Theme 3:
Competition: "The Need For Speed"

The flat world of digital entertainment

Netflix is now available in 200 countries around the world. More than 80 million¹ subscribers from London to Lima can access much of the same content, at exactly the same time. It's a fundamental change to the global media economy. As others join the race for the global audience, traditional licensing deals are challenged. Commissioning, marketing and monetizing content will also take on an increasingly global perspective. More than 400 million consumers worldwide use VPN tools to give them access to more content than restrictions in their home countries allow. As global demand increases, it creates significant challenges and demands new types of decision-making – from curation to marketing – for media players accustomed to operating on a territorial basis.

Digital ecosystem not built in a day

Continuous disruption, learning and adaptation are hallmarks of the digital world. And that applies especially to media players' organizations. The digital ecosystem is never complete, requiring media companies to spot and partner with cross-industry players from across the value chain. As media players develop their operating models, they need to ensure that they skilfully blend the art and the science they need to respond and create faster than ever before. Data-driven at the core, media businesses will have to become more fluid at the edge, with digitally-savvy and creative teams coalescing rapidly to create new products across different platforms and apps.

Analytics: don't describe, predict

Analytics is an increasingly key differentiator for media players. Leading firms harness data to stay ahead of the consumer, using predictive, and some even prescriptive, analytics to extract ever greater value from their services. Analytics enables ever more relevant recommendations that can persuade consumers to stick around on a platform. It can target pricing and promotions at clearly identified consumer segments, support the curation of content bundles to address churn and cannibalization of higher margin services and support more tailored advertising. And with quality of service a major determinant of consumer satisfaction, predictive analytics can anticipate peak viewing and content quality issues, ensuring the delivery of a consistently superior viewing experience.