

Growing The Digital Ecosystem

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How can operators constructively engage OTT players and build an open digital ecosystem to grow the market for all?



The Agenda

The state of digital

Defining the ecosystem

How do we grow the ecosystem (and win)?

The Yahoo approach

The Agenda

The state of digital

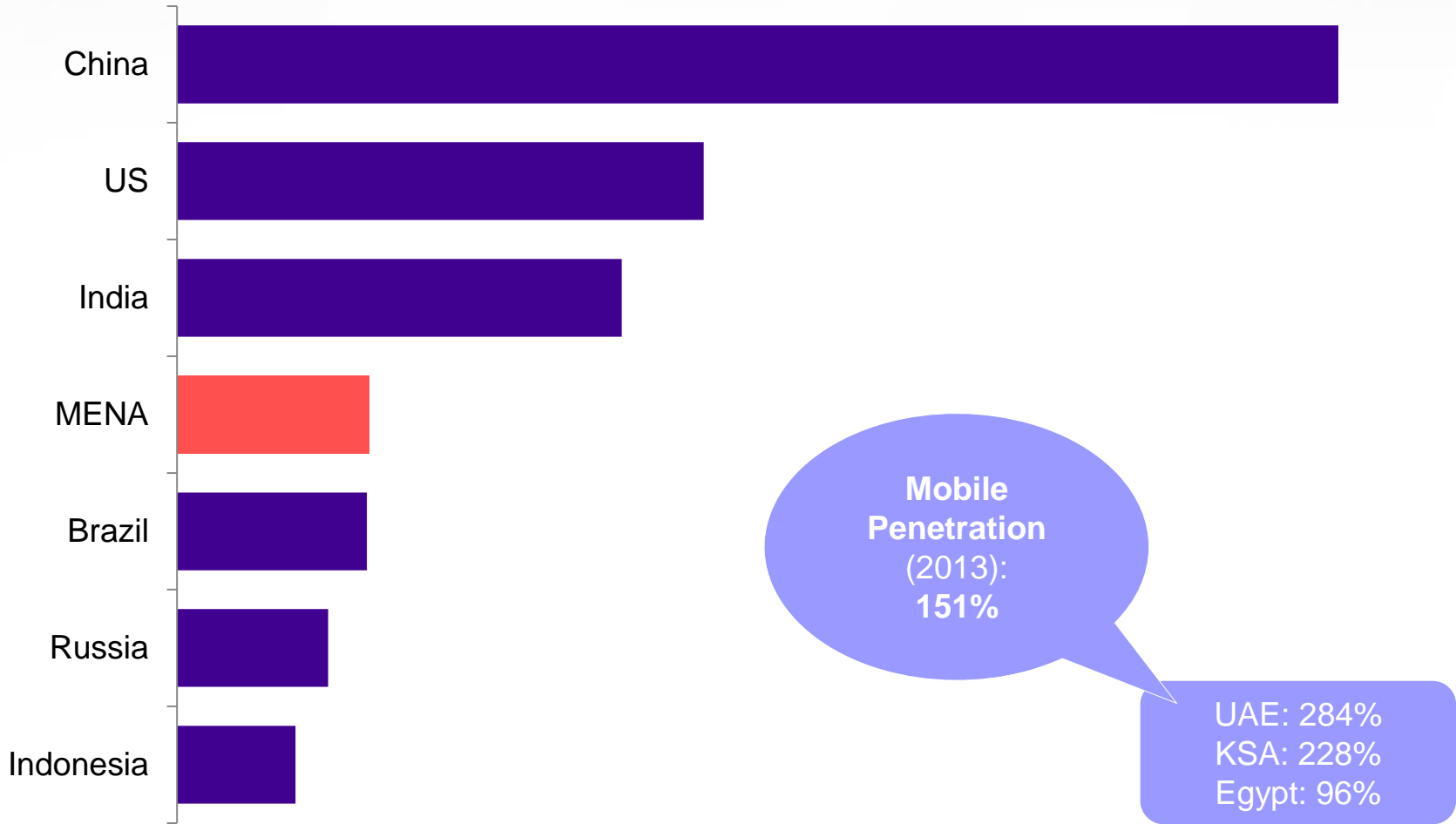
Defining the ecosystem

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The Yahoo approach

Digital MENA – Incredible Scale

Internet Users – Top 7 Markets



Digital MENA – High Growth

MENA Demographics



High population growth with 50% below the age of 25 – the “internet generation”

Growing Internet Penetration



~40% internet penetration in MENA with double-digit growth in last few years

Increasing Smartphone Adoption



~40% smartphone penetration (60%+ in GCC) which is growing rapidly

Proliferation of Digital Content



A few years ago 5% of users online spoke Arabic, while only 1% of content online was Arabic. But the gap is closing.

Highly Engaged Users



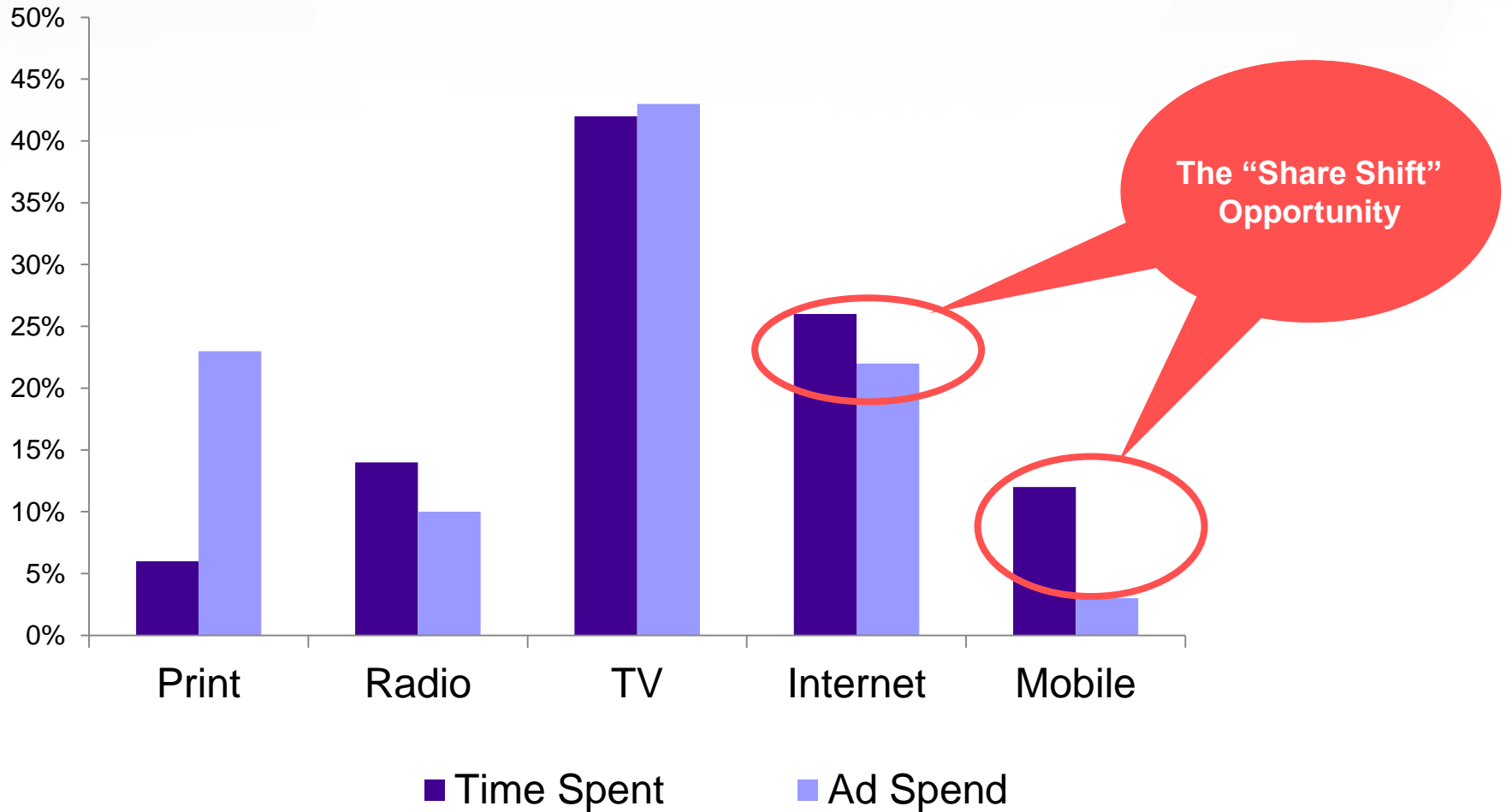
MENA users are amongst the highest globally in video consumption & UGC sharing

Share shift: Digital Advertising



Digital Advertising Spend as % of Total Ad Spend Increasing = 7% (2013)

Digital MENA – Advertising Share Shift



Digital MENA – Key User Trends

LOCAL CONTENT

VIDEO

SOCIAL

PERSONALIZATION

NATIVE ADS

BIG DATA

Digital MENA – Operator Challenges

Explosion in data traffic

Heavy investments in access infrastructure

Disruptive technologies

Increased user sophistication & demands

Increasing competition across the value chain

Disintermediation from the content game

Slowing top-line revenue growth

Pressures on profit margins

Challenges to current business model

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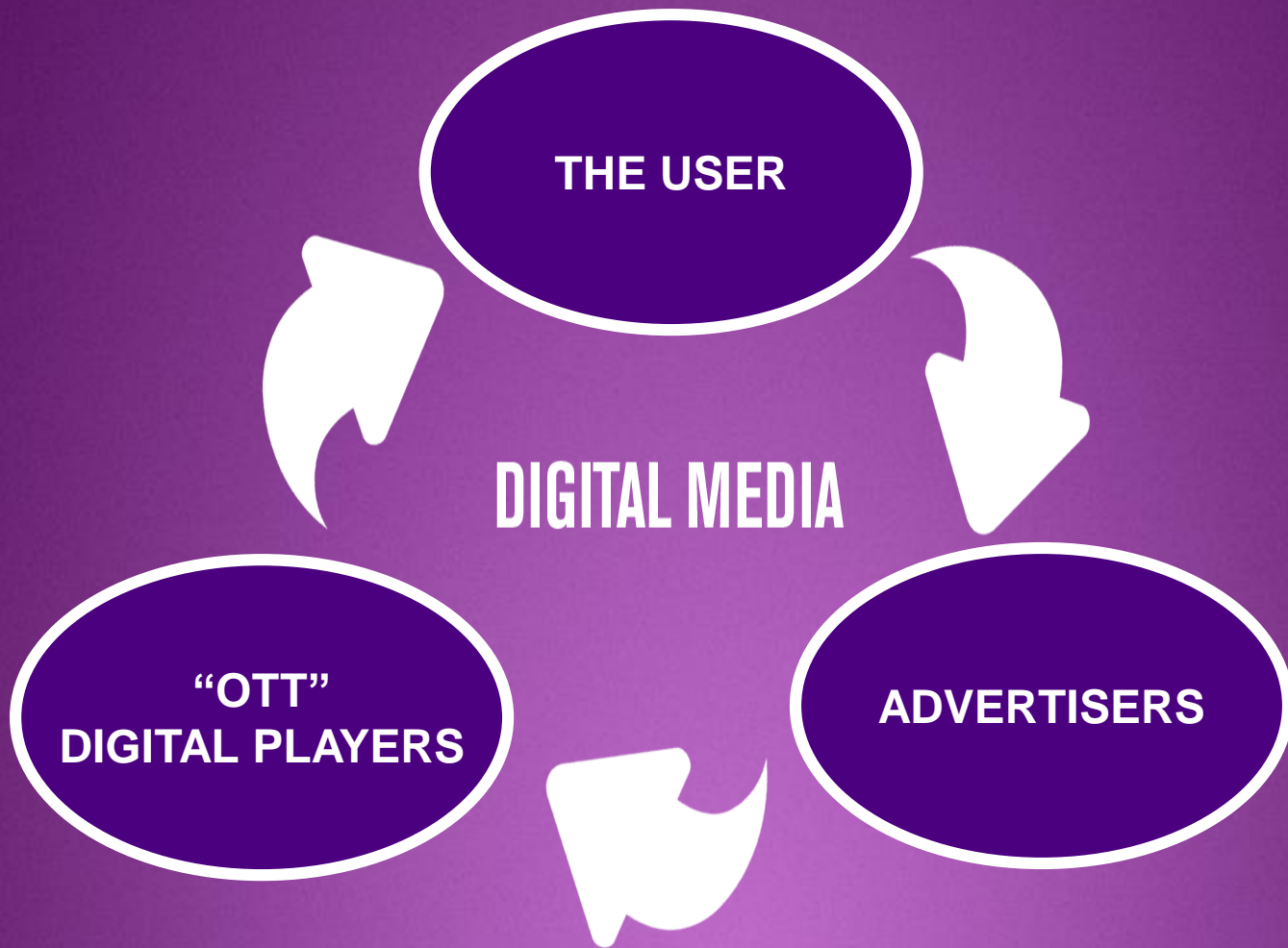
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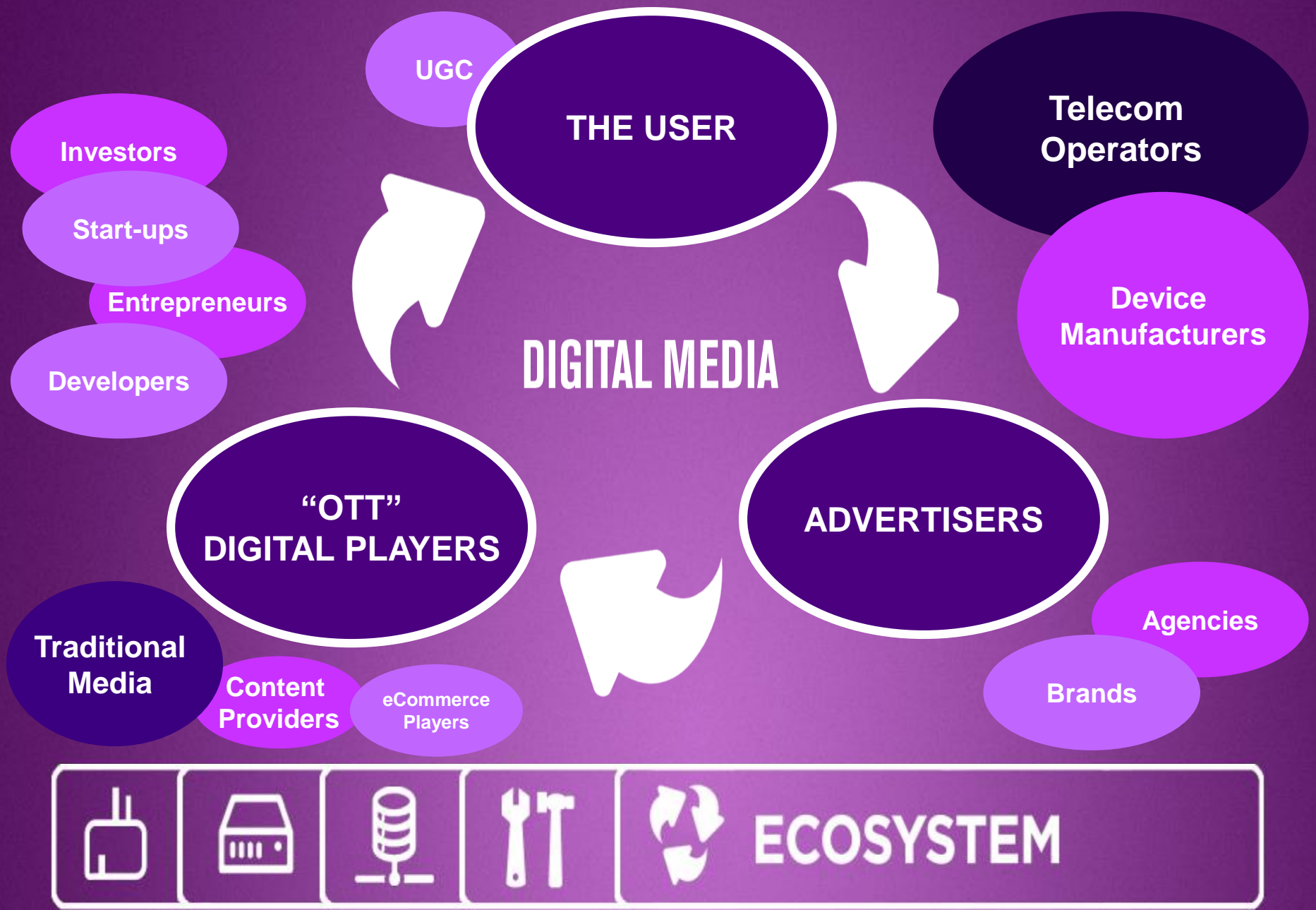
How do we grow the ecosystem (and win)?

The Yahoo approach

What is the “Digital Ecosystem”?







It's a big competitive world...

Convergence... or collision course?



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PARTNERSHIPS



ECOSYSTEM

Forge partnerships with OTT digital players – to be part of content equation and share in the advertising revenues



EMBRACE INNOVATION



ECOSYSTEM



BUILD AN ECOSYSTEM



PUT THE USER FIRST



ECOSYSTEM

ENGAGE & DELIGHT



STRATEGY 02
BE
Be where the customer goes

BE WHERE THE CUSTOMER GOES



**CREATING
A DEEPLY
PERSONAL
DIGITAL
FUTURE**



The Agenda

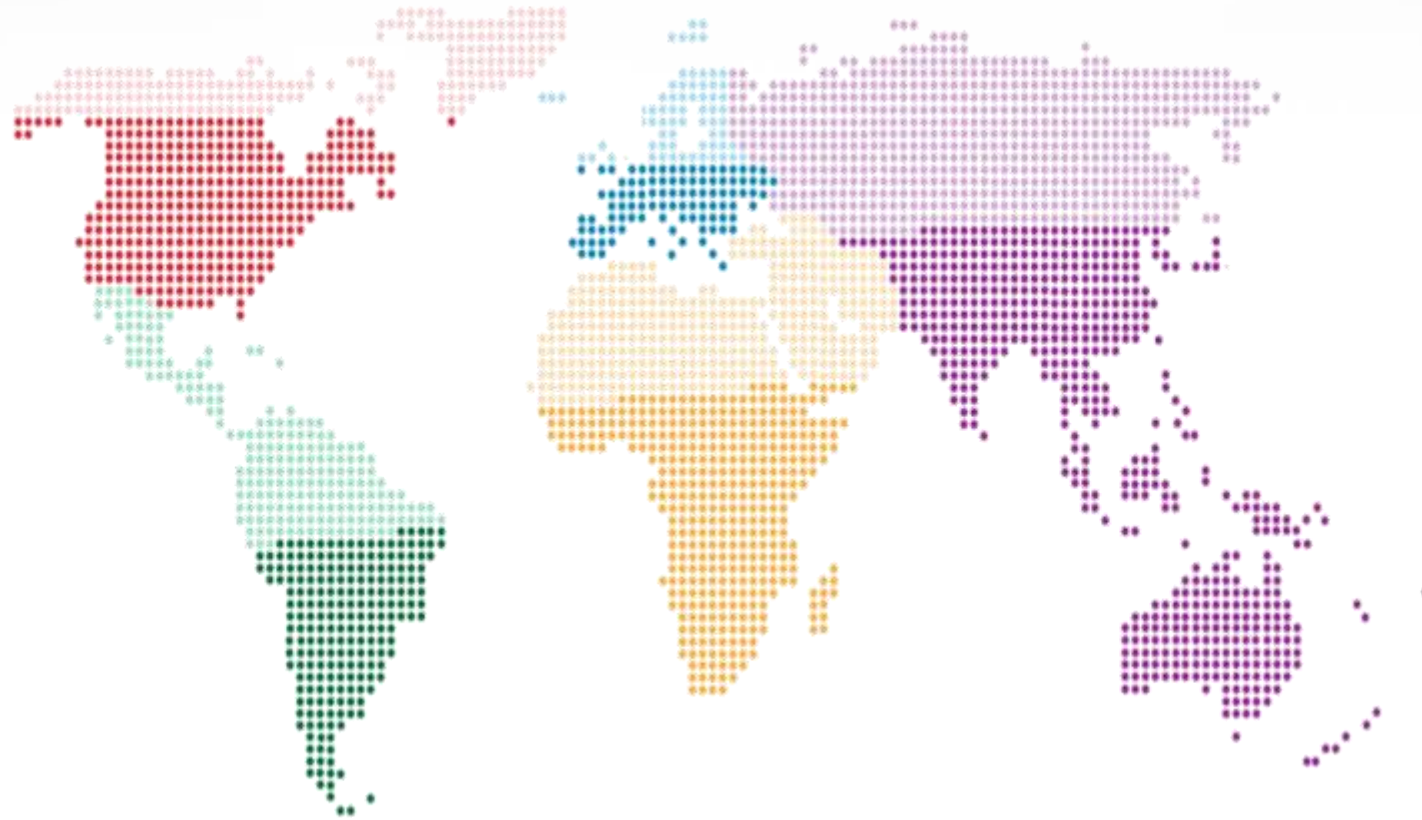
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Yahoo: over 800 million monthly unique users globally



Yahoo reaches all these users across every digital touch point every day: the daily users' habits



Using Search Engines



Reading local news/weather/events



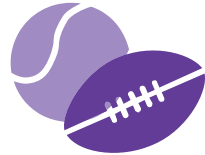
Reading world news/weather/events



Emailing with friends or family



Socializing



Reading/watching sports content



Watching video programs



Seeking personal-interest information

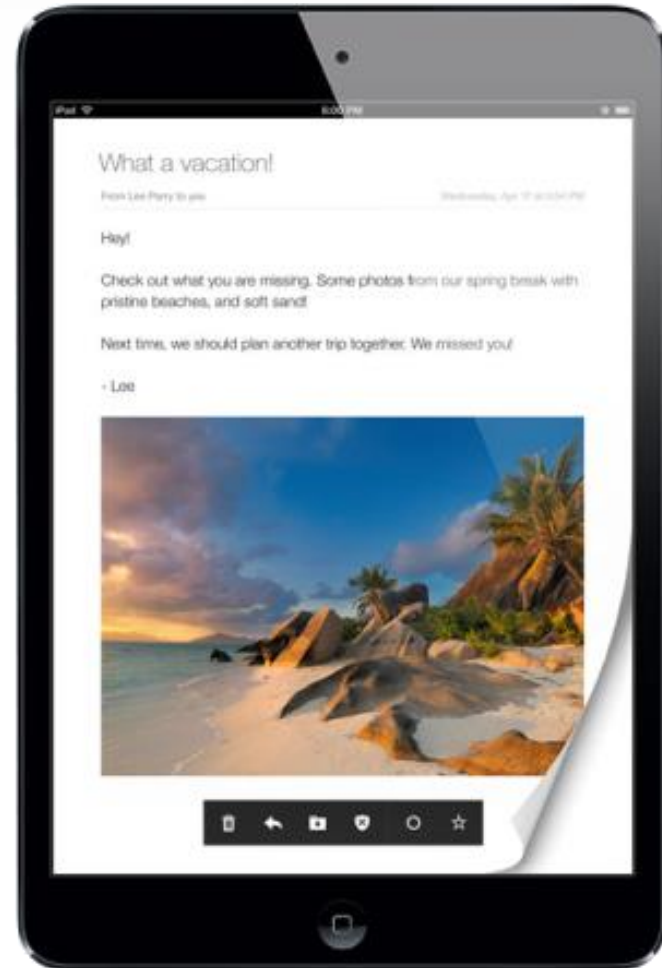
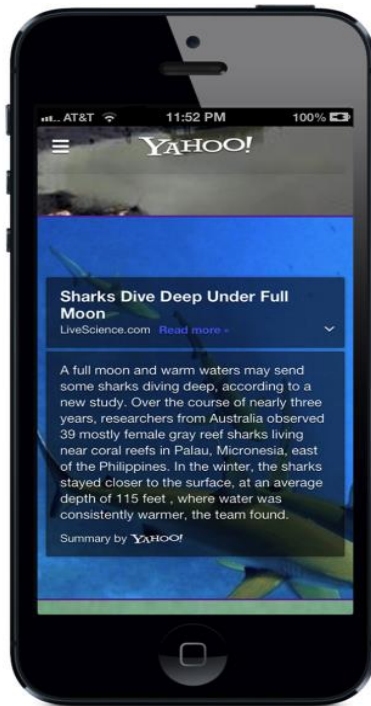


Watching/listening to content created by others



Instant messaging friends/family

Mobile is a key part of our strategy



We invest in original content and video productions



FASHION + STYLE	SPORTS + FITNESS	COMEDY	FOOD & COOKING	HEALTH + WELLNESS	BUSINESS + FINANCE
AUTOMOTIVE	EDUCATION	MUSIC	NEWS + INFORMATION	MOVIES	TECHNOLOGY
GAMING	REALITY	TV	ENTERTAINMENT	HOME + FAMILY	TRAVEL

...and constantly expand our global network of partners

PREMIUM LICENSED CONTENT PARTNERS



SEARCH 400+ partners



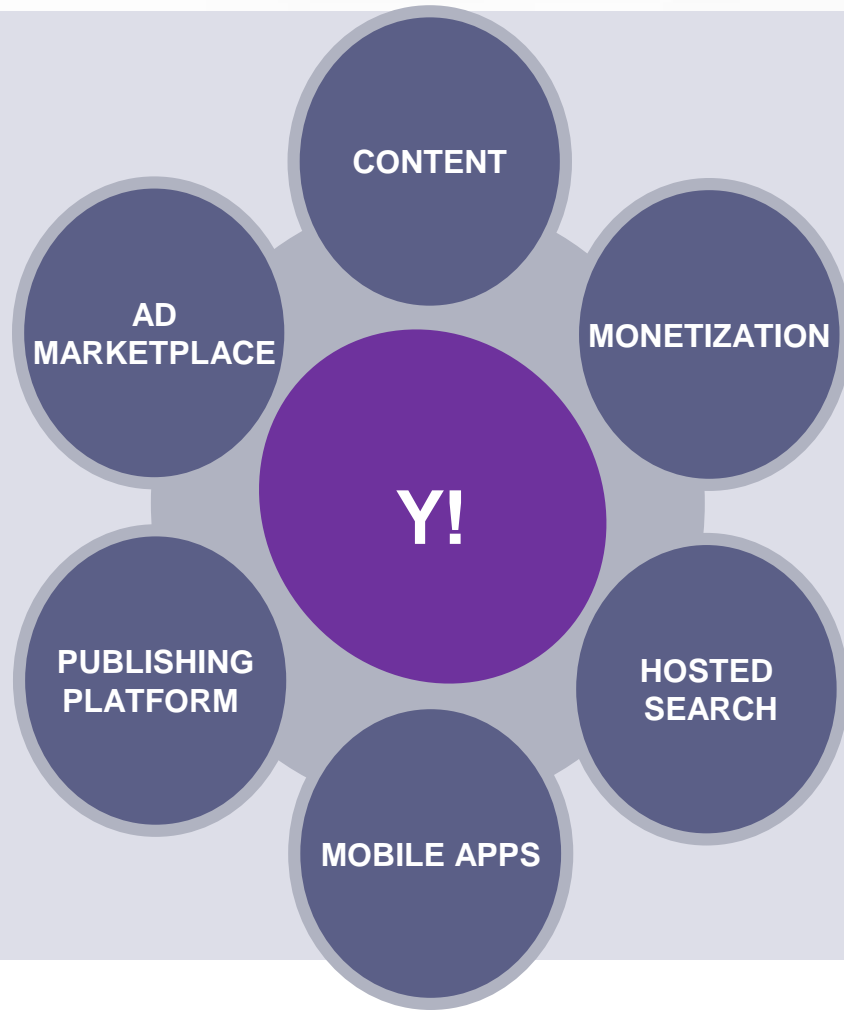
BROADBAND, CARRIER AND OEM 50+ partners



Our strategy is also supported by recent acquisitions

	May 2013 Micro-blogging platform and social networking site		June 2013 Conference call service with online scheduling and response tracking
	October 2012 Mobile & Social app for recommendations		March 2013 Personalized recommendations on food and entertainment via mobile
	December 2012 Video hosting with mobile capabilities		May 2013 Email management, to-do lists, & reminders across several devices
	January 2013 Social news, curation & sharing tool		May 2013 Mobile-based social polling app
	February 2013 Mobile venue recommendation service		May 2013 Multi-screen travel deal and rewards calculator
	March 2013 Pocket-sized news for iPhone already powering the Yahoo! app		May 2013 Mobile gaming company with community and location-based services

Partnering with Yahoo





Thank you.

YAHOO!