

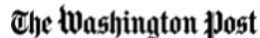
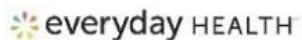


DIGITAL CONTENT NEXT

Powerful Storytelling

Digital Content Next

*Digital Content Next is the **only** trade association that exclusively serves the unique and diverse needs of high-quality **digital content companies** that manage **trusted, direct relationships** with consumers and marketers.*



Advancing the Future of Trusted Content

- **Industry Leadership**

Connect with a powerful network of your peers

- **Proprietary & Public Research**

Access business intelligence and thought leadership

- **Advocacy**

Benefit from DCN representing premium publishers in DC and the industry

- **Events & Committees**

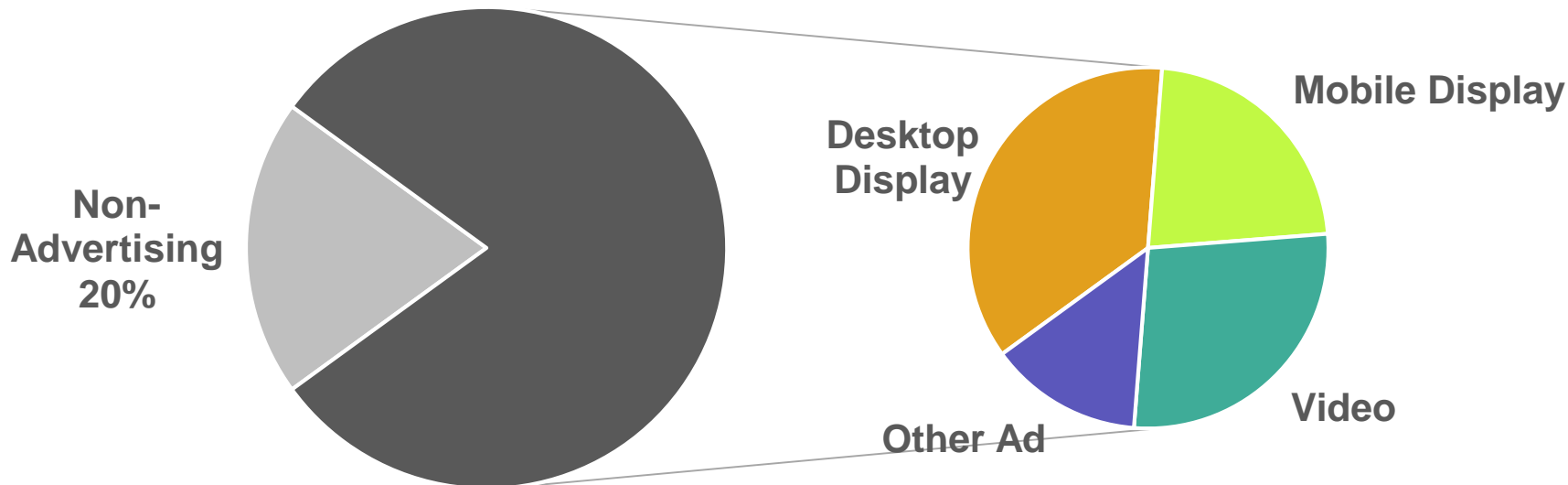
Engage across members to solve problems and share best practices

- **Marketing & PR**

Leverage DCN voice/messaging on DCN channels and in marketplace

Premium Pubs: Advertising is 80% of Revenue

2016 DCN Member Revenue Mix



■ Non-Ad ■ Desktop Display ■ Mobile Display ■ Video ■ Other Ad

Source: DCN 2016 Member Benchmark Report (confidential)..

New DCN Strategy Research: Paid Content Benchmark



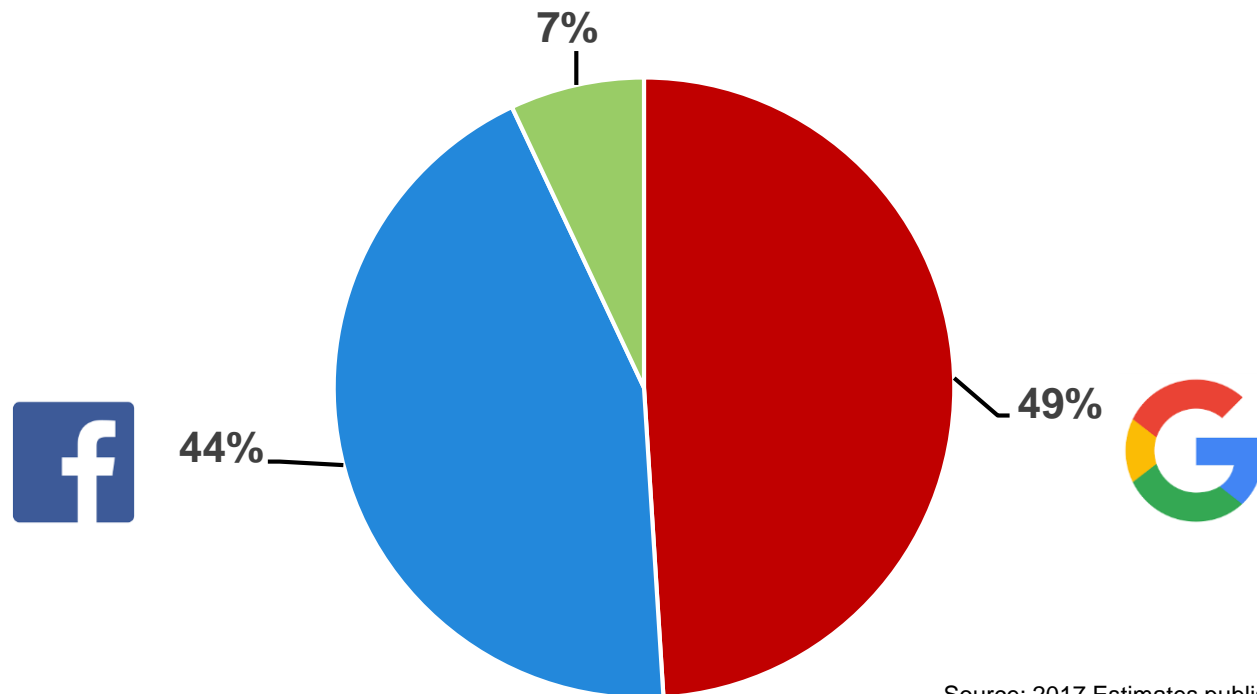
1. Newest addition to DCN benchmark suite
2. Starting point for 2018 research series
3. Next up: deep-dive case studies
4. Second annual DCN Distributed Content study underway

Business Imperatives for DCN Members

1. Need to own the relationship with the consumer.
2. Digital publishers need to think about leveraging their distributed content to attract and target new subscribers.
3. Must push for the tools, from Facebook, Google and even Amazon, that allow for data capture and “paywall” gateway management.
4. Need to invest in the organization to drive paid content.
5. New DNA: marketing and acquisition analytics (attribution, lifetime value analysis, elasticity and price testing, discounts, trials, messaging and product options).

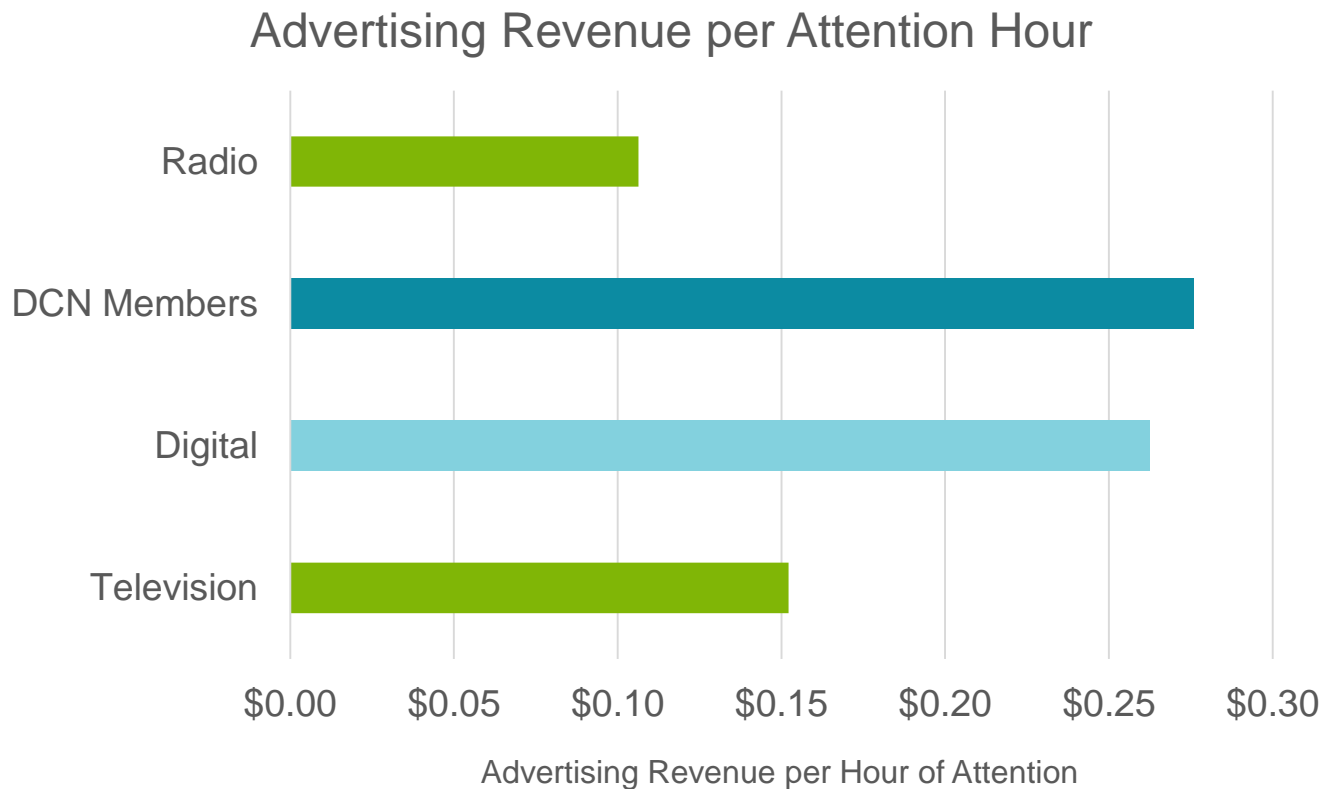
The “Duopoly” and “Everyone Else”

Share of 2017 Growth (Net Ad Revenues)



Source: 2017 Estimates published September 2017
eMarketer – <https://www.emarketer.com/Article/Google-Facebook-Tighten-Grip-on-US-Digital-Ad-Market/1016494>

Premium Pubs: High monetization, different scale

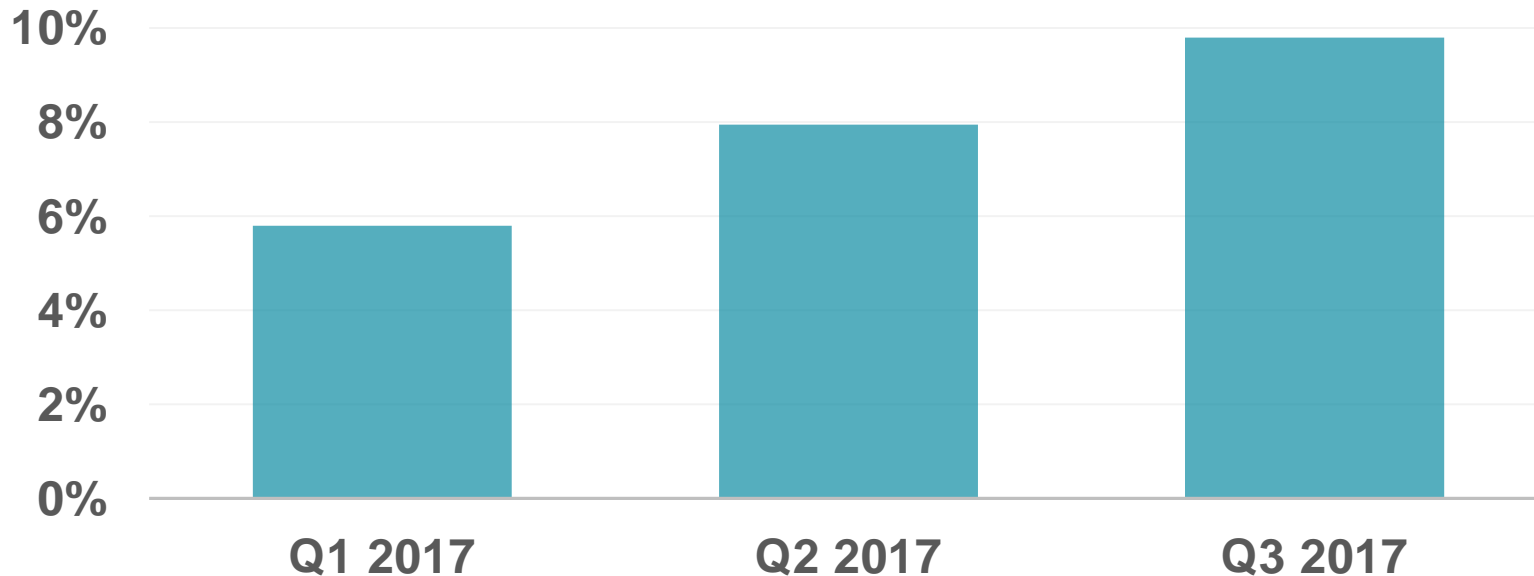


Source: DCN 2016 Member Benchmark Report (confidential). Note: 2017 research shows this data point is 81% in the EU.

DCN Members: 3 Straight Quarters Growth in Growth)

Total Digital Revenue Growth

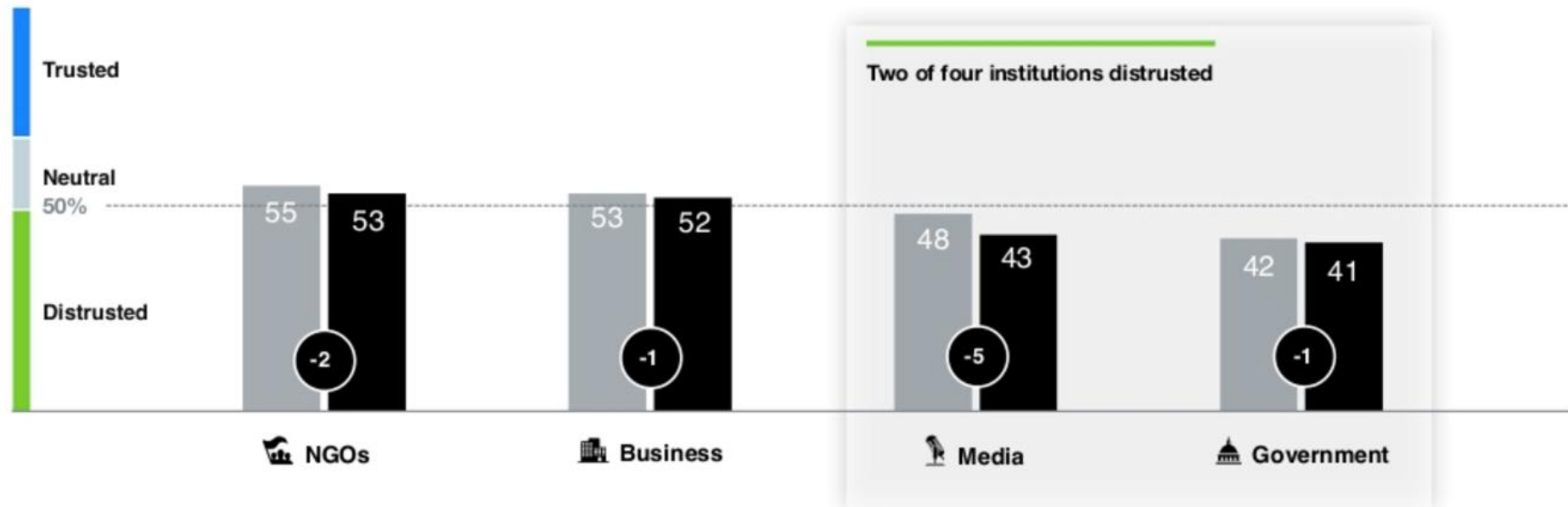
(Source: DCN Members Benchmarks)



Trust in All Four Institutions Declines

2016 2017

Percent trust in the four institutions of government, business, media and NGOs, 2016 vs. 2017



Source: 2017 Edelman Trust Barometer Q11-620. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you "do not trust them at all" and nine means that you "trust them a great deal." (Top 4 Box, Trust) General Population, 28-country global total.

New DCN Research: Trust as a Proxy of Brand Value

DCN Research Specifically Examined:

- What is the role of trust in driving consumption and value for publishers?
- What trust means for consumers in relationship to their digital content experience?
- If and how trust relationships differ for premium content, for social platforms (e.g.. Facebook, Twitter, Instagram), Search Engines and YouTube?
- How does trust affect advertisers?





Rise of the “Social Skeptic”

- 61% are under 40
- 44% currently pay for a subscription
- Believe there is “so much random content on social media feeds there is no way to identify credibility”

89%



DIGITAL CONTENT NEXT

Powerful Storytelling

Wifi

Network: 10onthepark

Password: timewarner123