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Pulse of Media: Navigating the Complexity of an Evolving Digital World

THEME 1
The Golden Age of Video Consumption
How is the consumer relationship with media evolving?

Video consumption—any time, anywhere—has become mainstream, accelerating the decline of traditional TV viewing. As consumers consume more content, quality matters. Consumers are both kings and kingmakers, controlling which bundles, brands and content succeed.

THEME 2
A New Media Paradigm
What are the underlying drivers in the industry?

The democratization of content creation, the need to evolve content delivery, and the mandate to evolve content business models will require traditional content providers to transform into digital product distribution companies.

THEME 3
Shift from Protection to Innovation
What is the competitive environment?

Disruptors are shaking up the competitive landscape and media companies are challenged to innovate, evolve video services, expand capabilities and experiment with new monetization models.

THEME 1 TRENDS

We're at an Inflection Point for Video Consumption; consumers consume all lengths of video on all devices.

NOW

Short form is here to stay.

Increased longer form mobile viewing.

IN PLAY

Increased out-of-home consumption.

Larger screens drive out-of-home viewing.

Binge-viewing on OTT platforms.

EMERGING

Live linear viewing out-of-home.

Geographic boundaries are breaking down.

More in-car viewing. Connected and driverless cars.

Quantity is Good, but Quality is Better. Content that is professionally produced is upping the game.

NOW

Consumers expect HD for live linear and VOD.

Content shifts away from reality TV.

Higher ratings for cable with original programs.

IN PLAY

OTT services are earning awards.

Original content is driving OTT subscriber growth.

Optimized OTT content libraries at low prices balancing quality and quantity.

Greater success of professional content versus amateur.

EMERGING

Short form video is upping the quality game.

Crowdsourcing provides early pilot feedback before investment.

Consumers are Kings and Kingmakers. They're bundling to get what they want. It's about shows, not channels.

NOW

Millennials build loyalty to atomic content or brands.

Shows, not channels.

IN PLAY

Consumers are creating their own Pay TV bundles.

Consumers determine content success via social media.

EMERGING

Consumers creating the kings via non-traditional channels and content.

THEME 2 TRENDS

We're Seeing a Content Renaissance in terms of content production, financing and overall user experience.

NOW

Democratization of content production with better capture, editing.

More direct distribution channels than ever before.

IN PLAY

Alternative financing options with crowd-funding.

Greater creative freedom via more OTT channels for distribution; no ratings, new rules.

Celebrities developing more content on alternate channels.

EMERGING

Augmented experiences and holograms for new content.

Connected world: new media experiences and points of engagement.

Broadcast Availability with Broadband Flexibility; content delivery must be device agnostic.

NOW

Foundational infrastructure with greater agility, capacity, efficiency and sustainability.

OTT infrastructure delivering SD and HD on pipes with at least 2 Mbps.

IN PLAY

Distribution network shifts to best content for each device.

CDNs capable of handling scaled on-demand consumption.

OTTs delivering 4K content.

EMERGING

Gigabit internet delivers high fidelity of interactive consumption.

New delivery methods: LTE broadcast, wifi mesh networks and p-cell technology.

Reaching the Digital Generation: media companies must be "tech forward", evolving the media value chain.

NOW

Evolution of the tech media challengers.

Evolving economics: subsidization of media; business models based on technology to manage margins.

IN PLAY

Content recommendations based on behavior and contextual data.

Enhanced search and discovery, analytics-driven.

Growing experimentation with video on social networks.

EMERGING

Personalization at scale: consumer data enriched by new devices/sensors.

Measurement across all screens.

Differentiation with context: measuring interactions of multiple media.

THEME 3 TRENDS

Service Differentiation with Digital Obsession; media companies seek new content, context and bundling.

NOW

HD delivered on all devices.

VOD is established but MVPD on-demand lags.

VOD on STB and TVE with more past seasons but still limited viewership.

IN PLAY

TV everywhere: live linear on any screen.

Personal streaming services to address cord nevers/shavers.

Incorporation of OTT services on MVPD set-top-boxes.

Delivery of 4K content with expanded wired and satellite infrastructure.

EMERGING

Increased engagement and monetization methods by matching context of content/media.

OTT stand alone services.

Adopting the Way of Online Disrupters. Companies need the right partner and right operating model.

NOW

Investment in future infrastructure.

New entrants shake it up.

Small boxes, big value proposition. Virtual set-top-box and new devices.

IN PLAY

New operating models: web-approach to Pay TV with cloud-based functionality.

Consolidation of the value chain.

Innovation at every level of the stack.

MVPDs looking to own ad insertion.

EMERGING

End of media company vertical integration.

Traditional studios seek to reach new consumers through acquisition.

Telco 2.0: all-IP, modular, interoperable and layered.

Re-Imagined Monetization—from advertising to bundled content—what is the optimal mix?

NOW

Double and triple plays with broadband services as a provider criteria.

IN PLAY

Re-imagined bundles (e.g. wireless providers with data bundles across all devices).

New content bundles—separation of premium and sports networks at lower costs.

Expanded measurement windows to improve ratings and monetize content.

EMERGING

Bold experimentation with ad-based models: new disrupters streaming via 2G wireless networks with ad-based model.

Dynamic ad insertion on Pay TV VOD and TVE VOD and TVE linear.

For more information go to Accenture.com/PulseOfMedia, follow @AccentureMedia for news and trends and use #PulseOfMedia to join in the conversation.