

## Sector Analysis:

# Media & Entertainment

For some time now, the Media and Entertainment (M&E) industry has been impacted by digital. The multifaceted responses from the industry (which now includes Google, Facebook!) has not received its fair share of credit. This said a lot more work remains to be done.

Industry players are on an ongoing quest to drive engaging and distinctive audience experiences, by serving up the right content in the right manner (aligned to the then prevailing state-of-the-mind of the audience, serious/fun, choice of user generated content/conventional, and so on), with the right level of personalisation, across the right channels and platforms of choice over the course of the user's day and engagement-level (dedicated consumption window/multi-

tasking, and so on), at the right price (subsidised by the right-level of advertisement, that is relevant and engaging to users). As an illustration of the "right content in the right manner" imperative, the recent World Economic Forum (WEF) debated the loss of trust in institutions and spread of misinformation and fake news. WEF proposes to pursue this discussion through its Global Future Council on Human Rights! On a second note, the need for business agility in delivering time-sensitive content such as, breaking news, or, signals/happening in the financial markets, is underlined in the following example: sometime back a central bank changed its key interest rate, and the customers of a particular media outlet received this information two seconds ahead of second outlet and four seconds ahead of a



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third outlet. This head-start of a few seconds provided a decisive advantage to the algorithmic trading activities of firms that were customers of the first outlet! **Given this, the focus of M&E organisations tend to be on:**

1. Transformation/evolution of organisation's business model, in view of emerging imperatives (such as 5G networks, evolution in consumer preference for online videos than individual video subscriptions, attractive opportunities in theme-focused digital classified magazines, possibilities to build an API economy dimension to the business model).
2. Speed-to-market of compelling new products and services at frugal price points: this has to be supported by ongoing enhancements that are aided by rapid releases to production, using Agile and DevOps.
3. Compelling audience experience, supported by engaging levels of personalisation and insights.
4. Engaging and effective targeted advertising.
5. Uninterrupted operations at frugal cost structure, across

business cycles/events (such as major audience moments, coverage during natural calamities), enabled by the modernisation of the application landscape, use of cloud for suitable use cases, use of insightful managed services practices that include low-touch high-impact enhancements.

To deliver on this focus, M&E organisations are enhancing their capabilities across:

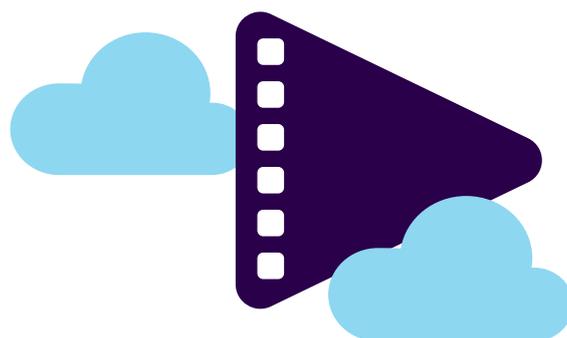
- **Content and Digital Asset Management (DAM) platforms:** for long M&E organisations have worked on, automating the data and editorial chain (aided by, a insightful approach to data management and exploiting its many recent advances), use of automation for crawling to extract content from numerous sources (now enhanced by use of APIs), usage of versatile DAM and editorial engines, and so on. Increasingly AI/ML is part of this core stack of solutions, as exemplified by its wide usage in news aggregation by Facebook and others, or, its use for generation of automated narratives (which can be refined by humans to add investigative, opinion, literary elements).

- **Leverage of VR/AR/wearables/connected devices:** “Art imitates life” is not an uncommon theme for a journalistic piece. When used well VR/AR has the power to make real-life content consumption a breathtaking experience. Print media, with VR/AR/wearables/connected devices, may require, TV programme, mobile content and movies (of a certain genre), to reinvent themselves!
- **Effective use of data as the new oil to drive audience experience and advertising ROI:**
  - Audience experience has been enhanced by predicting the next movie, or, book, or, story, a consumer may like to experience. However, such personalisation has yet to become powerful enough, even to capture the topic of interest at this moment to an online reader and carry over this contextual insight immediately from search to online videos, and other digital assets of the same company!
  - Advertising has used data for targeted marketing. Relatively speaking, analytics, has been used better used in the Financial Services industry in terms of, next logical purchase, next best action, marketing triggered by signals associated with key life events (that are around the corner), and so on. As matter stand, returns from digital advertising, continue to lag those from print advertising. One difficulty is due to the need to integrate of online and offline data, which may be partially addressed with the penetration of VR/AR/wearables/connected devices.

Insightful use of AI/ML will progressively enable the M&E industry to become sharper in these endeavours.

**The progress made by the industry is best captured in the following industry examples:**

1. The Guardian’s foray into VR journalism involved the distribution of 87,000 Google cardboard headsets (with a slot for reader’s mobile phone), in one Saturday’s UK print run.
2. A few years ago Disney, introduced the MagicBand, an all-in-one wristband, which enables the user to connect to all individual vacation choices made, enter parks, buy food and merchandise, etc. MagicBands add ‘a touch of magic’ to individual’s vacation by unlocking surprises, and each ‘magical moment’ is captured in the Disney PhotoPass service. Disney has also been using analytics for queue management, predicting garment inventory needed for its cast members, and so on.
3. The Press Association of UK & Ireland, received a grant for its project with Urbs Media, for a news service that plans to use open data sets, to create ~30,000 local stories per month. This initiative is expected to provide news coverage for a segment that was largely unaddressed due to commercial un viability (such a volume of stories will be feasible due to AI).
4. A Europe telecommunication provider implemented a scaled Agile framework approach, to launch its IPTV offering in ~9 months, and the full product to market in 18 months (half the time for comparable projects).
5. An entertainment company uses its DevOps solution to support ~4,000 software deployments each day.
6. Through effective use of analytics, a leading streaming media company provides personalised content recommendations to users, using consumption and behaviour patterns during past viewing sessions including the day of watching, the extent of pause/rewind/fast forward, and so on. Such insights also help the company in its multi-million dollar content creation decisions.
7. A US entertainment company used APM tool to ensure high availability of an integrated set of complex systems, enhance the user experience, provide end-to-end visibility into the health of key business processes. 2,000+ machine agents were instrumented and brought under APM in conjunction with event correlation & predictive analytics tools and spanned 2,500+ application server processes. This resulted in a 30% reduction in the volume of incidents and drove 10x faster resolution of incidents.



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