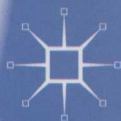


MICHAEL DE KARE-SILVER

e-shock 2020

How the Digital
Technology Revolution
Is Changing Business
and All Our Lives

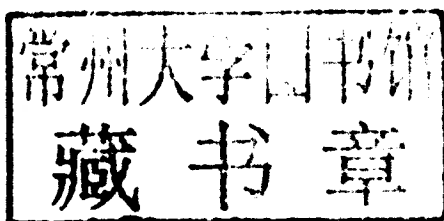


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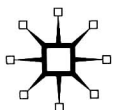
How the Digital Technology
Revolution Is Changing
Business and All Our Lives

Michael de Kare-Silver

*Best-selling author, digital technology/e-commerce
advisor and team-builder*



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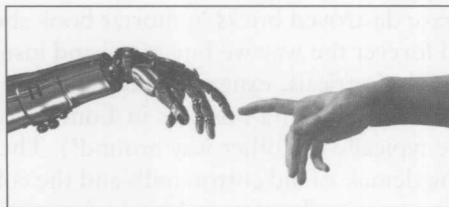
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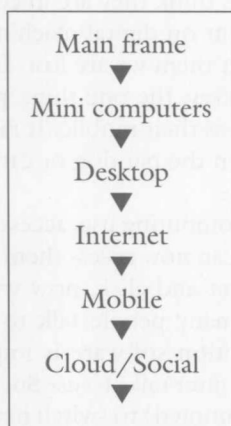
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1 The Technology Revolution



There is a truly disruptive but exhilarating revolution taking place. Technology has moved into a new era. Digital is changing the way we communicate, the way we buy things, the way businesses interact, the way we talk. Our expectations of what we can do and how we can do it have been transformed. The “I-want-it-now”, time-poor, technically-literate developed world now demands the convenience of being able to do things “my way”. I want the anytime, anyhow, anywhere world. I rely on it. It governs my life

There’s a complete transformation taking place. Technically we’ve moved at an incredibly rapid pace in the past 30 years. We could say we’re now in the sixth stage of recent evolution:



The pace of these developments, as observed in a Morgan Stanley report, has accelerated. If mainframes took some 20 years to reach mass commercialization, mobile has taken about 7 and social has taken about 3. Whether you talk Moore’s Law or more simply the billions of dollars of private equity investment, there is a huge amount of continuing R&D and an absolute wealth of ideas in the pipeline of new products that are all queuing and

lining-up to find their own commercial, life-changing, business breakthrough applications.

Where is all this heading? What are we likely to see as this decade unfolds? Can we even begin to imagine our world in 2020? Who could have predicted the current scene? Who would have imagined that traditional business models would be so much under threat? Who could have predicted Facebook or the dominance of Apple and Google? Who could have foreseen that online commerce would have destroyed bricks 'n mortar book shops, record shops, video hire, changed forever the way we buy travel and insurance, the way we bank, buy clothes and electricals, expanded our ability to search the world for bargains, the ease with which a business in London can find customers in China (and more typically the other way around!). The beginning of the 20th century saw the demise of old cotton mills and the collapse of manufacturing in the West as we gained access to lower wage costs and lower prices in Asia. We look back at some of these historic changes and ask: Why didn't the big companies of the day move with the times? Why did great businesses become dinosaurs? And we wonder which great corporations of now will become the dinosaurs of tomorrow. Will companies like Microsoft for example continue to have such a vice-like grip on computer operating systems? If the trend to mobile internet access and mobile computing continues, then might the leading OS from Blackberry, Apple and Google Android supplant that Seattle monolith?

Just twenty years ago mostly the only computers that were in use were in corporations and even then most people did not have one on their desktop. Now they are everywhere and the way we interact with them has fundamentally changed. Human beings think they are in control. But are we? We have become completely dependent on digital machines and equipment. We rely on them completely. Without them we are lost. If we lose our mobile we are distraught. In one recent survey, the one thing people said that they would be most upset about losing was their mobile. It ranked higher than the credit card, jewelry, the car and even the pet dog or cat! – “it is my most treasured possession.”

And we are all expecting computing use, access and application to continue to develop and improve. We can now access them 24/7 from most anywhere. It used to be a world of point and click, now we touch and it's like simply pressing a button. Already many people talk to their computer, and voice command and voice recognition software is improving all the time. How much longer before the computer talks to us? Such technology already exists. The computer (can be programmed) to switch itself on at say 6.30am, give us our wake-up call and offer a cheery Good Morning in whatever tone of voice we have selected. As we're getting showered and dressed it can be telling us about our schedule for the day. We can say “book taxi” and (through a simple pre-program and computer Q&A) confirm location and time. We can voice emails and text messages. We can even send through a repeat shopping order. We can tell our computer to schedule a delivery next time we're home, book

a restaurant, arrange our travel – do anything which can be reduced down to automated digital communications. How soon before this sort of interaction and expectation becomes the norm? In fact have computers already taken control? Here are a few recent headlines:

“Algorithms take control of Wall Street” (*Wired.com*)
“Computer program allows car to stay in its lane without human control” (*Science Daily*)
“Computers ‘to replace teachers’” (*Daily Telegraph*)
“Will techology take over the world?” (*Helium.com*)
“When will computer hardware match the human brain ... in the 2020s” (*Journal of Evolution and Technology*)

In the novel *Nine Tomorrows* Isaac Asimov portrays a futuristic world where computers do control humans. Asimov describes how humans become dependent. No need to read books or study. Why bother when the computer already has that knowledge and you can access it when you want? Just rely on computers! Computers start to select from their vast store of knowledge what to teach humans. They make their own priorities and start shaping what humans know. They start to keep some knowledge away from humans and just for their own data banks, for themselves. Computers start to control humans’ lives.

Far-fetched? While Asimov is critical of this future dependency, we are already close to it. Google’s algorithms decide what we see and in what order we see it. Medical diagnostic software tells physicians what the problem is and what treatment is required. Traffic control systems automatically regulate air traffic and auto routes. Our old-fashioned “Point and Click” world, where we controlled what we would look at, is quickly morphing into a two-way “Touch and Talk”. It won’t be long before we expect the computer to start learning about us: recognize our voice, anticipate our regular commands. As we stop needing to stare at a screen then our desire for continued “screen-less”, interactive, intelligent communication can take us into a Stephen Spielberg/Tom Cruise “Minority Report”-type world where what 10 years ago was pure science fiction becomes a reality.

Who will be the companies that are the providers of these applications and solutions? Who are the new kids on the block? What seems to be happening is that, in our new world, smaller more agile companies have the best chance to succeed. They can access the funds (at least if they’re on the US West Coast they can ... try getting true venture capital in Europe!), they can leverage remote but global partnerships, they can interact and share work-in-progress easily and cost-effectively. Tech start-ups will be all the rage. Here are a few examples of top 100 tech companies from Innovation.com.

- ▷ **Anboto** provides technological solutions to enable an easy and smart interaction in natural language between customers and computers.
- ▷ **Natural User Interface Technologies (NUITEQ)** is a Swedish multi-touch software technology company, which enables people to engage with touch screens using multiple fingers simultaneously.
- ▷ **Canatu Oy's** business is the production of a new class of versatile components based on carbon nanotubes. These components improve the performance and reduce the cost of optical energy generation and storage and electrical devices while, simultaneously, reducing their environmental footprint.
- ▷ Semaphore from **Smart Logic** is an innovative tool in taxonomy management and automatic knowledge classification. It builds the connections between topics, entities and resources. This semantic intelligence enables users to quickly manage, find, explore and use content.
- ▷ **ID-U** offers a new concept in biometric identification. It is the first stimuli-driven biometric system. The technology is based on the uniqueness of a person's eye-movement patterns. Utilization of a user's kinetic response to construct his identification signature is called 4D-Biometrics.

Others, like Groupon, Foursquare, Layar, Tumblr, Zynga and Spotify which have a strong B2C orientation, have quickly gained traction and are also discussed later.

Alongside the on-going march of technology innovation, there are a number of big transformation themes that are going to shape this decade.

- (i) The rise of the MCE, the Multi-Channel Enterprise.
- (ii) The demise of the traditional bricks 'n mortar retailer model.
- (iii) The development of major new online distributors and intermediaries for products and services, replacing the Tesco's and Wal-Mart's of the old world.
- (iv) Human computer interaction will change from "point and click" to a world of "think talk move".
- (v) The shift from "push" advertising and marketing to "pull" user-generated buzz.
- (vi) The need for major "business model reengineering" to survive in this new world.
- (vii) Automation breakthroughs will see more and more everyday tasks done by machines.
- (viii) Cost structures in the Cloud will enable more radical and global low-cost solutions.

- (ix) Widening of the “great divide” between those with digital access and those without.
- (x) The need for the workforce to reskill.

2020 is not that far away. The pace of change is such that what’s in the lab today can quickly become the killer app of tomorrow. The iPhone and iPad show just what can happen if a company can get the user interface right. Apple hit the magic button with those new products. They have shown, very clearly, what it takes to succeed. And the answer is simple: you need the software breakthrough plus – and it’s a big plus – you need to make it fascinating and amazing to interact with it. A great example is the Gesture Cube, where interactive 3D steps out of the movie and becomes real!

All corporations are now at a cross-roads. They can either examine their future and embrace the new digital world. Or they can keep their head down and hope that its real impact will be delayed. For many their future “strategy” is still only looking out for at most 12 months. The excuse is: How can we look out any further when the world is changing so rapidly? This short-termism allows execs to develop an incremental holding path where a mix of cost-cutting and fighting to maintain customer contracts might just about deliver some kind of acceptable budget plan. And after all, there’s always the credit crunch to blame and its dampening effect on consumer spending and business investment.

But eventually this type of “strategy” is just not going to work. Eventually the new players and rivals will reach critical mass with their new software and approaches. Eventually consumer behavior will change to such a degree that for example a big retailer just will not need all that space to merchandize and display products when it’s all available more conveniently online. That may happen in 3 years or 5 but the impact of this technology revolution will be felt; it will not go away or lessen. And so that crossroads is here. And companies need to decide what to do about it.

Kodak is one example we’ll review later. Their crossroads has already come. Their crisis arrived much quicker than expected. The company had tried the incremental survive-the-next-12-months approach, but they did not get away with it. Their “moment of truth” came early. The good news is that their leadership embarked on what will be a 10-year transformation journey ... a journey that is taking them from a 20th century dinosaur to potentially a 21st century winner. Which other companies can genuinely claim to be on that journey? Who is going to be the next big corporate to crash through short-term myopic planning? And which ones are going to be the next generation winners we should be watching and investing in?

2 Our Lives Are About to Change Forever

Our lives are about to change forever. It's starting to impact every company, every organization and most every one of us on this planet. It's a totally transforming and headline-grabbing era that we are privileged to be witnessing. It ranks alongside the other major challenges of our day like global-warming and our care for the environment, scarcity of resources such as oil and water and the growing divide between rich and poor. It's one of the keys that will shape and define this first part of the 21st century.

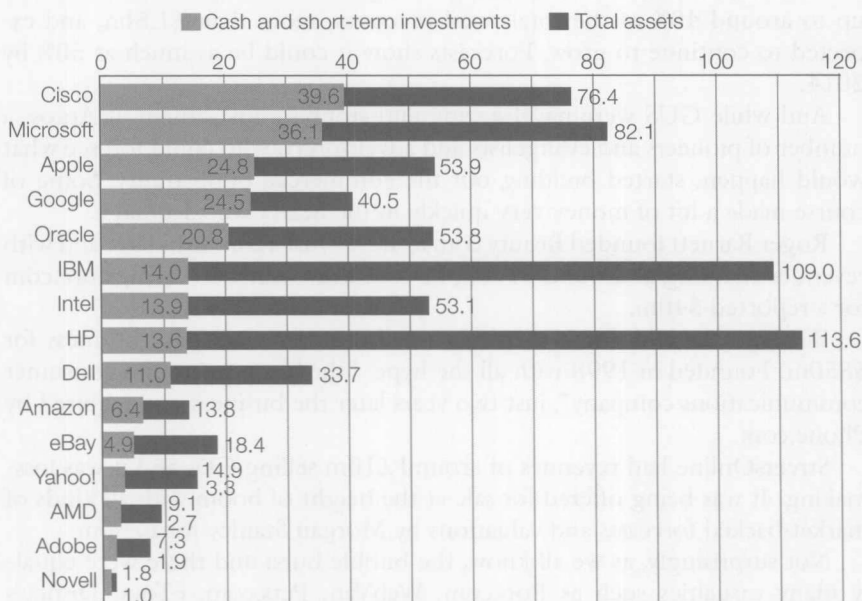
This book is all about the extremely rapid development of digital technology, the internet and mobile communication. There is without doubt a technology revolution unfolding that's as life-changing as the invention of the wheel. Its importance is highlighted because it touches all of us every day and in every way. We perhaps don't see the eureka moments, we maybe don't realize the seismic shifts, but they are happening. By 2020 we will see a fundamentally different world. What was once an idea is fast becoming the new reality.

Every part of every day we find ourselves propelled headlong into the world of digital technology and interaction. Our clock, radio, phone, TV and most every gadget we wake up to is digital. Our news feeds might come from satellite or by RSS feed to our favorite website or our own news portal. Our bus/train journey to work is interrupted or enriched by iTunes or by last night's TV or the day's papers on our iPad or Notebook. Our time at work is driven around computer and mobile. We are slaves to email at our desk, away from our desk with our Blackberry or smart phone. We are dependent upon Google to find things out. Meetings get scheduled for us on Outlook, the direct-dial landline phone on our desk remains silent and unused. Our IT department is constantly in demand to fix this laptop, download this application, resync my phone and my online. We do our own PowerPoint presentations, we don't have any assistant and the pressure is on the individual to master the technology and be able to use it. And for time after work, we are connected via Facebook, tweeting on Twitter, using location-based services to find the best local bars and pubs. And we are completely, totally reliant on this technology. We just assume it will work, just as we trust our alarm clock to wake us up in the morning. It's the wheel that turns our lives.

And all this is being master-minded by just a few multi-national organizations. They already are dominating and their influence is going to grow.

- ▷ Google own YouTube. They also own DoubleClick, AdMob and a host of other general and niche market-leading businesses. They vigorously promote Google Chrome web browser as an alternative to Internet Explorer, Android (the mobile phone operating system), Earth and Maps, Google TV and many other truly innovative applications.
- ▷ Microsoft has a 1.6% share of Facebook and a small shareholding (albeit <5%) in Apple. In 2011 it announced a major global strategic alliance with Nokia which was expected to lead to its takeover of that company. It has acquired Skype for a mind-boggling \$8bn even though Skype is still loss-making. What Skype does give Microsoft is access to its 600 million users and community and control of the world's largest international voice and video call company. It has also acquired more than 150 other companies or strategic stakes in the past 20 years.

These companies together have huge cash war chests. Microsoft still had some \$35bn at time of writing, Apple had c. \$25bn and Google had some \$25bn too. And other Tech companies like IBM, Cisco, Intel, HP and Amazon are all cash rich. In fact, the top 12 Tech companies listed in the US have a staggering \$215bn of cash searching for investment opportunities. They are among the most valued on the planet (Figure 1).



Data source: Google Finance

Figure 1 **Big tech company assets (in billions of USD)**

Source: www.pingdom.com

These are the companies that are changing our lives. These are the ones that are leading the biggest revolution in history. These are the ones that are set to continue to lead the transformation of the global economy and the way human beings interact and communicate. Even as we read this book, history is being made.

It is the speed of this change and the amount of it that is startling. Just at the start of this century, the internet was a “new thing”. Boardrooms across the world debated it casually and mostly chose to ignore it. Or, at their most adventurous, they sanctioned a \$50k project to “explore all this stuff a bit further”.

I can remember the board-room debates in 1999 and 2000 when I headed up Argos.co.uk. At that time Argos was the main retail arm of FTSE 100 company GUS plc. We had just successfully launched “Click ’n Collect” and “Ring ’n Reserve”. Internet commentators were seeing Argos as a leading “clicks ’n bricks” company, a leading organization with a proven format and business model for this new “multi-channel age”!

But GUS plc held the purse strings – they decided what to invest, how much and where, and they were not at all convinced by this “internet thing”. At the time online sales were about 0.1% of Argos’ total revenues. And the GUS board felt that online sales would surely, never, amount to more than 1% of the total. “It’s just a fad; it’s a passing thing ... not worth substantial investment.”

And yet, 10 years later and yes, you’ve guessed it: Argos online was now up to around 40% of the total retail revenues, more than £1.5bn, and expected to continue to grow. Forecasts show it could be as much as 50% by 2014.

And while GUS were navel-gazing and stopping investment at Argos, a number of pioneers and evangelists and adventurers, who could foresee what would happen, started building out the commercial opportunity. Some of course made a lot of money very quickly in the heady Web 1.0 days.

Roger Barnett founded Beauty.com in 1999. Just 12 months later and with revenues standing at around \$150k, he sold the business to Drugstore.com for a reported \$40m.

Bill Nguyen sold Onebox.com, a small internet messaging business for \$850m. Founded in 1998 with all the hype: “the next-generation consumer communications company”, just two years later the business was acquired by Phone.com.

StreetsOnline had revenues of around £10m selling CDs and it was loss-making. It was being offered for sale at the height of boom with all kinds of market-backed forecasts and valuations by Morgan Stanley for £750m.

Not surprisingly, as we all know, the bubble burst and there were equally many casualties such as Boo.com, WebVan, Pets.com, eToys, Disney’s Go.com and in total some 835 others. But that internet bubble bursting did not stop the continued interest among consumers and business customers for the ease and convenience of web-based information-gathering and transaction processing.

3 How are Consumers and Businesses Responding?

While some industry leaders may have had their doubts – and there are still people who are skeptical about the full potential of the digital world – nevertheless pioneers continued to innovate and, most crucially, demand continued to grow.

- ▷ B2C e-commerce spending has continued to grow all over the world. From relatively low levels at the start of 2000 (c.f. Argos' 0.1%), the amount spent by consumers has rocketed to around \$300bn in 2010, up 800% (eMarketer and US Census stats).
- ▷ Forecast annual growth rates globally for online retail over the 5 years from 2011 vary from 8% to 13% per year compound, with markets in Asia “set to explode” (IMRG and Forrester).
- ▷ In the meantime B2B commerce (which includes pure online B2B trades as well software sales to automate or facilitate online transaction activity) has soared to \$3.7 trillion, with around half of this coming from the Americas (US Census/eMarketer).
- ▷ The number of internet-hosted domain names has risen to nearly 800 million (Internet Systems Consortium).
- ▷ Online advertising spend has grown globally. In the US spend is now up to c.\$24bn in just 10 years and, while all ad spend suffered a dip in the 2008/09 recession and credit crunch, it has picked right back up in 2011 (Figure 2).
- ▷ Online ad spend is replacing traditional media such as press, radio and TV. For example, in the UK it is now the largest total media spend channel (PWC/IAB).
- ▷ In 1995, the web reached about 5% of the US population and on average they spent around 30 minutes per day online. In 2010/11, the web reached c. 75% of the US population and average time spent online per user per day was more than 2 hours (Ball State University Centre for Media Studies).
- ▷ Looking at this another way, internet penetration has grown from c. 200 million households worldwide in 2000 to an estimated 1.8 billion in 2010/11 (Digital Advertising).

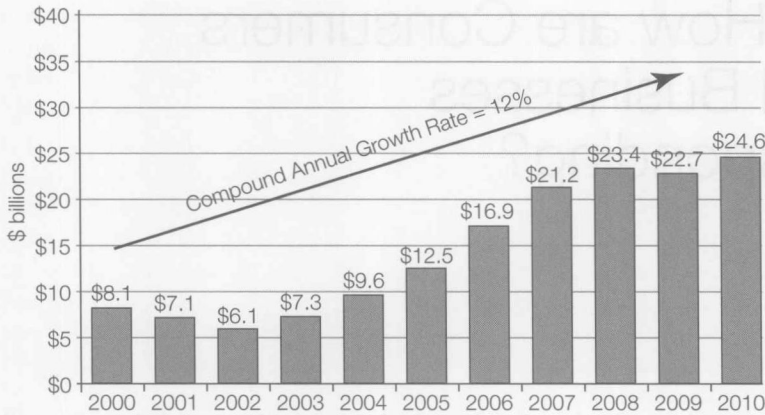


Figure 2 **Spending on interactive advertising**

Source: Interactive Advertising Bureau.

- ▷ Facebook.com has some 600 million+ users worldwide at the time of writing. On average, 50% of them log on every day. An average user has 130 friends. People spend 700 billion minutes a month on Facebook. The site is available in 70 different languages and is accessed in more than 60 countries. 200 million active users engage via their mobile phone (source: Facebook). The population of Facebook would make it the third largest country in the world. In 2011, Facebook announced they were targeting one billion registered users.

And we can go on ... there are countless stats to show how quickly all this has been happening, how it is displacing traditional ways of doing business, communicating and interacting, how it is affecting everything we do. Here's a selection of some recent headlines and case studies describing how digital has specifically changed someone's life or an organization's or region's prospects:

- ▷ Guardian Media Group transformed its fortunes. AutoTrader used to be a regular consumer print magazine showing classified ads for cars, vans, trucks etc. In 2002, Autotrader.co.uk was launched and has rapidly grown. It now has 10 million visitors per month, while the hard copy magazine continues to decline in sales and circulation. It has more recently launched a site for use on mobile phones which has attracted an incremental 500,000 monthly visitors. It's now valued at \$3bn.
- ▷ Network operators are transforming communications in Shanghai. They are developing 'triple play' pilots which combine telephone, internet and interactive TV into a 'next generation fourth network'. This will impact 2.5 million downtown users in the first wave.

- ▷ Eastman Kodak has transformed itself, and the change to digital technology is providing a real chance of recovery. CEO Antonio Perez is credited with leading this corporate revolution. In 2010/11, 75% of Kodak's business and 60% of profits will come from digital services. In 2003, Kodak was at its most vulnerable as its main film business, which up till then had contributed some 90% of revenues and 100% of the profits, went into accelerated decline. Perez came in and immediately cut costs, closed down film production and distribution operations. He then started to restructure the assets and made a series of acquisitions to transform the company into a 'digital imaging' business. There are now two core divisions: Consumer, which provides digital cameras, photo frames and video; and Commercial Graphics, which provides scanning, pre-press, digital plate-making and related workflow software and digital printing.

Kodak invented the first film camera and the first digital camera, now after 7 years of tough transformation the new digital Kodak has basically been formed. This transformation is expected to be complete by 2014. Kodak needed to build a new culture of digital technology while not losing sight of their core values and imaging heritage. Their experience and lessons learned during this transformation can be applied to any company in any industry. Kodak had to go back to basics in many areas in order to redefine their core skills and services and what would create value to customers.

2010 revenues for the new divisions grew 15% and they were expecting continued and even stronger growth. The consumer inkjet business, for example, continues to outpace the market and they are on track to double their ink revenue. Demand has been driven by Kodak's hybrid digital printing systems and processes which help customers to capitalize on new business opportunities. Kodak will continue to focus on product innovation and maximize the value of their IP. Net cash generation before the ongoing restructuring costs was more than \$400m. The journey is far from complete and Kodak's markets are highly competitive but they do now have a clear strategy, vision and plan for where they want to get to.

- ▷ "It's true, moms: Tech can spell salvation. Plenty of moms out there may not think of themselves as extraordinarily tech-savvy, [but] technology is probably affecting your daily life ... in more ways than you may realize."

Laura Coffey, writing on today.msnbc.msn.com, explained as follows:

- 1 Using a smart phone means mums can keep in touch both by phone and email, use the map function to get directions to the next children's party, take photos of those cute occasions and in moments of desperation bring tantrums to a halt by launching a fun kids video or playing some music, and all on one device which is easy to use and less likely to get lost.
- 2 Using the Eye-Fi camera memory card automatically downloads photos to a computer via a Wi-Fi connection. Even if the computer is

turned off, photos and video clips can still be uploaded to any photo-sharing site such as Flickr or Kodak Gallery. No more messing about with USB cable plugs or trying to find time to do those file transfers. All now done automatically!

- 3 Flylady.net is a great site to help busy mums stay in control of their lives! It's full of encouraging and supportive tips and puts women more in touch with whole networks of other mums for advice, support, ideas and just to chat.
- 4 Sites like WebMD, iVillage and Yahoo! Parenting all give lots of instant guidance and medical advice.
- 5 And finally, Facebook lets mums quickly and easily stay in touch with all their friends!

▷ Here's a profile of a typical 10 year old. Let's call him Alexander. He spends his spare time on Nintendo DS or on X-Box Kinect, does school homework research on Google, prepares Word and PowerPoint docs and presentations for class work, has his own PC and wants an Apple Mac, is the class ICT Monitor to check everyone gets good web access, has a "pay-as-you-go" mobile phone and is in regular texting and Skype contact with his grandma and cousins, is adept at using his mum's iPhone and is now asked to find directions on Google maps if they're driving somewhere new in the car, has his own iPod and already has downloaded some 250 tunes, plugs in earphones and is away in his music collection, wants an iTouch, is uploading photos of his latest Lego builds to Lego club and getting Dad to email them to ask why the photos aren't yet included in the Lego magazine and wants more Lego for Xmas (yes, the actual physical bricks, somewhat surprisingly given everything else is digital!). And Alexander laughs when his parents explain that when they were kids they didn't have a color TV!!

▷ In 2002, Rupert Murdoch, Chairman and CEO of News Corp, published a best-selling biographical account: *The Murdoch Mission: the digital transformation of a media empire*. The book charts the early insight as to how technology would start to fundamentally change the way consumers and business access news and content. News Corp is now the world's third largest media conglomerate behind only Disney and Time Warner. Not bad for a company that started out in the 1970s owning a small group of newspapers in Australia.

Murdoch realized two key things: (i) unique and original content would be 'king' and would always command a price in the market place and (ii) that people's media consumption habits would change as the internet grew and technology advanced.

Murdoch has taken a stream of initiatives to embrace new technology. Most notably, he led the hard-fought and strike-ridden changeover at the Times Newspaper's old printing presses in Wapping, east London, to adopt new technologies, automate processes, allow flexible working practices and reduce costs.

His greatest push over the past 5 years, as noted in a Wiki collaboration, has been into digital assets. Not just in the way that News Corp across all its divisions now creates, distributes and archives around consolidated digital hubs which feed all channels of distribution, but also in the way that he has invested in and acquired other businesses which were already established, brought in related skills and know-how and provided News Corp with a firm foothold in the digital media landscape:

Summary of News Corp's Internet/Digital Assets

► *Fox Interactive Media*

- ▷ Foxsports.com – website with sports news, scores, statistics, video and fantasy sports and on MSN.
- ▷ MySpace Video, now owned by Specific Media and Justin Timberlake, hosts content from the Net and studios, competes with Google's YouTube.
- ▷ Beliefnet – largest online faith and spirituality network.
- ▷ Hulu (27%) – online video streaming site in partnership with NBC Universal and Walt Disney.
- ▷ Flektor – provides web-based tools for photo and video editing and mashups.
- ▷ IGN Entertainment – internet entertainment portal (includes the sites IGN, GameSpy, TeamXbox, and Askmen.com)
- ▷ Giga.de
- ▷ Slingshot Labs – web development incubator (includes the site DailyFill).
- ▷ Strategic Data Corp – interactive advertising company which develops technology to deliver targeted internet advertising.
- ▷ Scout.com.
- ▷ WhatIfSports.com – sports simulation and prediction website. Also provides fantasy-style sports games to play.

► *Indya.com – 'India's no. 1 Entertainment Portal'*

► *News Digital Media*

- ▷ News.com.au – Australian-oriented news website
 - News Lab
- ▷ CareerOne.com.au (50%) – recruitment advertisement website in partnership with Monster Worldwide.
- ▷ Carsguide.com.au
- ▷ in2mobi.com.au
- ▷ TrueLocal.com.au
- ▷ Moshtix.com.au – A ticket retailer
- ▷ Learning Seat
- ▷ Wego News owns minority stake in Wego.com
- ▷ Netus (75%) – investment co. in online properties.

► *REA Group (60.7%)*

- ▷ Realestate.com.au
- ▷ Casa.it (69.4%), Sky Italia also holds a 30.6% share
- ▷ atHome group, operator of leading real estate websites in Luxembourg, France, Belgium and Germany.
 - Altowin (51%), provider of office management tools for real estate agents in Belgium.
- ▷ Propertyfinder.com (50%), News International holds the remaining 50%
 - Sherlock Publications, owner of hotproperty.co.uk portal and magazine titles 'Hot Property', 'Renting' and 'Overseas'
 - ukpropertyshop.co.uk, most comprehensive UK estate agent directory.
- ▷ PropertyLook, property websites in Australia and New Zealand.
- ▷ HomeSite.com.au, home renovation and improvement website.
- ▷ Square Foot Limited, Hong Kong's largest English Language property magazine and website.
 - Primedia – Holding co. of Inside DB, a Hong Kong lifestyle magazine.

► *TadpoleNetMedia (10%) hosts ArmySailor*

► *New Zealand*

- ▷ DVD Unlimited – leading online DVD subscription service (ownership through stake in Sky Network Television).
- ▷ Fox Networks – one of the largest international ad networks.
- ▷ Expedient InfoMedia blog network.

► *UK*

- ▷ Times Newspaper group
- ▷ BSkyB strategic shareholding