



**« Panorama de toutes les innovations 2012
en presse magazine worldwide »**

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15h00 – 16h00**

Juan Señor

I understand French perfectly well. I am from Barcelona, from Cataluña so I understand all of you. But unfortunately to really communicate faster I think we'll do it English. My name is Juan Señor; I'm one of the editors of this book, Innovations in Magazine Media. We do this on behalf of FIPP which is the World Association of Magazines. This is the third year that we've been doing this book. We spent an entire year, as part of our job as consultants working with media companies like yours, looking at the best innovations in magazines according to three criteria, innovation that increases reach, relevance and obviously revenues, yes. So it's not just obvious cases of return and investment in terms of revenues. But there is an also very important innovation in terms of reach and relevance, which is very much needed today. As you will see, in this book we have 30 cases this year, plenty more that we are constantly adding to it and here I'm going to focus just on a few today. So we can have as much interactivity afterwards and you can ask me as many questions as you want about how these came about, yes.

So, just quickly about us, we are working here in France. We have been working with a number of magazine publishers and newspapers as well and we are really world experts, a boutique consultancy, around for 30 years. More than 90 consultants helping publishers to reinvent their titles very much for the digital age but without losing sight of what really is important about magazines, which is this, our slogan, 'Good Journalism is Good Business'. So as you saw today, magazine of the year, Paris Match, it's no accident that indeed as they put resources into good photojournalism and good story telling, more than ever before, the results are there in terms of reaching one million and going beyond that.

We begin the book by looking at the case of Bloomberg, Bloomberg Businessweek. This was a magazine that was completely dead. It was finished, it had lost its north, its south, its west, everything. It really was a very dead magazine and it was taken over, taken over by Bloomberg which, as you know, is a money making machine, very much focused on selling data. So people at first were like "Well how are these two things going to come together?" What they did is they brought about a very good editor, a very good editor and they gave him a tremendous, tremendous mandate to find good design and good journalists and the turn-around of this magazine has been phenomenal. We think that this is a magazine of the 21st century, in every which way. When you talk to the editor you ask him what is the formula. The answer is that that the formula is we have no formula. It's whacky, it's irreverent and it's all driven on a formula of basically doing what nobody else is doing, own agenda journalism. Something that in the digital age perhaps, we have lost sight of in the sense that we're all trying to copy and emulate other formulas. I love the magazine market in France but I see The Good Life and I see Monocle, I see other magazines I see copycats, copycats, copycats.

We love Bloomberg Businessweek, this is a fresh concept, this is a fresh editorial concept and it lives beautifully, beautifully across all kinds of different digital platforms. As a result, in less than a year and a half ad pages are up 21%, the rate base has been raised from 900,000 to 980,000 and subscriptions are up 12% and the losses of the company have been halved. This is a company that was bought for a dollar and today is really a multi-million dollar asset of the group. What I'm going to do today is I'm just going to show as we speak, a lot of these protagonists and the people putting this together. This is the editor of Bloomberg Businessweek; this is the kind of irreverence that they bring about the whole process. Let's see if I can adjust the sound as we speak.

So every week they get together and they discuss how they're putting together the magazine, how they do each one of the covers. I think if you need inspiration for any of your editors just have him listen to this weekly exercise between the editor and the designer. As to how they come about constructing the magazine and choosing what the story is. So this is the editor, he came from Time Magazine and indeed he's been given a free range to really, really bend the magazine in a highly creative way. So again good journalism is good business, the moment you really invest in these resources and in this kind of talent, indeed the results are there. Also done in a fully integrated way and we'll talk about that later and how important this is and how we see this as a key innovation that is going out throughout the entire industry. But this is not... You don't work for the magazine; you work for Bloomberg Businessweek, online, the tablet, the mobile content and so on. There's no differentiation, there's no digital department, there's just one brand, one media brand that everybody works for.

So a lovely, lovely fresh concept that we think is here to stay and it's moved very cleverly into the space of the Economist and it's doing very serious journalism in a very light-hearted, very 21st century. So we encourage you to look at this case particularly as we think it's a tremendous editorial and business innovation behind it. I want to talk a little bit about advertising. We spend quite a bit of time in this year's book talking about innovations in advertising because what we have discovered is that display advertising, digital advertising per se as you know sucks. It doesn't really work and a lot of your clients are tremendously frustrated with just the display ads and the clicks that you get and the pop-ups and so on. There's a tremendous frustration by advertisers and this year there's been a very interesting re-engagement by a lot of publishers trying to get advertisers to look at the magazine, look at the digital product in dual dimensions and a lot of these innovations really use a fourth dimension. They're going back to papers; we're going back to atoms at a time where people are saturated with digital images and digital experiences.

So we are finding that a lot of people sat down with advertisers and said "What else can we do with the physical medium in a clever way that perhaps has not been done before or could be done now?" And of course you'll see a lot of these really very expensive campaigns. I mean the magazines have charged tremendous amounts extra, premium price, to advertisers to do this with their magazine. So there's a very clear revenue return on the investment when you do this and you allow people to do this with your magazine. But as you will see a lot of them are fairly simple, but a lot of them are extremely clever in conception and so on. I mean just to have Carlsberg just taking the magazine and just turning into a bottle opener. Gimmicky? Yes, absolutely gimmicky but the actual gimmicky aspect you get from this in terms of Carlsberg itself advertising the magazine where you can find the device in which to do it is phenomenal.

Again, we are finding a lot of people are telling us, in terms of the advertising world, they keep telling you "Look we learn by touching, we learn with our fingers, we're tactile beings, humans that is." And there's a tremendous relevance to anything where you can get somebody to manipulate the brand. The resilience of the message is much higher; the recall of it is much higher. You know we're all sort of a little bit apologetic sometimes about our print titles and they have tremendous recall for our clients or advertisers if you can get them a physical aspect to it, yes. If you look at this other approach for instance, this is with Playboy in Brazil, and the approach here was to allow them to manipulate the cover. Now the beer company here paid a massive to allow the cover to include the sultry voice talking about the beer and talking about the reinvention of its whole brand. So again the recall that you get out of this is something worth bringing back to advertisers and including in any conversation with advertisers. There's some of them that are very simple and some of them that obviously do require you, as marketing directors, you as members

of the magazine to engage with advertisers.

I mean if you look at this one at the bottom left, coming out of China of all places, with DHL, it's just a flip of a translucent page showing the speed of DHL. Chewing gum out of Brazil, as you pop-up, on the upper right you have a dollar bill that gets ripped and the bottom line message says "If you don't want this to happen with your money, call us, we are your bank." The same thing with the bottom right, we just talked about Playboy. So a lot of these ads are really not that difficult for you to come up with but indeed something worth exploring with a lot of your clients. I particularly like this one that began in newspapers but it's really moved on to magazines in an effortless way and it just doesn't need any further explanation than seeing the pictures of it.

(Video)

Dictators and predators of free press, people ask to scan the QR code on the photo and place their iPhone on the mouth of the person. As soon as they place their phone on the photo, a mouth started to speak. But it was not the mouth of the person in the pictures, but a journalist speaking about what's really happening nowadays in Libya, Iran or Russia. "The crackdown on opposition circles in Iran following the presidential election of 2009 continues unabated. Over the last 20 months, countless journalists have experienced periods of arbitrary detention or surveillance by the regime of President Ahmadinejad, until they decided to leave Iran. To date, over 200 journalists and bloggers have been arrested, 40 are still in..."

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So you get the point, you get the picture and again the idea here is you are really offering to advertisers something that is difficult for them to get online on all kinds of digital platforms where the experience is constantly a browsing experience. This can be sold to them as a premium, as a staying experience. I mean people spend time with these kinds of conceptual ads that marry print and digital. So something to really explore and really reinvent altogether as opposed to just put all your effort and all your focus on digital innovations. This is a fantastic innovation worth looking at in detail and if you have anybody in the Netherlands or if you stop by the Netherlands do get this magalogue. This is basically a decorating magazine in the Netherlands, it's been around for a long time and in collaboration with 10 advertisers and different brands they created a magalogue. This is a very thick, basically a catalogue, built into the magazine, branded as the magazine and indeed that exists perfectly online, on paper and all kinds of different experiences.

The website traffic went up 230% as a result of launching this, revenues online went up 20%. It has a revenue sharing with the people who are selected to be in the catalogue, and the print sales. The print sales went up 20%, so a massive return on investment of 34% on this particular concept. It's a thick magalogue, it's lovely and it was launched again with a very well calculated and very clever magazine campaign. You charge for it, you charge a premium for it as well, this is not a freebie that you give out and they maintain complete, total editorial independence over the product, yes. So obviously the people selling the products, whether it would be home decoration of whatever, they love to be invited and selected as part of the process. But a very interesting marriage of an editorially independent content driven selection of content, a great product and a wonderful reaction from people saying "Well finally somebody gives me some clear guidance, some editorial guidance as to why I should buy and it's right there. I can purchase it." So you get this instant gratification out of your readers.

So a very interesting concept of magalogue, it's been done before, but perhaps never like this and never with this quality of presentation across all different platforms. Let me focus now a little bit

on innovations, there is tremendous return on that innovation. But I think we need to reflect a little bit on where is the money in this new digital space? And where are the innovations in terms of money? We see four main drivers of digital revenues today. Three we do not know or understand and these are Lead Generation, e-Commerce, social contextual ads and coupons. These are three that we do not know or understand and believe you me there is a huge amount of money to be made here. Everybody's been saying "There's no money on the internet." Yes there is no money on giving it all out for free and just making money out of display ads. But there's tremendous fortunes being made here, of course being made by people who perhaps don't have the legacy that we have as publishers and for whom this is intuitive. But I think we can now begin to understand how this works, how simple it is in some cases. You're going to see lots of cases now of how this is done and there's a tremendous, tremendous fortune to be made here, for publishers, for publishers.

We are very optimistic about the prospects for publishing revenues on digital platforms and also on print and this is a very clear big light, or big three lights at the end of the tunnel. And the fourth, the fourth digital revenue stream that we think we know and understand, is changing completely. This is how we made our money; we made our money obviously from advertising but also from subscriptions and single issue copy sales and this is changing. Changing in a very clever way and you'll see ways as well later of how this is being reinvented and there are some really clever innovations to get subscriptions through different ways. First let me show you this, this is amazing, it's essentially a click through buy concept yes, this is a click through buy concept. This has been pioneered by Hurst, they've partnered with Luminare which used to be Picasa and as you mouse or tab over a photo and you click through, you can buy the product instantly or share it via social media. They have Hurst, its partner across all its titles. So all its titles are introducing this technology and the technology is having tremendous acceptance, it already reaches more than 150 million viewers monthly in the United States and the traffic here is trebling year on year.

Let me show you how it works because I think seeing it is understanding it very quickly. Essentially Luminare offers you this technology, I don't know if you can all see it properly but those who cannot see it on the bottom left, so imagine any, this could be an iPad photograph, this could be a mobile photograph, this could be a website photograph, whatever, that's a digital photograph and it could be what it is now, a girl who is trekking through some mountains. And as you click through the bottom little bit of Luminare, as you click on that, you see on the bottom left, the picture, it's overlaid with this concept. So you say "Oh look at this I love her hat." You click on it and you get the instant information as to where to buy it and the different kinds of it, yeah, instant. You can then click through on the iPad, on the mobile and so on and you can instantly purchase it either through the Hurst account or you can go offsite. Hurst gets a percentage from the sale from the retailer, but they also have to pay a percentage to Luminare because they have the technology, they have the platform.

Again, you can do as many overlays as you want. So okay what shirt is she wearing, okay whatever. Then you can say "Alright well where is she, where is this lady at the moment, this girl at the moment?" Well let's have a look; alright well she's in Patagonia. So here you get all the information about Patagonia so you could also do a click through to Expedia to book your flight or to whatever, to any application that you wanted. So that's the shopping overlay, you can also do a Facebook, you can instantly share it with other people and tell them "Look I just saw this." Obviously Twitter, Bing, they don't have a deal with Google because Google wants to move into this space. For them it's going to be one of the biggest pillars of advertising revenue, so they refuse to cooperate with Luminare and Hurst because they want it all, and obviously Wikipedia for

all the information, for the person who wants much more information on this. So again this is now going to become the norm at Hurst and Condé Nast is looking into this well and some other big publishers as to how to overlay everything you do.

Now of course this means that marketing, sales people need to be involved in the workflow, in the content at the very beginning to choose what it is that you overlay and to come up with all the agreements. And again this without crossing any editorial line because you're not really here recommending, saying that the hat is wonderful, you should buy it, you're just facilitating to the person who has the impulse to say "I love the hat, how can I get it?" To buy it instantly and you share the revenues. So if you thought there is no money to be made on digital, think again because this is a big one. In the case of a bike race in the US, what they did you can freeze frame different elements of it and you can look at different things that you may want to buy. So whether a bicycle, the technology, whatever you want on this. Again this would be, it's being rolled out as we speak, Glamour has it and a few of the other titles already have it and it's been tested. It does have some problems with technology at times but we're getting there and they're getting there very quick so this one is one to watch.

Then we've got a very interesting phenomenon going in the United States as well that will come to Europe very soon. It's already been explored in London where I live and this is to dynamite. Just get rid of the display advertising boxes and models that we have for our websites. Of course this requires approval from the International Advertising Bureau; they have managed to already do so. This is being pioneered by AOL and is called Project Devil and essentially they're coming up with new web ad formats, they are four times the size of traditional ads and there's three interactive features built into them including video coupons, games and galleries. So again a very, very interesting new take on all this and the results from the ones that have been introduced in the States, you'll see them in a moment, are very, very encouraging. The average reader is spending 47 seconds longer viewing an ad, now that's pure gold in today's age to increase that much the time that somebody spends looking at an ad is quite encouraging in terms of what you can charge recipients. A 21% increase in online awareness where the recall is much stronger and a 30% increase in brand interaction. People are watching 24 more seconds of videos as a result of this.

There are many different categories. The new formats are Portrait, Slider, Billboard, Filmstrip, Pushdown, Sidekick. This are the six new formats being explored, you may not have seen any of them. I'll just show you one you might have come across but you will see where this is headed. This is the, I think it's the strip on the right cross.

(Video)

Web pages haven't changed that much in the past 15 years and that's too bad because they could be pretty cluttered and confusing. That's why we created Project Devil, a fresh approach to the web designed to create a better experience for consumers and better results for advertisers. So what's different? For starters, Devil ads are much more powerful. All of the functionality is built right into the ad so there is no need for consumers to leave the page. Furthermore, Devil pages have been cleaned and stripped of clutter, they simply look better. Devil pages only have one ad per page giving advertisers complete ownership. Best of all, Devil gives advertisers a much larger canvass to play with, cleaner pages, better ads. Sometimes the best ideas are the simplest, a better web is coming. Project Devil.

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So again this is being pioneered by AOL but I think it's very important for magazine publishers to really get together on this as soon as possible and to try to introduce formats here in France that would be relevant to your market. Again as you see these are not just the traditional display ads, you can do many different things with it at the top, at the bottom and of course you can charge quite a premium for this going forward to advertisers. It's no longer, you're just not selling unique visitors, you're not selling, you know, hits on an ad, you're selling a much more different experience. Then we have Pinterest, and I'm just curious, how many people here are already on Pinterest? Okay, yes it's growing here in France, that's good. Well you know all about it perhaps but in the digital world, every year, there is the next big thing yes, and everyone gets really excited with the next big thing and we at Innovation, we are very, very sceptical of next big things. But we are fairly confident that this one is here to stay.

What's really interesting here to explore in the article is how magazines are using this. This is already the biggest source of social media traffic from Meredith Magazines. As you know, Meredith Magazines, in the United States is very much focused on women and has supplanted Facebook and Twitter in terms of social media traffic. This in less than a year, it already generates most of the traffic to their websites and it's interesting to see how some people are using it. This is my own account of Pinterest, 97% of users are women on Pinterest at the moment. For those of you who don't know how the concept works, it's essentially a social image network, so it's a social media network but what you're sharing is photographs and images. But very interesting here to see how Saveur Magazine of, this is a magazine of the Bonnier Group. So they're going in here and they just create their own account, create their own board, the board is a place where you post your own photographs and here they're sharing their own recipes at the moment. Of course all this eventually is traffic that is coming back to your website and it's abilities to sell to them directly as well.

In the case of Meredith and Saveur Magazine, in the case of Meredith, they've given out all kinds of images of homes and gardens for their Better Homes and Gardens magazine and within in it they created a contest and they said "Who can create, from all these pictures, send us your creation of a home, of a room, of a bedroom or of a garden and we will reward the winner with the story being promoted on the website." And of course charging for it. So the same thing with Saveur, they're not just posting photographs of their content, but indeed interacting with the audience which is, it's essential for you to be really part of this. So this is again the biggest source of social media traffic for Meredith magazines and for a few others and this is really a no brainer for all of you to really be on these kinds of platforms and embrace. Also look out for Lookbook on the bottom right, are any of you familiar with Lookbook in France? Nobody, okay.

This is growing phenomenally fast, again two people in a garage in San Francisco putting this together and the idea is to do street fashion looks, street photography. They've already surpassed the seven million traffic mark and they're growing phenomenally fast. They have launched in Japan, they've launched in China and in the UK and of course they are in the US. I don't know if they have any plans to launch in France. But if I was director of innovation or in charge of any of your strategic development I would be launching a Lookbook France myself, immediately as this again is a no brainer. The concept is mostly teenage girls or girls who are very fashion conscious posting street fashion look. And within it you can overlay, again as you saw with Luminare, you overlay, based on a deal with the advertisers, the clothes that you wear. The fashion brands send you the clothes, you go out on the streets with your friends, you take pictures, you post them and the more traffic you get, the more clothes you get from the advertiser. So it's a really interesting concept and one that should be owned or magazines should really be present in without a doubt.

Then we've got the Groupon and the coupon craze, everybody's talking about this, yes, and everybody's saying that this is a huge thing and it's here to come. We are a little bit sceptical about Groupons and I know that there are many derivatives here in France already. You know how it works; I don't need to explain but here in this article we explore the most successful approaches done by advertisers and magazines. Our concern with this is that we're finding, especially in the States and everywhere else that if you're an advertiser and you're trying to basically place coupons within the traffic of a magazine, you end up just getting people that come for the opportunity. They come because it's cheap, because there's a discount. But they're not really coming for loyalty to the brand. So the experience is very frustrating for advertisers and one that is souring some of the relationships with magazines trying to push them, those kinds of concepts. So we're sceptical about it in the long term because again this is not a very good way to build brand loyalty. This is really about brand finding as opposed to brand building and yes, if you're in a certain segment of magazines, it's something to embrace. But if you really care about getting more dollars out of your advertisers we are a little bit hesitant with this kind of concept.

Then there is sapplets, for those of you who don't know what a sapplet is, has anybody heard of a sapplet here? No. Okay well sapplet is the latest thing coming out of the digital sphere for magazines. Again Hurst is the pioneer for this. They have done a deal with an American company called Buddy Media and they're launching sapplets throughout all of its brands. A sapplet is essentially a social media application. This is a, as you can see in the upper right, this is a built in social media application within Facebook, within Twitter, within Pinterest, within whatever exists out there in social media. But it's not just an ad, there's much more to it than an ad. So you can do a personality test and based on it you will get recommendations on your outfits, your clothes, the kind of car that you may want to drive or where you may want to go on holiday. So it's content driven, so it has a very interesting content proposition to it and it lives, it exists as a magazine, a small little magazine that exists within Facebook. It stays and it lives there.

The results are too early to tell, we don't really, been able to measure this, it's very, very new, this is the last six months. But Hurst has embraced it completely and they're rolling it out across all the different titles and indeed it does drive engagement and sharing in a big way from the few results we've seen so far. This is a key insight from the point of view of a magazine publisher. I mean we have been selling for the last 50 years traffic, volume, yes? We measure ourselves, we took the approach of magazine print circulation and we said "Well our measure of success is the same measure of success as in print, which is circulation and readership yes? Okay so that's how good we are. Many people read us, many people subscribe to us.

But really advertisers in the digital space they don't really want the volume, they want the value. They want engagement which is the key word; it's a French word, engagement. So it's a key word and it's being used by Facebook and by Google to charge a premium to all manners of advertisers and there's something that you really need to understand. An engagement is no longer, it's combination. It includes unique visitors, page per views, obviously all kinds of hits. But it also includes all the social media interactivity, the hyper linking, the recommendations, the likes, the friends, the re-tweets and everything else. It's a fairly simple formula to do, Hurst is really developing the formula quite well and when you present this to an advertising department it's much more exciting than just "Look I'm here to sell you space and to sell you eyeballs or to sell you traffic online." So part of this process of embracing sapplets is really embracing the concept of engagement as what it is that you go and sell your advertisers.

We move on now to the concept of unbundling, unbundling the bundle. For decades, if not more than a century we've been selling a bundle, the magazine bundle. Yes it is a segmented bundle, it's a bundle focused on whatever, brides or what have you. But thanks to tablets what we're seeing now is a new trend amongst publishers to unbundle the bundle and to even re-bundle content as well that was abandoned and it was not there at the beginning. This is big business, it's big business already for many different titles. Life Magazine, now Life Magazine was a dead title, right? It died in the 1980s and it was a legendary magazine, well they've revived it and it's quite a business, if you look on the upper right, they've revived their photo archive and it's searchable and it's selling like hot cakes and it's all the old photographs of Life. If you look at the commentaries online there are even people saying "Have you see this new magazine that just launched, it's called Life, it's really retro." So these are people who are just finding Life for the first time but think it's a new title. But Sports Illustrated is bringing back issues and themes from the glory years of the Red Socks and so on and selling it as a standalone experience, as a standalone app.

These are standalone apps, People Magazine is going to be launching standalone apps so unbundling their bundle and standalone apps for Angelina Jolie, for Brad Pitt, for George Clooney, what have you. You can just a single app and then the fear as well "But then I'm taking the content away and cannibalising it." No, no people are much interested in buying a specific micro segment of product on tablets than they are in buying the entire magazine. So we show you many examples of people unbundling their bundles with success and many of them reviving old titles, selling old content and really making money from purchases and a lot of them at the beginning are being sponsored as well, Life at the beginning were sponsored. Now they're charging for it. So this is the beauty, this is the beauty of digital content, you can, again, sit down, rethink your whole archives and bring that back to life.

Do not underestimate, and this is very powerful and some of the cases here show it, the power of nostalgia. Especially if you have a group of readers, traditional readers of magazines, they tend to be older for most titles and the power of nostalgia, it's great. The costs sometimes are prohibitive and too risky to do it on paper but on tablets, on apps, it's a wonderful way to approach it. A lot of this re-purpose content has a bit of a retro element to it so you can play on the retro aspect of it and sell it without any apology saying "This is retro and that's why it's good." We all love the past yeah, we all love history, we all love to think that a hundred years ago everything was wonderful and beautiful, as humans we love to think of the past as lovely, innocent times. When the fact is they were quite miserable in many cases. But still the power of nostalgia with magazines is something we explore here and it has had very, very good results.

Let me move forward to the fact that a lot of these innovations that you're seeing here require integration. They require the integration of both departments, digital and print. I know the reality in France is that you still have digital departments and print departments and this is something that is being done away with in a radical way in many leading and successful, innovative publishing houses. Again this is something that it's a no brainer anymore. I mean you cannot expect different results doing things the same old way. This is the definition of madness that Einstein had, and what did he do? He was iconoclast and he reinvented physics by doing the same physical formulas and equations differently. He started to change it, to see if he could get a different result and of course he changed our perception of reality, of the physical world as a result of doing things differently. We still have a legacy of the print department, the digital department and there they are and unless you guys work together, unless this comes together it's impossible. It's impossible really to bring about the desired results

Condé Nast has announced they're moving into a new building in 2014 in the World Trade Centre, the old site of the terrible bombings of September 11th and it's going to be all titles together. Anna Wintour is losing her shower, she's been told she's going to have to work without an office. So she'll now have to be in an open plan and she's not happy about that. But all these titles are really moving together to wonderful, digital working spaces. The concept is very much create new workflows where you can offer once and really publish everywhere. Otherwise what's happening is an unsustainable business proposition. A new platform come along and you need to hire a new editor of tablets and assistant editor of tablets and graphic editor of tablets and then another platform will come along and it's just impossible, it's unsustainable from a business point of view. So we find a new holy trinity being developed which includes a journalist, a designer and a developer working together. This is unheard of but it's 2012 and we live in a digital world and this is a reality. We think one developer for every five journalists is a good benchmark to have.

This is what happens; you bring these three people together. We've been doing this with many publishers in terms of changing the workflows and changing the organisations, and when you get these three people together, the magic happens, the magic happens. This is no longer an organisation that is dominated by the print editor and chief but is a much more horizontal organisation where indeed you bring in a digital coding to the heart of the operation and re-thinking the stories with a digital mind set. Indeed when you do it this is what happens, I mean Top Gear has this holy trinity, they do have developers working together and they did this wonderful issue of their magazine, the December edition. This is the first magazine to use augmented reality throughout the issues. This sold out in kiosks, this December issue sold out in kiosks in a week, they had to do a re-print of it because there was so much demand for this particular issue. But as you see it looks simple but it's a fairly sophisticated piece of content because it's augmented reality throughout the entire issue. It's not just one page, it's not an ad, it's content driven, augmented reality done by a fully integrated team of editors, journalists and developers working together.

And so on as you flip through the pages you go inside and you get the rest of the experiences. Every single page has an element to it and it's just a fascinating way to experience the magazine. Of course they were able to charge a premium to the advertisers because of being there next to this issue. So can you do this every single month? Of course not, this is unsustainable yet. But I don't see any reason why in future, this will be the norm throughout many magazines to perhaps do it four times a year or six times a year if you're monthly and if you're weekly, in a different way. This integration's happening throughout the world, even India today. This is the biggest publishing house in India, we led this project and it was a consolidation, an integration of 1,200 journalists. The actual ones working there were fewer; they ended up being about 450. But these are journalists from 11 offices into one open, integrated newsroom. They have the equivalent of Le Point or you know, L'Express in India, this is the leading news weekly magazine, very powerful magazine and they have a whole bunch of other lifestyle consumer magazines.

These people have all come together, they've been organised according to audiences, very interesting reorganisation of the company, it's no longer organised by title, but by audiences. In India it just happens that the audiences were the political class, married women, because that's how they categorise themselves, married women, they're different from other women, but married women. That's one of the categories, and then the three Cs which are cinema, cricket and crime. Just based on that, on those organisations they create all the different content. This is the actual space, the working space that we developed. It has a super desk system enabling the whole

thing and each one of those fingers is devoted to those things, married women, political class, cricket, cinema and crime. Based on that at the end of it all the production comes out so again the cost efficiencies of operating this way is phenomenal and you are not really working for the brand anymore, you're working for the content. Of course there are brand editors and so on. This is how we approach these projects at innovation yes.

Juan Señor

We have worked here for the last few years with Liberación, we work with Lemont, as you now Lemont has begun its process of integration with its political coverage and the benefits, the benefits of integrating departments are phenomenal, from a reduction obviously of duplication to creating the new magic, the new digital narratives that will really pay our bills in future. Again this only strengthens the print brand, a lot of these innovations and a lot of these integrations do result in an increase in print circulation as well. It's not something done for the sake of just being digital first, but very much something for the sake of increasing the print product as well. This is the case with Sports Illustrated, they've done it, it's complete, it's been working now for the last probably 8 months and this is a complete digital workflow integration. There's no separate web department, you work for Sports Illustrated, you don't work for the magazine, for the website, for the tablet, you just work for the brand. There's no second thought about where your loyalties lie in all this.

The magazine has really been revived in a phenomenal way, circulation; print circulation has increased as a result. They're being much more relevant to younger audiences across all platforms and look these people in 2009 were producing just 2,912 pages on digital space and they've increased now to 28,000 and their digital revenues are up 20-30%, now come from digital revenues of the overall group. So it's a significant, significant increase for this company. So let me just conclude by showing you pictures of beautiful women as you do with Sports Illustrated. But I think it's a very clever way of how they've used their integrated working space to do so, let's see if I can bring it up, there it is.

(Video)

Hey everybody, Phil here from AndroidCentral.com and it's been a bit a year now since we first spoke to the folks at Sports Illustrated, they did a really, really nice job, I think, bringing the magazine to android, smartphones and tablets. We really get the entire experience, plus a lot of audio and audio and just really, really good stuff and it's that time of year ago so it means we also have the swimsuit issue and of course a lot of pictures, nice stuff right. But here's the really big, interesting thing, they've made it really interactive with the phone so you can use the phone to pull up additional and by content we mean videos of half-naked women of course and we're going to do it here on the Galaxy now. Can't do it on the Nexus Galaxy, Galaxy Nexus because it doesn't work on Ice Cream Sandwich. Here's the way it works, so you've got a little scan thing, I've got my finger over it right now because once you started shooting it starts looking for women in bikinis and really who doesn't? You've got to start getting it closer and closer and it's to the point where it's a little obscene, maybe back away a little bit and finally it will say, there we go and now we work and now we're bringing up more video of the bottles.

So it's really an interesting experience, nice and easy and so many times these things just don't work. It's nice to see something that's not just a QR code, that really is boring so they've made this a little more fun, by fun I mean zooming in on girls in bikinis. So there's Kate Upton, she's on the cover.

Juan Señor

So again this being done by one fully integrated team, the time it took to code this was about half a day for a coder to come up with the concept and develop it throughout. So you know this is no huge, obviously they do film the making of each one of the shots and so on. But this is very much something very much that connects with younger audiences, more digital savvy audiences and surprisingly at first they were reluctant and sceptical that it would lead to people buying the magazine. But people are buying the magazine as a result of this because you do want the keepsake element of it. So even their digital revenues are increasing, also their circulation has increased. In the book we also talk about Atlantic Monthly which is a very interesting case for you to look at where the same thing has happened. After integration digital revenues have gone up and circulation has also gone up as a result of people, at the end of the day just wanting to get the physical product. Right, so that's it.

I've just travelled throughout the world just showing you a few of these innovations, I'm here to take any questions and to try to explain them in a few detail if you want. But again our message is 'it's time to innovate'. This is a fantastic, fantastic magazine market, France is and really a lot of these innovations are no brainers for you to adopt and adapt to your market, thank you very much. So any questions, yes?

Echanges avec la salle :

Katie Breme

Thank you. Yes I'm Katie Breme. I'm just a little curious because you started by saying good journalism is good business but in your presentation, there wasn't that much that I felt was what I would call good journalism. So I mean have you found interesting examples of interesting things one could do with all these new digital things which really relate to journalism?

Juan Señor

Yes, Sports Illustrated is full of cases of good journalism. If you look at the actual applications, what they're doing here is all fantastic new digital narratives. I've just shown you the Sports Illustrated case but this is a very interesting case of how they're doing digitally driven, content driven innovations. In the book we also talk about many other titles, we talk about Landlust, Landlust is a very interesting case. I understand you have a number of these magazines in this country.

Katie Breme

Yes but they are the ones who refuse completely any digital development. So it's not a good example for you.

Juan Señor

Exactly, exactly. But it's like Bloomberg Businessweek, a very interesting example where good journalism is good business, so if you really do this. We also look at a magazine called Gardens and Guns, from the US, in the south, which is also very fascinating, new editorial formula, very limited digital presence. So yeah of course, I mean the book doesn't only talk about digital innovations. I was told to focus on these innovations here which they thought that they were quite relevant to your market, but there's many more in the book. But these people, by integrating they're able to tell different stories that you were never able to tell before. The narratives you get out of Sports Illustrated on digital platforms are fascinating and they're new digital narratives. They have 3Ds of

players, you can tap, you can click on their eyes and you're seeing what the player is seeing while he's rushing to catch a football and so on. So it's a reinvention of the journalism as well.

Katie Breme

If I may ask another question because this morning we had a presentation by Spiegel, Director of Digital Operations and he was very clear that in his case the aggregation of digital department and print department was not a good idea. One point that was made was that journalists have to concentrate a little, you know to be able to deliver good stuff. It seems that in these integrated offices you just have to do so many things at the same time. I mean where is concentration going? I mean it's a question, do you know the Spiegel experience?

Juan Señor

Yeah, yeah I know very well. Yeah we've been working with one of their competitors and we know the German argument for that part of it, yeah, is changing. But yeah it's a legitimate point of view and one to discuss. Judge it by the results. Look at their magazines and look at this. Look at the Atlantic Monthly, it's a no brainer. I mean there's an African expression you know 'if you want to go fast go alone, if you want to go far go together'. It's an obvious thing to do because otherwise it's an unsustainable business model and these working spaces do not exclude concentration, on the contrary, it's exactly the opposite. Privacy of space doesn't mean privacy of sound. Just because you don't have an office with three... I mean I've been to the office of Anna Wintour at Condé Nast, at Vogue and it's like a suite of a hotel, it has three rooms. So we think that's an anachronism, could you have it? Of course you can have. Can she keep it? Yeah of course she can keep it. But in terms of getting people to work together differently, this is a much, much different way. It doesn't affect your ability to write, to concentrate, not at all. Not in my view. Anybody else?

Okay thank you very much. Thank you.