



**TALOUS**  
**SANOMAT**



Tomi Salo vastaa  
**Mistä ennustan,  
milloin noususuhdanne tyssä?**

**KYSY SIJOTTAMISESTA**

**Taloussanomat**

**Pörssi**

*Sanoma Digital*  
SANOMA DIGITAL

**oikotie.fi** Etusivu Asunnot Autot Koulutus Työpaikat

**Oikotie.fi - alueesi yksityisten ja yritysten ilmoitukset**

Helsingin Sanomat, Turun Sanomat, Etelä-Suomen Sanomat, Etelä-Saimaa, H

**IHANAA VINTAGEA!**

1. lokakuuta 2007 **cooo**

Tornin Myyriksen kautta miniloon nettikauppaan joka löysi eBayn kautta. Spanish Moss Vintage herää vintage-vaatteita ja myy niitä eteenpäin eBayn kautta. Erilokoin taita kaupasta tekee sen mielettömän hyönnköönnön...  
kavat, jolla pöörääs tällnen kaupn onitajoi...

[Lue lisää...](#) | [2 kommenttia](#)



# Sanoma Going Digital

Mikael Pentikäinen  
President, Sanoma Corporation

SanomaWSOY CMD  
5 October 2007

# Agenda

- Media continents are moving
- Media consumption is changing, newspapers are facing new challenges
- Media advertising is changing too
- How is Sanoma responding to the change?



A photograph of a building facade at night. The word "SANOMA" is written in large, three-dimensional, illuminated letters on the building's exterior. The letters are lit from within, creating a warm, golden glow. The background is dark, and the overall scene is slightly blurred, suggesting a long exposure or a camera movement. The text "Media Continents Are Moving" is overlaid on the lower right portion of the image.

# Media Continents Are Moving

# .. The Change is Driven by the Internet

ILTA-SANOMAT

HELSINGIN SANOMAT

GLORIANKoti

COSMOPOLITAN

MeNaiset

ILTALEHTI

The Economist

ETELÄ-SAIMAA

Newspapers

Magazines

BAZAAR

KARJALAINEN

PRAVDA  
online since January 27th, 1999

HS.fi

facebook

YouTube

MU

Internet

IRC-Galleria

RTL

amazon.com  
and you're done.

Television

Books

Comcast

4

oikotie

Huuto.net

WSOY

YLE

MTV3

Radio

tammi

SUBTV

MTV3

JIM

RADIO ROCK

KOESKEURIG  
interactieve koopgids

PenguinBooks

RADIO HELSINKI  
HELMIA HELSINKILÄISILLE

sbs  
broadcasting group

# Is This How Media Should Be Perceived? For Sure This Is Not the Future!





# Media Consumption Is Changing Newspapers Are Facing New Challenges

## Multi-tasking Affects Media "Habits"

30% of media time is spent with two or more media at the same time

- Multi-tasking varies by age\*
- Among 25-34's -> 1.2 media
  - Among 18-24's -> 3.9 media

24 hours  
- 8 hours sleeping  
= 16 waking hours

11.1 hours spent with media (69.5%)

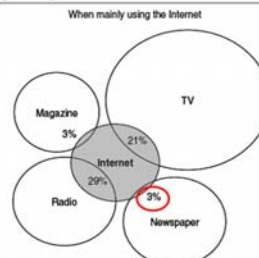
15 hours including multi-tasking (94%)

We have talked a lot about changing media consumption - Simultaneous media usage is affecting media habits, but newspapers seem not to be most at risk

Source: Carat 2005

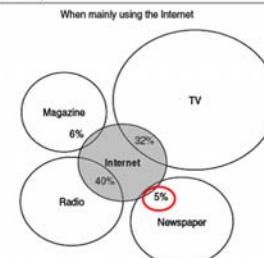
## Reading and Internet Seem to Have the Least Overlap

Figure 34: The Internet as a complementary medium (all respondents)



Source: EIAA Mediascope (2005), EU and Norway. Question: When you're mainly watching TV, reading a newspaper, reading a magazine, listening to radio, using the Internet, which other media do you sometimes use?

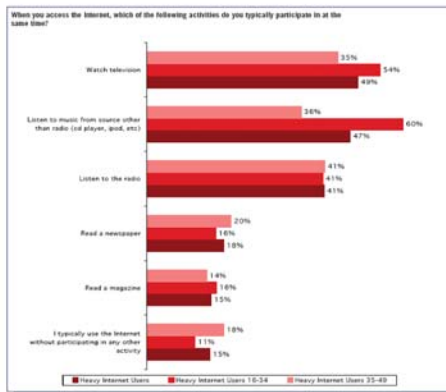
Figure 35: The Internet as a complementary medium (16-24 year olds)



Source: EIAA Mediascope (2005), EU and Norway. Question: When you're mainly watching TV, reading a newspaper, reading a magazine, listening to radio, using the Internet, which other media do you sometimes use?

Source: Pew Research Center 2006, Online papers modestly boost newspaper readership

## Simultaneous Media Usage



• Only 15% of respondents say they use the internet exclusive of any other activity

• The most common simultaneous activities - especially in the younger age group - are watching TV, and listening to music

Source: Universal McCann 2006, The new digital divide

## Newspapers Are Not Most at Risk

Figure 27: 'Cost' of Internet usage by activity (European survey)

Watch TV	43%
Talk on the phone	28%
Read books	29%
Read magazines	26%
Read newspapers	24%
Outdoor activities	21%
Play sports or exercise	20%
Listen to music	19%
Listen to radio	19%
Spend time with friends and family	19%
Work	14%

Source: EIAA European Media Consumption Study 2/Millward Brown. Q20: Which of the following do you do less often as a result of using the Internet?

Source: Credit Suisse 2006, Biggest change in media consumption since TV

# Rise of User-generated Content is an Opportunity for Sanoma

Every fourth European internet user produces content for blogs, web sites and discussion forums (Jupiter, April 2006)



At HS.fi Oma kaupunki users can participate by adding own listings and ratings on different services and places in the city

- User participation takes different forms
  - Blogs, wikis, citizen journalism
  - Virtual communities, networks
- Traditional media can encourage and support users to generate their own content
  - Online discussions and polls
  - C2C community directories and marketplaces
  - Participation via mobile
  - User generated pictures and videos



# Active Discussion Forums at Sanoma's Web Sites

HS.fi aloitussivuksi  
 Palautte | Uutisvinkki | Apua | Hae HS.fi:stä

**Uutiset**

- Keskustelut
- Blogit**
- Uutisvinkki
- Lukijoiden kuvat
- Palautte

**Kotimaa**

**Politiikka**

**Kaupunki**

**Ulkomaat**

**Talous**

Sää

**Urheilu**

**Kulttuuri**

Viihde

Oma elämä

Oma kaupunki

Autot

Matkailu

**Lukupiiri**  
**Tanssiaiset**  
 1. lokakuuta 2007 Kirsi Piha  
 Kirjailija Irène Némirovsky tuli minulle tutuksi kirjasta Ranskalainen sarja (suom. Anna-Maija Viitanen). Ranskalainen sarja –kirjan tapahtumat ovat sijoittuneet Ranskaan sodan aikana...

**Retromania**  
**Tenori-On**  
 1. lokakuuta 2007 Mikko Kuusto  
 Kyse ei nyt ole laulajan eksistenssistä, vaan Yamahan uudesta soittepelistä. Uutuudestaan huolimatta laite kutittelee retroilijankin mielenkiintoa, onhan kyseessä ihan selkeästi originaalia...

**Big Brother tällä viikolla**  
**Muumitalossa**  
 30. syyskuuta 2007 Virpi Salmi ja Ville Similä  
 Farbod: Jos BB-talo olisi Muumitalo (ja siis miten niin se ei ole), Farbod olisi Nuuskamuikkunen: ihme hiiltäjä, joka tulee jostain etelästä,...

**ILTA-SANOMAT KESKUSTELU**

Maanantai 1.10.2007

**Etusivu**

**Keskustelut**

Keskustelualueet

Arkisto 2000-2007

Nettikyseily

Vanhat kyselyt

**Uutiset**

Sää

Urheilu

Viihde

Haiset

TV-opas

Talous

Autot

**Keskustelut**

Videot

Kuvagalleriat

Lukijan kuva

**Mistä Suomi tänään puhuu?**  
 Ilta-Sanomien nettikeskusteluissa on päivittäin satoja lukijoiden kommentteja ajankohtaisista puheenaiheista.  
 IS:n toimitus valitsee keskustelunaiheet lukijoiden ehdotuksista ja tarkistaa etukäteen kaikki julkaistavat kirjoitukset. Lue ohjeet sivun oikeasta reunasta ja tule mukaan keskustelemaan!  
 Hae keskusteluista:  **Etsi**

**LUKIJAN ÄÄNI**

Lupasiko kokoomus liikkoja hoitajille vaalikampanjassa?	[39]
Onko Tuomioja oikeassa ministerin äitiyslomakiistassa?	[81]
Kotiruoka kunniaan kouluissa!	[72]
Kokoomus jyrää Halosen	[202]
Voiko ex-kumppanin kanssa olla kaveri?	[85]
Arto Paasilinna öykkäri Norjan suurlähetystössä	[111]
Ministeri Lindénin adoptioikiireet	[370]
Sairaanhoitajien lakko uhkaa!	[1259]
Naapurin alastomuus ärsyttää!	[638]
Tupakoitsijalle potkut!	[515]
Ratkeako Madeleinen mysteeri koskaan?	[2530]

**HS.fi DISCUSSIONS**

Example of published messages per week

New messages	17 158
New topics	1 495

Number of unique visitors to HS.fi discussion sites increased + 82% and to HS.fi blogs + 131% in August 2007\*

**ILTA-SANOMAT DISCUSSIONS**

Example of published messages per week

Reader's voice	9 085
Sports	478
Entertainment	669
Travel	148
<b>Tot.</b>	<b>10 380</b>

Number of unique visitors to Ilta-Sanomats discussion sites increased + 43% in August 2007\*

\* Average weekly visitors in August 2007 compared to average weekly visitors in August 2006

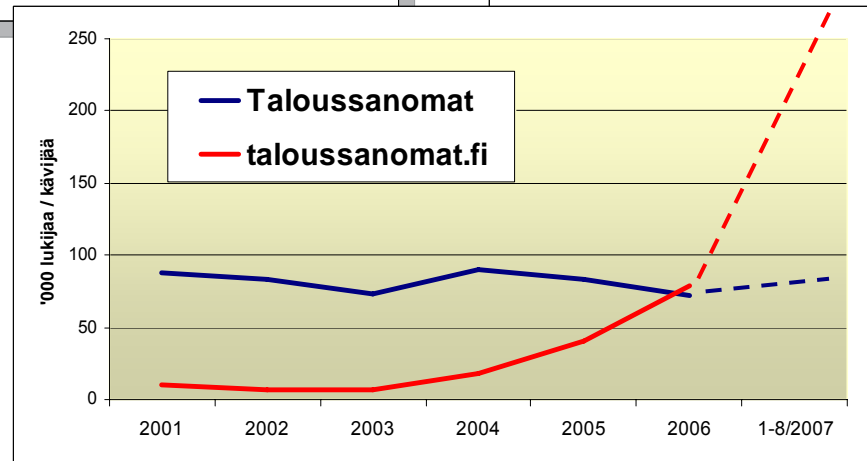
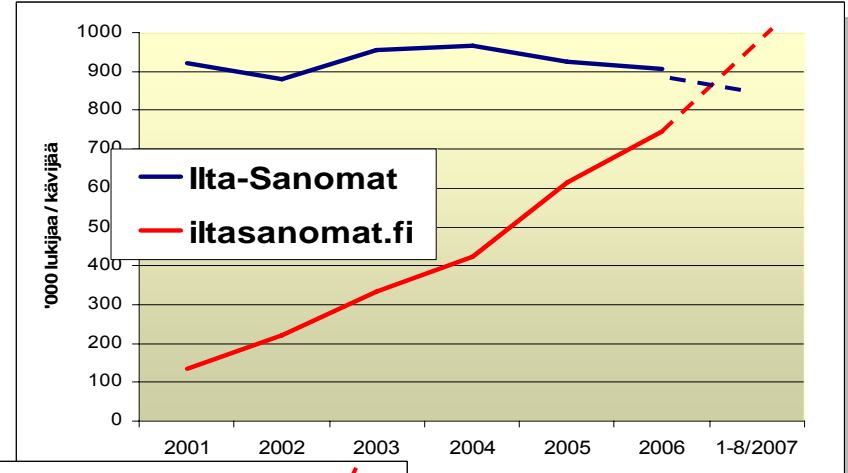
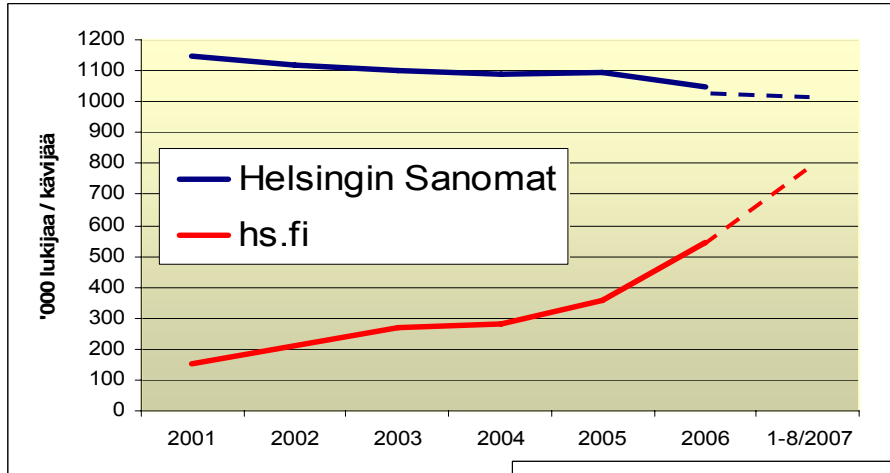
# Users' Pictures Are Published in UL 100 Printed Commuter Free Sheet and on Web Site Every Day



- In less than 2 years UL 100 has received more than 10,000 pictures from its readers
- The editorial staff receives dozens of pictures each day - during the most “happening” days the figure is close to a hundred
- Number of sent pictures is increasing fast
- UL 100 printed free sheet publishes ca. 20-30 pictures each week - some of them on the first page
- The total amount of published pictures amounts to 1 500

# Web Gaining Fast, Newspaper Readership Remains Stable

## Readers and Web Users 2001–2007 (Jan–Aug)

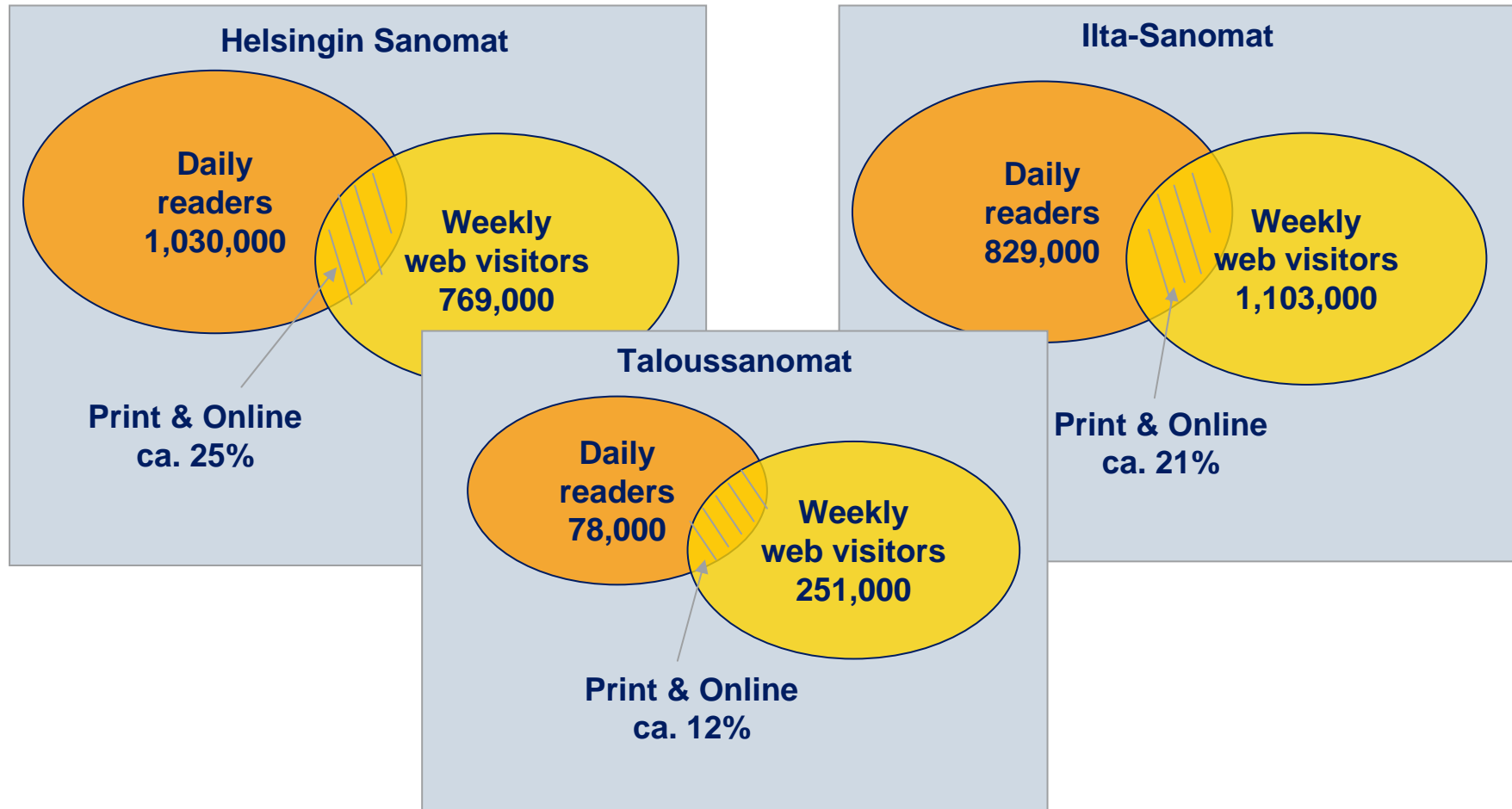


### GLOBAL CIRCULATION TRENDS

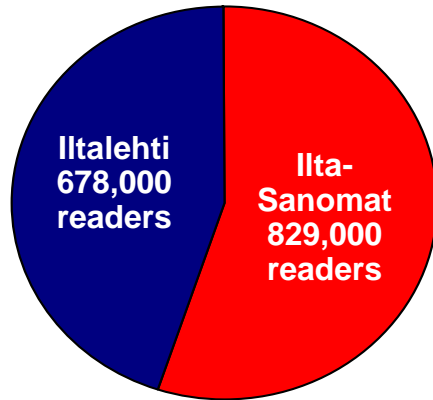
- Circulation development has been very stable globally
- In Europe free sheets have contributed to increased circulation volumes

# Sanoma's Total Reach Is Record High

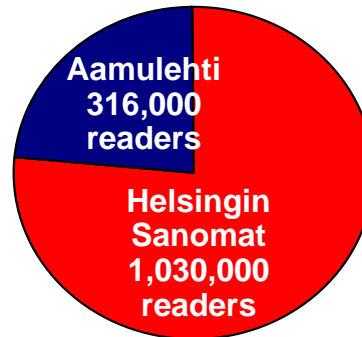
## Only Partial Overlap with Print and Online



# The Print Position Can Change...



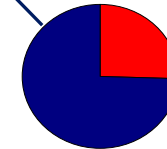
What will happen...



...when we...

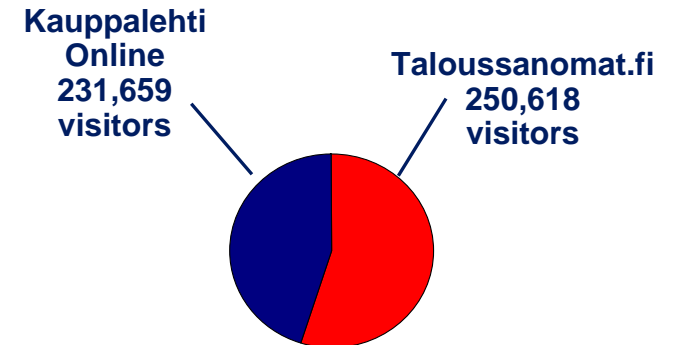
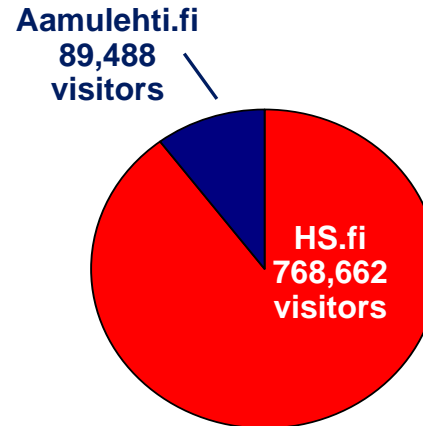
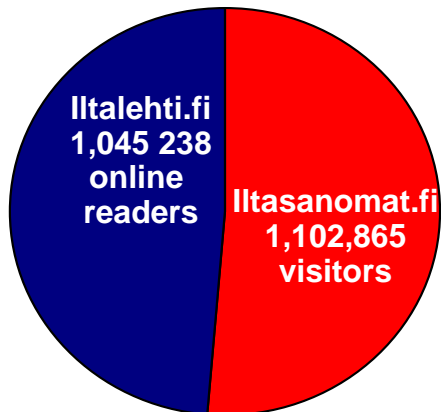
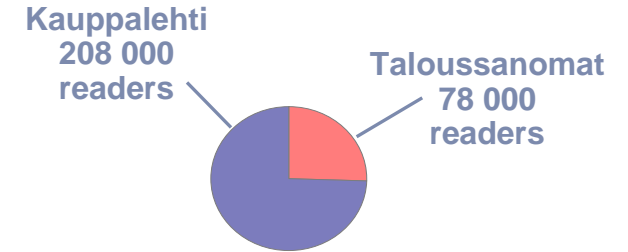
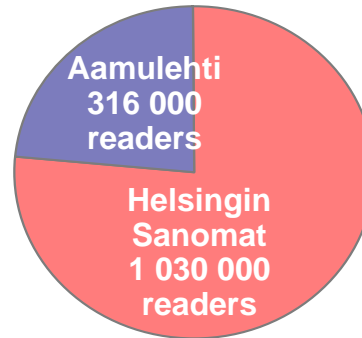
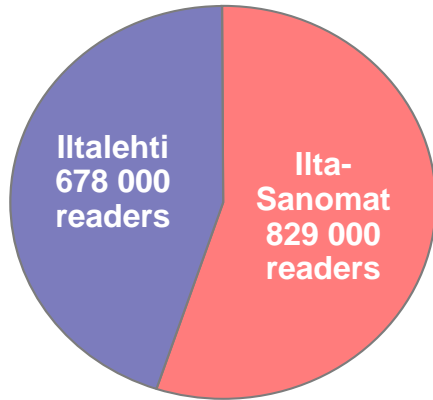
Kauppalehti  
208,000  
readers

Taloussanomat  
78,000  
readers



...go online?

# .. as the Battle Shifts to Online



# There's Still Catching up to Do in the Online Market

## Unique Visitors (1,000)

Week 37/2007

1.	MTV3	1,233	↑
2.	MSN.fi	1,195	↓
3.	<b>Ilta-Sanomat</b>	<b>1,103</b>	↑
4.	Iltalehti	1,045	↑
5.	Suomi24	1,021	↑
6.	(MSN/Messenger	1,011)	
7.	YLE	984	↑
8.	IRC-Galleria	855	↑
9.	<b>Helsingin Sanomat</b>	<b>769</b>	↑
10.	Telkku.com	497	↑
11.	NettiX	477	↑
12.	<b>Huuto.net</b>	<b>432</b>	↑
13.	Eniro.fi	423	↑
14.	Plaza	397	↑
15.	SubTV.fi	385	↑
16.	<b>Oikotie.fi</b>	<b>313</b>	↑
17.	Etuovi.com	294	↑
18.	<b>Taloussanomat</b>	<b>251</b>	↑
19.	Kauppalehti Online	232	↑
20.	<b>MBNet</b>	<b>222</b>	↔

> 12  
months  
back >

Week 38/2006

1.	MSN.fi	1,425
2.	MTV3	1,120
3.	Suomi24	861
4.	Iltalehti	767
5.	<b>Ilta-Sanomat</b>	<b>734</b>
6.	YLE	714
7.	IRC-Galleria	713
8.	<b>Helsingin Sanomat</b>	<b>492</b>
9.	Eniro.fi	383
10.	Telkku.com	379
11.	<b>Huuto.net</b>	<b>336</b>
12.	SubTV.fi	282
13.	<b>Oikotie.fi</b>	<b>249</b>
14.	<b>MBNet</b>	<b>230</b>
15.	Etuovi.com	217
16.	Elisa.net etusivut	181
17.	City.fi	167
18.	Yritystele	142
19.	Kauppalehti Online	133
20.	Kuvake.net	108

At the same time **Sanoma's relative position within newspaper readership is strengthening!**

-> Sanoma has currently 7 newspapers and 49% of readers on Top 20 list as compared to 5 newspapers and 41% of readers in 2005

24% of visitors in Top 20-web sites

21% of visitors in Top 20-web sites



# Media Advertising is Changing Too



# Creating Balanced Media Growth

Despite Concerns, Subscribed Newspapers Have Had an Excellent Year; Online Continues Strong Performance

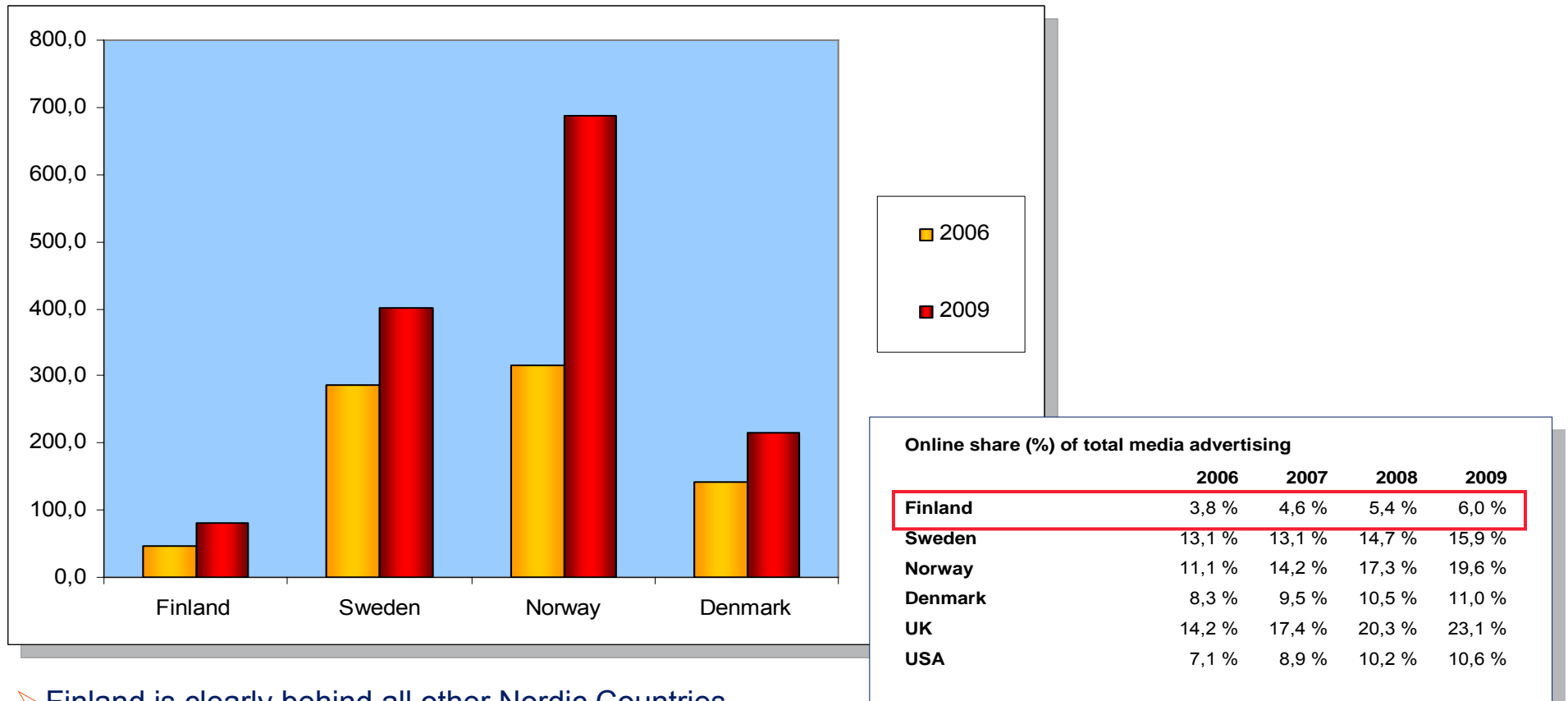
EUR 1,000	8/2007	Ch %	1-8/2007	Ch %
NEWSPAPERS	51,115	7.3	413,824	5.8
MAGAZINES	10,532	2.0	96,756	2.5
TELEVISION	14,153	15.2	157,013	6.8
RADIO	2,864	2.1	28,681	3.7
OUTDOOR	2,579	9.4	26,756	12.2
CINEMA	104	60.4	1,110	54.8
ONLINE	3,598	16.1	31,619	21.3
Total	84,945	8.0	755,758	6.2

**SANOMA AD SALES**  
(Change 1-8/2007 vs. 1-8/2006)

- Print ad sales +8.2%
- Online ad sales including classifieds +34.1%\*
- Total ad sales + 9.7%

Source: TNS Gallup. Net figures, Change-% to previous year  
\* Growth of Sanoma Online Ad Sales (display advertising) in 1-8/2007 was 41.0%

# Finland Still Waiting for the Online Growth Surge



- Finland is clearly behind all other Nordic Countries
- **E.g. in Norway, online advertising share of total media advertising is expected to reach almost 20% in 2009**

# Does a National Player Stand a Chance?



Or five..?

**NOKIA**

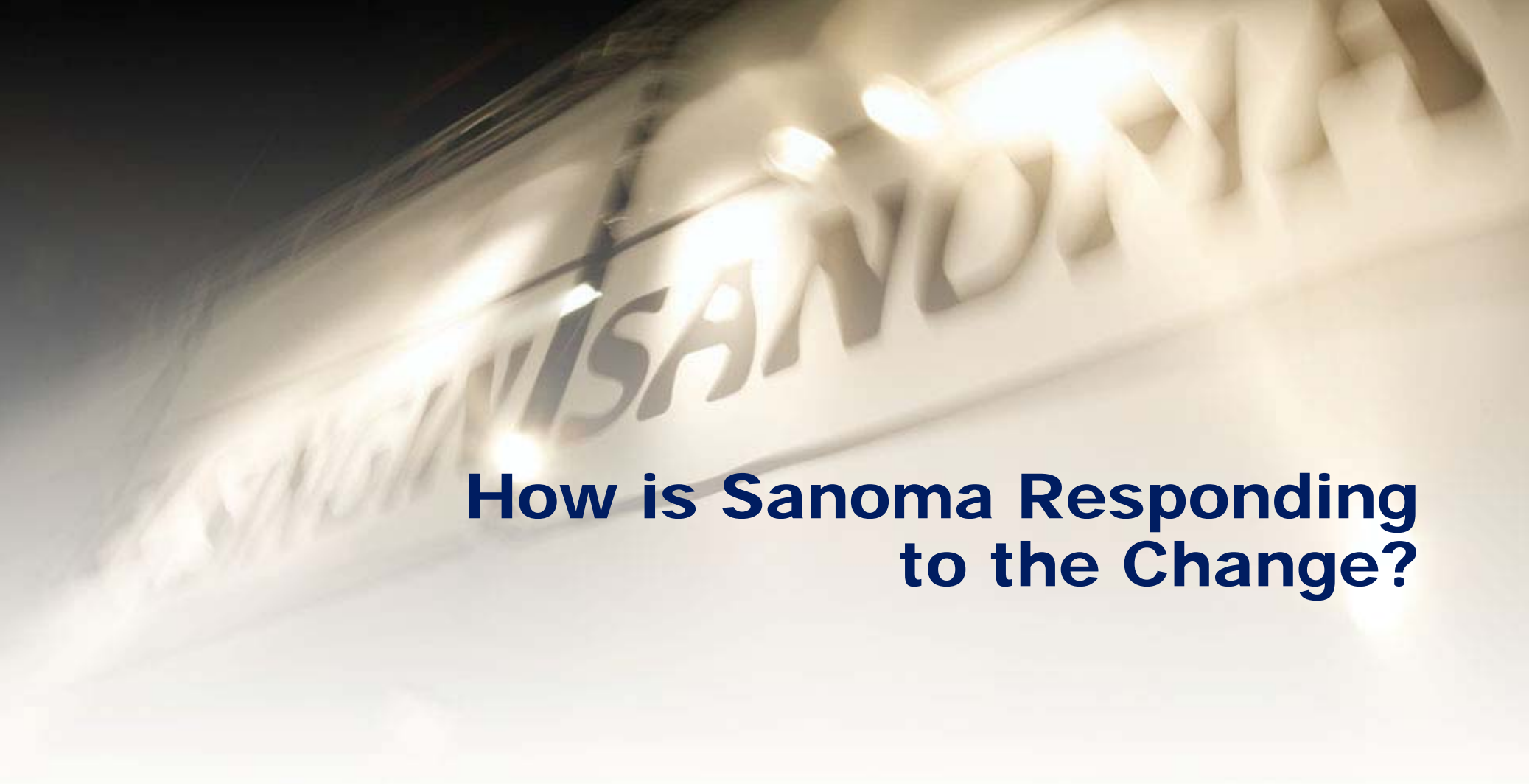
“The Big Four”

In the U.S., 10 largest  
online players get  
about 3/4 of all online  
ad revenues



**Yes it does, if it  
succeeds in**

- Providing local & rich content
- Knowing your local customers and serving them well
- Generating and driving traffic
- Offering a diversified product and service portfolio
- Creating internal processes and an ability to develop technology
- Forming wise partnerships with the big players



# How is Sanoma Responding to the Change?

# Sanoma's Portfolio

## Strong Brands, Print and Online



HS.fi

ILTA-SANOMAT

TALOUS-SANOMAT

oikotie.fi

keltainen  
PÖRSSI®

Huuto.net

RADIO HELSINKI  
HELMÄÄ HELSINKILÄISILLE

esmerk

LEHTIKUVA OY



# Two Elements of Sanoma's Digital Strategy

1. "Traditional" newspapers increase their reach with their brand-related web sites. Each newspaper brand site has a unique variety of content and of services according to brand qualities and target segment(s).

- 24/7 news coverage
- Web videos and radio
- Blogs, discussions, communities
- User generated content



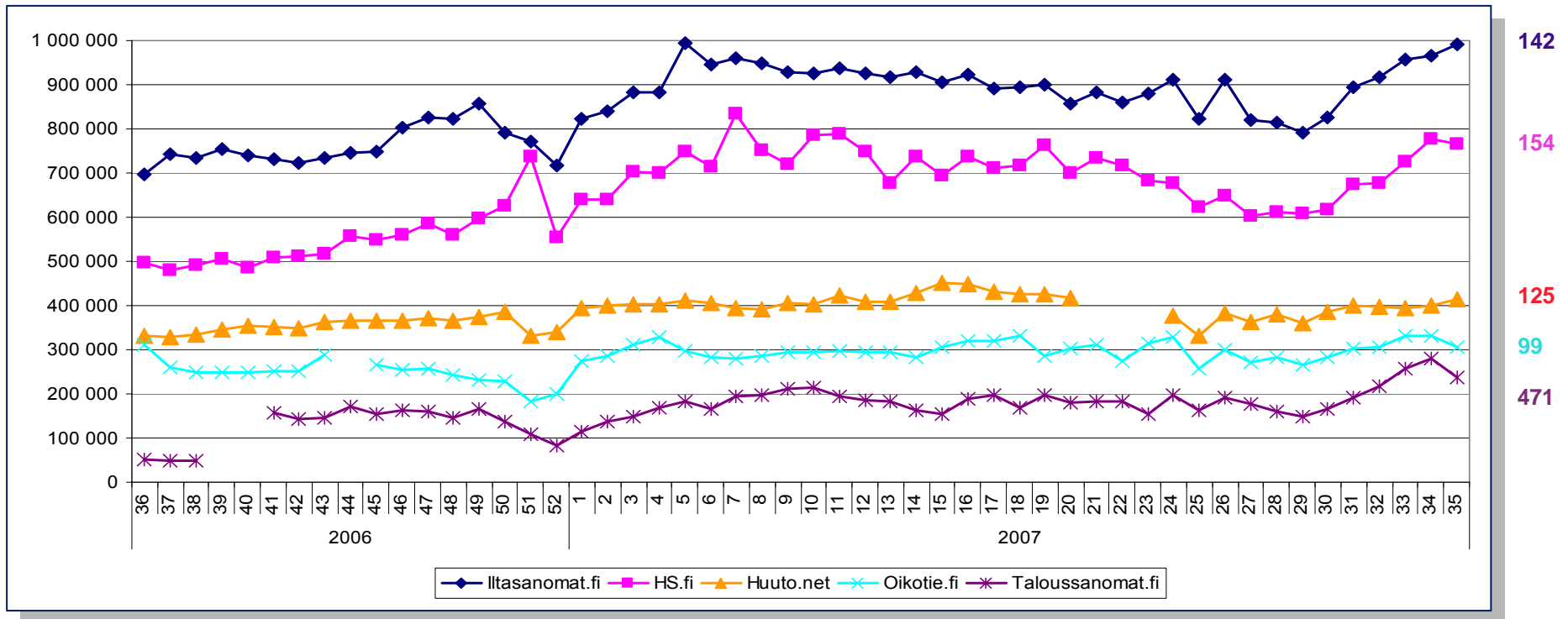
2. Sanoma Digital focuses on online areas that require co-operation and skills related to all businesses and introduces rapid product development.

- A. Online marketplaces
- B. Online ad sales
- C. New business models related to new consumer sites

*Sanoma Digital*

# Weekly Visitors at Sanoma's Web Sites

## Biggest Services



Index compares week 35/07 to week 36/06, number of weekly users may vary considerably

➤ **Ilta-Sanomat.fi / Week 37: 1 102 865 visitors!**

# Sanoma's Digital Operations Perform Strongly

## Revenue Growth of Selected Online Services (Jan-Aug 2007)

	Ch -%
Ilta-Sanomat*	34.6%
Taloussanomat**	64.8%
Oikotie	33.5%
Kuldne Börs	74.1%
Huuto.net	37.6%
Esmerk	13.0%

\* Ilta-Sanomat digital revenues exclude here marketplace operations Huuto.net, Keltainen Pörssi and Kuldne Börs

\*\* Taloussanomat digital revenues include here only online advertising sales and exclude news agency revenues and other digital revenues



# Marketplaces Huuto.net oikotie.fi



- Leading brands of classifieds with over 750,000 weekly net contacts
  - Oikotie.fi (Apartments, Cars, Jobs, Travel, Education and Office spaces)
  - Keltainenporssi.fi (Cars, Motor vehicles, Motor supplies, Hobbies)
  - Huuto.net (Auction)
  - Hintaseuranta.fi (Product comparison)

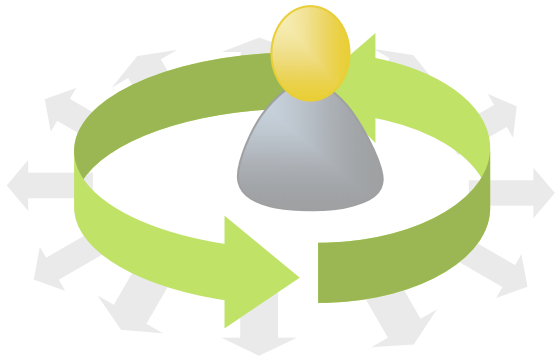


# Sanoma Digital Speeds up Growth

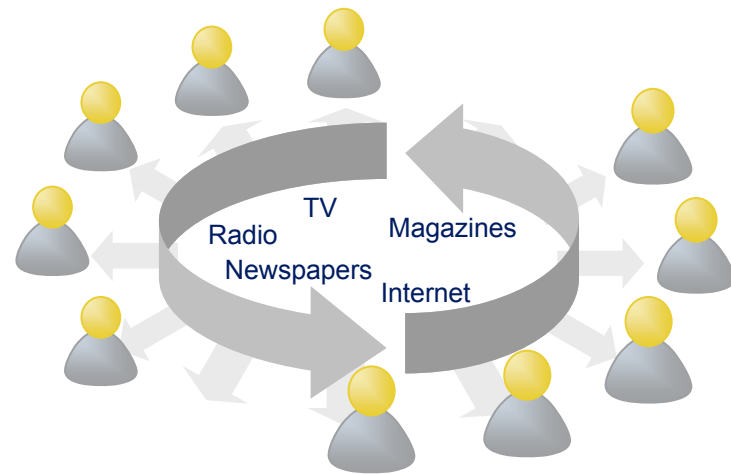
- Fast development of new web services for market white spots
  - Focus on consumers and building a revenue model around a chosen target group: display advertising, direct email, sponsorship
  - Objective is fast and agile response and action
  - Explore and experiment, “kill your darlings”
- Joint operative management and development for previously separated classifieds services -> Sanoma Marketplaces
  - Oikotie, Keltainen Pörssi, Huuto.net, Price tracking (Hintaseuranta), Kuldne Börs, Auto24.ee
- Online Ad Sales (Verkkomediamyynti) brings further growth: Know-how, sales force, products and services for media advertisers

# Sanoma Digital's Viewpoint

Consumer's 360°  
What user wants



Traditional 360°



# Online Ad Sales Sells Ads for all Sanoma Web Sites

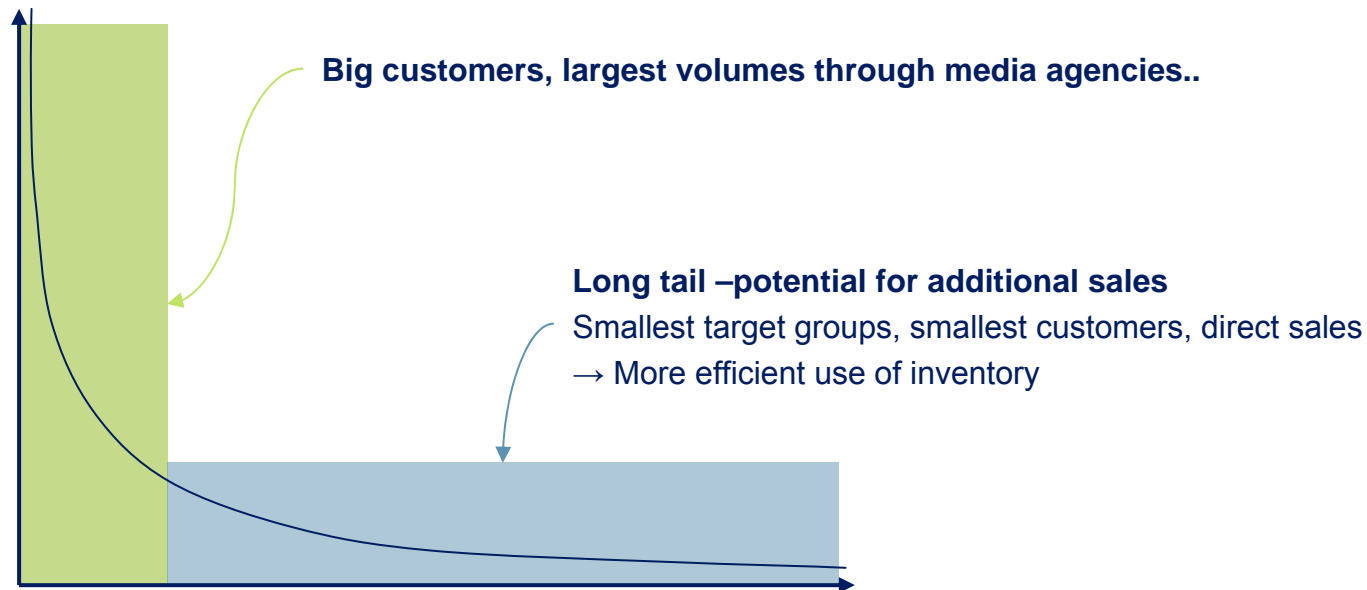


Upcoming:

Local newspaper web sites

# Sanoma Online Ad Sales

- Finnish online ad sales market, including classifieds, grew 21.3%\* during Jan-Aug 2007
- Growth in Sanoma Online Ad Sales during the respective period was 41%. The figure excludes classified advertising
- Growth of Sanoma's total online advertising revenues, including classifieds, was 34.1%
- There is still room for growth!



\* Source: TNS Gallup

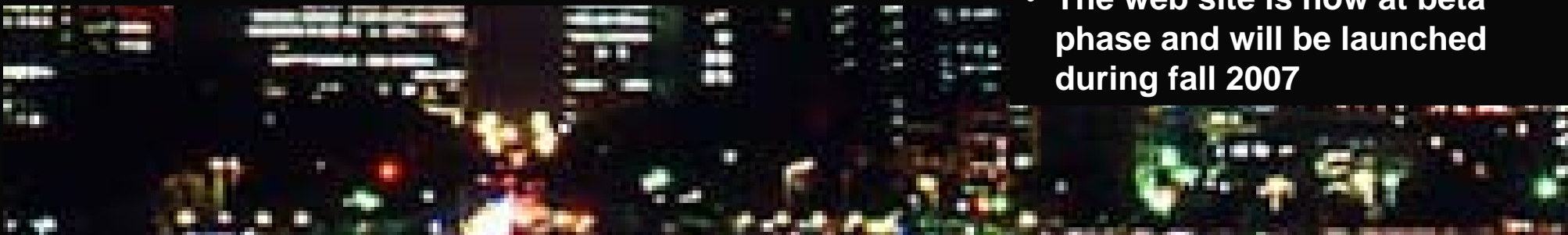


# Autotaivas.fi

## Community for Car Enthusiasts

The screenshot shows the website's interface with a dark theme. At the top, there's a navigation bar with tabs: TALLIT & AUTOT, HAASTEET, TULOKSET, BLOGIT, KUVAT, VARIKKO, and buttons for Kirjautua sisään and Rekisteröidy. Below this is the site logo 'AUTOTAIVAS' and a search bar containing 'Mercedes-Benz'. A secondary navigation bar includes 'Show ALL MODELS', 'Short by RANKING', and navigation arrows. The main content area features a 'Team Mikonkatu' section with a 'Tallin sijoitus: 12' and a list of cars: Audi RS4, BMW Z4 M Roadster 3.0, MINI Cooper S1.8, BMW 330i, and Audi A3 Turbo 1.8. The central focus is the 'Audi RS4 Turbo 3.0' car, with a 'HAASTA' button. To its right, performance stats are displayed: Kiihtyvyys 0-100 Km/h (5.0s), Teho (330kW), Väänö (365Nm), Tuusausautot (SUORTUS: 9999), Perheautot (SUORTUS: 8976), and Yleissijoitus (SUORTUS: 3134). The Audi logo is prominently displayed. Below the car image are 'VIDEOT' and 'KUVAT' buttons. At the bottom, there's a 'BLOGI' section with the title 'Kalto auki' and 'Uusimmat kirjoitukset' with links to 'Irtotekus autobahnilla'.

- Users set up teams and compete against each other
- Users vote for a winning team and those who collect most points receive an award
- Users can also learn about different car models with the help of test drive reports, pictures, and videos uploaded by other users
- Most important revenue logics are sponsorship and advertising
- The web site is now at beta phase and will be launched during fall 2007



## Tuoretta ruokablogeista

### Graavattu lohi

<http://pastanjauhantaa.blogspot.com>

En ole ikinä itse graavannut lohta, mutta juhannuksena elämäni parasta graavilohta syödessäni kyselin ruokaan valmistusohjetta, ja silloin opin, että graavauksessa käytetään paitsi suolaa myös sokeria. Kalatiskiltä olen toisinaan ostanut yrttigravattua kalaa, mutta tämän minä tein ihan itse, kun kerrallisesta lohen savustuksesta jäi pieni kalanpala suolattavaksikin. Päälle...



[Lue lisää](#)

## Uusimmat ruokalinkit

[tuomas](#)

### Italialainen salamisalaatti

[kartta ravintolat palvelu web2](#)

[TALLENNA](#) | Talletettu: 234 kertaa

[jonne](#)

### Täytetyt tomaatit

[kartta ravintolat palvelu web2](#)

[TALLENNA](#) | Talletettu: 234 kertaa





# Conclusions

- Media is changing
  - Consumers
  - Advertising
  - Role of print
- Sanoma is well positioned for the change
  - Strong brands
  - Strong growth
  - Constant development of organisation
  - Co-operation potential
- Despite changing media fundamentals, the future looks bright for Sanoma



**TALOUS**  
**SANOMAT**



Tomi Salo vastaa  
**Mistä ennustan,  
milloin noususuhdanne tyssä?**

**KYSY SIJOTTAMISESTA**

**Taloussanomat**

**Pörssi**

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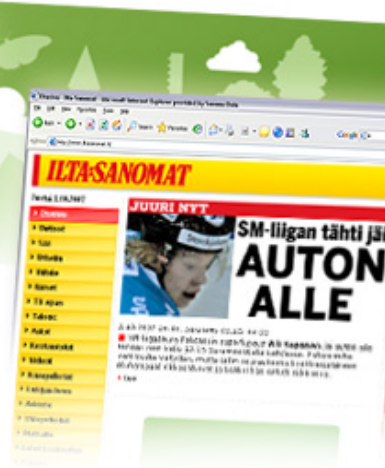
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Helsingin Sanomat, Turun Sanomat, Etelä-Suomen Sanomat, Etelä-Saimaan Sanomat

**IHANAA VINTAGEA!**

1. lokakuuta 2007 **coco**  
Törmäin MySpacen kautta mainioon nettikauppaan joka toimii eBayn kautta. Spanish Moss Vintage kerää vintage-vaatteita ja myy niitä eteenpäin eBayn kautta. Erikseen tästä kaupasta tekee sen mielettömän hyvisnäkölle kuvan, jossa poseeraa toinen kaupan omistajista.

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Thank you

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