Delivering global online media brands - challenges and opportunities

Darryl Feldman, Director of Product Development Yahoo! Europe

17th February 2005

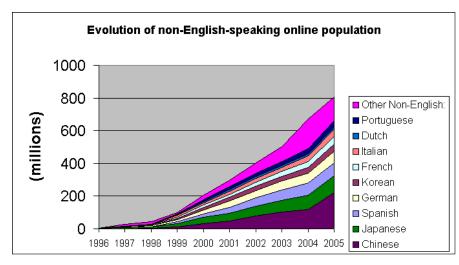
What we'll be talking about...

- Why it's important for online brands to think and act globally
- Why it's hard to deliver online global media based products
- Some processes and strategies that can help
- A case study The rollout of Yahoo's new home page
- Q&A



The Internet - why it's important to think and act globally

- Increase of non-English population moving online
 - Growth of eCommerce revenues
 - Adoption of technology and emerging platforms
- Increase in cross-geographic expectations with users
- Economies gained from coordinated global product rollouts
- Growth potential outstrips English speaking countries
- Brand management and consumer perceptions



Source: Global Reach, 2004 (www.glreach.com)

The US market is already saturated with online products

- rapid growth will be seen in international markets



Is translation enough?

- Local user requirements are not perceived as being key
- Content management systems make it easy to publish information anywhere
- Limited local resources are unable to effectively tailor content to audience
- Metrics used to measure products are often based on UU's or PV's – hard to see how people really interacting with products





It's hard to deliver global media products online

Cultural issues

- Languages, perceptions, ideas gap
- Maturity and attitudes of online audiences (e.g. e-commerce)
- Local governance and politics (e.g. Yahoo! Auctions in Fr)
- Legacy cultures of acquired/merged organisations

Business issues

- Unique and varying states of market readiness
- Levels of profitability and investment
- Diverse and often conflicting business objectives (e.g. .com vs .regional vs .local)

Organisational issues

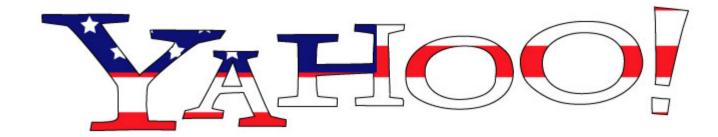
- Location/time zones
- Matrix organisations and reporting lines
- Levels of skill and experience
- Changing landscape (mergers/acquisitions etc.)
- Moving at Internet speed

Technology issues

- Varying content management and delivery platforms
- Backend integration of billing, registration, acquired platforms etc...



...also our heritage...

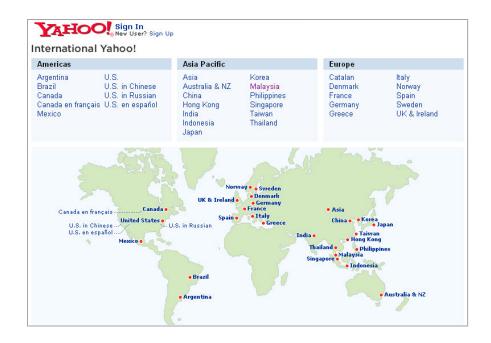


...as a US company with international aspirations.



Yahoo! has been partly successful in localisation efforts in spite of this...

- Strong and recognisable brand
- Aggressive expansion and growth
 - Acquisitions of best in breed
 - Content deals and business development
- Local control of content
- A decentralised structure

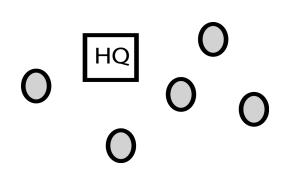


Portals in 25+ territories in 20+ languages

These things helped early on to get local footprints established quickly



A decentralised structure and organisation – not all good...



Pros

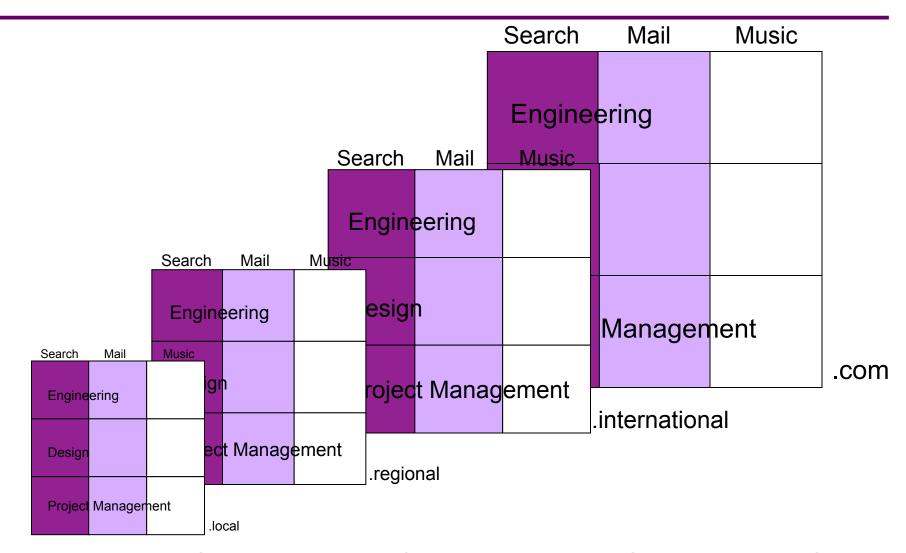
- Able to rapidly export products
- Produces very highly local sites to support different cultural variables and business models

Cons

- not efficient in local (wasted effort)
- Very difficult to manage globally
- Varying quality
- Requires duplicate skill sets in each country



...and complex!

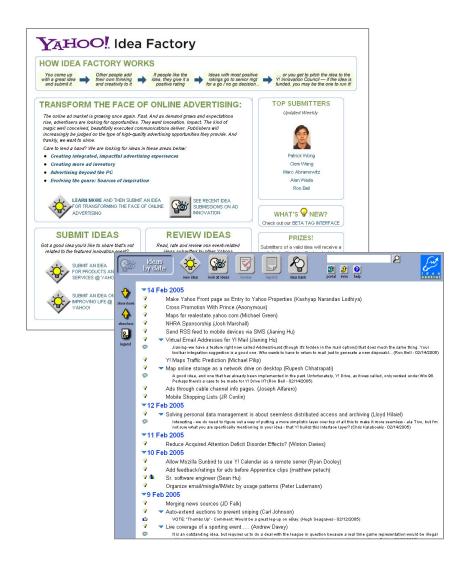


Accountability?...reporting lines?...decision making?...coordination?...



Enabling global productsThe Yahoo! Idea Factory

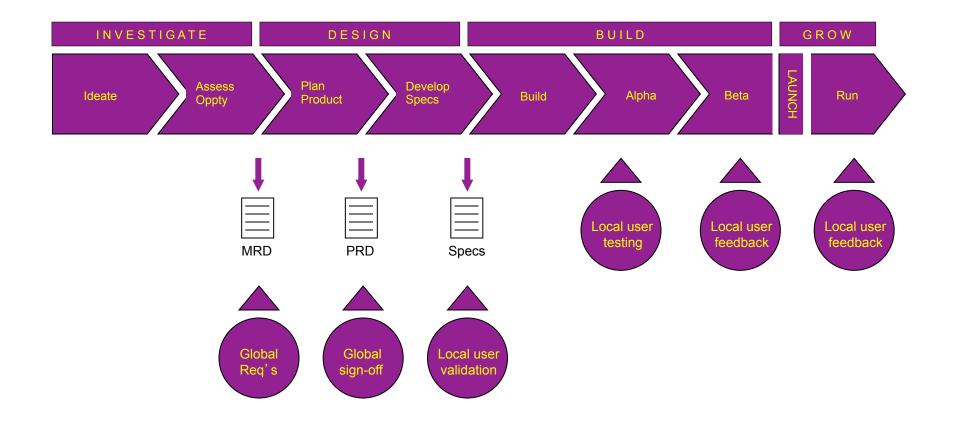
- Product innovation vital for success of online media companies
- We have created a global framework for people of all cultures to contribute to the 'ideas pool'
- People submit ideas which are reviewed by 'Product Council'
- If ideas are voted for then resources may be allocated to development





Enabling global products

- Our Product Development Process





The Future – Globally managed BU's?

- With platform based products we are moving towards a more centrally coordinated approach (e.g. Search)
- We are assessing our ability to manage and deliver content globally
 - Potentially create new platform that meets international requirements
- Regional/local teams will be focused on content based products (e.g. Yahoo! News)
- We are moving away from functional reporting lines to business unit aligned teams

We need to solidify universal processes and create more consistency in how we deliver products...to deliver higher quality, more relevant products in all our markets.

Global Product Development – a case study Mercury – the Yahoo! Home page



Original plan

- Phase 1 Mercury
 Facelift with emphasis on simplification of presentation and improved editorial/publishing tools
 - => release date Q1
- Phase 2 Gemini Individualisation/customisation features
 - => release date Q2/Q3
- Phase 3 Apollo
 Radical redesign with full personalisation
 - => release date Q4



Mercury – project objectives

Business

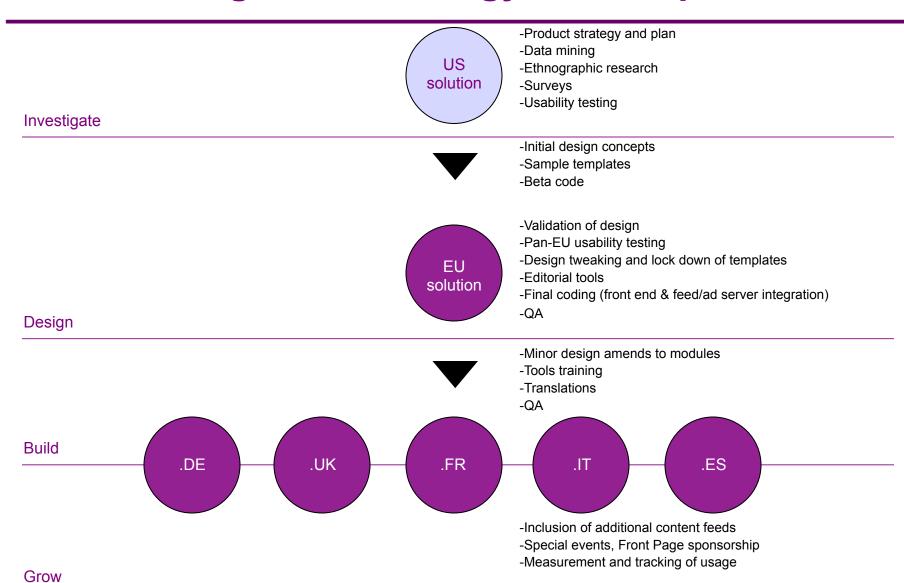
- Improved content management tools
 - Delivering a more tightly managed template
 - 95% done by EU team with scope for local tailoring of tools (ad schedulers, news feeds etc.)
- Ensure commercial objectives met
 - Sales units to remain broadly the same (subject to evaluation of Sales Programme)

Design

- Simplify layout and make easier to use
- Reduced clutter e.g. no underlines
- Emphasis on personalisation (Personal links, weather)
- Cleaner integration of Search
- Focus on key modules surfacing content
- Tie-ins with network design initiatives (Universal Header etc)



Mercury EU product rollout - High level strategy for Europe





Some of the localised and US variants we tested...











- Tried moving the header icons
- Emphasised sign-in
- Tested the trough (directory)
- Focused on adapting content modules



Mercury EU product rollout

- the results

- Simplified design and made product more compelling
- Delivered to deadline and launched simultaneously in 5 countries
- Improved editorial tools and back office efficiencies
- Increased design and brand consistencies across EU
- Tested and validated designs with real users across EU
 - Got data to drive future initiatives





US and European products are improved but we still have issues globally...











- Varying states of organisational readiness in all countries to support intitiative
- Unclear picture of user requirements in terms of what needs to be consistent or not
- In some (less stable) countries not seen as a business priority

- Developing products that are truly global in nature is crictical to success to leverage the growth opportunities that International markets present
- The right balance of central control vs local empowerment is needed to deliver truly global products that have local market relevance
- Having robust technology platforms and consistent project management processes are key to success
- Managing the matrix organisation is very hard and efforts are needed to simplify structures and create accountability
- Countries will all be in different states of organisational readiness for global solutions

Questions/Discussion?



Our Product Development Process - tasks and activities

Y! Product Development Process				= Partial or full local involvement	
Product Management Strategy & logistics	PRD	ollout management			
Business planning			Communications, training & support		
Programme management					
Opportunity identification & prioritisation Stats/competitor Analysis	Project planning & risk assessment Sales coordination Market	· · · · · · · · · · · · · · · · · · ·	evelop training programme	Support strategy & infrastructure	
Gather EU local market requirements Roadmap creation Local stakeholder management, training & rollout support					
Shared ownership	Reviews	Reviews	Reviews	Reviews	
Project definition		Project management/tools development/white labelling			
Concept development	Validation Detailed design			Technical documentation	
	rototyping & Functi	onal specs	Graphics	Tools training	
i		Technical planning		Content localisation	
User requirements specification		Usability testing	Technical Implementation		
Product Development Ideas & innovation		Implementation		QA & Testing Bug fixing	
Strategic user research & design			Web production		