

Show Me The Money: ROI On Your Web Site

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The Perkins Group Ltd.

The Directory Dilemma

- **The leisurely world that was directory publishing is being radically altered**
 - Increased competition
 - Strong competitive offerings
 - Increased user expectations
 - Data quality
 - Data currency
 - Data depth
 - Commoditization
 - Disintermediation
- **The traditional directory product is losing relevance in a networked, digital world**



Publisher Responses

- **Flee**
 - Sell
 - Managed extinction
 - Close property/business
- **Fiddle**
 - Move data largely unchanged to Web
 - Violates the “don’t replicate” rule learned by hard experience in the days of CD-ROM
- **Fight**
 - Identify and address defensible niche opportunities
 - Understand and address changing user needs
 - Take advantage of the full power of the Web



Success = Adding Value

- **Directories have traditionally served as a starting point, but today's information user wants a full result**
 - A transaction
 - A contact
 - An answer
- **The closer you come to delivering a full result, the more relevant and valuable you become**
- **Infocommerce – information driving business activity**



Infocommerce Building Blocks

Integration

- Become one with you customer's business – an ongoing feed, not an occasional purchase
- Centralized data clearinghouse for industry
- You can serve as an enhancement your customer's existing data

Data Product ▶ Data Service

Depth

- The more you know, the more valuable you are
- The more current you are, the more valuable you are
- The more comprehensive you are, the more valuable you are

Contact Information ▶ Business Intelligence

Commerce

- Close the transaction loop
- Speed the transaction -- rate/rank/evaluate – provide selection and decision points

Vendor Identification ▶ Product Procurement

Application

- Don't just deliver data; deliver the tools to act on it as well
- Provide analysis – human or automated

Information ▶ Answers

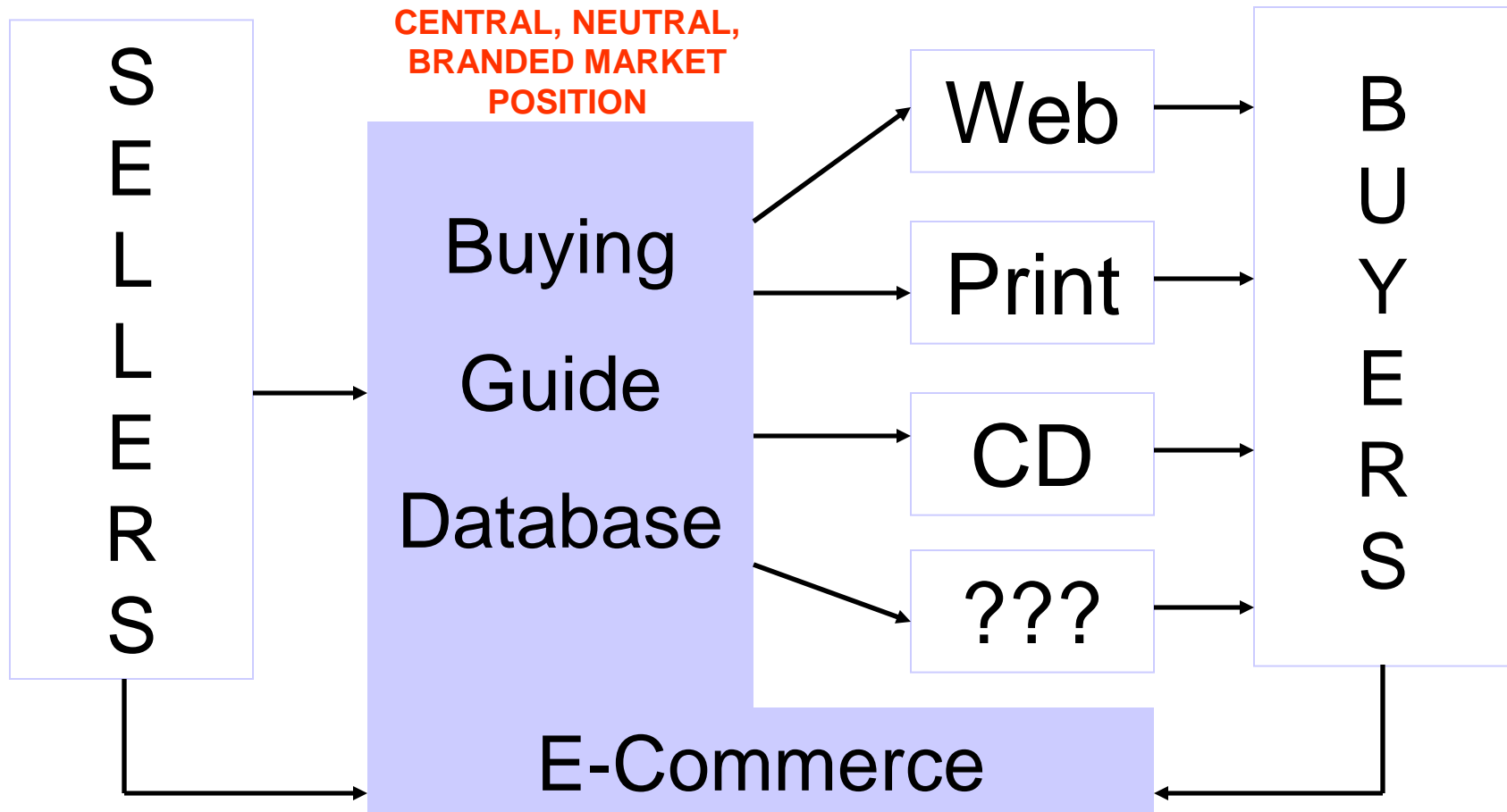


What We've Learned ... So Far

- **Multiple revenue streams are essential**
 - Web sites making money generally have at least two distinct sources of revenue
- **Strong brands rule**
 - Print publishers selling ads onto companion Web sites are doing best
 - Branded content outsells unbranded content 10:1
- **A core asset is your central market position**
 - Solidify and defend it
 - Leverage it
- **Understand and sell ubiquity**



Ubiquity/Centricity



What's NOT Working

- **Ad units based on traffic**
 - Even on the Web, sell quality not quantity
- **Storefronts**
 - The idea is good; execution to date has been poor
- **Homepages/Site Design**
 - A limited opportunity that gets smaller every day
- **Marketplaces**
 - A big idea that will happen, someday
- **Syndication**
 - A game that's only for the big players, and even then still dubious

What DOES Work

- **Licensing**
 - There is a real demand for quality directory content
- **Opt-In Emails**
 - A good quality, focused list of email addresses is extremely valuable
- **Push promotions**
 - Lots of formats, and they all work
- **Print/Web advertising bundles**
 - Sell results, not the medium
- **Real-time updating**
 - Allowing advertisers to update their own ads
- **Vertical portals**
 - Quality and tight focus appeal to users and advertisers
- **Subscriptions**
 - You CAN sell quality information on the Web
- **Distribution**
 - A cost-effective way to reach the corporate Intranet market

Conclusion

- **Those having the most trouble on the Web are trying to sell old formats and old value propositions**
 - In some markets, increased competition is exacerbating this problem
- **Those enjoying success on the Web invariably have re-engineered their products**
 - Better quality
 - Greater added value
 - Significant Web/business process integration

More Information:

www.perkinsgroup.net

www.infocommercereport.com



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