

MEPA'S OBJECTIVES:

- To encourage the widest possible spread of publications throughout Middle East and beyond.
- To promote and protect by all lawful means the publishing industry in Middle East
- To protect members by dealing collectively with problems.
- To cooperate for mutual benefits with other organizations concerned in the creation, production and distribution of publications.
- To promote the development of public interest in publications in association with other publishing organizations with similar objectives.
- To serve as a medium for exchange of ideas with respect to publication, sales copyright and other matters of interest.

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NEWS UPDATE

TIME RIGHT FOR ARAB MEDIA MERGERS - EXPERT

The time is right for consolidation in the Arab media industry but a lack of transparency will stop any major mergers from taking place, the head of regional media giant Saudi Research and Marketing Group (SMRG) has said (In Dubai at the ARAB MEDIA FORUM last May 2009).



"The time is very ripe," chief executive Azzam Al Dakhil said about the prospects for mergers in the region's media sector.

Riyadh listed SMRG, whose flagship titles include Arabic daily Asharq Al Awsat and English language Arab News, is the only Arab media firm to be publicly listed.

Advertising revenue in the UAE, the Middle East's largest single market, fell by 14 percent in the first quarter of the year amid a sharp slowdown in the country's real estate sector, according to data from the Pan Arab Research Centre.

Turnover in the less developed Saudi market gained 2 percent in the same period.

Al Dakhil said it made sense for publishing houses to merge parts of their distribution chains. Using fewer cars to distribute newspapers could dramatically cut costs, he said.

But a lack of transparency and reliable data on privately held companies may prevent the major players from merging their operations completely.

Discounts are common in the region's media sector and many ads are not paid for at all, he claimed.

Abdullatif Alsayegh, chief executive of the Arab Media Group (AMG) said his company is in talks with several parties about possible mergers and collaborations, but declined to name which ones.

"We have always been talking to different parties about mergers and acquisitions. What I care about is the industry. If the industry is growing then we are going to grow automatically," he said.

"We are surviving right now. Don't [merge] because there is a financial situation, do it because you want to become stronger."

AMG holds the Middle East franchise for satellite TV channels MTV and Nickelodeon and is the owner of UAE dailies Al Bayan and Emirates Business 24/7.

Source: ARABIAN BUSINESS

WAN, IFRA CEMERGE INTO SINGLE WORLD-WIDE NEWS PUBLISHING ORGANISATION

The World Association of Newspapers and IFRA, the leading international associations for print and digital news publishing, have merged into a new organisation, the World Association of Newspapers and News Publishers (WAN-IFRA).

The combined new organisation will represent more than 18,000 publications, 15,000 online sites and over 3000 companies in more than 120 countries. WAN-IFRA is dedicated to be the indispensable partner of newspapers and the entire news publishing industry worldwide, particularly our members, in the defense and promotion of press freedom, quality journalism and editorial integrity, and the development of prosperous businesses and technology.²

The mission statement of the organisation can be found at <http://www.wan-ifra.org>

The merger, which becomes effective on 1 July, has been approved by the membership of the two organisations. The new organisation will maintain the two current headquarters in Paris, France, and Darmstadt, Germany.

The two organisations have been discussing a merger, on and off, for more than five years, as they have built up several similar products and services and have an increasing overlap in membership.

Gavin O'Reilly, the President of WAN and Group CEO of Dublin-based Independent News and Media, will serve as President of the new organisation through 2010. ³Both IFRA and WAN are strong organisations providing key services to our industry,² he said. ³We believe that combining their strengths will allow us to be even more resourceful and effective in responding to the growing needs of our members and industry partners in the fast-moving and evolving media matrix. This is a necessary merger which, indeed, has been on the cards for some time².

Horst Pirker, President of IFRA and CEO of Styria Medien AG in Austria, will serve as First Vice President, and become President in 2011. "Like the whole news publishing industry, WAN and IFRA are currently facing serious challenges. I think we need to concentrate our resources to support our members in the best possible way², he said.

The new organisation will appoint a Chief Executive Officer shortly. In the meantime, the current CEOs of WAN and IFRA, Timothy Balding and Reiner Mittelbach, will jointly manage the merged association.

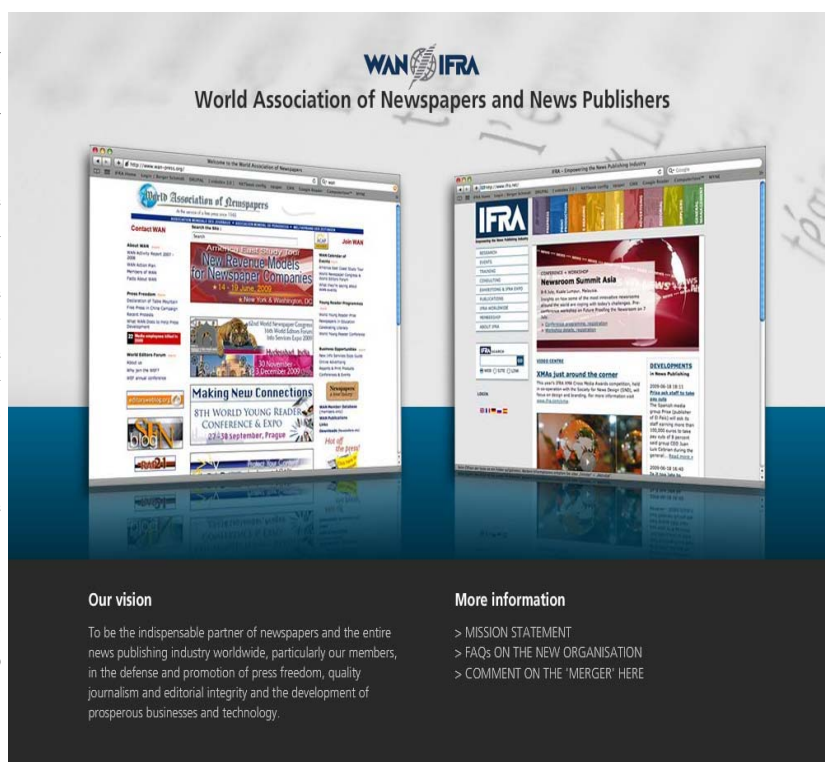
WAN, founded in 1948, groups 78 national newspaper associations, individual newspaper executives and companies in more than 120 countries, 13 news agencies and nine regional press organisations. It is based in Paris, France.

IFRA, founded in 1961, groups more than 3,000 publishing companies and suppliers to the publishing industry from more than 70 countries. It is based in Darmstadt, Germany, with regional offices in the United States, Asia and Europe.

The two organisations have a long common history: WAN was instrumental in the creation of IFRA, which emerged in 1961 under the name of INCA (International Newspaper Colour Association), an organisation to aid newspapers in their widening use of colour printing in newspaper production.

In 1971, IFRA was established as a separate entity to treat the rapidly developing technical side of the industry. The acronym stands for INCA-FIEJ Research Association - FIEJ, the French acronym for the International Federation of Newspaper Publishers, is the organisation now known as WAN.

Source: WAN-IFRA



MMS MEDIA AND MARKETING SHOW 2009

Be the CHANGE!

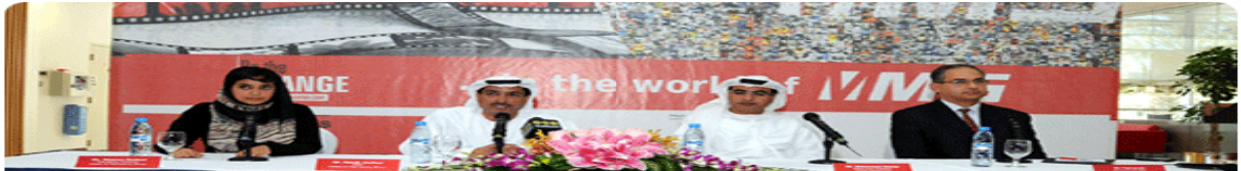
3rd - 5th November 2009
 10:00 a.m. to 7:00 p.m.
 Zabeel Hall, Dubai International Convention and Exhibition Centre, Dubai, UAE



NEWS LETTER

www.dubaimediashow.com

DUBAI MEDIA CITY & O3 PRODUCTIONS - STRATEGIC PARTNERS FOR THE MMS 2009 O3 PRODUCTIONS, MBC GROUP TAKES OVER AS THE PARTNER FOR PRODUCTION CATEGORY



The announcement was made at a press conference held at Dubai Media City in the presence of: Mr. Mohamed Abdulla, Executive Director of Dubai Media City, Mr. Fadi Ismail, General Manager, O3 Productions-MBC Group, Mr. Abdulla Abulhoul, CEO of Domus Group, and Ms. Maysoon Abulhoul, Managing Director of The Domus Group.

The O3 Productions, MBC Group will be the strategic partners for this year's Media and Marketing Show 2009 (MMS), whereas Dubai Media City continues to be the official patron. Being the region's premier event for the media and marketing industry, MMS 2009 will feature the region's leaders in the media and marketing field, content producers, service providers as well as present exciting knowledge-sharing opportunities including various seminars and conferences.

"We are in the process of signing new agreements and will soon announce partnerships with leading media research companies, publishing houses, and outdoor media providers who have shown great interest in taking part in this year's event," said Ms. Maysoon Abulhoul, Managing Director of The Domus Group who are the organisers of MMS.



Mr. Mohamed Abdulla, Executive Director of Dubai Media City

"The media industry has evolved tremendously in Dubai and the UAE since the launch of Dubai Media City – the first project in TECOM Investment's media cluster. Hosting more than 1,400 companies, Dubai Media City has played an instrumental role in the industry's growth. Through its past four editions, the Media and Marketing Show has proven to be an effective networking platform for local, regional and international media players and the event has served as a catalyst for the industry's progress in Dubai and the region."

"We are part of the MBC Group specializing in production and post-production services, and are the leading producers and distributors of content in the region. With this agreement we are glad to partner with MMS to promote and benefit not only the production industry but also the media and marketing industry as a whole. Dubai has already become the destination for international filmmakers like Warner Brothers who are setting operations in the region. We are going to see a huge boom in the production industry."



Mr. Fadi Ismail, General Manager, O3 Productions



"We are very glad to celebrate the 5th edition of the Media and Marketing Show. Every year we incorporate new segments and features that we believe are essential for both our partners and visitors. Over the past couple of years we have seen phenomenal progress in both content and quality of the TV production industry. O3 Productions have been at the forefront of this trend and we are delighted to have them on board as the strategic partner for MMS 2009."

Ms. Maysoon Abulhoul, Managing Director of The Domus Group

Organiser



Official Patron



Production Market Partner



Member Of



Research Partner



In Cooperation With



Publishing Partner





Digital Signage Forum

With the present global economic situation, the traditional marketing mix is certainly under review and the choices made in terms of the cost effectiveness of the equipment or media employed is critical. **DIGITAL SIGNAGE FORUM** is launched to provide the regional marketing communications industry a dedicated event for

Digital Media - the fastest growing marketing channel.

DIGITAL SIGNAGE FORUM featured exciting discussions on technology, hardware, software and applications bringing together suppliers of hardware & software, integrators, location owners, content developers and advertisers.

New Media Forum

With the present global economic situation, the traditional marketing mix is certainly under review and the choices made in terms of the cost effectiveness of the equipment or media employed is critical.

NEW MEDIA FORUM is an exclusive one-day strategic forum focusing on the *latest trends in new media* and exploring *how GCC organisations can use new media more effectively* within their overall marketing and communication strategy.

The Forum will provide delegates with unique practical and inspiring presentations from communications experts on how you can succeed in developing effective Marketing and Communications campaigns while making use of new media tools.

Outdoor Advertising Forum

With the present global economic situation, the traditional marketing mix is certainly under review and the choices made in terms of the cost effectiveness of the equipment or media employed is critical.

OUTDOOR ADVERTISING FORUM is the only exclusive and most comprehensive outdoor advertising event in UAE to *promote the successful use and benefits of outdoor advertising across the region.*

The Forum brings together the region's out-of-home advertising industry and marketing decision makers from the wider enterprise sector.

S SIGNAGE

Exhibit Profile - Signage

- Wide / large format digital printers
- Digital printers
- Etching & engraving
- LED display systems
- Lighting
- Plotters & cutters
- Routing, CNC & cutting technologies
- Directional sign systems
- CAD/CAM software
- Sign substrates
- Sign systems
- Thermal Imaging
- Vinyl media
- Floor graphics
- Vehicle wraps
- Building wraps
- Retail signage
- Traffic signage
- Light boxes & poster frames
- Lettering systems
- Plasma screens / video walls
- Sign making
- Screen printing
- P.O.S displays
- Banners and banner systems

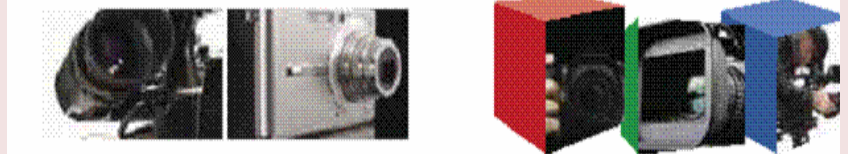
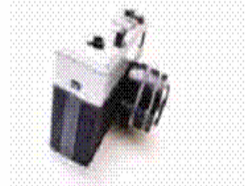


I IMAGING

Exhibit Profile - Imaging

Manufacturers and distributors of imaging products (capture, storage, processing and output), systems and services:

- Photographic and video cameras
- Camera accessories
- Films and digital storage media
- Mobile imaging
- Image kiosks
- Photo studio equipment
- Digital imaging
- Data and video projectors
- Slide technology and accessories
- Photographic labs
- Image libraries
- Interactive systems
- Audio / Video technology
- Networks & AV services

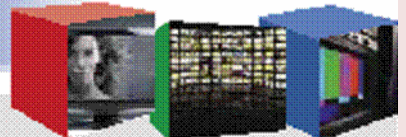


M MEDIA

Exhibit Profile - Media

The Media section of SIM 2009 will offer the regional market a dedicated event for print, electronic and online media service providers to showcase their solutions to media buyers and clients from UAE and the wider Middle East region. As one of the most important markets in the Middle East, Abu Dhabi provides significant opportunities for media owners to target key decision-makers from the government as well as the private sector.

- | | | |
|--|---|---|
| <p>Electronic media</p> <ul style="list-style-type: none"> ■ TV channels (business, news, cartoon & entertainment networks) ■ Radio stations <p>New media</p> <ul style="list-style-type: none"> ■ Websites ■ Multimedia ■ Mobile communication ■ Corporate blogs ■ Interactive television/Pod casting <p>Print media</p> <ul style="list-style-type: none"> ■ Newspapers ■ Magazines (trade & consumer) | <p>Outdoor media</p> <ul style="list-style-type: none"> ■ Billboards ■ Automotive advertising ■ Outdoor television ■ Street banners ■ Electronic screens ■ LED / Neon / Laser <p>Events & exhibitions</p> <ul style="list-style-type: none"> ■ Exhibition display systems ■ Event management <p>Retail media</p> <ul style="list-style-type: none"> ■ Point-of-purchase products ■ Video streaming / narrowcasting | <p>Service providers</p> <ul style="list-style-type: none"> ■ Direct marketing ■ Marketing consultants ■ Advertising agencies ■ Public relation consultants ■ Media buyers ■ Online marketing companies ■ Animation & graphic studios ■ Web developers ■ Multimedia services ■ Promotional items, giveaways ■ Production studios ■ Recording studios ■ Design studios |
|--|---|---|



Tel: 971 4 3365161
 Fax: +971 4 4072485
 Email: sim@iirme.com;
 tim.wilson@iirme.com
 Website: www.sim-expo.com

THE FUTURE OF PRINTING MARKETS IN THE MIDDLE EAST

The market for printing in the Middle East was estimated at \$5.3 billion in 2007 and is forecast to reach \$7.6 billion by 2012, according to a new market study published by Pira International.

Based on extensive primary and secondary research, the study provides a quantitative breakdown of the market by end-use sector, print process and country, plus five-year forecasts to 2012. The study also breaks down the market for key supplier markets, including substrates, inks and machinery.

The market study shows how the printing industry in the Middle East has undergone a sea-change in the recent years, to become one of the most successful industries in the region. The print market has evolved distinctly and is expected to grow at an average annual growth rate of 7.7% till 2012. The publishing industry of the region is also experiencing unparalleled growth with an increase in the number of publications. Economic prosperity, strong inflow of foreign investments, changing lifestyles and restriction on the visual media are some of the factors that are accelerating the growth of the print sector.

Middle East: forecast print demand by national market, 2002-2012 (\$ million)

Countries	2002	2005	2006	2007	2012	CAGR (%) 2007-12
Turkey	1,195.1	2,072.6	2,110.9	2,342.1	3,506.1	8.4
Bahrain	22.8	33.2	37.6	42.1	65.8	9.3
Egypt	125.8	130.7	149.3	168.6	273.0	10.1
Iran	142.5	197.1	224.9	257.0	374.2	7.8
Iraq	55.0	36.8	40.4	43.8	73.8	11.0
Israel	1,055.4	1,106.7	1,172.0	1,238.8	1,648.9	5.9
Jordan	52.5	66.3	75.1	84.1	130.9	9.3
Kuwait	63.7	95.7	109.2	116.6	169.0	7.7
Lebanon	85.8	96.3	96.8	97.7	124.7	5.0
Oman	62.1	86.7	97.2	103.6	136.0	5.6
Qatar	48.2	77.5	88.2	95.0	136.4	7.5
Saudi Arabia	218.8	308.7	352.9	385.4	571.5	8.2
Syria	36.9	46.7	49.3	51.4	68.5	5.9
United Arab Emirates	96.1	158.8	185.4	213.8	330.5	9.1
Yemen	8.5	12.9	14.3	15.7	22.5	7.4
Total	3,269.2	4,526.5	4,803.5	5,255.9	7,631.9	7.7

Note: * totals may not add up due to rounding

Increased literacy has led to greater demand for printed sources of information, with many newspapers adopting the latest digital workflow technologies including computer to plate. Thus, unlike many parts of the world where demand for dailies is shrinking, printed journalism continues to flourish and thrive in the Middle East and newspapers still remain the most sought out sources of information. Introduction of new trade, consumer and lifestyle magazines have also helped the printing industry in the Middle East to witness unsurpassed growth and action.

The emerging countries in terms of printing include Turkey, Israel, Saudi Arabia, UAE and Egypt. The printing industry in Turkey, for instance, is investing heavily on new technologies and innovations to compete with the European printing companies. The advent of the Dubai media city has helped attract more publishers to the UAE and has in turn triggered the demand for printing services from the region.

Being one of the most promising new markets in the world, the region in the recent years has seen a definite shift in its printing technology. Offset presses continue to enjoy a major share in the printing market and this is further enhanced by the increase in demand for quality and speed from the print consumers. Over the last few years, flexographic printing in the region has seen a significant growth and this growth has largely been seen in the narrow web flexo label printing sector. Flexographic printing has also made a contribution to growth in the packaging sector. Gravure printing is also making a mark in the industry, with Syria, Egypt and Iran being the emerging markets for gravure and flexo based presses, catering primarily to the flexible packaging sector.

Screen printing is facing immense competition from the digital printing market. One of the main features of screen printing is that it can survive in outdoor conditions, particularly natural light for more than three years and can be used for long runs. Screen printing is still the favourite for long runs in the region and is still being used in countries such as Lebanon, UAE and Saudi Arabia. Whereas in Egypt it is expected that many screen printing presses are likely to close due to stiff competition from offset and digital printers.

There have also been noteworthy developments in wide format inkjet printing markets with businesses that have adopted this format realising its benefits in terms of cost reduction, faster turnaround and increased quality control. Traditional printing houses, screen printers, sign shops and photo labs have also started to use wide format printing to a great extent and advertising houses use this process for speedier production of one-off samples.

The increasing use of computer-to-plate (CtP) technology is one of the noteworthy trends to be seen in the consumables market in the region. There has been an increase in the usage of CtP in Bahrain, UAE, Qatar and Oman. Since 2004, around 200 CtP have been installed in this region. Number of installations varies across the countries in this region. UAE is ahead of others, followed by Saudi Arabia and Iran

End-use markets

The main end-users of the printing market in the Middle East include publishing (newspapers, magazines, book publishing), commercial printing (printed advertising) and package printing. The package print sector accounted for the largest share with 41.8% in 2007 followed by the print advertising, commercial printing and newspapers sectors accounting for a combined share of 33.3%. It is expected that printed advertising and security print will grow at higher growth rates of 10.9% and 9.4% respectively as they are perceived as the emerging sector requiring more print activity.

The newspaper industry in the Middle East has been around since the turn of the century. In 2007, two world famous newspapers, The Times and The Sunday Times both of London, began publication of their international edition in the Middle East. This move is likely to further enhance the importance of newspaper publishing in the region. The UAE has the largest share in the newspaper market in the region and publishes seven major newspapers, of which four are Arabic and three are English. The newspapers published in the UAE follow the American format as is seen in the case of the Gulf Times. Newspaper supplements are also gaining popularity among the readers.

In recent times, dramatic advances in the printing technology have occurred and the introduction of new printing technologies has helped reduce make-ready time, cost of production and secured better quality for the publications. Most of the key publishers in the region are investing in high end machines that incorporate both heatset and coldset facilities in the extended printing unit.

Specialised magazines like health magazines, lifestyle magazines, economics and entertainment are gaining popularity in the region. The Middle East, especially Dubai, is seeing the launch of almost one new magazine every week. The strong influx of tourists is also triggering the launch of new magazines aimed at niche markets such as golf.

Many Middle Eastern countries have a large population in the age group of 15-25 years and this clubbed with improvements in the quality of education has resulted in an increase in the need for printed educational materials. This favourable demography in the region has been responsible for the expansion of the printing market. Lebanon had a large market share in the region in terms of text book printing and contributed largely to the export market. However, both Syria and Egypt have increased their textbook printing and this is likely to offer stiff competition to the printing industry in Lebanon.

In the recent years, the commercial printing sector of Middle East has witnessed a significant growth. Nowadays, the commercial printers of the region have invested digital presses for different applications ranging from commercial products to personalised cards.

Significant growth in the retail markets and spread of hypermarkets has led to an increase in specialised printed advertisement products such as flyers, posters, billboards and brochures, which in turn have a positive impact on the printing industry in the region. Advertising, especially that of government and public sector continues to contribute to newspaper revenues. This is despite the recent onset of online advertising. Besides, advertisers have moved from magazines to newspapers as newspapers are more popular than magazines in the region.

The package printing sector has emerged as one of the most vibrant sectors of the printing industry in the region and is rapidly growing, with the increased demand for improved means of packaging. Printers are investing heavily in package printing to ensure that demand does not outstrip capacity as well as to provide high quality print to brand owners.

Pira International is the leading information provider for the printing, paper, packaging and publishing industries. Each year, Pira publishes more than 50 off-the-shelf and multi-client reports. This new study on the middle east is based on extensive secondary and primary research, including interviews with leading players in the region.

The Future of Printing Markets in the Middle East is available now from Pira International for £3,500, EURO 5,145, \$6,850. For more information, please call Stephen Hill on +44 (0) 1372 802 025 or email stephen.hill@pira-international.com.

Source: Pira International (Adopted from Gulf Print Fairs & Exhibitions)

ARAB MEDIA OUTLOOK: COLLABORATING FOR GROWTH

SECTION ONE : WORLD VIEW

(PART FOUR)



Traditional media players have enabled time-shifting and place-shifting of content through participation in media exchanges such as Hulu.com, Google Video and Amazon UnBoxed. Television and radio broadcasters, once zealous of protecting their online and offline content, have now built their own media storefronts to facilitate online distribution and syndication. Print media have also undergone similar changes by flooding a variety of online distribution channels to extend the reach of their content, particularly via mobile devices.

The time-shifting and place-shifting of content was initially enabled through Apple's iTunes distribution platform, enabling pod casting and video casting through iPod and iPhone product lines.

Radio broadcasters were among the first to time-shift and place-shift their content through podcasting. National Public Radio (NPR) in the United States is one of the most successful examples of this trend. While operators found limited success via internet radio rebroadcasting, the use of the "podcasting" format has fared better. Since 2005, NPR has converted the bulk of its popular radio programmes and marketed them

through content aggregation sites such as iTunes. Unable to control unauthorised recordings, podcasting has allowed NPR to generate a new source of advertising revenue and sponsorship dollars for its content by flooding their content across the internet. The popularity of its radio programming and the ease of searching its library archives has generated sponsorship dollars as well as advertising dollars for its pre-roll and closing spots on each podcast. This is a significantly different model from the government and listener funding on which NPR used to rely.

Established print media have also adopted the podcasting format. Newspaper, book and magazine publishers are actively producing audiovisual versions of their content for online download and are making it available through popular UGC distribution channels. The Financial Times has been producing audio podcasts of Martin Wolf's popular economics column for well over a year. The UK's Guardian newspaper regularly produces five-minute "fast-food" cooking video podcasts by celebrity chef, Gordon Ramsey. Similarly, David Pogue, a well-known New York technology columnist also has a popular video blog. Interestingly, both video podcasts intentionally use the amateur, "shaky", shooting style often found in UGC to give it an "authentic" look. J.K. Rowling, British author of the Harry Potter series, uses "The Harry Potter Podcast" to sustain her fan base and generate new consumer interest in her book and film projects.

Engaging consumers

Looking beyond Apple's contribution, traditional media have also co-experimented with telecom operators in an example of the emerging trend of collaboration and convergence. Television producers have created television content specifically for mobile handsets in order to extend their interaction with consumers beyond their home-based television. ABC Television's "Lost" and Fox Television's "24" worked with Verizon's mobile-TV service V-Cast to deliver mobi-sodes (episodes for mobile devices) to US audiences. Season 5 of Fox Television's acclaimed hit "24" ran a parallel storyline to augment the broadcast version.

Broadcasters have also focused on ways to engage fans and encourage participation in-between broadcast seasons. Freemantle Media, the producer of the "American Idol" reality TV competition, uses the "American Idol Underground" talent website to bolster the TV brand by allowing artists to upload their content for viewing and audience rating during season breaks.

Television has the longest experience of incorporating new media principles. Nearly ten years ago, Endemol's Big Brother franchise incorporated user participation through SMS voting and the broadcasting of viewer comments. Broadcasters are now involving the net generation via online comic books and games designed to engage them during and after the program broadcast. NBC won the 2008 Interactive Media Emmy Award for its innovative program "Heroes" which adopted these practices.



Traditional media players have enabled time-shifting and place-shifting of content through participation in media exchanges such as Hulu.com, Google Video and Amazon UnBoxed. Television and radio broadcasters, once zealous of protecting their online and offline content, have now built their own media storefronts to facilitate online distribution and syndication. Print media have also undergone similar changes by flooding a variety of online distribution channels to extend the reach of their content, particularly via mobile devices.

Program producers are also encouraging users to not only join fan forums to discuss plot lines but also to generate HD content. In the case of the SciFi Channel, producers provided HD-quality interstitials, music and special effects so that fans could reproduce their favorite show episodes or submit new storylines. Consequently, they generated new content of interest to a niche audience at a minimal cost to the producers.

High value content in the Web 2.0 world

The challenge for the producers, owners and distributors of premium content is to defend and maximise their value in the face of the challenges from the piracy, disintermediation and audience fragmentation associated with Web 2.0.

As previously discussed, traditional television networks are now actively providing content to third-party distributors such as iTunes and Amazon. In addition, they are also leveraging their own distribution and packaging competencies to build their own infrastructure. As mentioned earlier, network competitors, NBC Universal and Fox Television, have collaborated in a joint venture called Hulu as an IPTV-enabled media exchange for their combined content library in competition with Apple's iTunes platform. Similarly, the BBC has launched iPlayer, which integrates the broadcaster's television and radio content. Depending on the program, some content is released the day after broadcast, or made online before the terrestrial broadcast. All platforms have limited advertising relative to the terrestrial version. Depending on the platform provider, advertising appears during the pre-roll, between scenes or even during the show.



CASE STUDY

At a Glance:

Subject: NBC TV coverage of the Olympic Games

Date: 2008

Headquarters: New York, USA

Media type: Digital distribution

Focus: Leveraging content

URL: www.nbcolympic.com

For the 2008 Beijing Olympic Games, television networks worldwide showcased their digital distribution infrastructure investments. The BBC, NBC and CCTV all offered streamed content to consumers in concert with their live terrestrial and cable broadcasts. Concerns that streamed content could potentially cannibalise viewers were largely allayed as these companies demonstrated their integrated approaches to terrestrial, cable and online broadcasting strategy. Most notable was NBC, which provided extensive coverage of the 2008 Beijing Olympic Games online. Viewers were able to see four different live events streamed to their computer, as well as online commentary and statistics to augment the experience.

According to NBC, over 3,600 hours of both live and encore video footage were created. The NBCOlympic.com site continues to generate revenue well after the games have ended. By providing expanded coverage online NBC not only expanded its display advertising inventory, it also created a long-tailed revenue effect and generated a wealth of data on the 18 million unique visitors each week of the Olympics - user-behaviour highly coveted by ad-buyers.

According to Alan Wurtzel, NBC's President of Research, 90% of viewers watched the Games on television with nearly 10% watching on TV and online during the first two days of the games. Viewers watching online clips were organically sharing content through social networking sites which also expanded the reach of the content. NBC reported that for Michael Phelps's 200-metre freestyle competition 1.7 million streams were initiated that were then shared with 1.5 million additional viewers over the open internet, completely bypassing the mobile operators.

Challenges and opportunities

In this section we have looked at how Web 2.0 developments and the emergence of mobile internet devices for content delivery—"anything, anytime anywhere"—are radically changing the economics of the global media business. These developments have implications for all market participants across the media content creation and distribution value chain. For these participants there are both challenges to existing business models and new opportunities to create value.

A strong message from this analysis is that, while traditional media's established business models are certainly being challenged by these developments, if they can develop the right business models, they should be able to protect and enhance the value of their premium content. We have pointed to some examples of global media companies that are successfully achieving this.

Placing a value on online content

A key challenge facing traditional media trying to succeed in this new world is to understand how and when readers and viewers look at content online and what value they attach to it. Much online content is free to the consumer and some of it is of high quality. Well-established newspaper brands have struggled to develop online subscription revenues and their advertising revenues face direct competition from a wide range of competing online media. Success requires the development of new ways of engaging customers in conversations that encourage them to recognise the value of premium content and then translating that engagement into sustainable and profitable revenues.

We touched on this issue in last year's Arab Media Outlook, and recent global research undertaken by PwC on the magazine sector confirms that in that sector, migration of readership to online platforms is happening but readers typically expect to pay significantly less for online content than for the corresponding print content. Magazine publishers that have been most successful in developing online revenues are those who have been able to develop their brands across multiple media platforms so as to maximise revenues from the full range of online sources, including search advertising and e-commerce. This is a very different model from the print world.

A key focus of this year's Arab Media Outlook is how technology can unlock value for both new and traditional media. In order to unlock value, technology enablers are required at each link in the value chain. A particular issue in this region, which is explored in Section Three, is that in order to benefit from Web 2.0 developments, consumers and businesses require high-speed broadband access, which in turn depends on high-quality telecommunications access and backbone networks. These are the most visible (and the most costly) of the technology enablers. Other important enablers, for example in content production and in audience measurement, have a lower profile (and lower costs) but are equally important.

Collaboration

Smooth integration of the various technologies is crucial for the user experience. This applies equally to news and entertainment content. This close integration is also reflected in emerging business models for content creation and delivery, which as we have shown in some global examples are much more based on collaboration than is the norm in the traditional media environment.

In the following sections we develop the themes discussed in Section One. In Section Two we look at how global developments are reflected in media markets across the Arab region and in Section Three we analyse how technology must be deployed to realise the commercial potential of Web 2.0 and the mobile internet for both new and traditional Arab media.

.....to be continued' in next issue with SECTION TWO

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**MIDDLE EAST PUBLISHERS'
ASSOCIATION**

**Dubai Media City;
Media Business Center, No 06
5th floor, No. 506
Building No. 2, CNN
P O Box: 502038, Dubai, UAE.**

Tel: +971-4-3916559

Fax: +971-4-3918019

E-mail: mepa@mepa.cc

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