



Transformation of Media in 2017

MEDIA HUNGARY 2017
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Outline

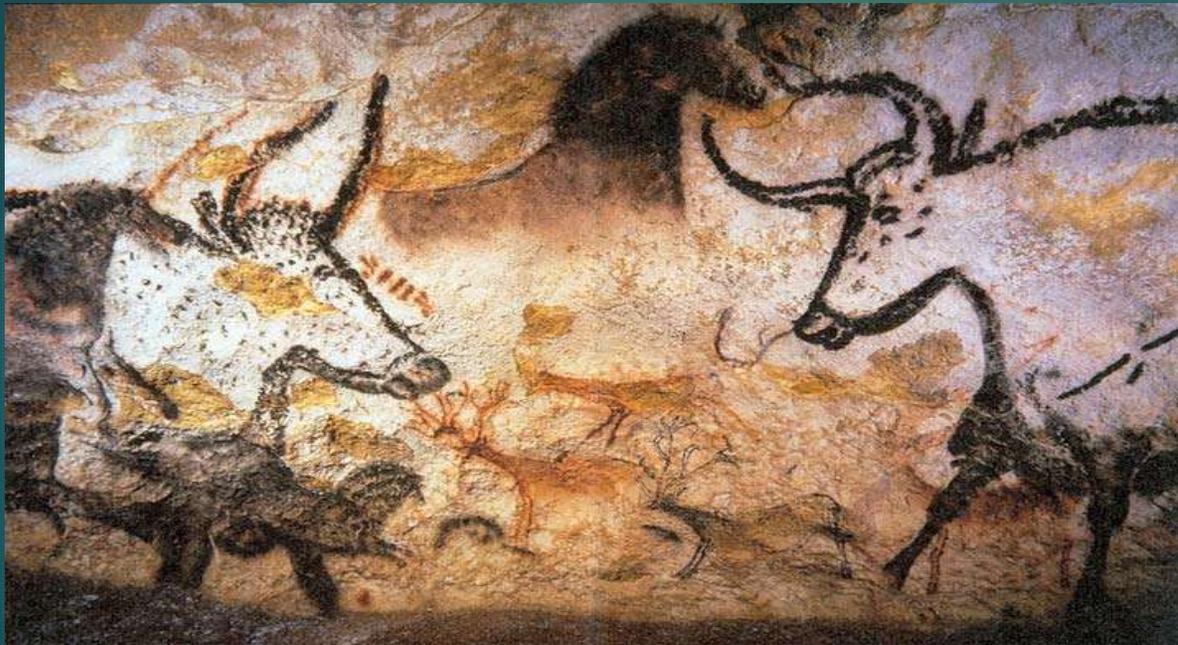
- ▶ How Society Has Changed its Perception of Media
- ▶ How Youth Sees Media Today
- ▶ Snapchat's New Media
- ▶ Valuations for New Media
- ▶ Enhanced and Virtual realities, the "New" Media
- ▶ TakeAways

Media Transformation over Centuries

HOW SOCIETY HAS VALUED THE PERMANENCY OF MEDIA

Neanderthal Media

4



Lascaux
Paintings Over
17,000 Years
Old

Egyptian Media

5



Egypt Book of the Dead – Over 3,000 years old

Christian Media

6



Chartres Cathedral

Stained Glass over
900 Years Old

First Published Word with Images



Guttenberg Bible
600 Years Old

21st Century Idea of Media Messaging

8



Snapchat
Average Duration 10
Seconds!

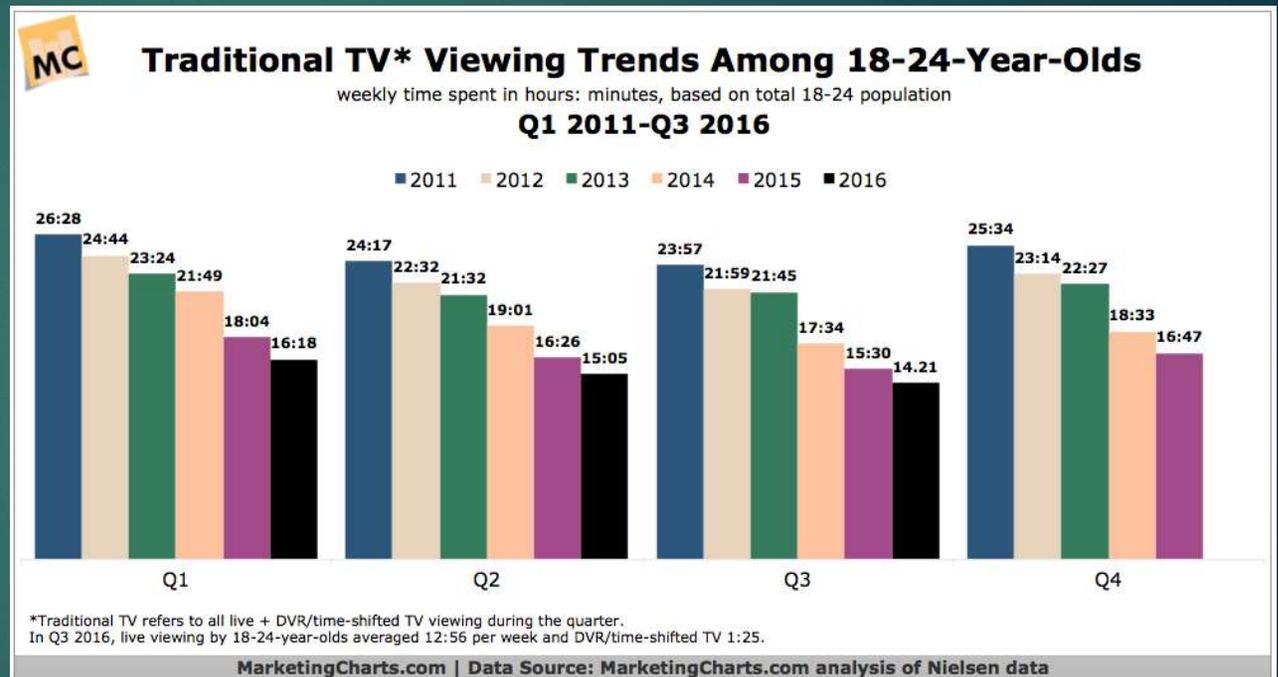


Younger Generations See Media Differently

NEW TOOLS, NEW MARKETS

Youth Abandoning Traditional Media

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Youth Focus More on Media Messages and Text

Messaging apps are especially popular with younger smartphone owners

Among smartphone owners, % who use ...

| | Messaging apps | Auto-delete apps | Anonymous apps |
|----------------------|-----------------------|-------------------------|-----------------------|
| Total | 29% | 24% | 5% |
| Men | 31 | 24 | 4 |
| Women | 27 | 23 | 7 |
| 18-29 | 42 | 56 | 10 |
| 30-49 | 29 | 13 | 6 |
| 50+ | 19 | 9 | <1 |
| High school or less | 28 | 24 | 5 |
| Some college | 25 | 27 | 8 |
| College+ | 33 | 21 | 4 |
| Less than \$50K/year | 28 | 27 | 5 |
| \$50,000+ | 29 | 22 | 6 |

Note: Findings based on the 72% of American adults who own a smartphone.
Source: Survey conducted March 7-April 4, 2016.
"Social Media Update 2016"

PEW RESEARCH CENTER

Youth Focus on Few Platforms

Substantial 'reciprocity' across major social media platforms

% of users of each social media site who use another social media site

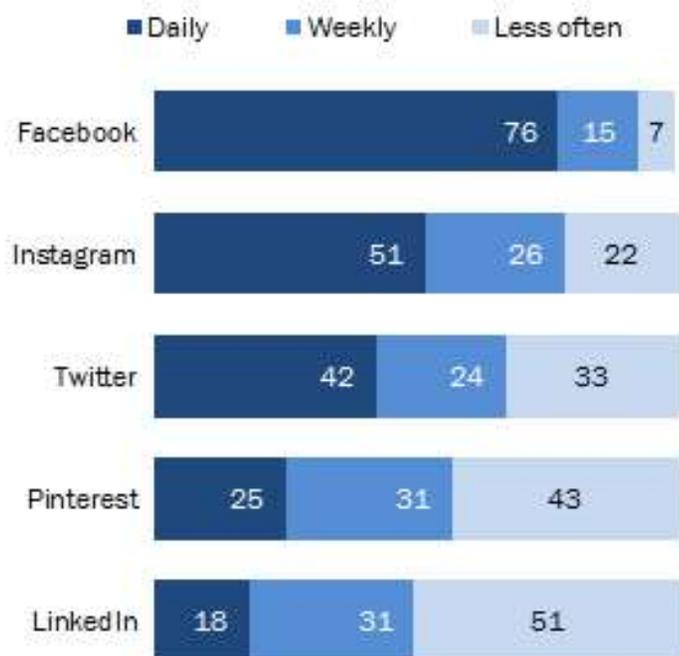
| | Use Twitter | Use Instagram | Use Pinterest | Use LinkedIn | Use Facebook |
|------------------------------|----------------|------------------|------------------|-----------------|-----------------|
| % of Twitter users who ... | – | 65% | 48% | 54% | 93% |
| % of Instagram users who ... | 49 | – | 54 | 48 | 95 |
| % of Pinterest users who ... | 38 | 57 | – | 41 | 92 |
| % of LinkedIn users who ... | 45 | 53 | 43 | – | 89 |
| % of Facebook users who ... | 29 | 39 | 36 | 33 | – |

Source: Survey conducted March 7-April 4, 2016.
"Social Media Update 2016"

PEW RESEARCH CENTER

Three-quarters of Facebook users and half of Instagram users use each site daily

Among the users of each social networking site, % who use these sites ...



Note: Do not know/refused responses not shown.

Source: Survey conducted March 7-April 4, 2016.

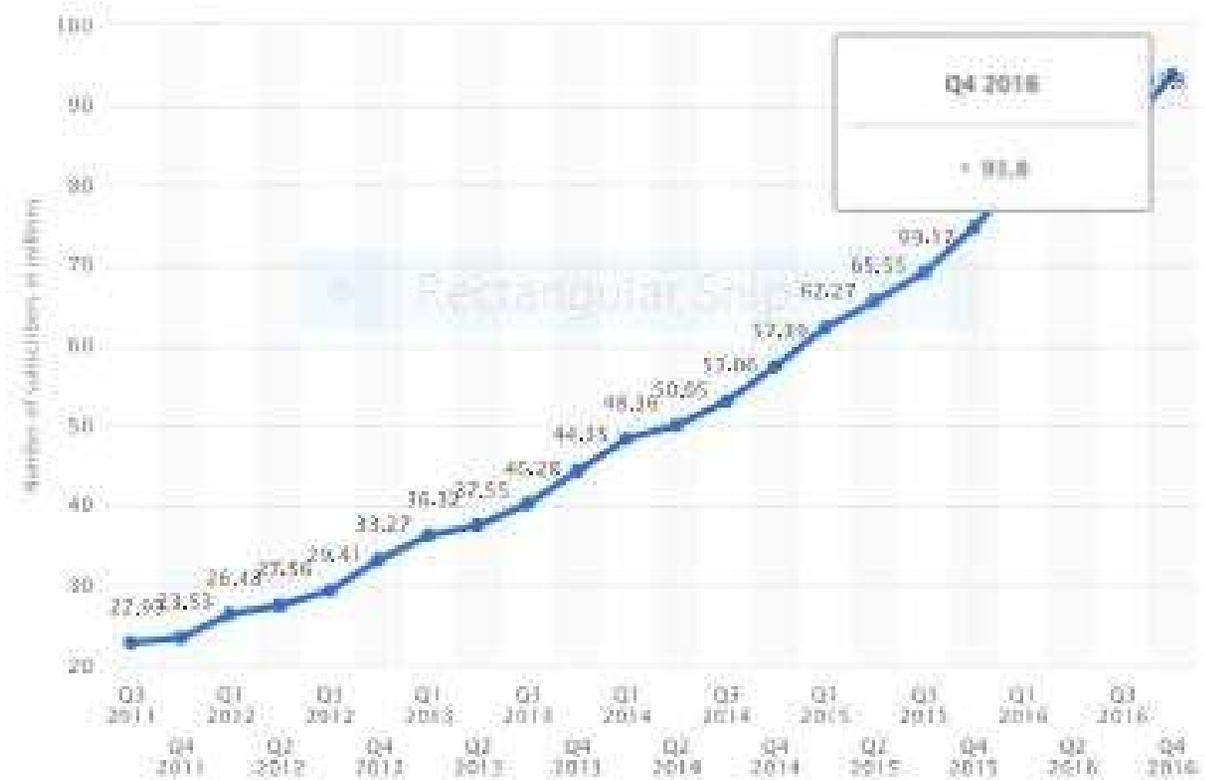
"Social Media Update 2016"

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Convergence of Social Networking and Visual Media

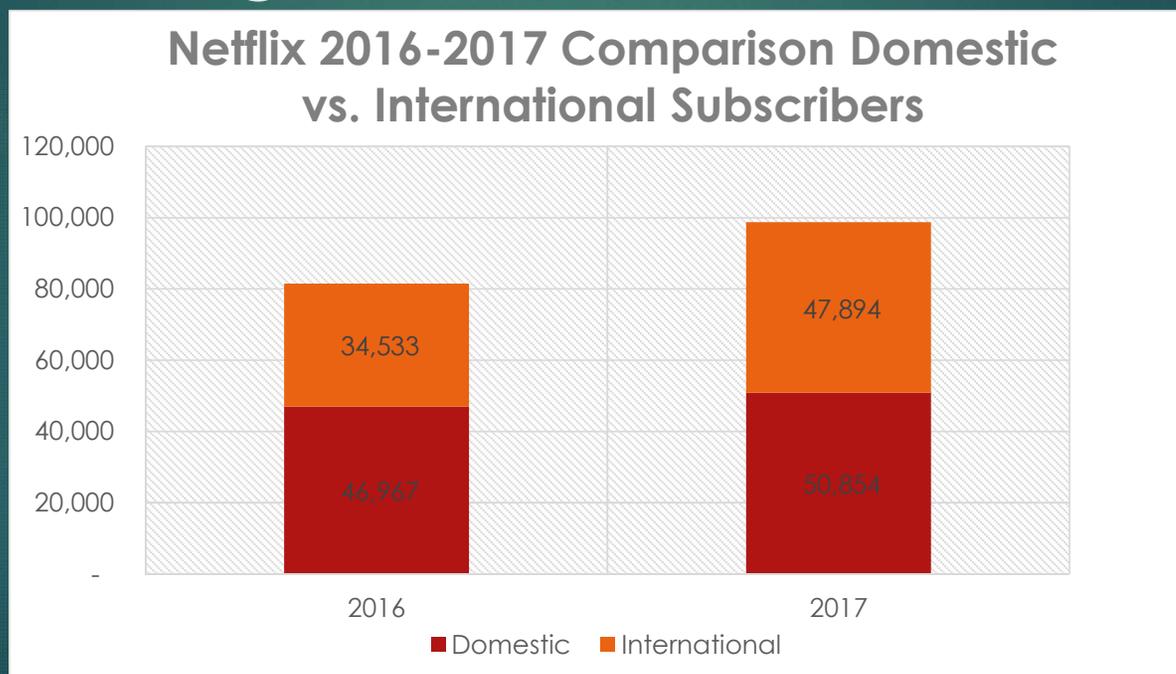
Netflix Subscriber Growth Moves On in New Media World

14



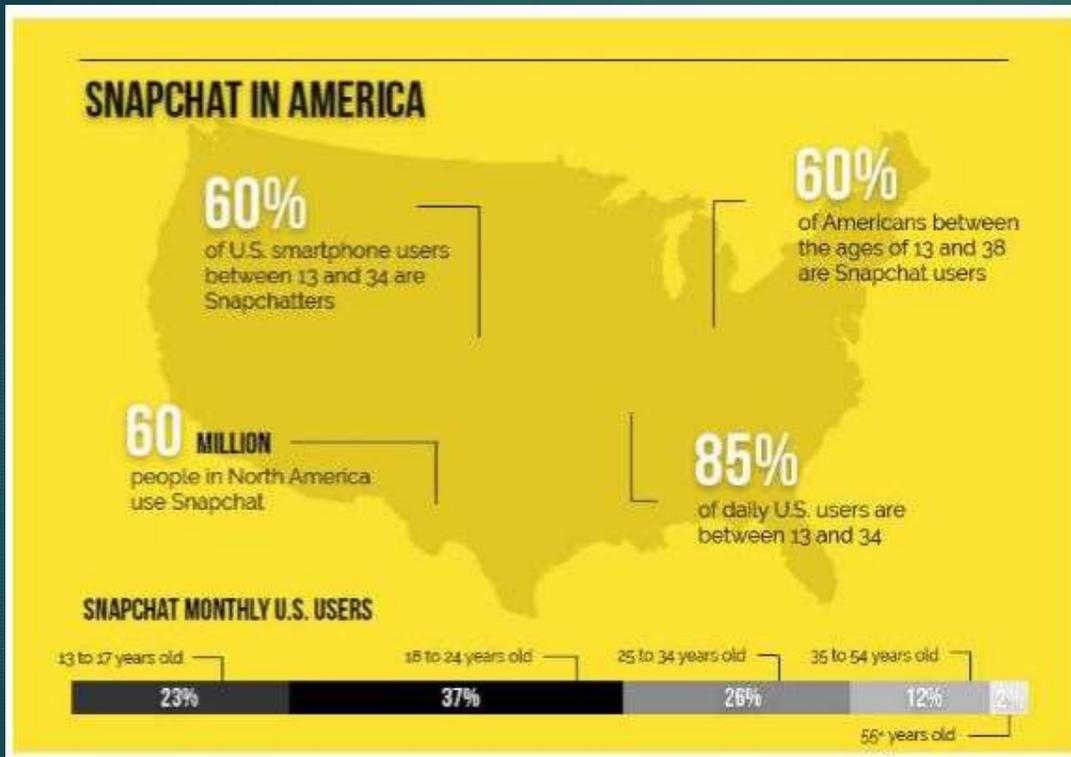
[Complete Source Details](#)

But Growth is more International with Shrinking Domestic Revenues

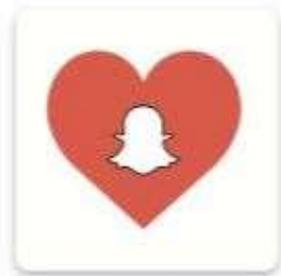


Snapchat World

Short content is Good



SNAPCHAT FOR TEENS / MILLENNIALS / COLLEGE



30%
OF TEENS

rank Snapchat as their
most important
social network



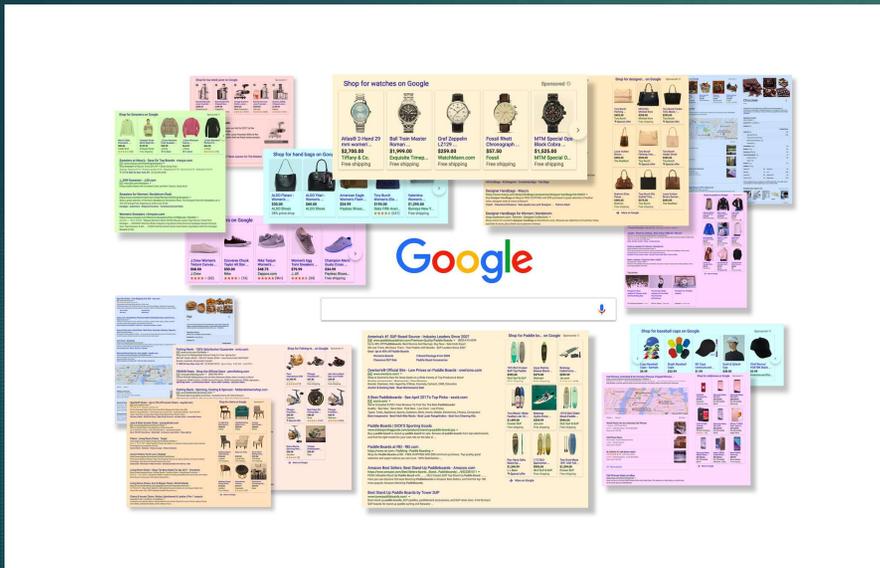
Users 25 and under
visit Snapchat over
20 TIMES
PER DAY



60%
OF COLLEGE STUDENTS
would purchase
from a brand if sent
a coupon on Snapchat

Snapchat Business Model Works

Graphic media generates revenues



- ▶ Consumers are more likely to click on image-based ads than text-based ones
- ▶ Images are king: Google increased the size of those mobile ads in 2015 to make them stand out even more
- ▶ Visual graphics make money: Google paid clicks rose 40 percent last year, after an increase of 33 percent in 2015. At the same time, the average price of Google ads fell 13 percent in 2016, in part because mobile ads and Product Listing Ads (Graphic, Pricing) are less expensive than traditional desktop text ads

New Media Valuations

- ▶ Snapchat \$33 billion (2017)
- ▶ Netflix \$62 billion (2017)

Old Media

- ABC Network \$3.5 billion (2017)
- Washington Post \$250 million (2013)

New Variations on Media Delivery

- ▶ TV (Old)
- ▶ Mobile Phone (Old)
- ▶ VR/AR (New)
- ▶ Optical Devices –
Lasers, Google and
Snap Chat (New)



New Media in China MoMo – More Interactive, More Retention



4 HELLO, MOMO
Publishing Advantages

inmobi admob 广点通 头条 (t) (t) (t)

新浪微博 weibo.com 追 每日眼免APP Mobvista. 汇量科技

腾讯智汇 广州网飞 www.guangzhou.com unity DOMOB多盟

Integrate with the most premium apps and the flow resources of mobile AD platform in China

Accurate delivery and maximized ROI

NASDAQ.MOMO

A Quick Word on AR and VR – the New Media created by Technology

- ▶ At its 2017 F8 developers conference, FB announced new platforms that will let developers create artificial intelligence-driven Augmented Reality (AR) applications for the social network.
- ▶ Zuckerberg and the New Media: “Think about how many things we have in our lives don't need to be physical.”
- ▶ VR: Informational (directions, messages, notifications, etc.); adding digital objects into scenes; and enhancing existing physical objects.



Wrinkles in New Digital Media

-What media do we know to be true and effective?

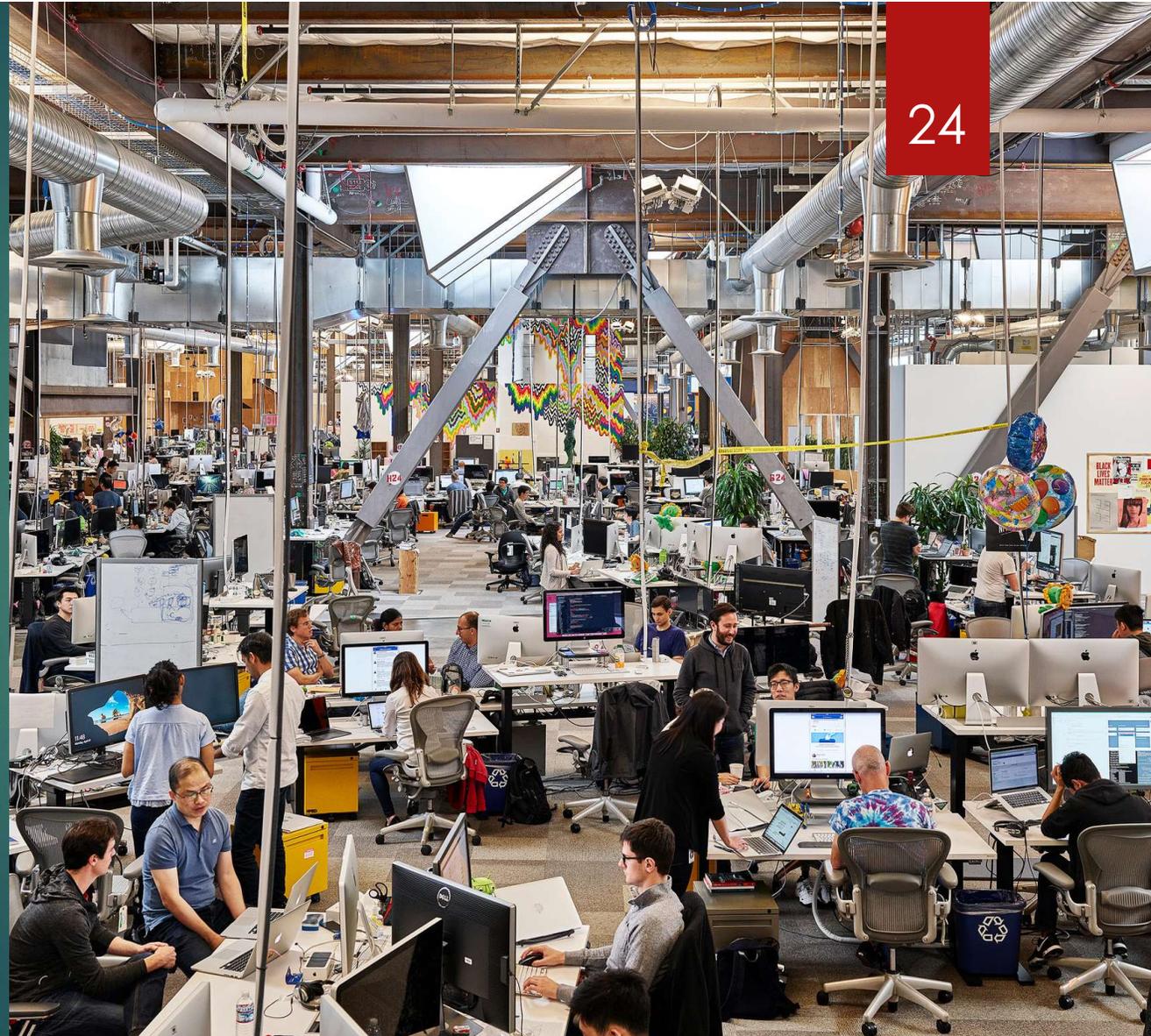
- Robotic clicks
 - ▶ Solutions via Industry Standards?
- Ads juxtaposed to Controversial Media
 - ▶ Can A.I. view “pixels” and differentiate content? Who determines the content? Under 30 year olds?
- Net Neutrality Changes
 - ▶ ISP cost basis increase
- Monitoring Media Effectiveness
 - ▶ Eye (Privacy), Clicks, Duration, SEO

FB Monitoring Media



NY Times Newsroom (1960)

+4 million FB posts per minute!
+400 Hours of new Youtube
videos per minute!



TakeAways

- ▶ Media Has Become More Evanescent
- ▶ Media Platform Delivery Is More Diversified but Visually Emphatic
- ▶ Digital Content Has Become More International
- ▶ Revenue Models Different – Programming Media by Subscription (VOD, OTT), Digital Media Messaging by Advertising
- ▶ Digital Content more controversial and arbitrary: Question whether Media Content can be controlled even with AI
- ▶ Traditional Graphics Media Still Dominates with VR/AR not far behind



Thank You

Köszönöm

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