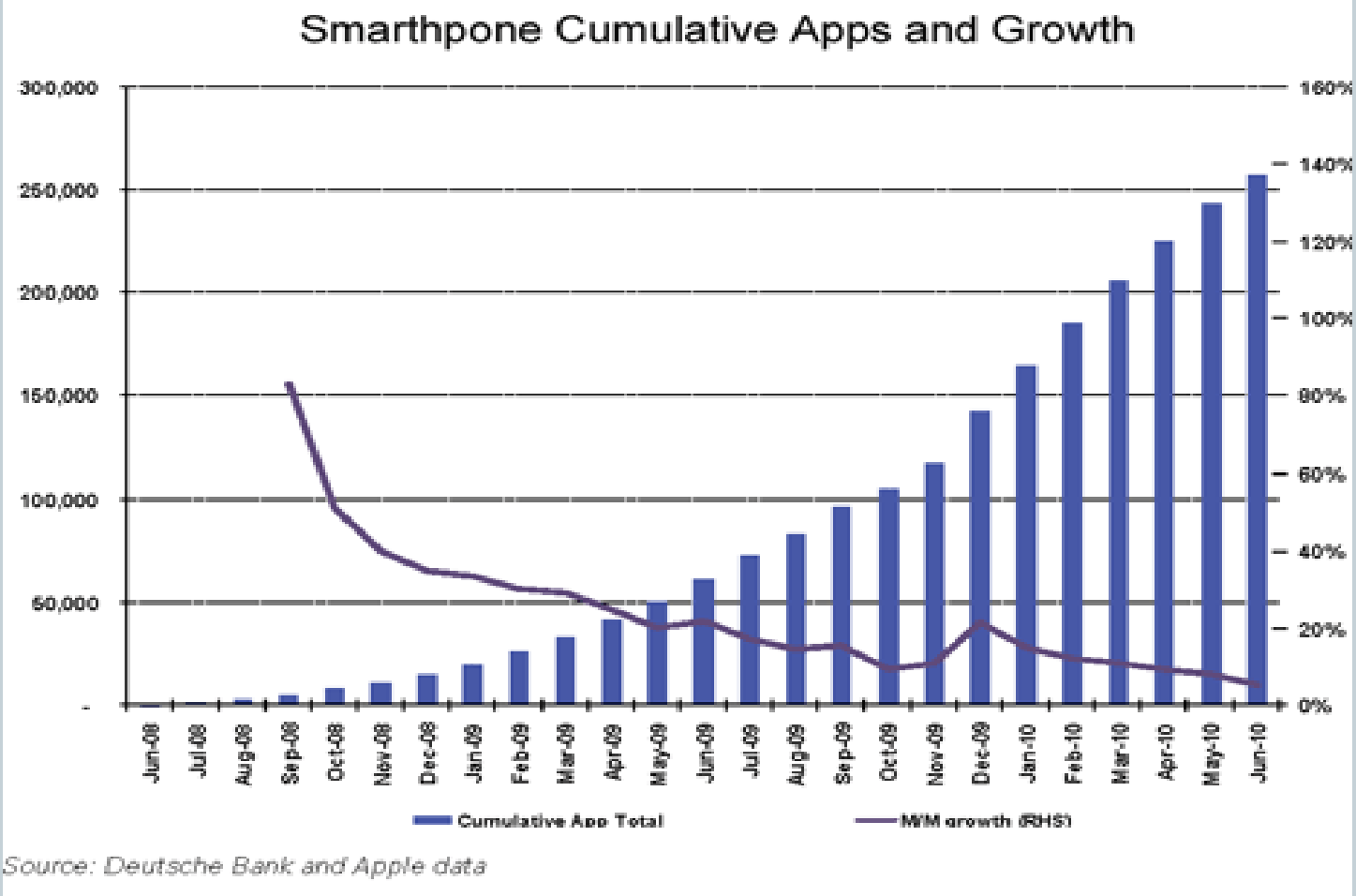


Apps and Tablets: Everything you need to know



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Apps have exploded



There are LOTS of apps



Games	54,922 (14.79%)	Sports	12,441 (3.35%)
Books	53,287 (14.35%)	News	10,254 (2.76%)
Entertainment	41,057 (11.06%)	Productivity	9,394 (2.53%)
Education	31,343 (8.44%)	Health& Fitness	8,877 (2.39%)
Lifestyle	27,558 (7.42%)	Navigation	7,477 (2.01%)
Utilities	22,359 (6.02%)	Photography	7,236 (1.95%)
Travel	21,172 (5.70%)	Finance	6,776 (1.83%)
Music	15,630 (4.21%)	Social Networking	6,439 (1.73%)
Reference	14,108 (3.80%)	Medical	6,310 (1.70%)
		Weather	1,471 (0.40%)

Source: 148apps.biz

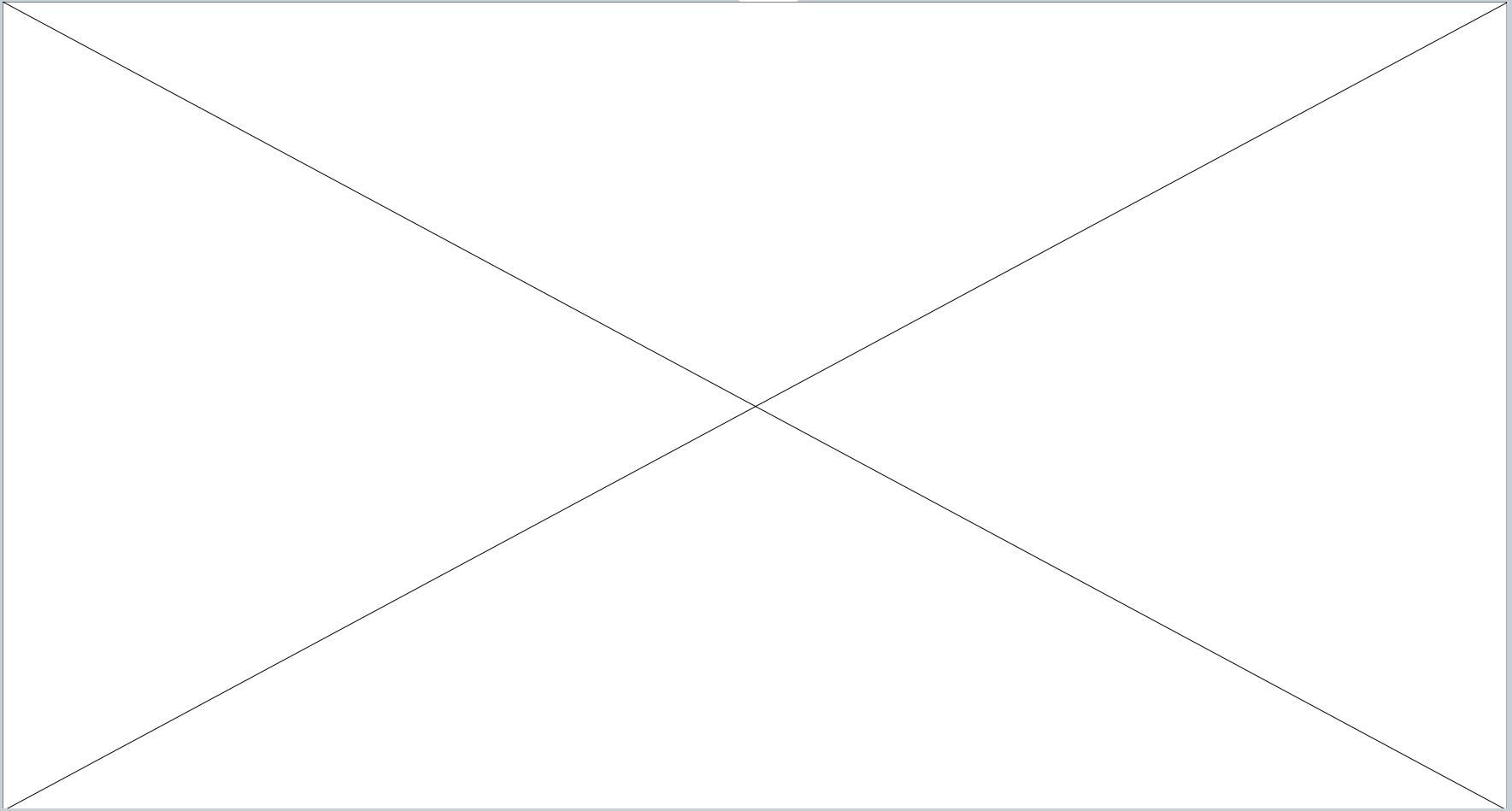
What started all of this?



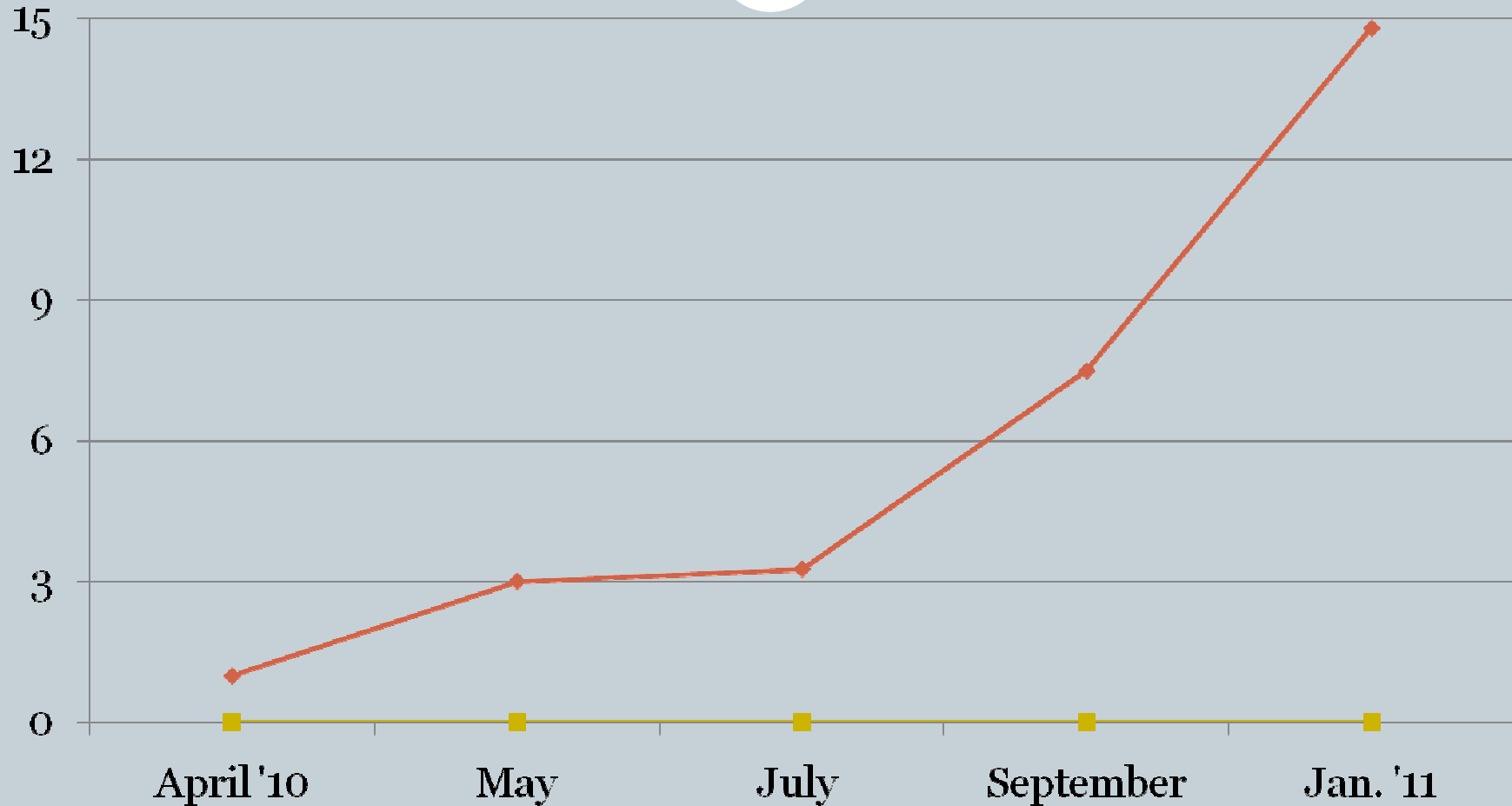
The World rejoices



... for something it didn't know how to use



Over time, sales skyrocketed ...



iPad sales, in millions.

... and Apple dominated the market



- Total 2010 iPad sales: 15M
- % of total tablets shipped worldwide: 90%
- Profit: \$6B --- in last 3 months of 2010
- iPad 2: 1M units first weekend it was on sale
- Projected 2011 sales: 28M? 45M?



Here come the Androids



Smaller guys

- Eken
- Apad
- Archos
- Augen
- Coby
- CheryPad
- PanDigital
- Sylvania

The big boys

- Motorola Xoom
- Samsung Galaxy
- Dell Streak

And coming soon

- Lenovo
- HP
- Acer

Apple advantages



- **Price: Androids more expensive**
 - Motorola Xoom : \$799 3G, \$599 wifi
 - Dell Streak: \$199 PLUS 2-year data plan via T-Mobile
 - Samsung Galaxy: \$299 PLUS 2-year data plan via Sprint
 - ✦ \$549 with no contract
 - iPad: \$629 3G, \$499 wifi
- **Components: Apple has a bunch**
 - Paid \$3.9B for iPad components
 - Orders equal 60% of all touch screens made in 2011

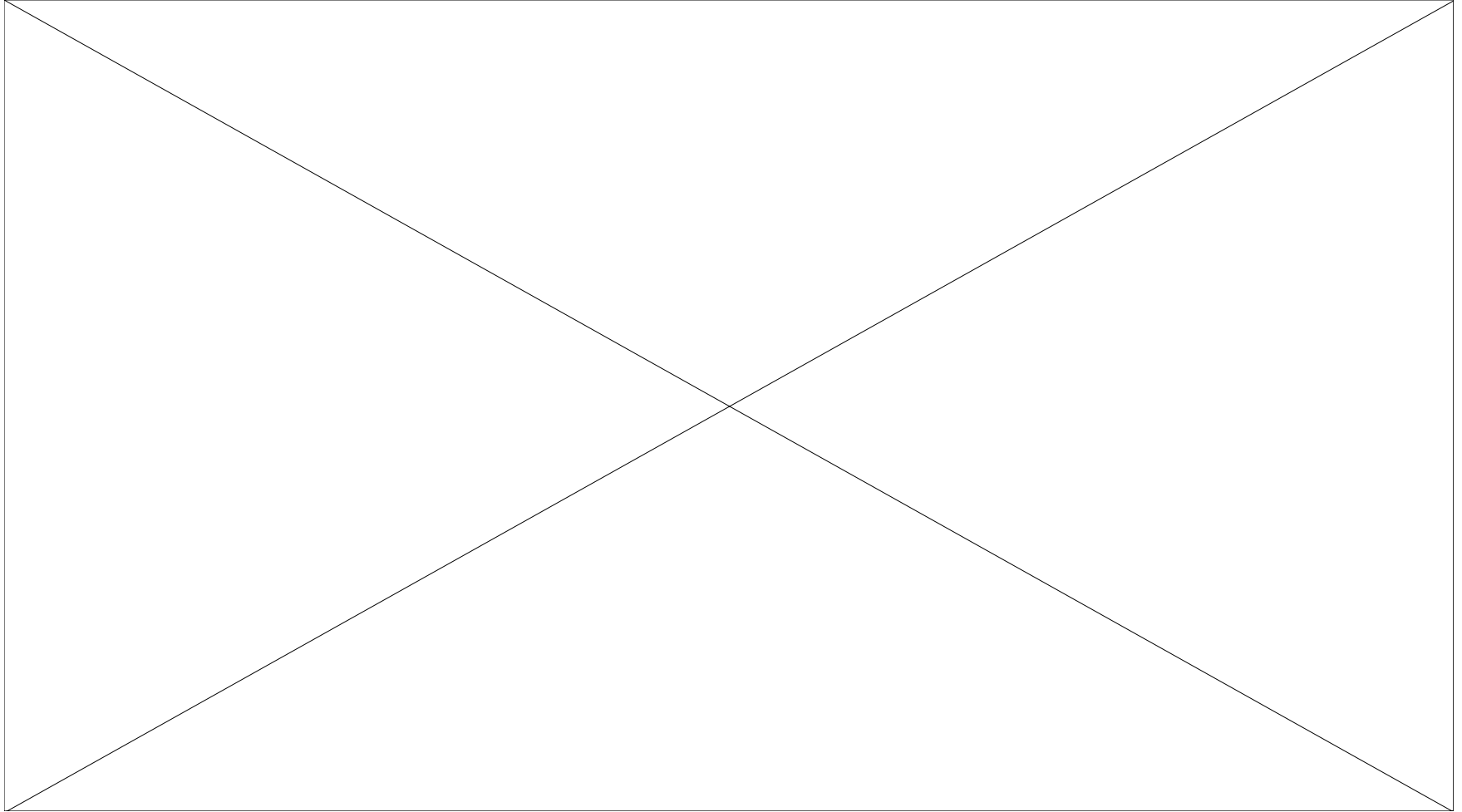
Sources: DigiTimes, YahooNews

One device, one platform



- **Apple has its own technology that makes it easy for app developers and publishers to interact with the platform**
- **Android tablets come in different sizes and screen resolutions, making it harder for publishers to develop apps across multiple devices**

No wonder Steve is Happy, Happy!!!



Apple is a marketing beast



- **FY 2010 advertising spend: \$691M**
 - +190M over FY 2009 (+27.5%)
 - Equals 1% of total revenue
- **While Apple prospered, the Androids did this:**



Androids didn't make it simple



- **Apple = 1 approach**
 - Simplified pricing
 - Two machines, same operating system
 - Buy only what you want/need
- **Android = several approaches**
 - Different screen sizes., operating systems, screen resolutions
 - ✦ Honeycomb vs. Froyo, vs. Gingerbread
 - Joined at the hip with cell carriers; drives prices up
 - ✦ Makes subsidized cost \$800 to \$900

What publishers are doing



- **Dealing with Apple on the iPad**
 - Byzantine and confusing rules make that difficult
- **Some are betting on one or a few Android devices**
 - USA Today bets on Xoom
 - NYT, WSJ, USA Today bet on Galaxy
- **Android one offs are time consuming and expensive**
 - \$40K-Plus per app plus hosting fees
 - Six months development/testing time

The ins and outs



- Feeds
 - RSS?
 - XML
- What do you want an app to be?
- Weight?
- Build or buy?
- And the biggest thing

Time consuming



- **Always takes more time than you budget**
 - Testing
 - Submission
 - Approval
- **Stay away from late November/early December**

Do I really need an app?



- **Is the market ready?**
- **Are there enough tablets devices in the community?**
- **Do customers still**

What this means for content teams



- **New emphasis on digital platforms**
- **Updating the devices are just as important as updating the web and writing for print**
- **Exclusive content isn't just from print**
 - Note the AJC app
- **Product differentiation**
- **Who uses what and when?**

Contact me



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