



Christoph Tonini

Chief Executive Officer



April 10, 2018, DME Copenhagen

The Tamedia company

From a Zurich newspaper to a digital media group



Foundation and first edition of Tages-Anzeiger in 1893, later acquisition of several magazines, launch of Sonntags-Zeitung and IPO in 2000

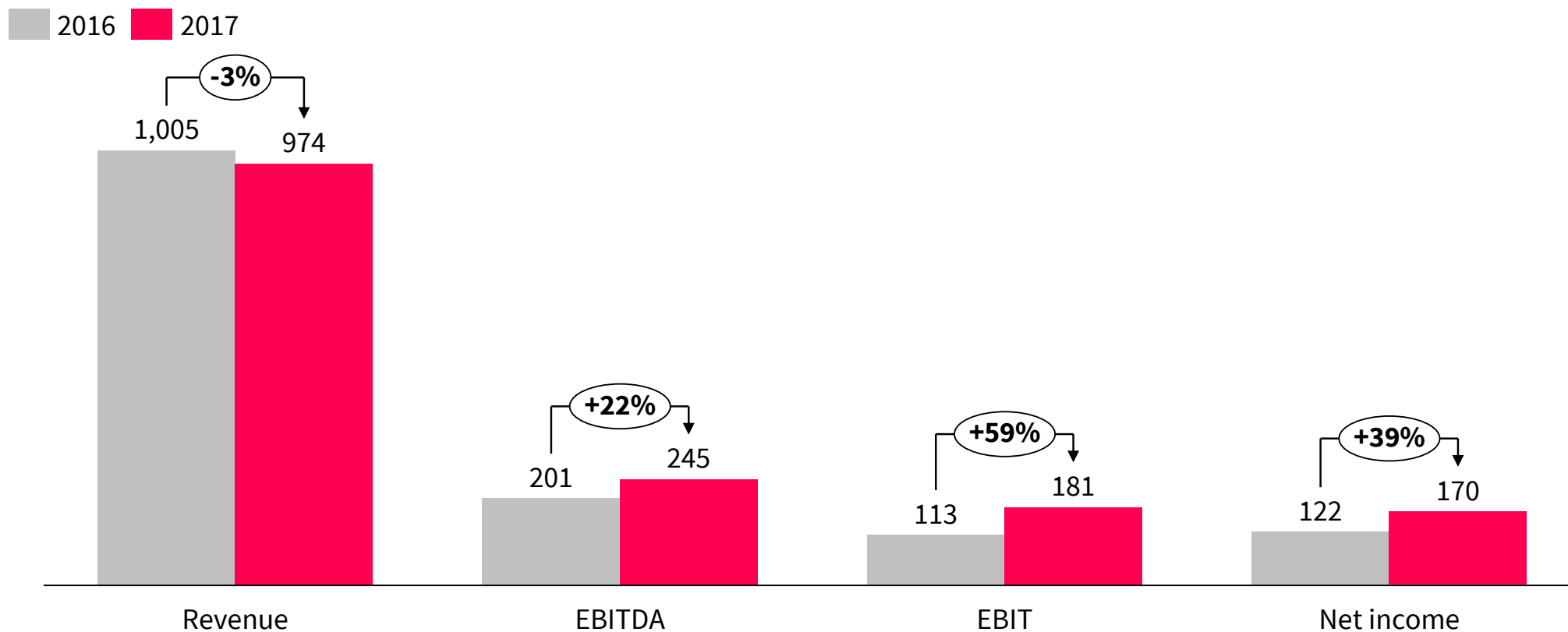


As of 2003, Tamedia takes over 20 Minuten step-by-step, later investments in BZ Berner Zeitung, Der Bund and taking over of French speaking media



Digital transformation of our media offerings and further growth with investments in digital platforms such as Homegate, Jobs, Doodle and Ricardo

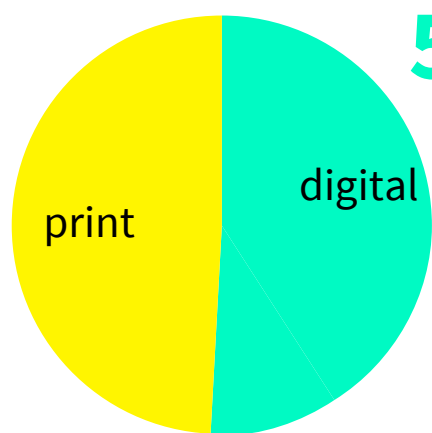
Great result in 2017 also driven by extraordinary impacts



Revenue and net income in 2017 in CHF millions



Outstanding market positions and digitally profitable



51%

pro forma EBITDA share digital business in 2017



No. 1 in **digital free- & paid news**



No. 1 in **jobs classifieds**



No. 1 in **real estate classifieds**



No. 1 in **marketplaces**

4 out of 5

Swiss people use our services

Switzerland's **most profitable** media group

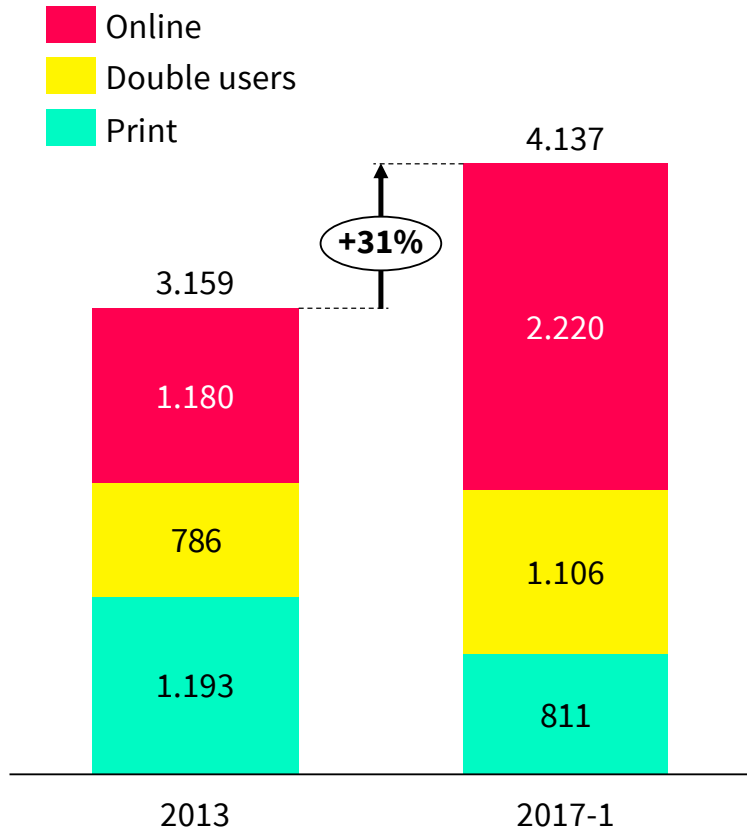
A **highly profitable digital** business

Leading positions in free and paid **news**

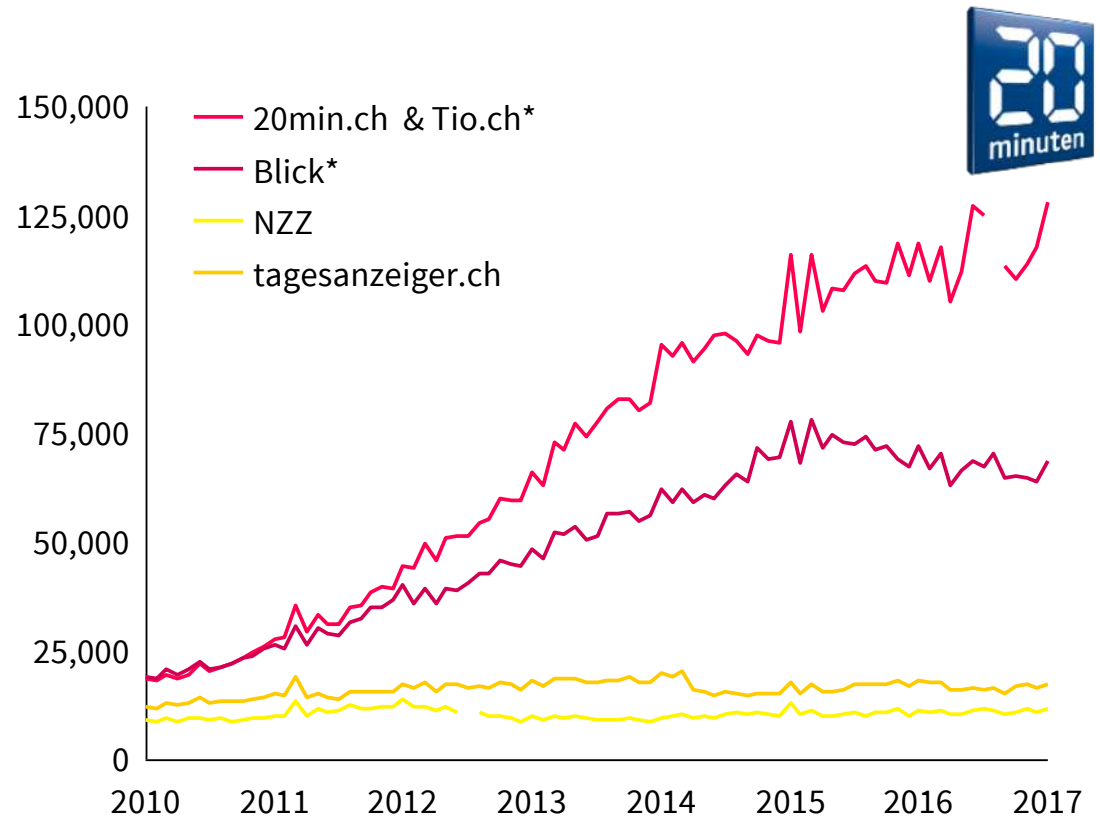
Leading positions in digital **classifieds** and **marketplaces**

Media network with **highest penetration** in Switzerland

In parallel, a strong free media business was established



Total Audience of 20 Minuten

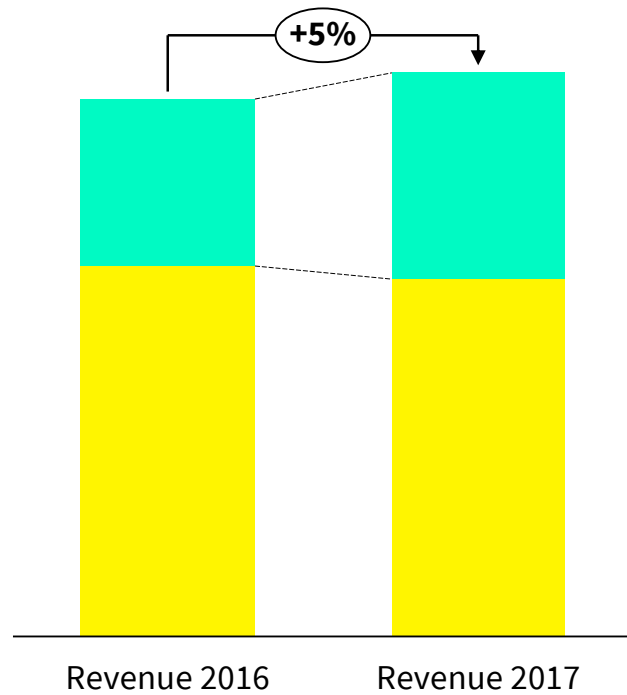


Visits to selected Swiss news sites (in thousands)

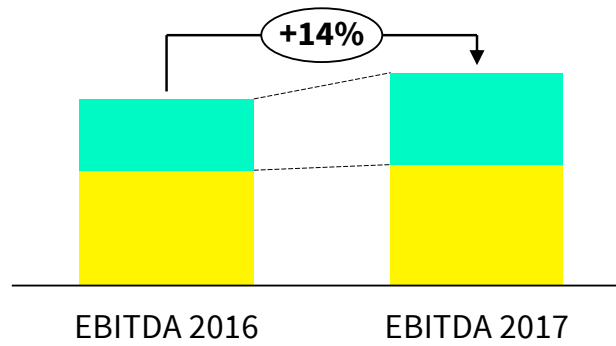
Source: Net-Matrix audits, 2010-01 to 2017-01 (gross figures calculated as the sum of visits to individual sites per month); 20 Minuten Online & Tio.ch Kombi: from 2012-01 including 20 min.ch - French-speaking Switzerland; 20min.ch not stated - German- and French-speaking Switzerland in 2016-08; Blick am Abend / Blick Online: from 2014-07 including Blick am Abend



20 Minuten: Digital growth offsets decline of print



Free Media revenue in Switzerland



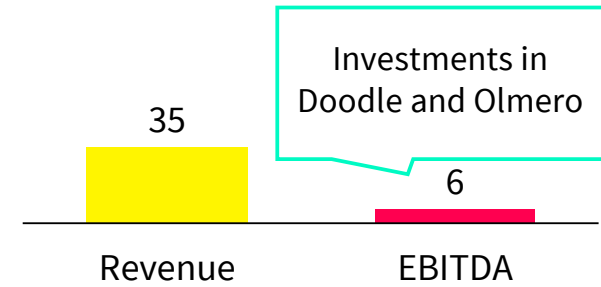
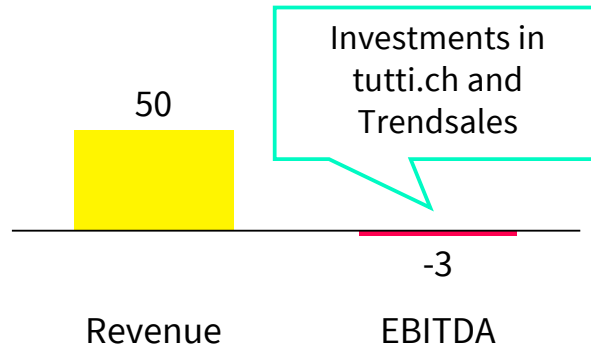
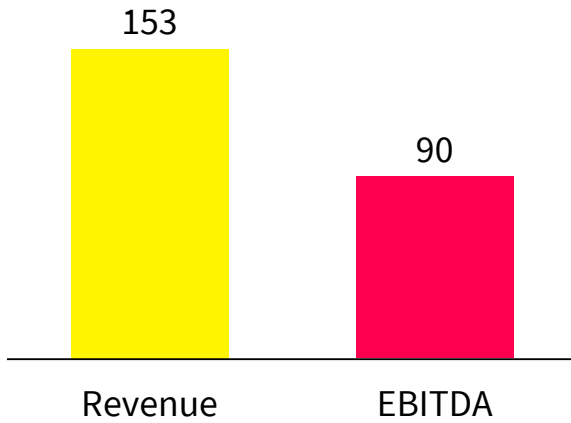
Free Media EBITDA in Switzerland

■ Digital
■ Print



Outstanding result for Classifieds

In CHF millions



Classifieds
EBITDA margin: 55.0 per cent

Marketplaces
EBITDA margin: -5.7 per cent

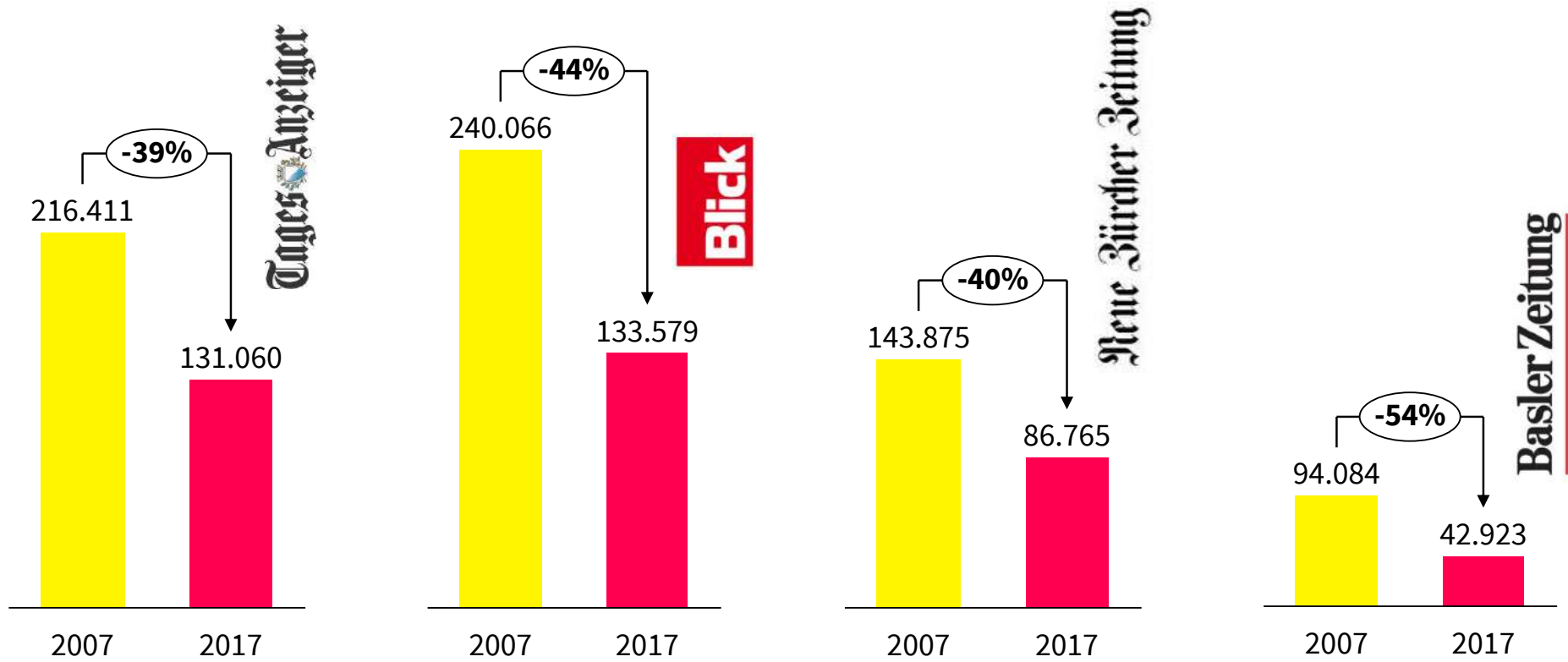
Services & Ventures
EBITDA margin: 18.3 per cent

Tamedia

So is everything just fine?
...not at all in paid media!



The circulation of paid dailies is in decline...

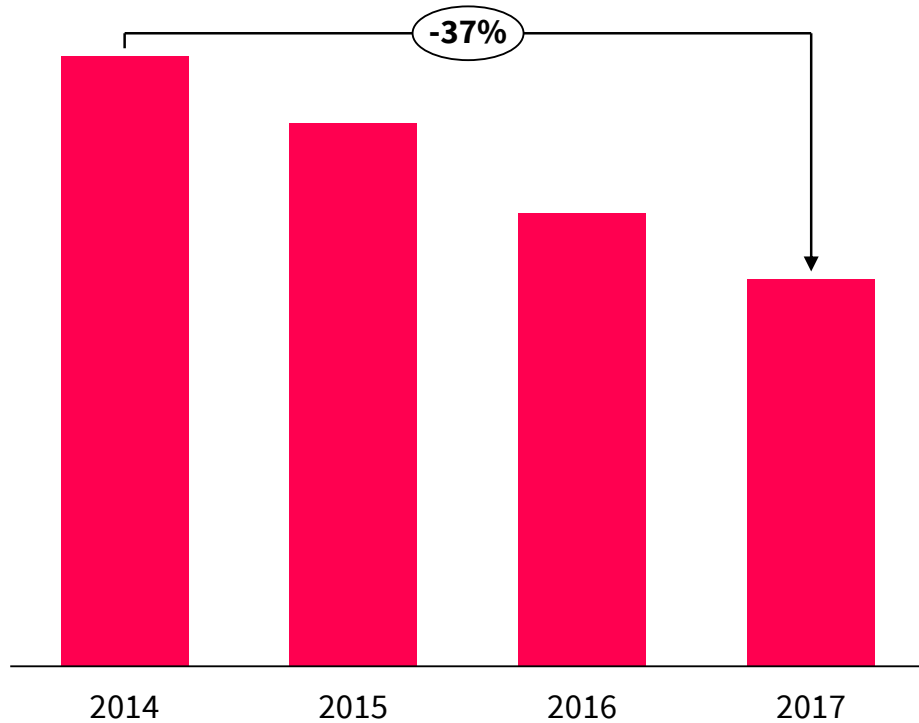


Development paid circulation of selected paid dailies* in Switzerland 2007 to 2017

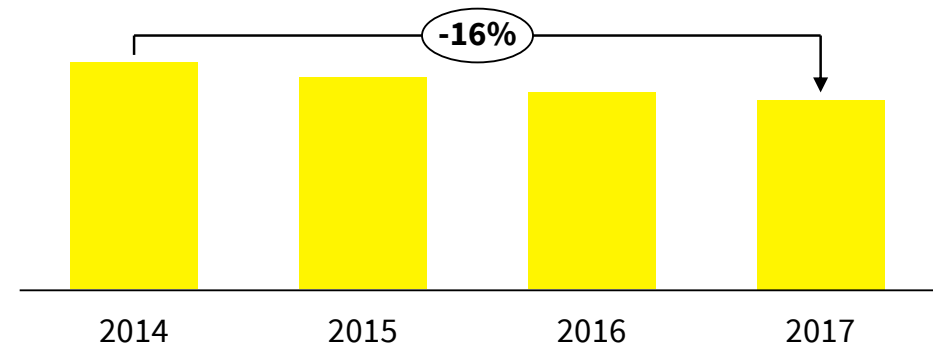
Source: WEMF Auflagebulletins 2007 und 2017; * four largest paid dailies in the German-speaking part of Switzerland without mergers between 2007 and 2017

Paid Media

...followed by a sharp drop in print advertising...



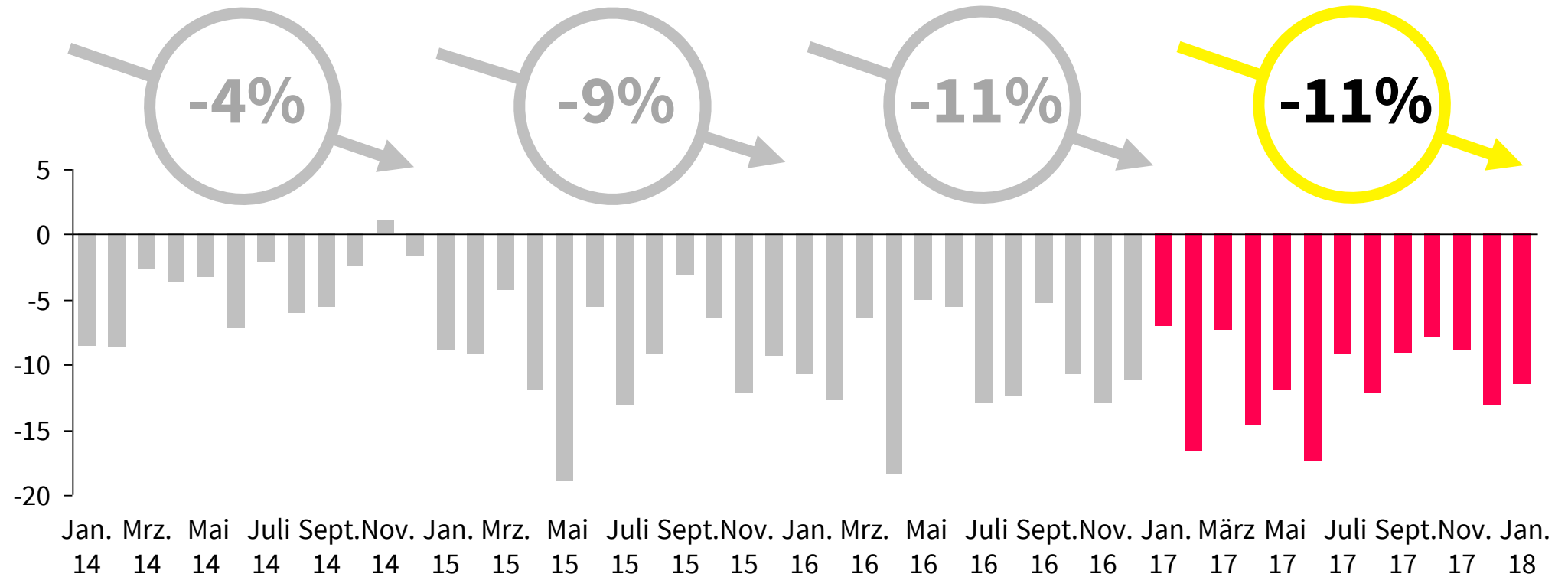
Percentage change in Paid Media print advertising revenue, 2014 to 2017



Percentage change in Free Media print advertising revenue, 2014 to 2017



...with an acceleration in speed downwards



Change of Net-spending in print in comparison to the previous years month (in %)

Busy printing facilities thanks to third-party orders



New print orders that are due to be accepted before the end of 2018



The new organisation

Each editorial office still has its own editor-in-chief



Centralised Sales-Teams and Services since January 2017



Marcel Kohler

Key Account



Content Projects / Crossmedia



Classifieds & Telephone sales



International Sales



Commercial Services & Marketing Solutions



Print Back Office



DA&S / Digital Back Office



Tamedia Network




Strategic Projects



<p>SonntagsZeitung</p> <p>FINANZ und WIRTSCHAFT</p> <p>Schweizer Familie</p> <p>annabelle</p> <p>DAS MAGAZIN</p> <p>Le Matin Dimanche</p> <p>encore!</p> <p>Bilan</p> <p>Le Matin</p> <p>TeleTop</p> <p>GuideTV</p> <p>TRIBUNE DES ARTS</p>	<p>20 minuten</p> <p>20 minutes</p> <p>20 minuti</p> <p>friday</p> <p>TILLATE</p>	<p>Tages-Anzeiger</p> <p>BZ BERNER ZEITUNG</p> <p>Der Bund</p> <p>BZ LANGENTHALER TAGBLATT</p> <p>THUNER TAGBLATT</p> <p>BERNER OBERLÄNDER</p> <p>BERNER BÄR</p> <p>Tagblatt</p> <p>Landbote</p> <p>Zürcher Unterländer</p> <p>Zürichsee-Zeitung</p> <p>Thalwiler Anzeiger</p> <p>Sihltaler</p> <p>FURTTALER</p> <p>RÜMLANGER</p> <p>24 heures</p> <p>Journal de Morges</p> <p>Le Matin</p> <p>newsnet</p>	<p>ricardo.ch</p> <p>autor Ricardo.ch</p> <p>homegate.ch</p> <p>ImmoStreet.ch</p> <p>tutti.ch</p>
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Users market with a new set-up and focus on digital sales



Regional Media German-speaking Market

Serge Reymond

Regional Media German-speaking Market



Robin Tanner

National Media German-speaking Market




Marcel Tappeiner

Digital Sales Development



Marc Isler

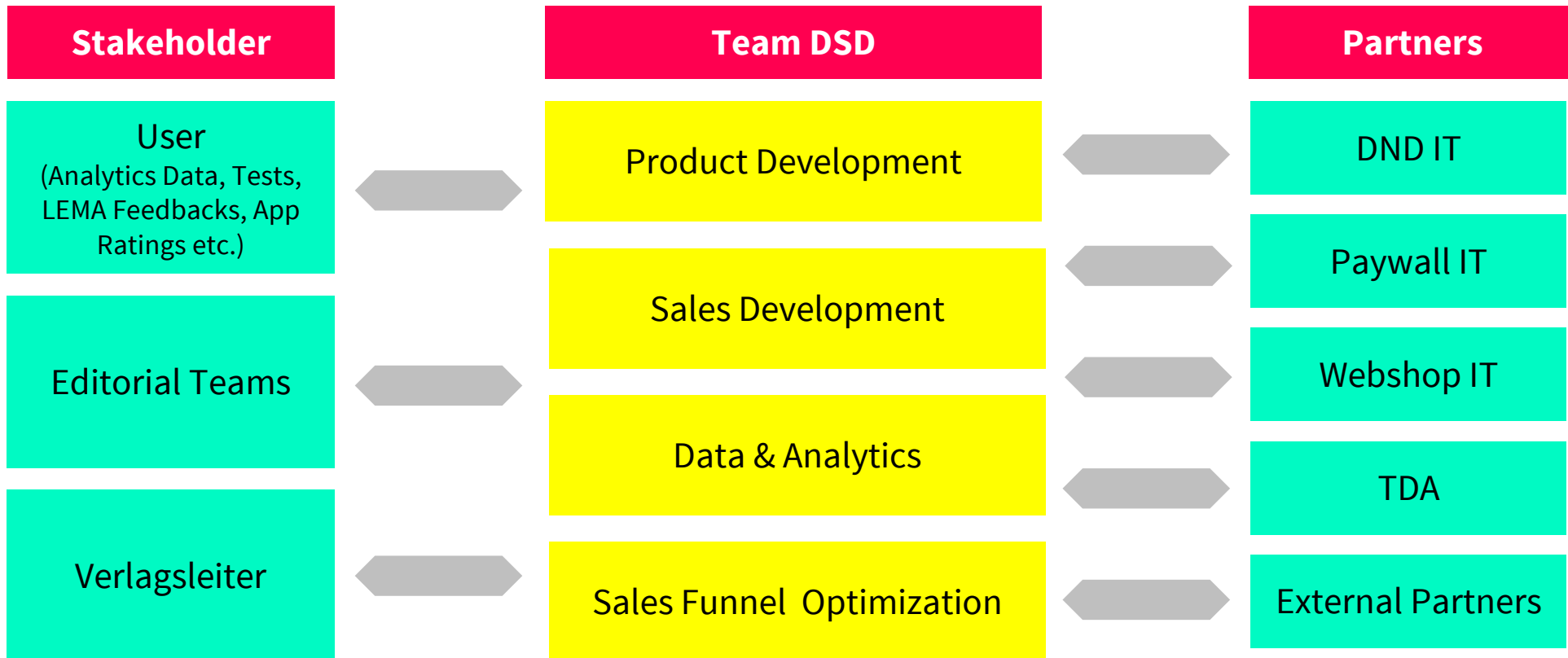
Dialog marketing French-speaking market



Karim Mahjoub

Our focus in 2018

DSD is responsible for the whole product-portfolio and sales



Three types of users identified



News snacker
Age 45 (+/-)

Characteristics:

- Sporadic, short sessions
- Use on the go
- Interested in specific topics
- Selects recommended articles

Acquisition:

- Social media and external sites

Suitable subscription:

- Day Pass



Heavy user
Age 35 (+/-)

Characteristics :

- Many sessions over the course of a day
- Use on the go; considerable affinity for smartphones
- Often browses the front page
- Reads comments, uses bookmarks and subscribes to push news

Acquisition:

- Directly via the news platform

Suitable subscriptions:

- Mobile, Digital Light



Convert
Age 60 (+/-)

Characteristics:

- Long sessions in the morning via iPad and tendency to read e-paper
- Likes slide shows and videos
- Traditional print subscriber who has converted to the digital product?

Acquisition:

- Via offline channels and special offers

Suitable subscription:

- Digital

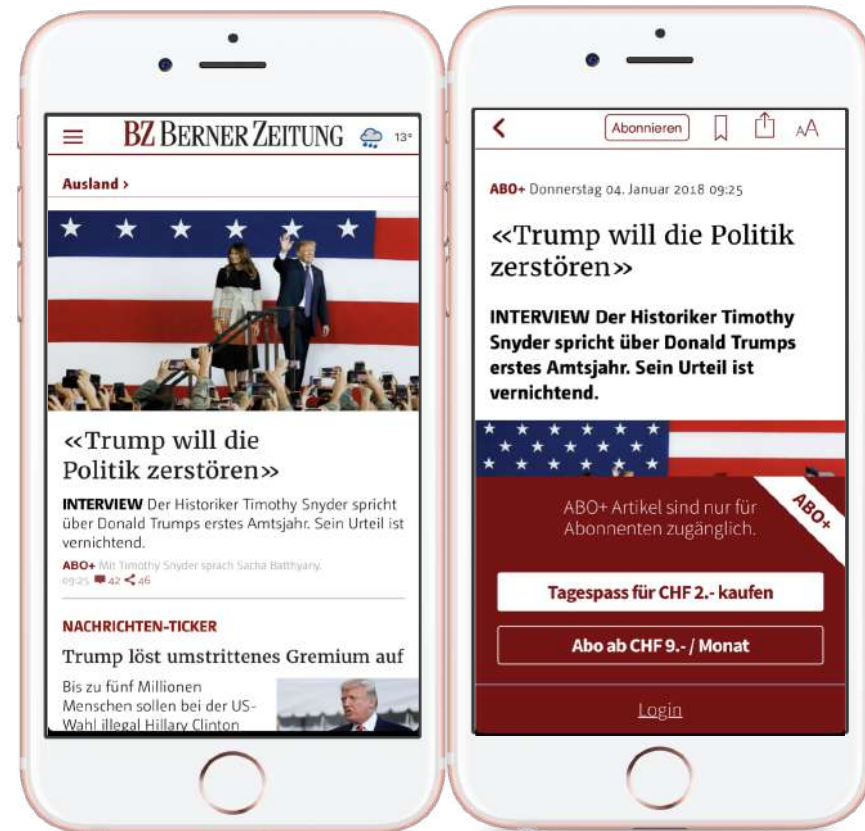
New since 1st of June: Abo+

Since 1st of June, 4-6 articles per day are only accessible for subscribers, marked as “Abo+”

Non-customers can buy a daily pass (24h access for CHF 2) or a subscription.

The editorial teams decide every day, which stories are marked as “Abo+”.

Every 3 months, team DSD organizes a review meeting with the respecting editorial teams to optimize the setup (selection of articles, placements etc.) based on data.



Best of Abo+ increased visibility of premium content

Goal: Getting non-paying users to see the value of Abo+ content and thereby motivate them to buy a day-pass.

What has been done:

- New section with top 5 Abo+ articles leading to a landing page with 10 articles (rotation according to editorial team) on BZ and TA.

Result:

- High interest and conversion rate.
- Branding aspect of extra content for paying user.

Das Beste aus Abo+

Jetzt sorgen die Opfer des Lärms für Krach



SonntagsZeitung Bis im April müssen Gemeinde- und Kantonsstrassen so saniert sein, dass Anwohner vor Lärm geschützt sind. Viele werden die Frist verpassen. Es drohen Schadenersatzklagen in Milliardenhöhe. [Mehr...](#)
ABO+ Roland Gamp. 10.12.2017 35 123

«Lernen, sich durchzusetzen»

Schweizer Familie Sie strapaziert die Nerven von Müttern und Vätern: die Trotzphase. [Mehr...](#)
ABO+ Marianne Siegenthaler. 12.12.2017

Eine Ärztin zählt die «Opfer» der IV-Sanierung

Durch eine Reduktion der neuen Rentenfälle wurde die Invalidenversicherung saniert. Psychiater erheben Vorwürfe. [Mehr...](#)
ABO+ Markus Brotschi, Bern. 07.12.2017

Learnings

- Content has to be checked by editorial team as some well functioning articles lose relevance (e.g. sports)
- Content has to be rotated manually

Next steps

- Start tests for 24h and TdG.
- Optimizing placement and content management of section.

New design of overlays has been A/B tested, to increase conversion rate

Example of test:

- User tests have shown that the old paywall had usability issues
- The new overlay designs have been A/B tested to ensure that these shortfalls have successfully been addressed

Results:

- Conversion rate of subscribers registering has been **increased 2,5 fold**



Old version



New design

Learnings

- A/B testing provides valuable insights
- Testing to be applied in as many cases as possible
- Successfully tested: SF UX changes, Mobile Abo, recommender layout, FUW, etc.

Next steps

- Improvement of A/B testing setup, to ensure tests can be done easily and fast (introduction of new testing software)

“What you may have missed”; first personalized feature

Goals:

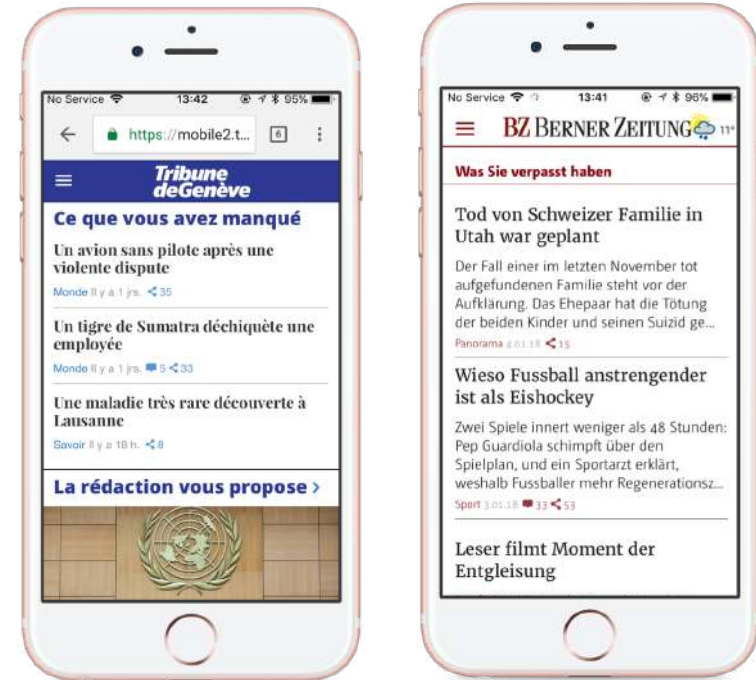
- Increase engagement of users with personalized element

What has been done:

- Test of 3 different algorithms which are partially personalized (read stories, stories often read by users with similar reading patterns)
- Test with different styles (with/without lead)

Results:

- Most personalized algorithm works best
- Interactions doubled with new design



Learnings

- First tests show that personalization can be interesting, however the impact of visual changes is more significant than changes in algorithm
- Personalization alone is not sufficient

Next steps

- Reduction of algorithms to most successful one
- Utilization of algorithm also for other elements such as related articles

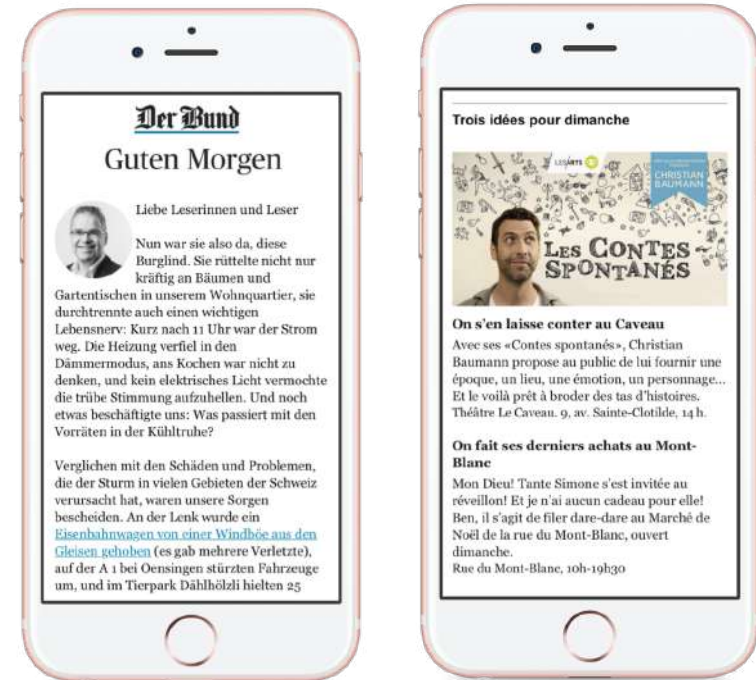
Editorial newsletters to generate leads and conversions

Goals:

- Use email-channel to reach new potential subscribers and generate conversions
- Collect email-leads for marketing campaigns
- Create traffic on respective news sites
- Provide additional service to existing subscribers

Results:

- 8 newsletters (3 daily, 5 weekly)
- 186k subscribers overall
- Newsletters generate 150-200 abo conversions/month



Learnings

- Carefully crafted daily newsletters lead to conversions but require effort
- Engagement highest with regional content (ZRZ)
- WCH-newsletters are underperforming

Next steps

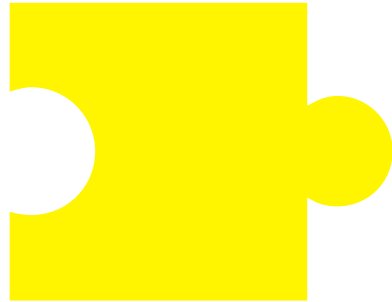
- Adjust editorial concepts (data & user feedback)
- Continue marketing efforts
- Replace editorially crafted newsletters for TdG and 24h with automatically-generated ones

Interdisciplinary work is key to success



Close to editorial teams & IT

The interdisciplinary work between editorial teams, DSD and IT is key for **speed, quality and innovation**, which leads to success (for eg. Abo+).



Speed

It's not the right time for big and expensive projects ("dreams"), we have to **move on in a pragmatic way**.



Standardization

DSD derives standards in all areas (e.g. newsletters, news platforms, analytics) to **make use of synergies and lower cost**.

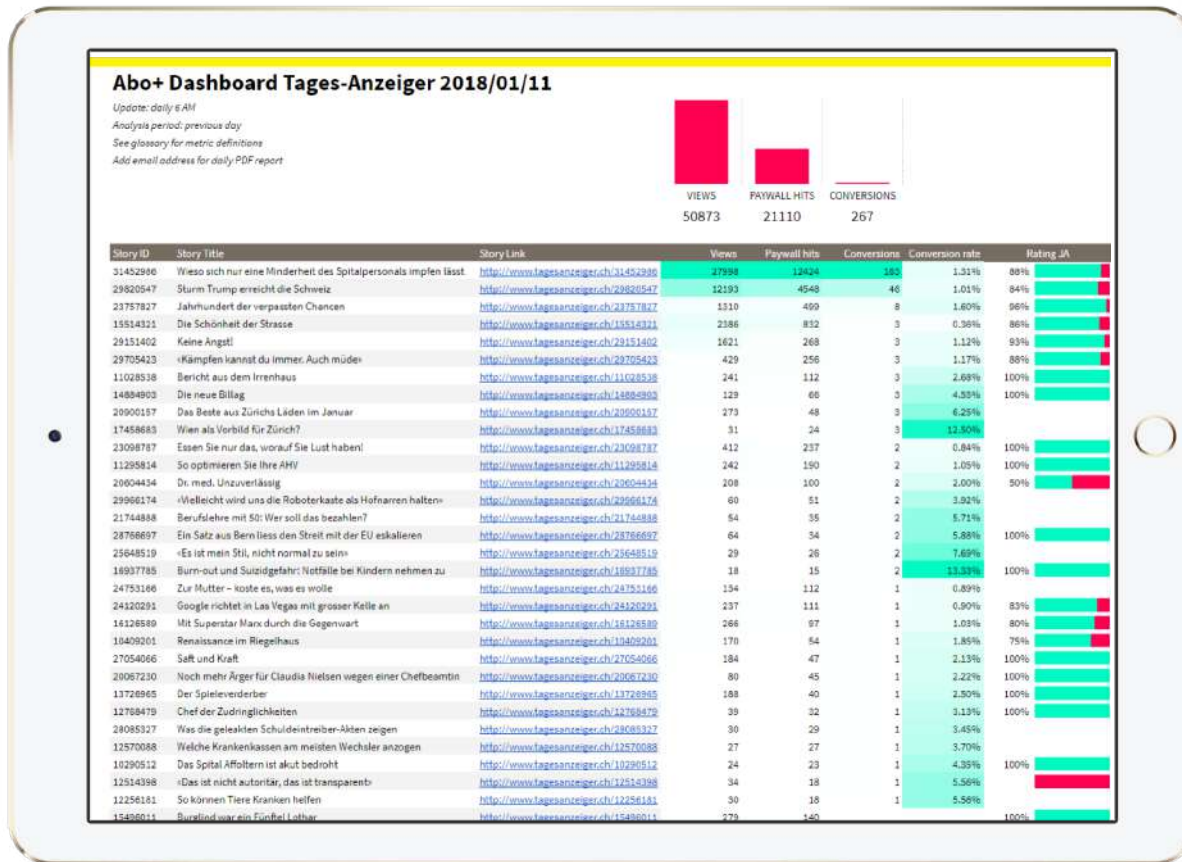


Test & learn

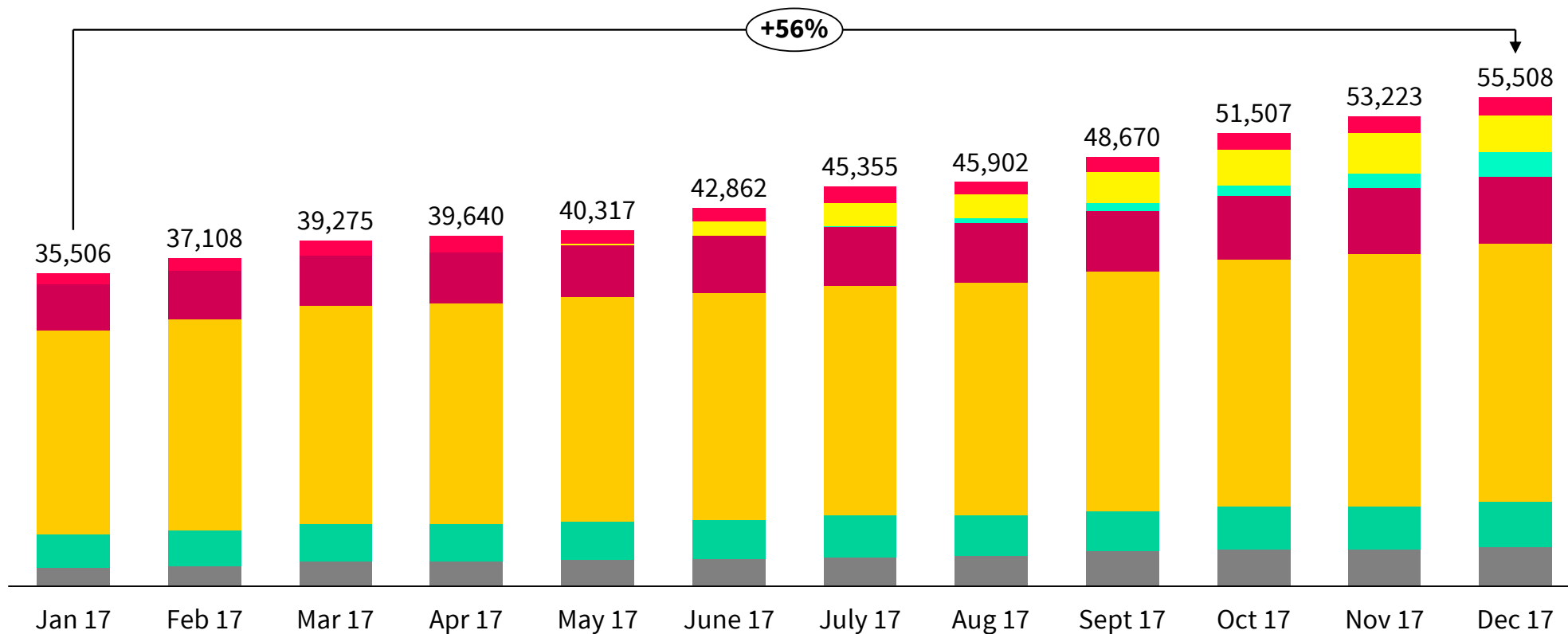
All concepts, ideas and designs are tested with real users:
We start small, test, learn, adapt - and repeat.



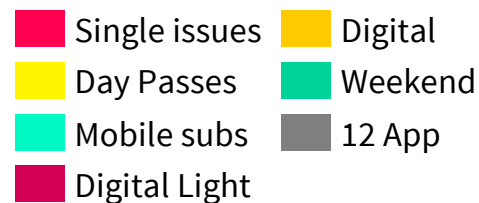
Editorial teams get daily reports about performance



Encouraging performance of digital offering



Digital subscriptions in 2017

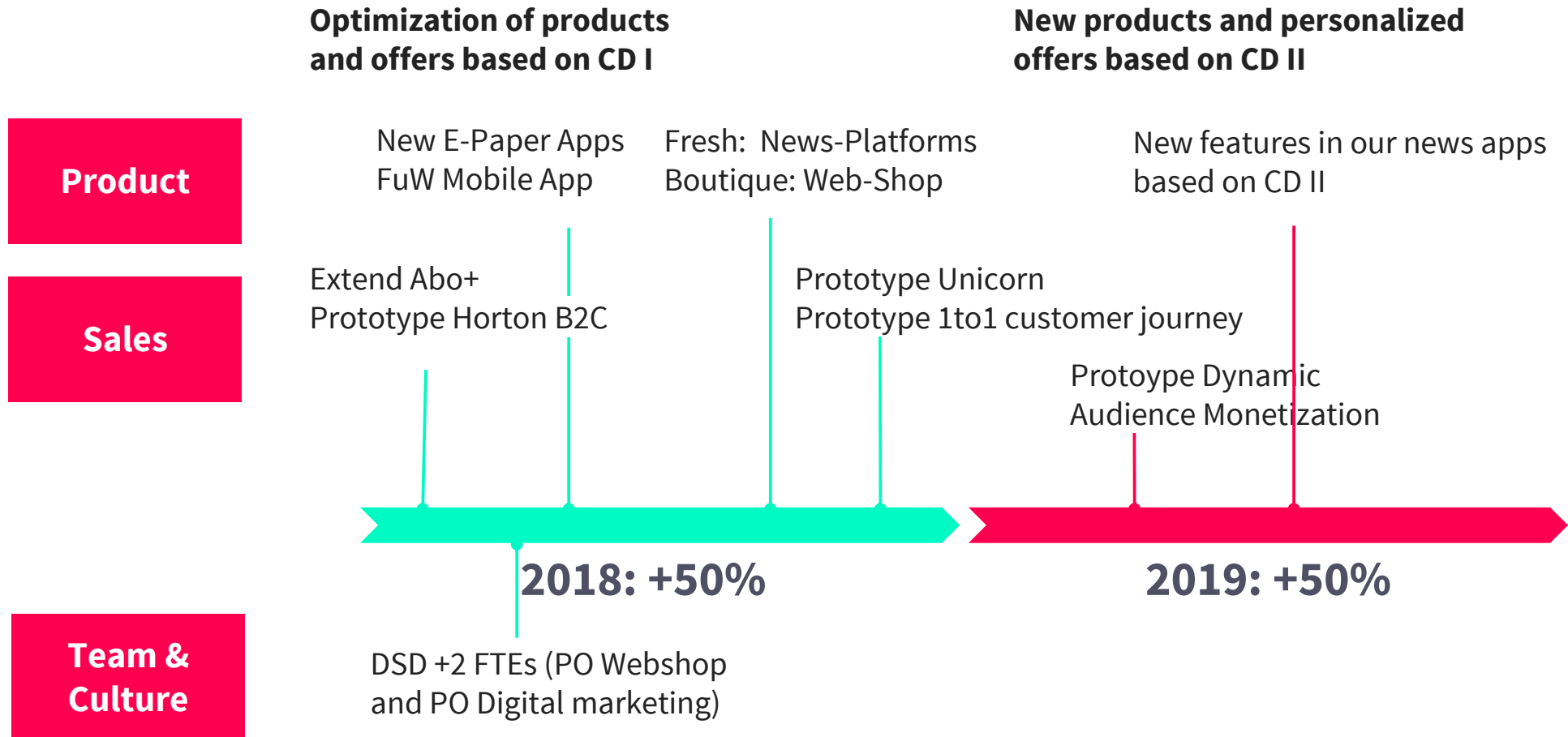


Summary: Growth areas 2018

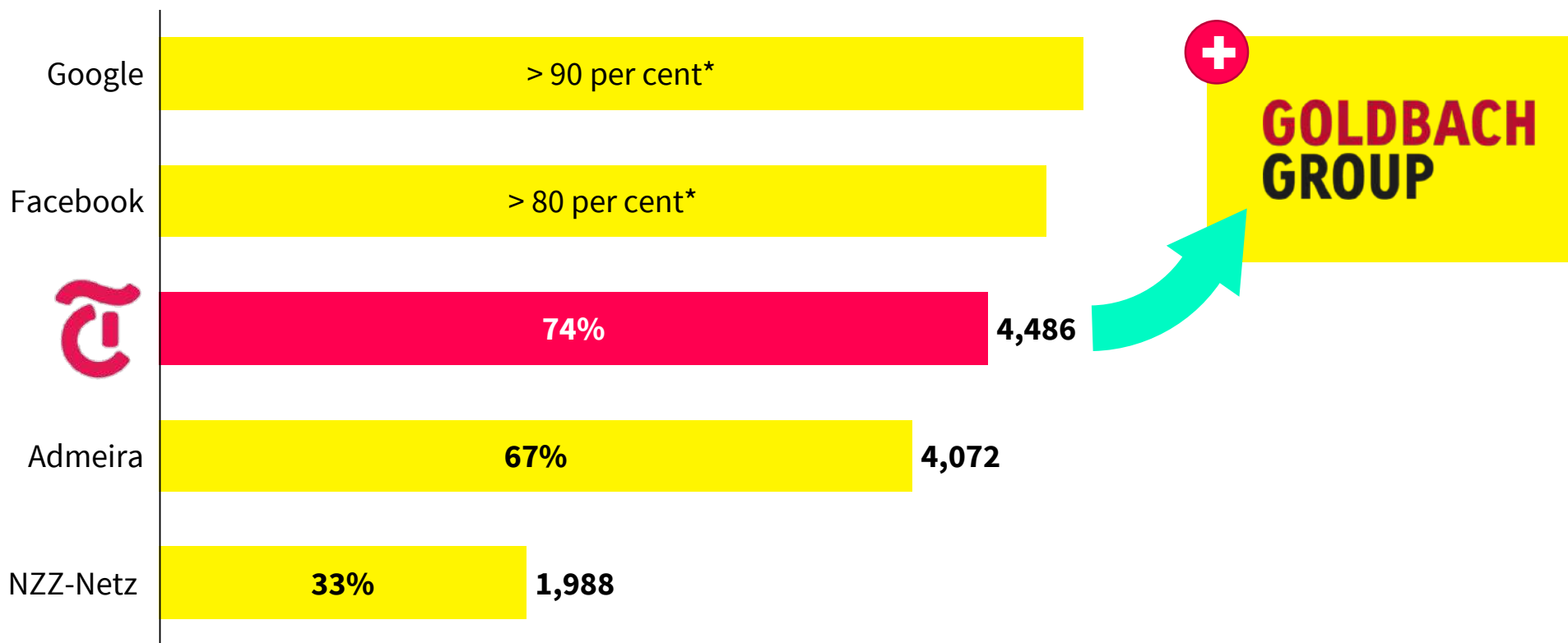
Sales			Product & Offers
 <p>Extend & optimize Abo+ content</p> <ul style="list-style-type: none"> ● Increase number of Abo+ content ● New Abo+ content (e.g. Videos, Magazines) ● Testing different price levels ● Optimization based on data 	 <p>Improvement of sales funnel</p> <ul style="list-style-type: none"> ● Close paywall holes ● Improvement of Checkout process ● Introduction of new payment possibilities ● Pushing Users to Log-In (e.g. 2-week free trial) 	 <p>1to1 marketing</p> <ul style="list-style-type: none"> ● Address a user based on his status in the customer journey ● Better use of social media to reach possible clients 	 <p>Increase value for subscribers</p> <ul style="list-style-type: none"> ● Improvement of User experience (speed, usability, premium experience) ● More value (e.g. more content, more service) for money



Goal to growth digital sales by 50% in 2018



Digital advertising market dominated by Google & FB



Swiss networks measured by unique users per month (UUuM) in thousands and by monthly nationwide reach in per cent based on NET-Matrix profiles 2017-2; * estimate



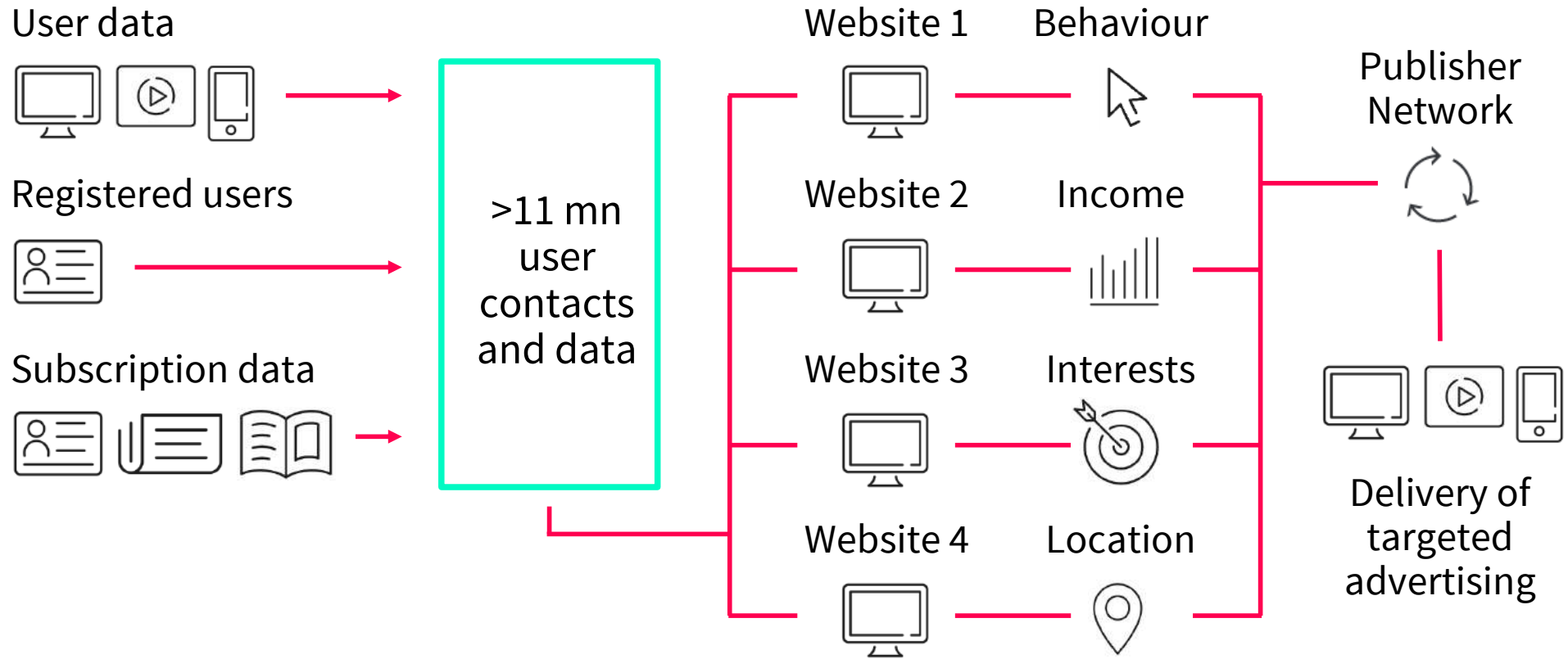
We have to differentiate ourselves vs. those multinationals



360 degree advertising offer:

- Digital out-of-home
- Mobile
- Online
- Radio
- Television
- Magazines
- Newspapers

Our detailed user data allow us targeted advertising



Successful anti-adblocker campaign

- Following an awareness campaign, access to the Tamedia news sites via desktop computers has been restricted since November 2017 to users who deactivate their adblocker
- 20 Minuten users can now take out a subscription costing CHF 2 a week that allows them to keep their adblocker activated
- Paid Media users can choose between taking out a subscription or deactivating their adblocker (applicable to freely accessible articles)
- Despite the adblocker campaign, traffic on our news sites remained steady
- The adblocker rate on our 20 Minuten news sites fell sharply from around 15% to 3-4%
- We managed to acquire additional Paid Media subscribers

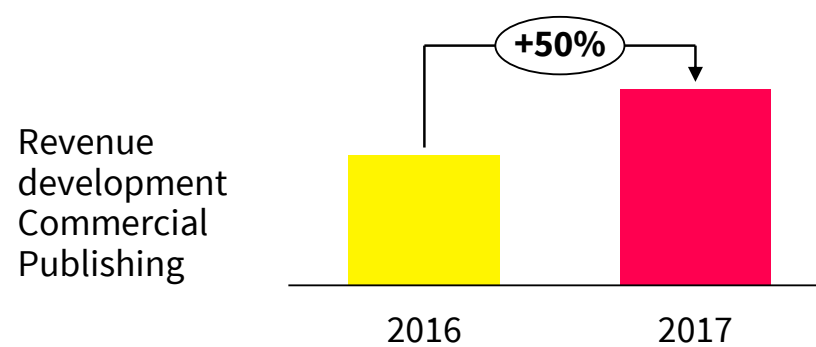
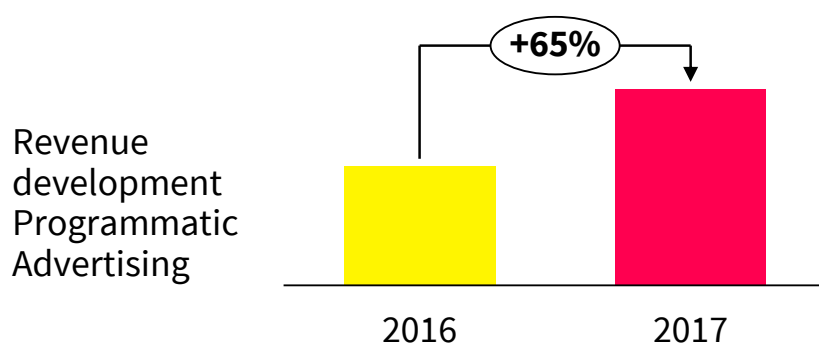
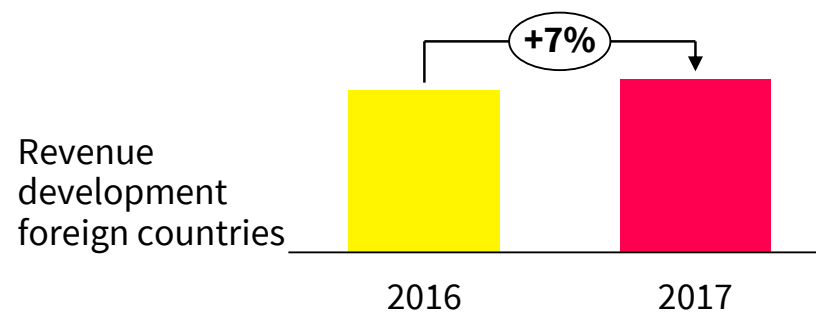
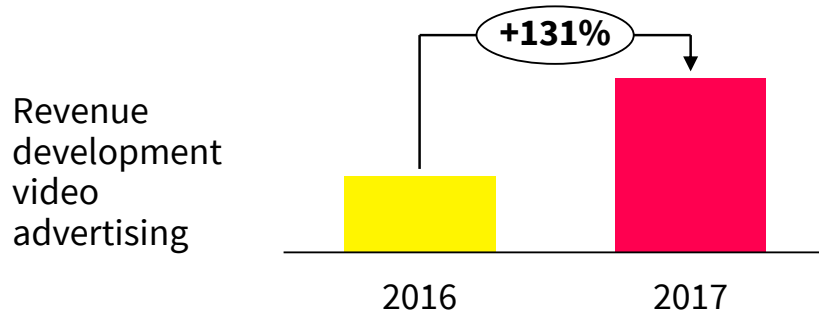
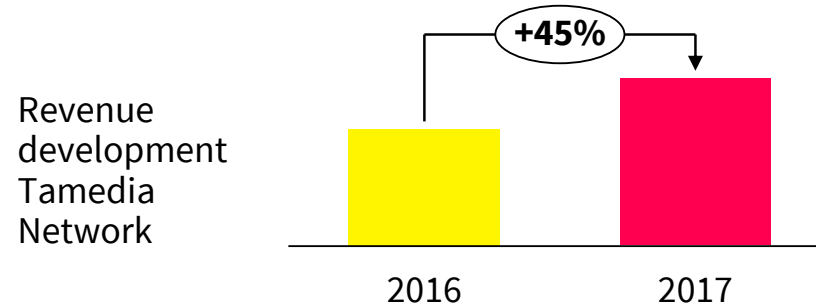
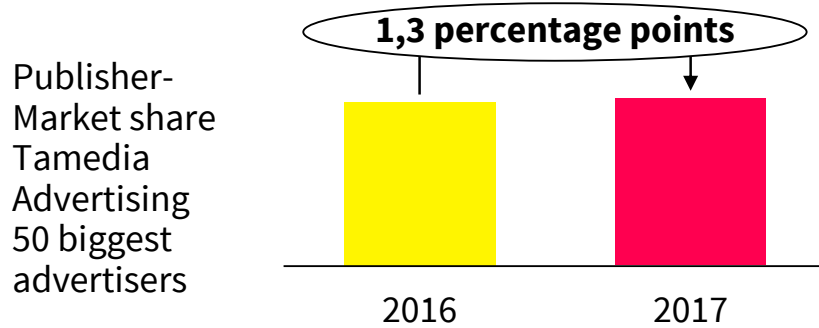
Phase 1: Raising awareness



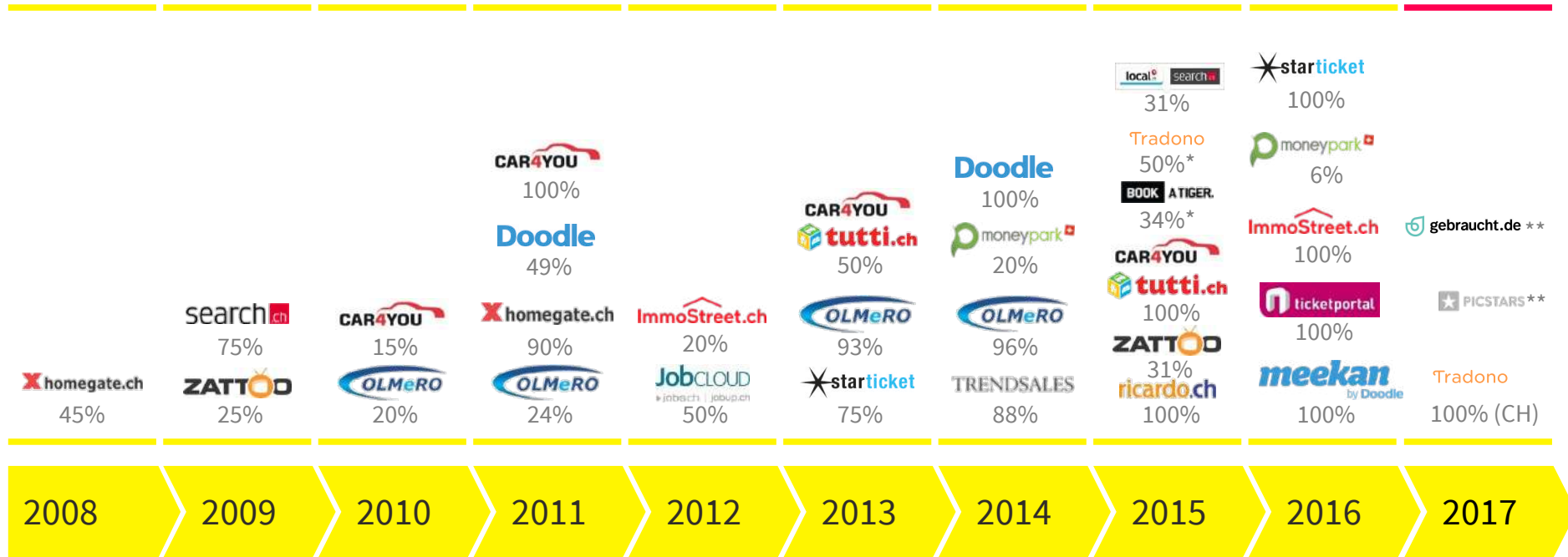
Phase 2: Adblocker



Tamedia Advertising has established itself in the market



Tamedia invests in expanding its online portfolio



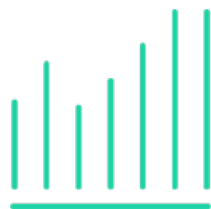
* Swiss Joint-Venture
 ** Minority Investment



Leverage No. 1 position and use network effects to grow



Leverage No. 1 position in news to **win consolidation scenario**



Transformation from print to **digital** successfully underway



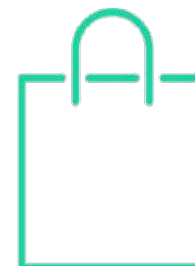
High **cash-flow** and **solid equity ratio** allow aggressive **investments**



Expand our highly profitable **free media network** into new markets



Launch of innovative **new products** and additions



Further **growth through acquisitions** at home and abroad

Leverage
no. 1 position

Transformation into a **digital media group**
We use **network effects** to launch **new product**

Further growth
through **acquisitions**

The Swiss leader in news and digital with a lot of potential

