From "Content Chaos" to "Content Unified"

The Top 3 Things M&E Executives Need to Do Right Now to Conquer Today's Content Explosion.

What You Will Learn:

How to successfully manage your content assets in an era of explosive growth and the new connected consumer.

Know the risks of content management in an automated environment when proper digital supply chain systems are not in place in the new entertainment ecosystem.

Discover how to immediately better monetize your media with content value management.

mediamorph

Executive Summary

A massive, rising tidal wave of media content and new consumption platforms continues to flood today's connected consumers and threatens to overwhelm traditional media companies. There is a new generation of viewers that have always known how to pinch, zoom and swipe, and the ever-evolving consumption habits of these tech natives have radically affected the industry that creates, sells, packages, distributes, licenses and merchandises video. This content explosion and new customer demands and expectations have created "Content Chaos." Succeeding in this environment requires all media and entertainment companies to recognize the specific challenges, understand the pros and cons of various technical and organizational solutions, and break down barriers to effective collaboration. In short, M&E executives need to step up their game and find solutions that optimize their business, monetize their content and enable data-driven automation. Here are three ways companies can transition from the problematic and paralyzing state of "Content Chaos" to the sublime and successful state of "Content Unified."

Introduction

In just a few short years, the increase in media and entertainment content available to connected consumers has been staggering.

Video-on-demand (VOD) platforms alone have seen their content catalogs rise rapidly from 2X to 50X the volume.

This explosion has led to a massive challenge to all that own, buy, sell and license content, creating greater complexities around their ability to manage rights, monitor performance and track the fulfillment process.

At the same time, the expectations of customers and business partners continue to increase. Advances in technology have enabled this abundance of choices, and advances in technology have also made it possible to help content and distribution partners gain control over Content Chaos and establish a state of Content Unified in order to maximize both revenue and market share.
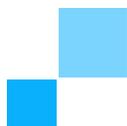
The Top 3 Things to do Right Now to Get from "Content Chaos to "Content Unified"

1. Understand the root causes of Content Chaos so that your company has the perspective and context to create an intelligent, automated management solution.

Like any sophisticated problem, the challenge of Content Chaos is best understood by breaking down the component parts—from creation to consumption. We must first understand the confluence of forces that are impacting this ecosystem, and how they got us here.

Over the past five years, consumers have embraced technological advances at unprecedented rates, enabling access to content from an increasing number of providers. This boom in content access has led to a shift in consumption volume and patterns.

For many Gen Zers and Millennials, **"mobile first"** is a way of life. Encouraged by access to a growing list of compelling programs, Gen Zers and Millennials are quick to discover and share digital content.

Technological advancements, pervasive integrated apps, and ubiquitous Wi-Fi have made mobile the bidirectional portal of choice.

Gen X and younger baby boomers' TV experience has morphed as well. With the advent of compelling digital services like Netflix, Hulu and YouTube, consumers are rethinking how they define TV, blending linear, VOD, over-the-top (OTT), subscription video-on-demand (SVOD) and social media to match their diverse lifestyles and tastes.

Share of total TV-time spent on each device, and average hours per week spent watching TV/video*
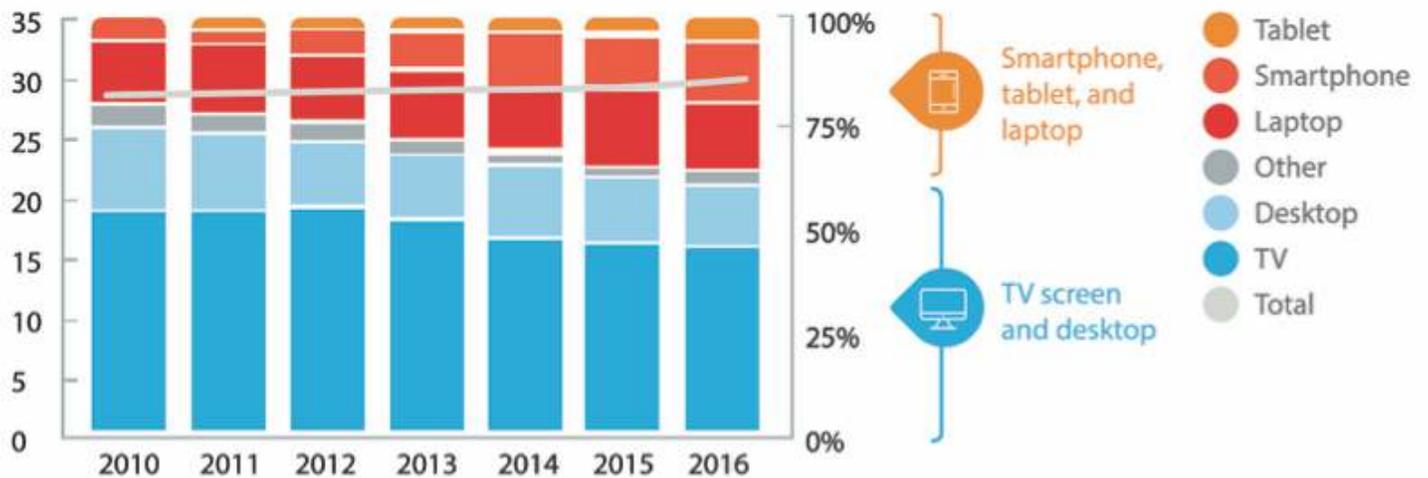
Multichannel Video Programming Distributors (MVPDs) are enhancing their multi-platform systems to support the content tidal wave. According to Multichannel News, nearly 80% of cable multiple system operators (MSOs) expect to deliver average downstream speeds of 500 Mbps or more in 2018, driven by video consumption.

Fueling consumers' demand for more is an ever-increasing flow of quality content from studios, networks, and innovative new production outlets. This abundance of content is due to several factors:
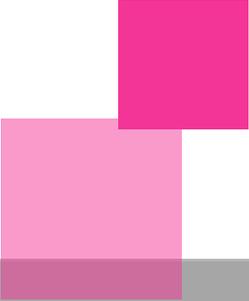
Nearly 80% of cable multiple system operators (MSOs) expect to deliver average downstream speeds of 500 Mbps or more in 2018, driven by video consumption.

• Increased access to series and full seasons of popular shows: long-tail content, and non-traditional types of content (short form, clips, webisodes, PRO user-generated content)

• More business models: free, transactional video-on-demand (TVOD), ad-based video-on-demand (AVOD), subscription video-on-demand (SVOD), electronic sell-through (EST), live streaming, and the integration of Netflix, YouTube and Hulu within operator platforms

• More distribution channels in more formats: standard definition (SD), high definition (HD), 3D, 4K, 8K, virtual reality (VR)-enabled across a dizzying array of devices

• More device types: set-top boxes, Internet Protocol TV [IPTV], smart TVs, gaming consoles, tablets, pads, mobile phones

• Ever-expanding storage capacity, and data speeds fueling infinite streaming systems

Unfortunately, the systems that currently process these waves of content are buckling under the pressure, often resulting in slips through the chain. Problems vary from some processes still being done manually on spreadsheets, to automated systems that don't talk with one another, to not collecting the right data (or collecting the right data but not using it effectively).
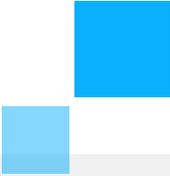
2. Understand the business risks associated with Content Chaos and recognize, as a company, the critical imperative to evolve to the state of Content Unified.

The ramifications of mismanaging content can be material and result in huge losses and breach of contract. For example, when the new *Walking Dead* 9th season debuts again on AMC, it is immediately available on hundreds of different on-demand platforms. Imagine if that same VOD file—destined for those platforms—incorrectly found its way into a workflow that was posted prior to a local territory's scheduled airing. Not only would the storyline be spoiled, but the advertising model (including fast forward disabled C3), upon which the network relies, would be jeopardized.

How about the new release of an EST studio title, incorrectly keyed in at $1.99 (which is a valid price point at CableCo, just not for an EST title) instead of the intended $19.99 retail price? Who pays the studio the wholesale on a $1.99 retail transaction? What systems exist to track and manage this potential issue along the "multi-touch" content supply chain? Does the new *Bambi* title get mapped into the kids' storefront, or does this version of *Bambi* belong in the mature-audience category, with parental controls?

The opportunity cost is equally confounding. When a new-release title misses its first airdate, the commercial impact is immediate, and in some cases devastating. By some estimates, 40-60% of the buys occur in just the first two days of a new-title release schedule, by which time your customer has already gone to a competitor.

Such errors persist because the editorial metadata is not linked to the technical metadata and the fulfillment workflow. Oftentimes, there is limited visibility into asset-status information, but global processing and data exchange issues occur regularly. They consume resources, create unneeded friction, and lead to dissatisfied customers.

Meanwhile, content catalogs continue to expand, and devices and platforms further grow in number. These problems can be further compounded if your company does business globally, across different languages, currencies and legal and regulatory requirements.

To move your company closer toward the state of Content Unified, it is crucial to bring together all your teams before formally exploring any automated platform options. This will ensure that every department that can benefit from having a fully automated and integrated system—finance, legal/contracts, sales, marketing, operations and IT leap to mind—is part of the process from the outset and can identify the problems, desired outcomes and priorities from their respective viewpoints.
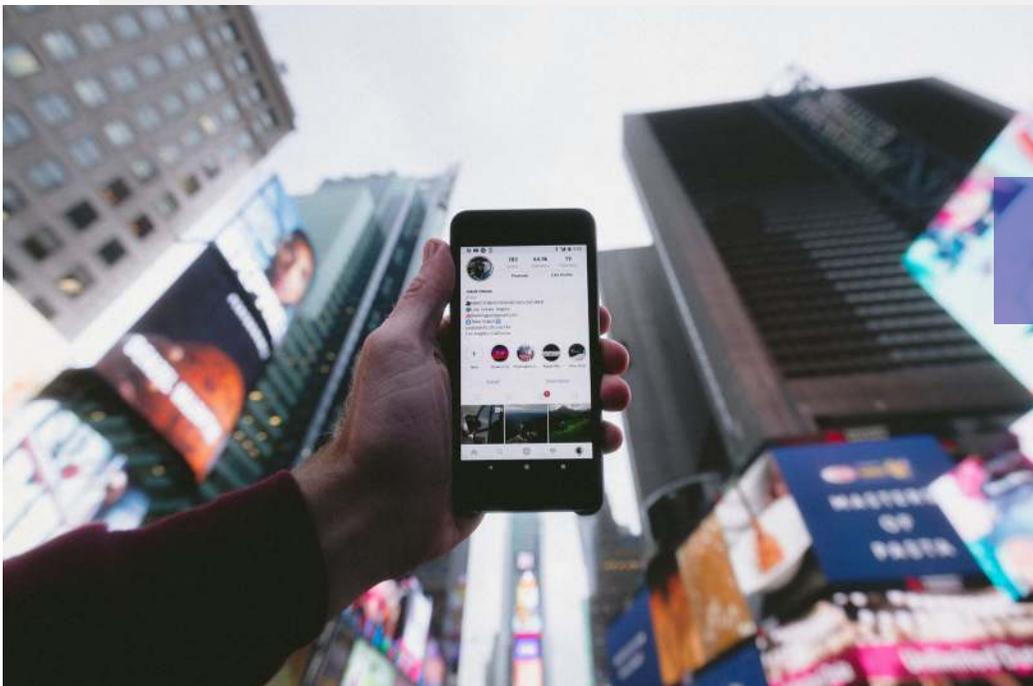
3. Encourage deep-integration collaboration between partners and vendors, and promote smart adoption of industry standards.

How can your M&E company prepare for the titanic challenges caused by Content Chaos?

Just as you need to look inward and work across internal departments to learn what types of problems and issues you have with your systems, you must also work externally with vendors and industry bodies to raise all the boats in the harbor.

Why? The media and entertainment industry needs innovative leadership to bridge disparate content supply chains and enable data-driven management decisions. Companies that lead via integration and vendor collaboration across rights, financials, metadata, and supply chain management systems will ultimately best serve both the consumer and their own demands created by this content bonanza. Doing so will improve user experience, expedite time-to-market, reduce costs, smooth unnecessary friction in the content supply chain, enable merchandising and monetization opportunities, and help partners reduce execution risk.

The standards bodies also understand that even the best-designed standards and APIs require optimized integration with a host of vendors and partners. Integration does not just happen; it takes market insight, scoping expertise, purpose-built systems and, generally, a leap of imagination. It takes robust enterprise software solutions that can trigger content-processing events, enable metadata enrichment, and report on content status throughout the supply-chain fulfillment process.
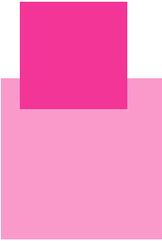
It Involves unleashing usage data to feed into forecasting systems and marketing engines on both sides of the content value chain.

One of the fundamental components of automating and streamlining the digital supply chain is consistent, structured and accurate metadata about rights, assets and titles.

To bring about the change from Content Chaos to Content Unified, industry leaders must provide innovative solutions that bolster the leading standards bodies and drive more efficiency. The Entertainment Identifier Registry Association (EIDR), the Entertainment Merchants Association (EMA) and other standards have reached a place in their evolution where adoption is thriving.

According to Mark Fisher, president of EMA, "One of the fundamental components of automating and streamlining the digital supply chain is consistent, structured and accurate metadata about rights, assets and titles."

The disparate supply-chain workflows that were built for a bygone era must become smarter, faster, and optimized to support the growth in data, merchandising options and content fulfillment. These workflows often have no awareness of the rights that govern the content being managed; nor do they adapt to new platforms. To address that, powerful cloud-based enterprise software is being integrated deeply within MVPD, studio, and digital retailer platforms.

Intelligent orchestration layers are designed to interact with a multitude of ecosystem vendors in order to drive efficiencies, provide content supply chain visibility, and enable data-based marketing decisions. These next-gen software and data-service solutions are purpose-built, designed to manage complex multi-platform (multi-territory, multi-language, multi-currency, etc.) licensing and packaging arrangements.

They provide the means to not only validate accurate use of content, but apply massive computing scale and rights-aware logic throughout the content supply chain. When the state Content Unified is reached and fully functional, it will supercharge the interaction between best-of-breed ecosystem partners, streamline the processing of time-sensitive data and materials, and enable validating inventory and storefront accuracy.
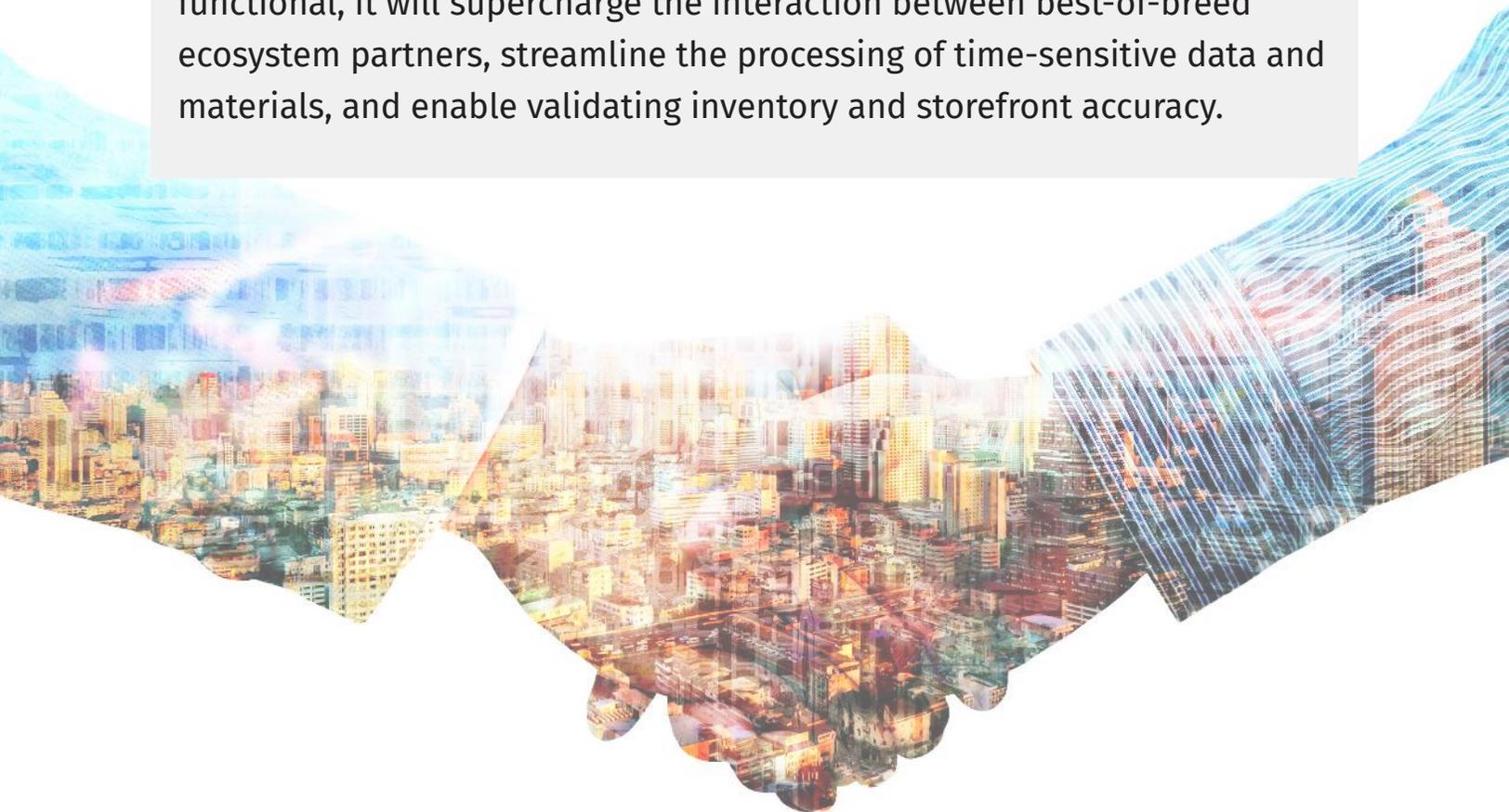
Conclusion

With the tides rising, more and more distributors and content partners are demanding greater control over and insight into an increasingly complex, multi-platform content supply chain. In support of studio, network, MVPD and OTT customers, cloud-based software companies have been iterating and integrating intelligent enterprise systems and data services with ecosystem partners. Scalable, elastic systems that coordinate data and content flow between those participants and align the specific right(s) applicable for that particular territory and distribution channel have been designed and are now being implemented around the world.

In order to win the fight against Content Chaos, media and entertainment companies must embrace greater collaboration and integration across rights, financials, enriched metadata, and supply chain management systems, on a global basis. Doing nothing is no longer an option.

Lean in, or you'll be left out.

Rob Gardos
Chief Executive Officer of Mediamorph

Rob Gardos has focused his career on bringing great products to market. As Mediamorph's CEO, he is dedicated to continually improving the company's award-winning cloud-based platform that helps its customers manage their content contracts, rights, financials and supply chain.

Rob loves tackling the toughest industry challenges in order to help customers better optimize content usage, maximize content revenues and control content costs.
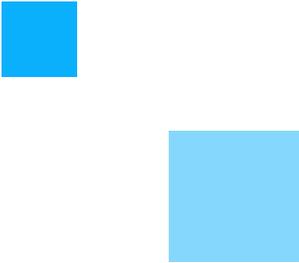
About Mediamorph

Mediamorph's mission is to boost business performance and accelerate content value across the entertainment ecosystem. Our Content Value Management (CVM) platform orchestrates the 360° process that brings content from provider to distributor to the connected consumer. With advanced analytics and real-time access to actionable data, our cloud-based software tracks trillions of transactions and billions of dollars annually to maximize media monetization.

Mediamorph has become the industry standard for the business of content, empowering the world's leading media and entertainment companies.

For more information, please visit mediamorph.com