



Mindtree

A Larsen & Toubro Group Company

Media & Entertainment Industry: Novel Strategies to Thrive in the New Normal

Media enterprises will have to quickly learn to run their media operations while accelerating digital transformation and adopting emerging technologies

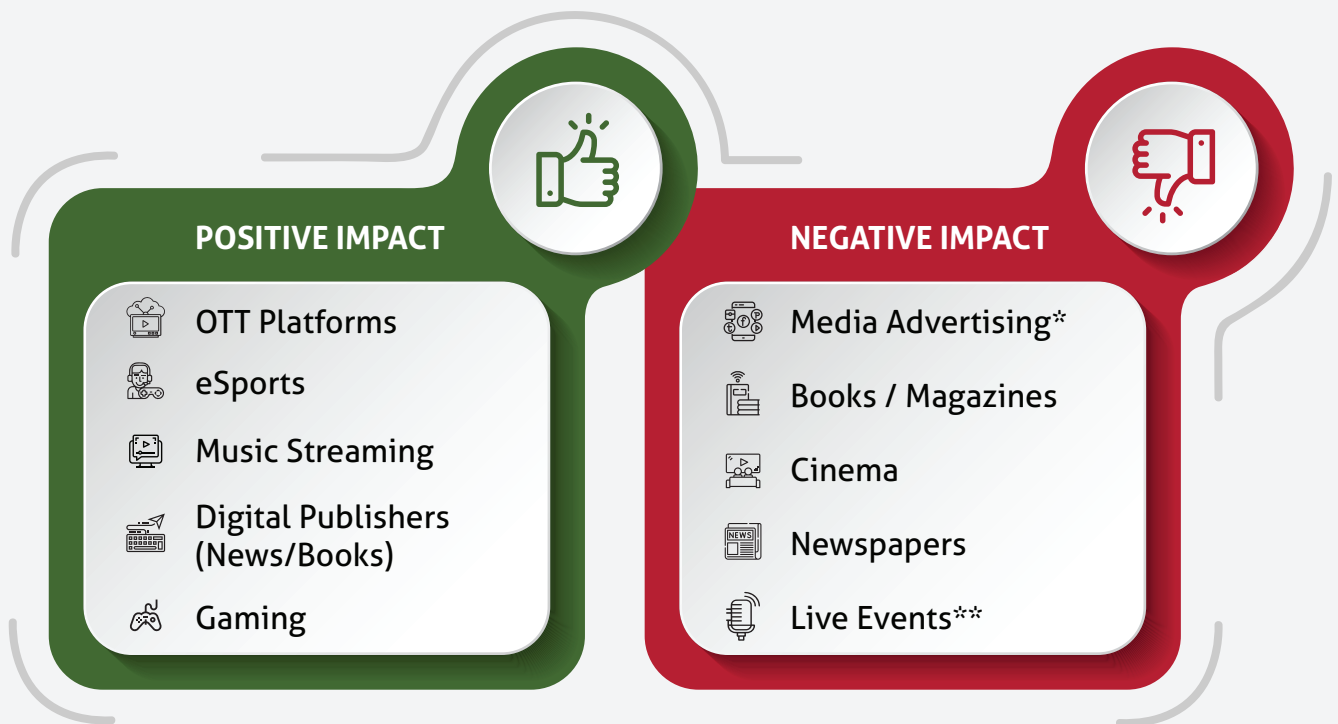
Whitepaper

June 2020



The recent unforeseen events have disrupted our lives in many ways. People across the world are refraining from social gatherings and staying at home. The media industry is also bearing the brunt, with many live sporting and music events, content production schedules and subsequent releases being cancelled or postponed. "Even the Olympics hasn't been spared; it has now been postponed to next year."

These are difficult times for the media industry. Omdia*, the tech research arm of Informa Tech, predicts US\$11 billion losses for the movie industry and a 15% drop in TV advertising. For news and print publishers, this pandemic is a double whammy; there is a significant decline in print circulation and at the same time, most premier global and local events stand cancelled. Both print circulation and events have been major revenue drivers for publishers. There is a silver lining, however. During such shelter-in-place events, people spend more time in consuming videos, with a corresponding uptick in digital consumption, be it online video, eSports or music streaming. This has a direct bearing on online streaming providers like Netflix and Disney+, which are likely to see a 12% growth as per Omdia.



*Includes TV, internet, radio, and OOH

**includes music, sports and other events

Figure 1. Near-term impact on the media industry

While media companies navigate these uncertain times, they will not only need to continue their core operations, but also accelerate the adoption of digital technologies that enable them to adapt to the evolving business models. For instance, print publishers need to double down on increasing digital subscriptions now more than ever. These decisions will determine the long-term success or failure of media companies.

Continue Media Operations

The current crisis has caused major disruption across the media industry. While media companies have implemented their business continuity plans, they need to manage the effects of reduction in workforce productivity, disruption in media supply chains and drop in consumer demand. Core media operations like content production have been badly affected. While live remote production is relatively mature, content producers are grappling to produce file-based episodic content remotely. As content libraries saturate, producers will need to find creative ways to generate compelling information remotely to engage consumers and pivot towards an agile way of working.

The industry will need to adapt its operating model to support remote working. It will need to provide productivity tools to employees, ensuring collaboration, virtual communication and self-service. Those who are in live content production and distribution will need to enable field workers by providing automation, remote working and training solutions without compromising on security and compliance guidelines. Aspects such as employee well-being, health and safety need to be factored in. It's also essential to upskill and cross-skill employees through remote learning. Employees should ensure high-touch collaboration with each other and the wider supplier and partner community to ensure engagement.

Accelerate Digital Transformation

As the media industry stabilizes its operations, it will need to adapt to the growing demands of immersive content, while managing near-term cash flow constraints. Cancellation of key global events has disrupted sponsorships, promotions, programming and advertising deals, thus creating cash flow disruptions. Staying at home is enforcing a shift in consumer behavior towards non-linear consumption, especially for Gen Zs and millennials. GlobalWebIndex, a market research company, has recently conducted a survey^{**} on impact of the pandemic on media consumption. As per the survey, over half of Gen Zs are consuming significantly more online video content than before. Millennials have also started consuming, or are consuming more content across several media types, including online video, online TV and broadcast TV.

The above factors will require companies to aggressively accelerate the adoption of a digital infrastructure. As companies launch and ready their content platforms, they will need to build razor-sharp campaigns to attract the right consumers to their platforms, while reducing marketing spends. Content workflows will need to be migrated and reliably operated in the cloud to cater to the growing consumer demand for non-linear and immersive content. Content supply chains will need to be automated to make them efficient in a cost-effective manner. Enterprises will need a state-of-the-art approach towards gathering real-time insights and building data analytics across the content pipeline, helping them in responding to unplanned events, giving an opportunity to cross/up-sell content and serving new underserved segments.

Reinvent with Artificial Intelligence (AI) and Cloud

The world of media technology is one of constant change and increasing complexity. Like rest of the world, the media industry will also bounce back. And when it does, media organizations need to have enough spring in the jump to make up for all lost time and adopt to the new normal. As a new era of business reinvention is dawning, organizations are facing an unprecedented convergence of technological, social and regulatory forces. As AI, automation, the Internet of Things (IoT), Blockchain and 5G become pervasive, their impact will change business. The 'outside-in' digital transformation of the past decade is giving way to the 'inside-out' potential of data used with these technologies. The adoption to new normal will decide an organizations' relevance in the industry.

Media companies must realign around their data, business and content workflows. They should also take advantage of their brands, content and audience relationships to stay relevant. They can use their industry expertise, combined with a platform-centric business model, to innovate and evolve. They need to adopt a data-driven cognitive model, utilize their own strategic assets and help reap all the benefits they can to stay relevant.

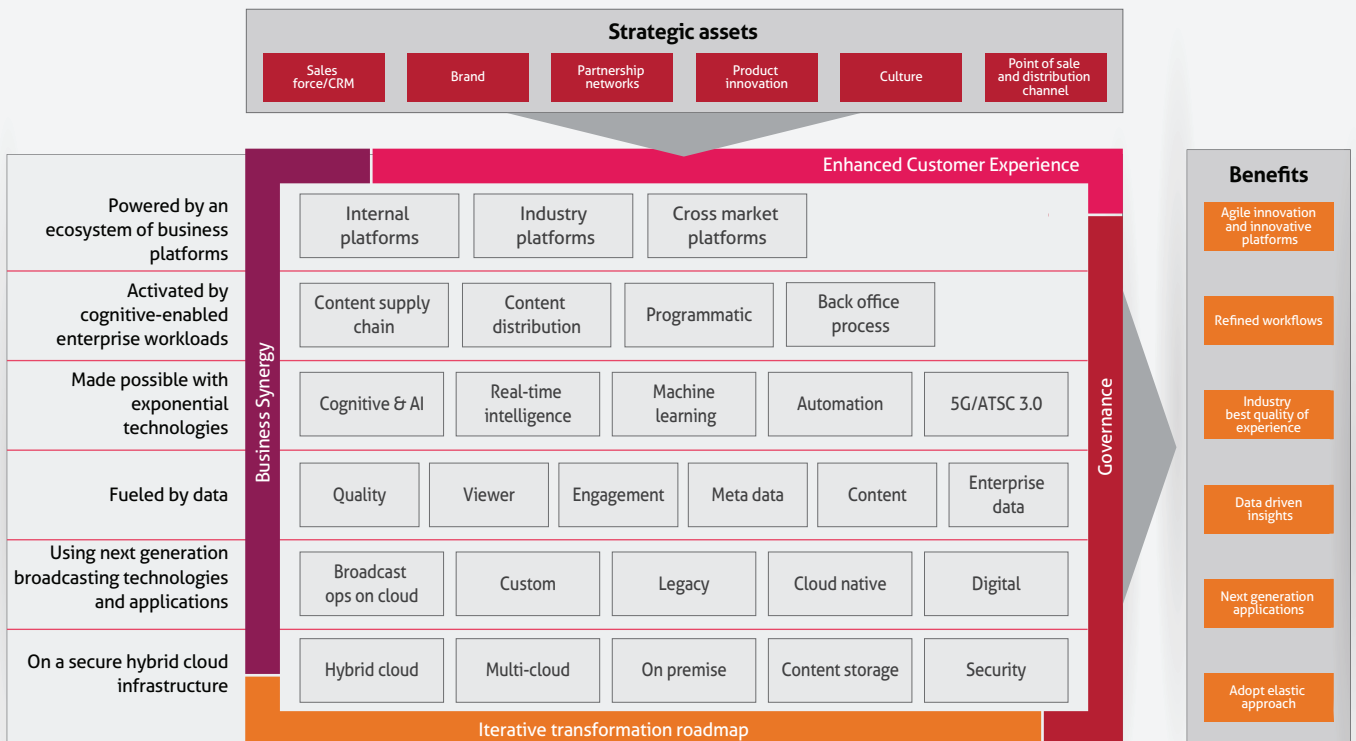


Figure 2. Mindtree's data driven cognitive model for media organizations

Mindtree as your Partner in this New World

As the industry copes with short-to-medium term disruptions, it will need to employ a variety of measures. Mindtree has enabled remote working models at break-neck speeds - it deployed a host of technology tools that allowed its entire 22,000 global workforce to work from home within a few hours. Mindtree looked at a number of aspects like laptop policy, collaboration tools, a global contact center, and learning platforms to move at a faster pace than most of its peers to enable business continuity. We are applying these learnings internally and with our clients to build business continuity capabilities in:

- Empowering employees to seamlessly manage operations through collaboration tools, enterprise mobility and platform modernization
- Accelerating zero touch operations through automation by using BOTs from our BOT store to automate repetitive tasks
- Building mobile-first apps at scale to increase collaboration among employees



*Mindtree is serving **6** of the top **10** media & entertainment companies with more than 50% of its revenue coming from digital services*

These capabilities will enable continued operations with increased cost savings and productivity for the next few months. Mindtree is also partnering with media clients to enable their digital transformation journey in the long run. Effective marketing campaigns to attract consumers at lower costs with insights and analytics across the consumer journey for better engagement and retention will need to be imbibed by media companies. At the same time, companies will need to cater to millions of consumers with immersive content at speed and scale across geographies. This will require companies to remodel content supply chains and relook at operations from an automation and cloud lens. Mindtree is best positioned to jumpstart your journey in this new world by:

- Launching campaigns to attract consumers to your digital platforms by using a journey-based approach for campaign operations to maximize effectiveness, relevance and value at scale, in a cost-effective manner
- Accelerating media companies to shift traditional infrastructure to cloud, unlocking its benefits and ensuring reliable and high-quality services at scale
- Modernizing and automating content supply chains through AI/ML and unifying communications between components
- Helping media platforms in real-time insights and analytics for responding to unplanned events and increasing consumer engagement

The New Normal

As we look at a long road ahead to recovery, leaders across the media industry need to pace their actions as per consumer expectations and market situations. There will be a fundamental shift in consumer behavior, leading to new content production, distribution and consumption patterns, requiring enterprises to recalibrate their operations and build digital and future-ready infrastructure.

We are a customer-first, cloud-native company, and born digital. Let us be your partner in this journey to the new normal.

The Mindtree Media Industry Group

Established in 2006, Mindtree's Media Industry Group has 1000+ employees more commonly known as Mindtree Minds. Within Media, Mindtree works with broadcasters, cable networks, publishers, advertisers, business information services, new media and gaming companies. Mindtree has executed 100+ projects for over 50 clients across North America, Europe, Middle-East and Asia Pacific regions. Mindtree is serving 6 of the top 10 media & entertainment companies with more than 50% of its revenue coming from digital services. Mindtree is positioned in Leadership Zone for Publishing, Broadcasting and Education in Zinnov Zones 2017 report. Mindtree has delivered great outcomes for clients.



About Mindtree

Mindtree [NSE: MINDTREE] is a global technology consulting and services company, helping enterprises marry scale with agility to achieve competitive advantage. "Born digital," in 1999 and now a Larsen & Toubro Group Company, Mindtree applies its deep domain knowledge to 300+ enterprise client engagements to break down silos, make sense of digital complexity and bring new initiatives to market faster. We enable IT to move at the speed of business, leveraging emerging technologies and the efficiencies of Continuous Delivery to spur business innovation. Operating in more than 15 countries across the world, we're consistently regarded as one of the best places to work, embodied every day by our winning culture made up of 21,000 entrepreneurial, collaborative and dedicated "Mindtree Minds."