



NAB 2022 Transcript

CMIP Studio Interview with John Peters (Managing Director of Media & Entertainment, Accenture)

Hi, welcome to the CMIP studio here at NABShow 22. I'm Claire Plaisted and I'm joined here today with John Peters, Managing Director of Media & Entertainment from Accenture.

Claire: Hi John

John: Hi Claire

Claire: Thanks for joining me.

John: It's great to be with you.

Claire: So, tell me a little about Accenture and Media & Entertainment?

John: So, Accenture, global professional services firm. We are in a lot of spaces starting from strategy and consulting to technology to interactive and digital to then operating clients' businesses. We are global in scale. We're in 160 different countries, we have nearly 700,000 employees. But what's been fun for us is our mission to combine or to deliver on the potential of human ingenuity and technology brought together so we're having a lot of fun and now in the media and entertainment space, a place like this is where we really get to showcase all the things we're doing. The pandemic has accelerated transformation in the industry and we've been really pleased to be a part of that.

Claire: Wow, great well so can you tell me sort of how you differentiate some of your services from other companies in the space?

John: Absolutely, on a couple different dimensions. First, I just described our scale, we're global, we have teams with depth across the globe servicing clients so scale allows us to do things at a different level with our clients who are ready to do large transformations but one of the things that we can do and we focus on is compressed transformation. It used to be that transformations might be a multi-year thing but together with them and all of our experience

that we can bring together, we can accelerate that transformation to more quickly get them into that future operating model that they want to be in to change the way they make money and deliver for clients.

Claire: So, what are you showing here on your stand at NAB?

John: There's so much going on that we'd love to talk about some of the key things we'll talk about. For instance, the cloud has really changed the way that productions are being made, the way in which it's shot, the way in which it's edited, the way in which all the footage is put together and then brought out to consumers. The cloud is a real driver in that it's accelerating, it's reducing cost but what we're seeing in the industry right now is a content-based battle. You probably are spending some time in the evenings watching streaming shows, for example. There are so many streaming services, all of them need to have a full inventory of compelling content. This is truly the golden age of content. This is certainly the age of the most being created and so if we can accelerate and bring efficiency to the process of creating it, that allows the creatives to deliver their most excellent work. So powering creatives is something we really love. That's the first one.

The second is advertising. As we've seen over the last few years, advertising is going increasingly digital. This is a big transformation point for a lot of media companies particularly legacy media companies who started in a linear advertising format. In order to compete with the digital platforms as they are growing increasingly, media companies are doing some special things. As they transform their advertising groups, they transform their offerings, they utilize data to help target so we're here and we're excited to talk about accelerating advertising transformation.

I'll be talking this afternoon about the future of streaming, a really exciting space. So, all of us have been diving more deeply into streaming services but we're sort of at the initial chapters of that and what's to come is even more interesting. So, we did some research that I'm going to be speaking about this evening. About the consumer frustration globally. We spoke with 6,000 consumers and as much as we're all enjoying all the great shows to watch there are three main pain points that are driving consumers to think about a different future. You've probably seen it. You go in each night, you're jumping in and out, we call those rabbit holes as you're jumping in each of the services to find something you're wanting to watch. Most consumers find that frustrating. Most consumers are also spending more than five minutes finding something new to watch so we think an aggregation layer on top will really help improve the consumer experience right and we think that layer is going to be an interesting new player in the industry value chain. So look for that.

The next is consumers are frustrated with what they think of as inefficient bundles. You know we all left cable because we thought "I'm paying for things I don't really want to watch" so the promise of streaming was just paying for what you want, when you want it. and we'll see people are starting to think

that they would like to see new forms of as they sign up for four to five services they're starting to question how much they're spending and what they spend it on. So we'll see innovation in that space.

You're already seeing headlines about people moving to ad-based models. That's just the beginning of the innovation that's really exciting.

Claire: Certainly video on demand has been transformed with AVOD and SVOD sort of trend so that's a really interesting area to be looking into. And then finally can you give us a hint of what we might see from Accenture over the next year

John: Well those things that we talked about are increasingly picking up pace in their change so just in the ad space as our clients are all exploring how to create in this era of after the death of cookies they're working on how to use their talents and evolve their talents to transform the way they market to consumers. Consumers are changing. Consumers' way of consuming media is changing so the way in which you speak to them has to change. As an example, media companies over the last many years have been something of a wholesale business make the content they give it to a theater to distribute where they give it to a broadcast channel in that sense they're wholesalers and that endpoint would market and talk to the consumer but now as they have this direct line to consumers through their streaming services you're seeing them have to take on new capabilities performance marketing data and analytics all of these things are new skills and we're excited to help them evolve those skills in the streaming space it's going to be really interesting is after a couple years from now when they've all entered all the markets and growth starts to slow because there's no new markets to get into, it's going to be a very difficult challenge for them to continue to show growth without any new markets to get into so it'll be about how to steal market share how to retain consumers that is going to be not only a marketing challenge but an analytics challenge about understanding what people watch.

We're going to be talking tonight about a study that we've done with whip media data and what media data is telling us is that the way you appear to one streaming service happens to be different from the way you appear to another we drop little bits of genes about who we are but the full DNA is only understood by you and so the challenge for a streamer is here's claire she's watched a few things of course they want to retain you by telling you about more of the things like that for you to watch but over on these other services where you're watching a broader set of things the full you is unknown by everyone so as they battle to retain consumers and steal market share really understanding the consumer is going to be a critical way of winning and competing so we've been talking not only about transforming marketing but also transforming your service and the way in which you analyze consumers to better compete. What we're really excited about in this space is we believe innovation is the way to win and i don't just mean new shows but really if you think about it for years media companies have been wanting to have a direct

line to consumers. As I just described they've been wholesalers but they've now finally cracked it they have you on you have a connection with them directly on your phone or on your living room tv so there's so much potential now where to go from there. Just a subscription VOD service. just video. We think what's really going to be exciting is that they can get into new categories that they deliver through this channel whether it's live sports and other forms of video or complementary things around that from e-commerce sports betting but as the circles get wider and the different things that they can deliver for us that's a wonderful thing as a consumer I have this relationship they start to understand me and they're giving me more ways to engage with them and that's where as we think about things like the metaverse this is a perfect mechanism and delivery channel for delivering for you those new opportunities to engage with the IP and the characters and the stories you love

So this is the promise of the streaming service going beyond video continuing to innovate and what's cool is our data and our consumer research that we recently did suggest that there's a percentage of the market younger audiences very excited about innovation and so these individuals be ready to try new features they'll be ready to embrace all of the different innovations so we think a strategy for winning is just to continue to innovate you may never know exactly what the winning feature is so have an experimentation mindset just go for it and start now because the video only play is going to be very difficult

Claire: Well that's fascinating I'm really excited about the next year after all that so thank you so much for coming into the studio and speaking to me about that and good luck with the rest of the show.

John: Thank you Claire, it's been a pleasure

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