

THE SEYBOLD

REPORT

Volume 8, Number 12 • June 19, 2008

The Digital Inkjet Revolution Has Begun

By Penny K. Bennett, Ph.D.

HP is placing a billion dollar bet on the future of high-speed digital inkjet printing with a new press that debuted at drupa 2008. HP's investment is in a core printing technology that spans its entire inkjet portfolio, thus providing flexibility and scale of product design. The new web press, scheduled for full product shipment in 2009, could change the way printers think about digital presses and perhaps presage new opportunities for publishers. Most importantly for printers, HP's new press could give commercial printers a viable way to keep up with changes in technology without tossing out their old press.

Page 5

Digital Editions Redux

By Bill Rosenblatt

Digital editions -- online versions of newspapers and magazines that resemble the print editions rather than Web sites -- are back. As a new study from Gilbane shows, digital editions have grown on an absolute basis from 2005 to 2007, particularly in the business-to-business publishing sector. The new study pulls together a more comprehensive statistical picture of the digital editions market than has ever been compiled before and offers new insights into how publishers use them or could use them as part of their digital product strategies. We'll summarize this study here and consider its implications for magazine publishers in particular.

Page 7

Bewildered Publishers Pursue Online Revenues

By James Felici

Page 10

Whenever issues of content arose at the Online Publishers' Association's annual "Forum for the Future," the word "monetize" was not far behind.

Newspapers Learn To Embrace Opportunity

By L. Carol Christopher

Page 12

In the second part of our two-part coverage of Nexpo 2008, newspaper professionals offer advice about how to compete in the Digital Age. Breaking down traditional modes of thinking is the first step.

Dispatch from Enterprise Search Summit 2008

By Theresa Regli

Page 2

Search is, arguably, one of the most disruptive technologies available to information publishers. At a recent New York event, the mood among enterprise search buyers and implementers teeters between frustration and hope-filled progress.

..... Coming Soon: Seybold Online

ALSO IN THIS ISSUE:

INSIDER PERSPECTIVE

The Play's the Thing

4

As media and advertising become more diversified and publishers look online for innovative tools to reach their elusive audience, marketers are gravitating toward games as a key part of their overall media mix.

NEWS

Global and Adobe announce

3

Global's new Harlequin RIP and Adobe's Acrobat 9 enliven things at drupa.

Media Bytes

16

More user-generated magazines; possible Time Warner/GE merger

IN UPCOMING ISSUES:

The status of cross-media publishing

Was 2008 the "inkjet drupa"?

Print innovation updates

The Play's the Thing

By Jessica Rovello

As media and advertising become more diversified and publishers look online for innovative tools to reach their elusive audience, marketers are gravitating toward games as a key part of their overall media mix. In an age where consumers no longer spend their time in just one form of media, many publishers and brands recognize the need to cater to this more fragmented audience through something that can engage consumers on a deeper level and keep them coming back for more. Casual online games are just the right solution.

Casual games are typically distinguished by their ease of play, simple rules and short time commitment. More often than not they can be found online and played with your computer, in contrast to more complex hardcore games that require a console and a difficult mastery of skill. According to the Casual Games Association, the casual games industry is a \$2.25 billion a year market, growing by 20% annually. And while a diverse audience enjoys these games, the most popular demographic is women over the age of 35. These individuals don't typically consider themselves gamers but will spend hours playing solitaire, piecing together a jigsaw puzzle or completing a Sudoku puzzle online.

When considering whether to use this form of marketing to raise awareness and engage customers, there are some important practices to understand before moving forward:

Is it better to have a single game or a game center with multiple games in one location on your site?

Deciding between one game or an entire game center depends on your marketing goals and what you are trying to accomplish. If you are launching a campaign to promote a single product, service, event, etc., one game might be enough to deliver the message. If driving continuous traffic and increasing ad inventory to help monetize your site is the objective, a game center might be more effective. Game centers include multiple games and can offer community features that encourage competition and game success sharing.

When Hearst Digital Media created separate Web sites for each of its magazines, it

wanted to develop a game section for each site that included a mixture of re-branded and exclusive custom games. Each game center was specifically designed to match the branding of the publication, and games were selected based on the demographic characteristics of the publication's audience.

For example, *CosmoGIRL!* magazine's game center included games for younger women such as "Pool," "CG!Racing" and "Sududeku" (a take off the wildly popular game Sudoku, using images instead of numbers). While the games within the Good Housekeeping game center were things such as magazine cover jigsaw puzzles and brain teaser games like "Tessera" (a version of the classic Tangram game) and "Spliterature" (a word puzzle game) to meet the needs of the more mature target audience.

What kind of community/viral elements should you incorporate?

"If you build it, they will come" is not a very effective philosophy to follow online. Today's online citizens expect and, in some cases, demand that the communities and content sites they interact with include tools that allow them to share content, games and other features with their friends. Here are a few important tools that you should consider including as part of a viral gaming strategy:

Send to a Friend: Give your site visitors the ability to challenge or invite friends to play along with them. According to the Entertainment Software Association, 90% of players who receive a challenge from a friend play the game and respond back with their score. This is a great way to drive even more traffic to a site.

Personalization and Customization: Let visitors create a customized avatar for use both inside and outside of the game. This tool lets players create a unique personality and express themselves well beyond chatting and e-mail features.

Leaderboards and Points: Many people are competitive by nature and the use of leaderboards and point tracking systems challenges players and keeps them coming back for more.

Prizes: Who doesn't love prizes? Publisher's Clearinghouse has taken its sweepstakes model online and has incorpo-

rated games and prizes on its site. In its first month alone (January 2008), site visitors had completed more than 4 million game plays on the site, had redeemed 35 million tokens for prizes and submitted 40,000 entries for the January sweepstakes.

How can I monetize my site with games?

When games are customized and relevant to your site, visitors tend to play longer and want to come back to play more. This translates into valuable traffic and an immediate increase in advertising inventory for publishers. Game centers in particular can translate into big bucks. Players in Arkadium partner game centers spent as much as 23 minutes per session and visited more than five pages each session.

The Casual Games Association reported in 2006 that advertising made up about 40% of the total online revenue from casual games. There are three strategies to consider that play an important part in this revenue equation. First, pre- and post-game play advertising. Delivering a brief banner or video advertisements to players at the beginning or end of a game tends to draw higher than average click-through rates due to the level of engagement the consumer invests in the game. These ads can garner high CPMs and usually last for less than 15 seconds before leading into game play. Second are around game advertisements. If you have a game center with multiple games, each game page within your game center has the potential of containing several IAB standard units. Added to the rest of your site inventory, the loyal audience coming back to the game center adds even more valuable inventory to your arsenal. Third, are sponsored games and advergames. Advergames are branded games that engage customers with a particular product or service. Many publishers choose to sell sponsored sections within the game center or even offer the custom development of a re-branded game or custom advergame on their site for a premium cost.

Whatever path you follow you should always keep in mind the importance of fresh content. Whether you have just one game or a full game center, you need to give people reasons to come back and continue to engage with your brand. Keeping things fresh is of the utmost importance. **TSR**

Jessica Rovello is the President and Chairman of Arkadium, a casual games and advergame development company in New York City.

COMPLETE AND FAX THIS PAGE TO (+1) 818-487-4550

**SPECIAL
OFFER!**

THE
SEYBOLD
REPORT

Understanding Success in the world of print and online publishing

The business of publishing is changing forever. Are you keeping pace with the change? Will you manage the radical transformation that is under way, and reap the rewards of the new business models they drive? For over 35 years, The Seybold Report has been helping business owners and decision makers understand and succeed with each new technology.

The Seybold Report not only analyzes new and potentially disruptive technology, we also help our readers understand what success looks like. Our new online service will augment an already strong lineup of succinct, high-level reports on upcoming tools, trends and best practices. Whether your business relies on print, online or hybrid content delivery, Seybold is an indispensable information source. Don't be left out. Subscribe today.

You are eligible to receive four issues of The Seybold Report absolutely FREE! Just fill out this form and fax it to (+1) 818-487-4550, or email us at info@risiinfo.com.

- Yes! Please send me four free issues of The Seybold Report** (online, PDF-only version). If, after reviewing my free issues, I decide to continue my subscription, I'll pay your invoice for US\$399 (plus applicable sales tax) and get 21 additional twice-monthly online issues—that's \$100 off the regular rate. (Or I may choose to receive the print+online version for \$499, also \$100 off the regular rate.) If I decide that The Seybold Report is not for me, I'll return your invoice marked "No thanks," keep my free issues, and owe nothing.

Name _____

Company _____ Title _____

Address _____

City _____ State _____ Postal Code _____

Phone _____ Fax _____

Email (required) _____

- Keep me informed about the upcoming content service, *Seybold Online*.

- Have someone contact me regarding group or academic discounts.

offer code:

3MHOMGK

- Check here if you do not wish to receive email communication from RISI about other products that may be of interest to you.