



COVID-19 OUTBREAK GLOBAL OUTLOOK

Media & Entertainment Industry



The **COVID-19** outbreak brought major disruptions to the **Media & Entertainment** industry

A shift in Media Consumption



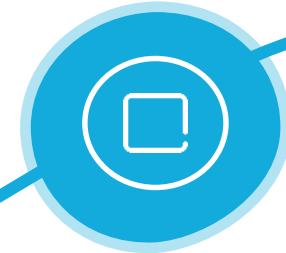
With people spending more time at home, there are more entertainment hours to fill. In this context, the **'at-home-entertainment' providers are engaging users more, finding new and larger audiences and even expanding their use cases.**

Significant Revenue Decline



Though consumption is up, **revenue is down overall as the advertising spent** – the industry relies so heavily on – **is seeing major contraction & entire segments of the sector are at a stop.**

Content Supply Shortages



Production is also at a full stop at a time where people consume more, putting **pressure on content libraries** and threatening shortages. But **mitigating factors and compensatory effects are starting to emerge.**

Our **latest report** shares insights and perspectives on **how to face the Covid-19 challenges** and seize **the opportunities post-crisis**

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COVID-19 has impacted multiple areas of the Media & Entertainment industry

With people spending more time at home, there are more entertainment hours to fill and in a time of doubt the public finds itself relying on trustworthy news outlets and their digital services. In this context, the **'at-home-entertainment' providers & news outlets are engaging users more and finding new and larger audiences, Gaming** – category reporting the largest increase in consumption – **is also expanding the experiences it offers & eSports are gaining legitimacy**

Key recommendations

- » Monitor and learn how to answer **new consumer engagement and consumption preferences** leveraging data
- » Seize the opportunity that habit formation & sampling bring through **digital growth** (larger digital presence, improved customer experience...)
- » **Develop new partnerships and invest in the areas with the highest potential** (OTT, AR/VR, Gaming, cross-play...)



Worldwide lockdowns lead to a **shift in media consumption**

Positive customer **sentiment** towards **print media**

Surge in TV viewership especially favorable to OTT

Bolstering of **gaming's growth and ascendance**

Gain in **legitimacy** & an accelerated **expansion** for **eSports**



COVID-19 has impacted multiple areas of the Media & Entertainment industry



Revenue is down overall for **an industry that relies heavily on advertising at a time when small and large companies alike are reducing their marketing spend**

Entire segments of the industry are also at a stop: Movie Theatres are shutdown, film producers and distributors are struggling without the possibility of a theatrical release, live music – main source of revenue for the music industry – is at a standstill, sports is losing income on all fronts...

Key recommendations

- » **Cut costs, improve operational efficiency programs and move to cloud**
- » **Innovate to improve commercial impact and find new revenue streams** (dynamic ad insertions, gamified sports viewership, interactive digital live music experiences...)
- » **Go direct-to-consumer** as new revenue and data stream

Significant revenue decline is likely to linger on the back of a weak economy

Advertising revenues are seeing major **contraction**

Forever **lost revenue** for the **Movie/Theater Industry**

Stop of live experiences bring **music industry close to a stand-still**

All **sports sources of income** face **major challenges**

Suspended sport seasons also affect **gambling & pay TV**



COVID-19 has impacted multiple areas of the Media & Entertainment industry

Production is at a full stop at a time where people consume more, putting **pressure on content libraries** and threatening shortages.

Though no one is spared, **mitigating factors and compensatory effects are emerging.**

Key recommendations

- » Optimize **content library amortization and improve content discovery**
- » **Reduce lead times** through automation & workflow orchestration
- » **Build stronger content banks** (production processes automation, video & metadata sourcing) **& rationalize content production** (using AI/ML)



Delayed production promises **content supply shortages**

With production being halted due to shutdowns many are facing **library pressures**

Multiple mitigating factors are helping a few get through the shortages



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