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YAHOO SELLS TO VERIZON

Verizon have acquired the once colossal Yahoo for \$5bn, a company valued at \$125bn at its peak. For Verizon, the deal looks likely to pave the way to assembling a new media empire looking to significantly grow its advertising revenue and offset Verizon's slowing growth in its wireless and wireline business units. [READ](#)



Implications

Combining Yahoo and AOL provides real scale for Verizon, though time will tell if this will be enough to move the platform into the top tier alongside Facebook and Google. From an Ad Tech perspective, this deal represents another example of companies combining technologies under the promise of greater scale and reach to marketers. AOL's CEO said that the driving force behind the deal was about "consumer scale of getting over a billion users."

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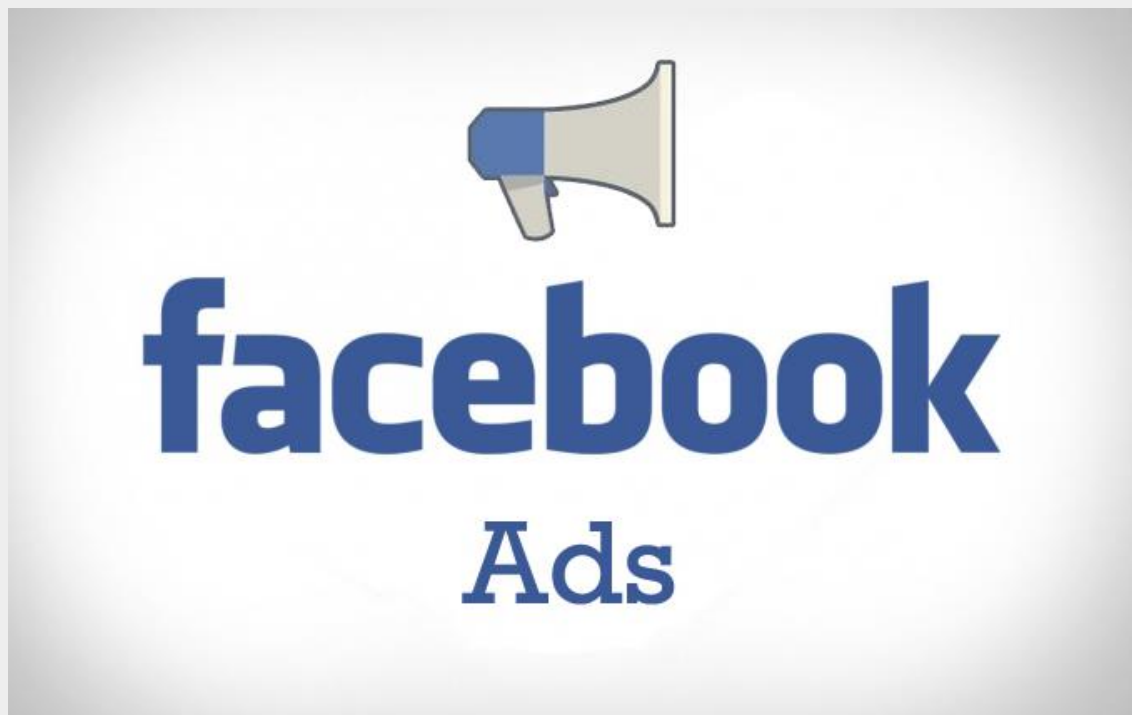
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FACEBOOK AD SALES CONTINUE GROWTH

Facebook's ad sales exceeded \$6.2bn in Q2 as revenue continued to increase, up 59% from Q1.

The increased revenue has been attributed to growing numbers of users allowing Facebook to set a premium price on their ad sales. The social network now has over 1.71 billion global users across desktop and mobile platforms its daily users have now reached 1.13 billion! [READ](#)



Implications

Facebook's continued growth in ad sales - within its own platform and externally - is providing competition to Google. A key driver has been Facebook's ability to monetise mobile; it now has over 1 billion mobile daily active users and just under 1 billion mobile-only active users.

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UNILEVER ACQUIRE DOLLAR SHAVE CLUB FOR \$1BN

The FMCG giant has paid out for the American e-commerce subscription start-up just 4 years after founder Michael Dubin set up Dollar Shave Club with that [viral video](#). Dollar Shave Club currently have 3.2 million members signed up to receive their razors and grooming products for a flat monthly fee. Dubin will remain CEO and is confident the acquisition will benefit both parties as Unilever promise Dollar Shave Club autonomy within the company and resources to help fuel more growth.

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Implications

The acquisition is a sign of how fast e-commerce has developed in recent times. A company that relies on subscriptions alone through its website with no physical shop floor selling for \$1bn would have been unheard of 5 years ago.

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SPOTIFY LAUNCHES PROGRAMMATIC AUDIO AD BUYING

Spotify have rolled out a global programmatic ad buying feature that allows advertisers to buy their 15 and 30 second audio ads to target their 70 million non-paying users. Spotify will also give advertisers access to their demographic data including unique insights such as playlist data as well as age, location and other more traditional data.

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Implications

Spotify have partnered with 3 of the most developed players in the programmatic field (AppNexus, Rubicon Project and The Trade Desk), showing just how seriously they value the potential of selling their ads in this way. Other online music and video platforms are likely to take note of this move and look to how they can utilize the potential of programmatic in a similar way.

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TIME WARNER MOVES INTO TV ON DEMAND

Time Warner has reportedly paid \$538 million for a 10% stake in streaming service Hulu. This makes Time Warner a bedfellow of other media giants 21st Century Fox, Walt Disney and Comcast who own the streaming service. The move aims to reach a wider audience of “cord-cutting” consumers who are eschewing traditional TV. As part of the agreement, programmes from Time Warner’s TV channels, including TBS, CNN and Cartoon Network, will be included in Hulu’s live streaming service which is expected to launch in 2017.

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Implications

Time Warner’s shift towards streaming is somewhat inevitable. Rocketing demand for online video is reshaping the TV industry and recent efforts from Twitter and Facebook to own live video as well as the growth of services such as Netflix are all strong motivators for Hulu and others with roots in traditional TV to stake out their own territory in on-demand television.

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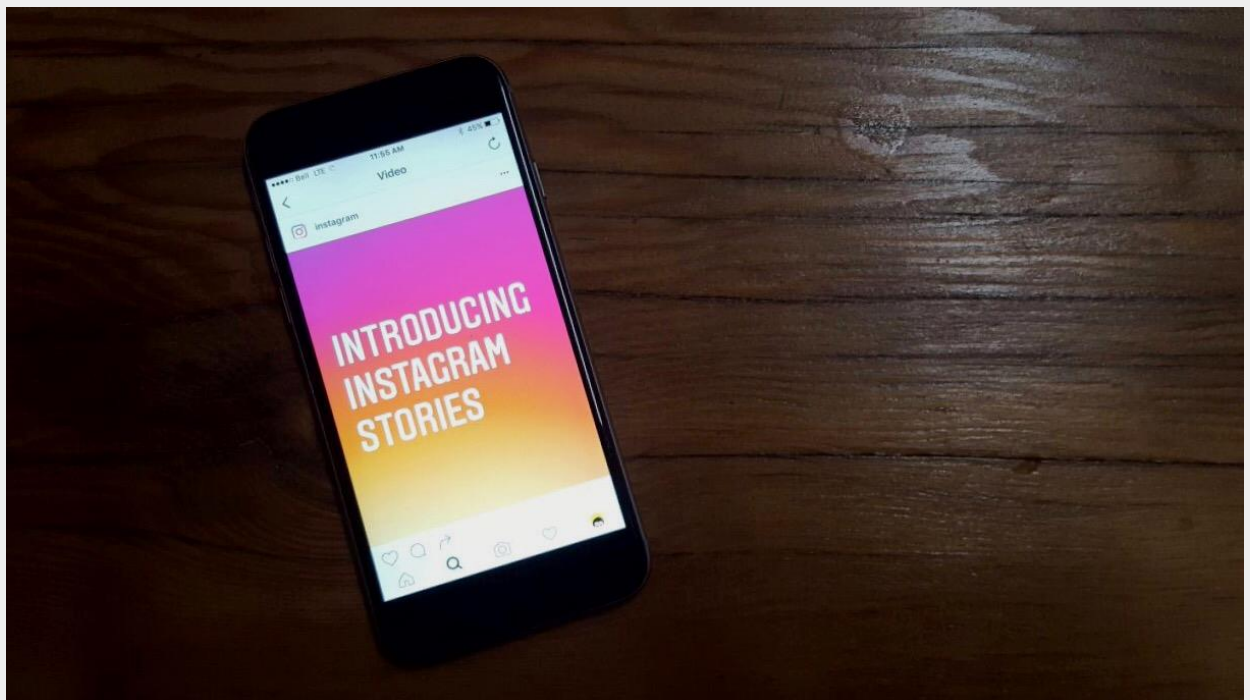
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INSTAGRAM RESPOND TO SNAPCHAT BY RELEASING 'STORIES'

Instagram has become more like Snapchat this month by releasing 'stories', the feature works much in the same way your Snapchat 'My Story' would. Instagram say that your Instagram profile is where the highlights of your life can be posted, whilst your 'story' is more of a fun dimension for everyday content sharing. Instagram will be rolling the feature out globally for iOS and Android over the next few weeks. [READ](#)



Implications

Social channels are becoming more dynamic as they become more established. All channels have their main focus which fueled their early success, however many channels are providing wide-ranging similar services. Expect Instagram stories to use advertising in a similar way as Snapchat do through "News Highlights".

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P&G moves away from Facebook precision targeting

The world's biggest advertiser P&G has hinted that it is moving away from Facebook hyper-targeted advertising, concluding that the practice has limited effectiveness. Facebook has used Facebook's consumer targeting around demographics, shopping habits and life milestones. Marc Pritchard, P&G's CMO, said that the company had "targeted too much and we went too narrow." [READ](#)



Implications

As the biggest ad spender, P&G could be the bellwether on how consumer goods companies and big brands use digital advertising. Facebook's ability to precisely target ads based on its user data has been its main differentiator for almost a decade and helped earn the company \$17.08bn in ad revenue in 2015.