Going Boldly from the Golden Age into the Digital Future of Media and Entertainment

How Warner Bros. and Accenture Did It
Warner Bros. Entertainment—a household name among consumers and industry peers the world over—is a global leader in the creation, production, distribution, licensing and marketing of creative content and its related businesses across multiple current and emerging media and platforms. A Time Warner Company, Warner Bros. is a fully integrated, broad-based entertainment business that stands at the forefront of every aspect of the entertainment industry, from feature films to television, home entertainment/DVD, animation, product and brand licensing and interactive entertainment.

In addition to its long-standing position as a high-performance business in its industry and a preeminent global creator of all forms of content, Warner Bros. has a history as an innovating pioneer in new ways of distributing and consuming content. It has been responsible for inventions ranging from the first talking picture to much of the technology for DVDs, and also led the industry’s foray into the DVD sell-through market. Given this track record, it is hardly surprising that the company was among the first in the industry to grasp the full disruptive power, potential and implications of digital technologies. Warner Bros. was one of the first to take steps to advance their own digital transformation journey.

It was a smart move. In Accenture’s 2011 survey of leaders and decision-makers in the Media and Entertainment industry worldwide, 84 percent of respondents said that they increased their levels of investment in the digital supply chain in 2010—with almost a third (31 percent) increasing it by more than 25 percent. Warner Bros. was already ahead in the game.

Warner Bros.’ solution to the challenges of going digital was sufficiently flexible to maintain its business responsiveness and agility, while also allowing for fine-tuning and course changes as the digital marketplace emerges. All these factors meant that the race to the digital future would not be a sprint, but a marathon. Given the global scale of its operations, the complex and fast-moving nature of the entertainment industry, and the scale of the market, Warner Bros. recognized that it could not transition to the digital future overnight, or alone. Warner Bros. chose Accenture as its strategic business partner to help it map out an optimal route to an entirely digital process and continue to evolve its business.

The seamless digital future imagined by Warner Bros. more than 11 years ago is now reality: digital content of all types is created, stored, shared and accessed quickly, efficiently and securely across all of the studio’s operations and by members of its content value chain. The bold step further positions Warner Bros. to profitably serve emerging digital markets and win in the ever-evolving digital environment while continuing to transform as needed.

This is the story of Warner Bros. and Accenture’s journey to the future of digital content ecosystems.
Business challenge

In 2001, Warner Bros. recognized that traditional ways of storing and sharing content, and the informal and labor-intensive distribution networks that supported them, could be transformed into a single, totally integrated digital operation. It could see that the way forward was to transform its core media production and distribution capabilities into a single, end-to-end digital ecosystem.

At the same time, several challenges and catalysts were converging to usher Warner Bros. towards a fully digital environment. One was that user groups across the business were already working in discrete digital “islands,” but with little interconnectivity or integration between them. Other imperatives included mounting cost pressures and shrinking release windows. Perhaps most crucially, the emerging digital ecosystem was causing a proliferation in the distribution channels for the company’s content, while simultaneously multiplying the scale of piracy’s threat to its core business.

So there was a strong business case for change, with clear demand from most business units across the corporation. Appropriate technical solutions were also emerging in the shape of file-based solutions. But while the destination was clear, major hurdles had to be crossed first. Warner Bros.’ pioneering digital ambitions would take it into territory that was as yet uncharted by any media and entertainment business. How would it build the architecture, workflow, operating model and organizational structure to get there?

Warner Bros. selected Accenture to team with it on the road to its vision—a decision that marked the start of a mutual multi-year, multistage journey towards creating the world’s first high-performance, digital media and entertainment business.

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How Accenture helped

"IBC named Warner Bros. as a finalist in the IBC 2011 Innovation Awards for its design and use of its Digital End-to-End (DETE) system. Having identified the need to transition from physical delivery of tapes to file-based distribution, Warner Bros. Technical Operations developed the DETE system to enable faster delivery times, more consistent quality and greater efficiency for its customers. To date, over 280 of the studio's customers have been on-boarded to the system and over 90,000 file deliveries have been made."

Warner Bros., June 2011

To help Warner Bros. balance the need for transformation with the demands of business as usual, Accenture began working in close partnership with the studio to develop a phased and measured approach. This involved planning and executing a series of targeted solutions, each of which built and expanded upon the success of its predecessors. This approach enabled the underlying concepts to be trialed, tested, proven and then taken forward elsewhere in the business, all with minimal disruption. As a result, the momentum of change is continuously building.

The first success was the design and implementation of the Media Asset Retrieval System (MARS). This enterprise-wide digital asset management system tackled the formidable challenge of storing, accessing, managing and distributing the studio's vast and extremely valuable archive of advertising and publicity materials. Among its major benefits, the solution enabled a new level of supply chain control and integration, lower costs, greater speed and higher security. Today, MARS provides a single, secure and traceable end-to-end source for more than 3,000 users across 22 Warner Bros. business units, and for more than 75,000 external vendors and business partners. It houses more than 2.7 million assets and serves more than 180,000 downloads per month.

Accenture next helped Warner Bros. conduct a comprehensive assessment of all its operations against the digital vision. The team examined the studio's end-to-end creation, management and distribution of TV and film products, and identified opportunities to streamline and integrate processes. The analysis also highlighted exposure points in terms of piracy and security, and enabled the development of mitigation strategies spanning key elements from innovative technologies through to human performance.

This success carried forward toward a fully digital studio. Accenture created a road map to migrate Warner Bros.' entire operation to an integrated, end-to-end digital environment. The team followed the same measured approach already proven successful with MARS and extended it across the entire lifecycle of Warner Bros.' digital assets. Warner Bros. called this fully digital supply chain, "Digital End-to-End (DETE)." Having demonstrated the business case and created the blueprint, Warner Bros. and Accenture migrated components over time.

By 2010, the entire Warner Bros. environment was digital and operational. Accomplishing this feat made Warner Bros. one of the first studios in the world—if not the first—to move its entire film and television production, post-production and distribution to an entirely digital end-to-end process. DETE is a solution that continues to be powered by the Accenture Digital Transformation Framework. It has evolved through several iterations into what is now the primary way that Warner Bros. creates, manages and distributes content.
“The quality of our video masters and subsequent deliverables made from those masters, is of the utmost importance to Warner Bros. The use of our DETE system’s file-based master yields reliable and consistent quality in the deliverables to our customers.”

Brian McKay
Executive Vice President
Warner Bros. Technical Operations

High Performance Delivered

Now as a fully digital studio, Warner Bros. has the tools, processes and scale needed to serve an expanded set of distribution channels in a way that strengthens customer relationships, improves delivery efficiencies over time and provides stronger security for copyrighted content. DETE is a significant contributor of high performance at Warner Bros.

For example, DETE enabled Warner Bros. to speed up distribution of entertainment content, open up new revenue streams, free up resources to focus on creative innovation and lower all related annual distribution and management costs by an astonishing 85 percent. Thanks to DETE’s faster and cheaper servicing capabilities, Warner Bros. can make and execute deals that other studios cannot. And the solution continues to scale and grow steadily; since 2009, DETE has nearly doubled its number of annual film deliveries—achieving 87,000 in 2011. The solution supports more than 11,000 high-definition and 38,000 standard-definition e-masters (a complete film version, a digital version for digital cinema release and ancillary information regarding rights, royalties and so forth) stored in the studio’s vault.

With Accenture’s help, Warner Bros. has become a high-performance digital entertainment business of the future. The outcome is not only its greatest blockbuster to date, but it is the platform from which Warner Bros. is giving customers the compelling, personalized content experiences they want—well into the future.

“The Digital End-to-End system has revolutionized the way we service our customers by increasing the velocity by which we can distribute our content. Whereas in the conventional tape workflow it used to take days to create and deliver an alternate language version of a film, it now takes only hours.”

Annette Bouso
Executive Vice President
Warner Bros. Worldwide Distribution Services
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 358,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$31.0 billion for the fiscal year ended Aug. 31, 2015. Its home page is www.accenture.com.