

Marketing

ZooZoom Aiming to Shift Into Next Gear

By Valerie Seckler

Luxury fashion e-zine ZooZoom is looking to the world of print for help in turning a profit, which it has been unable to do in the eight years since its ill-timed founding during the dot-com bust at the turn of the 21st century.

But if ZooZoom's bottom line does not enter the black by the end of 2008, it could be lights out, revealed Mike Hartley, ZooZoom's chief executive officer. "We'll have to seriously reconsider what we're doing," Hartley stated. "We would have hoped to have turned a profit by now."

In pursuit of the elusive black ink, ZooZoom has begun making pitches to print publishers to partner in launches of additional e-zines, ideally creating a network of titles dedicated to subjects such as cars — possibly with the name VaVoom; music, and celebrities, said Hartley. "We've approached Hachette Filipacchi [in August]," he noted of the company that publishes, Elle, Woman's Day, Car and Driver and Road & Track, among other magazines.

Anne Janas, senior vice president, corporate communications, at Hachette Filipacchi Media U.S., said, "Because we are always talking about joint ventures, we never comment on these kinds of discussions."

Hartley noted he is also considering approaching Condé Nast titles and independent publications such as Dwell.

"We don't have ZooZoom in mind as a place for 20 million unique users," Hartley related. "We see various sites with roughly four million users in [our] medium-term future." Four million visitors are a long way off, however, unless ZooZoom can generate enough advertising revenue to accelerate its marketing effort. To date, absent a traditional marketing campaign, search-engine listings and word of mouth have drawn an average of 150,000 unique users a month, by the media property's own measure. (That figure falls below the monthly minimum of 390,000 needed to register on at least one rating agency's radar, Nielsen/NetRatings.)

Fifteen fashion and beauty advertisers have made ap-



Online ads such as these from Custo Barcelona and Redux Charles Chang-Lima have prompted 12 to 27 percent of their viewers at ZooZoom to click through to the brands' shopping sites.

pearances in the online magazine since its relaunch in 2005: Chanel, Neiman Marcus, Net-a-Porter, Redux Charles Chang-Lima, Sass & Bide, Custo Barcelona, Kai Kühne, Deborah Marquit, Citizen: Citizen, L'Oréal, Clinique, Allure, Inimitable, Rouge Allure and Sublimage.

"Our advertisers have told us that for every \$1,000 they spend, people who click through are likely to spend between \$1,000 and \$2,000," Hartley claimed of trips people have made to a brand's shopping site via its ad on ZooZoom. This may help explain why more advertisers haven't been quicker to buy into the 'zine. Neiman Marcus, for example, was hoping for consumers who click through to its shopping site to spend at around the \$10,000 level, over time, the ceo acknowledged. (For \$1,000, advertisers can gain exposure to up to 6,600 people.)

Between 12 and 27 percent of viewers of fashion ads at ZooZoom have clicked-through to the fashion brands' own Web sites; 4 to 8 percent have visited beauty sites via the ads. Typically, more people have visited brand sites via Flash-animated ads like ones now running

from Redux (24 percent) and Net-a-porter (22 percent) than for static ads that look like richly colored, print magazine spreads, such as Custo Barcelona's current placement (13 percent), according to Hartley. About half the site's ads have run in Flash, he estimated.

Brands such as Michael Kors, Marc Jacobs, Diane von Furstenberg and Bergdorf Goodman are among those whose ads ZooZoom would most like to attract. Ditto for past advertisers Neiman's and Chanel. To this end, the e-zine is seeking to meet with these fashion players at an event it would stage in October at Soho House in New York's Meatpacking District.

ZooZoom has no plans to pump the venture capitalist pool from which money has flowed into many a dot-com start-up and relaunch. Instead, it is intent on remaining wholly financed by its four partners — David McIntyre, Kelley Quan, Martin Cooper and Hartley. "The VCs are drawn to mass market beauty brands to meet their [financial] targets and that's not what we want," Hartley said of the luxury fashion 'zine. "We want advertisers."