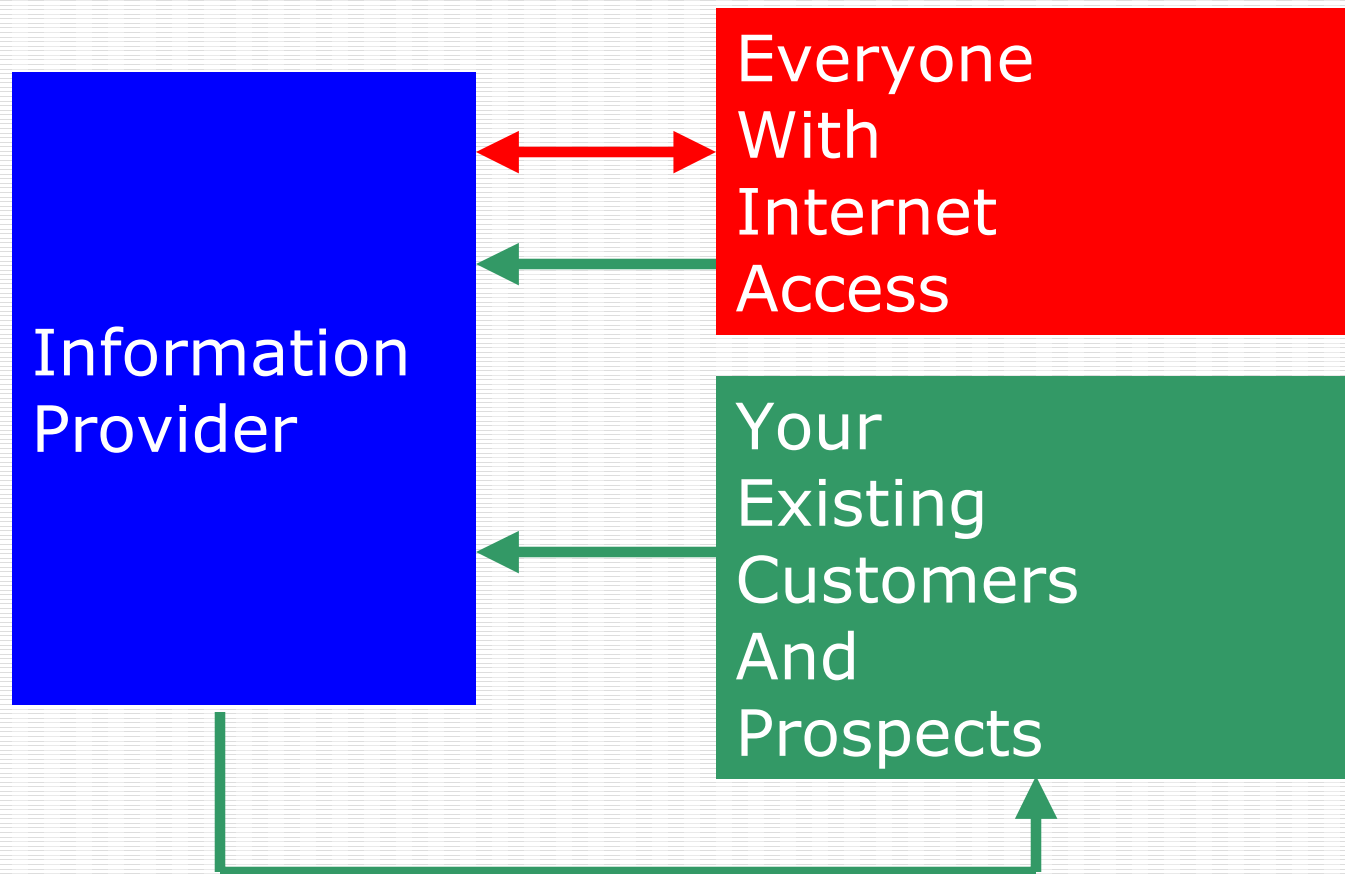
Some Basic Truths

- The Web is revolutionizing the way information is accessed ... and perceived
 - More data faster
 - More data cheaper
- No publisher today can remain viable unless it provides Web access to its information
 - But the Web should complement your existing business, not replace it
- Advertising supported publications must use the Web to extend their reach
- Database content works very well on the Web

Dot Com Lessons

- The dot com implosion is helping to clear the air
 - “Brands are not established, they are earned”
- Basic rules of business still apply
 - You can’t make money if you don’t charge money
- Web publishing and print publishing have a lot in common
 - It’s slow, hard and expensive to launch and establish a new title
 - The Web is a distribution platform
- Established publishers have an edge when moving established titles to the Web

Harnessing the Web



So How Come I'm Not Rich Yet?

- Downward price pressure
 - Too many people giving too much away
 - Everyone is a publisher
- Upward user expectations
 - Real time all the time
- Changing patterns of use
 - Users don't know exactly what they want yet
 - Advertisers don't know exactly what they want yet
- New competition
 - Incredible services at untenable prices
- Many database publishers were slow to move to the Web

More Issues

- Disintermediation
 - Advertiser feel their own Web sites are all they need
 - Users can get source information more easily than ever before
- Comparison shopping
 - Users are far more aware of alternate sources of information
- Commoditization
 - Names and addresses aren't the business they used to be
- Information overload
 - You can have too much information

Is Anyone Making Money Today?

- You can make money on the Web today, particularly if you are an established publisher
 - Savvy users are showing they will pay for content on the Web
 - Progressive advertisers are beginning to understand what works on the Web
- It's still early in the game
 - But you need to get established and positioned now
- No overnight profits
 - All the Web hype led us to expect instant profits
- The game is changing
 - You can't sell the same old stuff the same old way
- Web start-ups are not doing any better
 - Actually, most are doing worse

Positioning Yourself

- You need to add more value to your content
 - Deeper data
 - Build it or buy it, but get it
 - Software tools and applications
 - Think about a partner
 - Services
- Quality will no longer be optional
 - User expectations are sky-high, and rising
- Explore licensing
 - Users want high value interfaces and one stop shopping
 - Distributors and content VARS are increasingly important

The Other Big Things

- Wireless
 - Makes sense for some, but few, types of content
 - Too early for most content owners
- E-Books
 - Reference content may provide “killer app”
 - Too early for most content owners
- The death of print
 - The prediction that wouldn't die
- Dot coms
 - Web content start-ups will largely fail, it's just a question of how fast
- Search engines/portals
 - Cracks are showing

In Conclusion

- Your customers are migrating to the Web
 - You need to migrate with them
- It's a new, tougher business out there
 - Users want more of everything
 - Users want answers and solutions, not data
- You need to add value to your data
 - To remain relevant
 - To maintain pricing
- Lots of opportunity
 - But your products must evolve to address new demand and new competition
 - It's not the same old publishing business anymore

Contact Information

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