Television in Transition
Evolving consumption habits in broadcast media worldwide
Accenture Consumer Broadcast Survey 2008
Survey Methodology

The Accenture Broadcast Consumer Survey 2008 is based on a detailed, questionnaire-led research study involving a total of 7,000 consumers across eight countries. Throughout the research we took pains to elicit the frank views of each of these interviewees through balanced and detailed questioning that revealed their true perceptions and aspirations, without leading them towards any particular viewpoint. The following summary presents some of the key findings from the study, as well as highlights the implications for media, technology and communications companies operating in this dynamic and evolving sector.

The research program consisted of a series of online surveys using a standardized questionnaire, conducted by Accenture among approximately 1,000 demographically-representative adults each in France, Germany, Italy, Spain, the United Kingdom and the United States. A further 500 telephone interviews each were conducted among consumers living in major cities in Brazil and Mexico. Because of variations in the national omnibus services available in each country, the age of the adults surveyed differed, with adults aged 16–54 interviewed in Italy and Spain, and adults aged 16–64 interviewed in France, Germany and the UK. In the US, a national online omnibus reached adults aged 18 and older. In Brazil and Mexico, the telephone survey was conducted among adults aged 18 to 64.
Welcome to the executive summary of Accenture's Consumer Broadcast Survey 2008

The survey was conceived and designed with the explicit aim of providing insights into the dramatic and global changes now under way in consumer behavior and preferences, in response to the proliferation of new content distribution channels. This report, and the thinking within it, represent a response to ongoing issues faced by clients and intense internal debate within Accenture, as clients in sectors including media, communications, high technology and retail strive to achieve high performance in this new environment.

In order to support clients in these efforts, we have produced here what we believe to be the most detailed investigation to date of consumer attitudes toward new ways of consuming and interacting with television content – a quantum leap that is increasingly putting into question how we define ‘television’ today. The report also goes on to examine what companies should be doing now and in the future to capitalize on the trends we have identified and to power their journey towards high performance.

We hope you find this report both insightful and practical, and that it brings you some fresh perspectives on the sweeping change facing all of us in the media industries.

David Wolf
Global Digital Transformation Lead
Media and Entertainment
Accenture
Among consumers worldwide, the traditional television set is increasingly regarded as just one option among several for consuming video content, as the boundaries between the TV and devices such as the mobile handset and PC become more blurred by the day. As this shift in consumption behaviors gathers pace, a massive wave of change is in prospect – one that will ultimately transform the content production and distribution marketplace worldwide.

The worldwide migration towards new consumption habits is being driven by new content offerings enabled by advances in distribution technologies and devices, and involves consumers of all ages in all geographies. Three out of 10 adults across the eight countries in our survey now watch some content every week via alternative devices such as mobile and PC.

And the change has much further to run. More than 95 percent of our consumer interviewees worldwide still watch TV every week, with 80 percent watching four or more channels. But even those consumers mainly using the TV set in the home are adopting new habits. They love the digitally-enabled offerings now available in their living rooms – with an overwhelming majority saying they are highly attracted by the features and benefits offered by enhanced television services. Three-quarters of consumers worldwide are interested in at least one feature of enhanced television, primarily in on-demand services/content and the ability to time-shift viewing – findings which confirm that what consumers are really seeking is greater control over their viewing experience.

Watch the youth: the future wave of change

While all consumers are joining the move towards new modes of consuming content, the shift is being spearheaded by younger consumers under the age of 35, and especially under 25. As well as being more dissatisfied with current television options, under-25s are more likely to watch content on alternative devices, and more likely to prefer watching content on demand. This behavioral shift among younger adults represents the beginnings of an impending wave of change.

The wave promises to be all the more powerful since consumers of all ages share a tendency to be loyal to content brands rather than distribution channels. Around 70 percent of consumers globally watch four or more programs a week on four or more channels. Consumers are seeking out the content brands they want regardless of channels, rather than sticking with a channel they know. The message is clear: the days of the line-up are numbered – and the value of “must-see TV” in prime time is falling. This is something the networks must come to terms with and address before it is too late.
Content drives devices...

As well as driving their choice of channels, consumers’ content preferences also shape their use of alternative devices, since they select each device on the basis of which one will best suit the specific content they want to consume. They find the mobile device most interesting as a way of receiving news and information, while they find the PC most interesting as a channel for full-length television programming. Clear content preferences are also emerging between ‘live’ and ‘on-demand’ consumption, reflecting the timeliness and urgency of the content experience. 59 percent of consumers prefer to watch news ‘live’, and 46 percent say the same about sporting events. The strongest content genre preferences for ‘on-demand’ consumption are sitcoms and dramas, both at 23 percent.

...and readiness to accept advertisements

When it comes to paying for content, consumers’ most popular choice as a way of paying for downloading TV shows from a digital service is by agreeing to view advertisements with the programming. This option is chosen by 33 percent of consumers, ahead of various financial payment methods — including a monthly fee for unlimited downloads (19 percent) and paying for a season of shows (13 percent).

As well as leading the migration to new modes of consumption, consumers under 25 are also setting the pace in terms of readiness to pay for content. They are the most likely to agree to watch ads as a form of payment (42 percent), and the most likely to opt for any form of payment (45 percent) for downloading TV shows digitally.

One size will not fit all

Our top-line findings — notably the widespread readiness to adopt new modes of consumption — are remarkably consistent worldwide. But the consumer bases in the various geographies surveyed do exhibit widely varying views and expectations, often reflecting the different offerings and infrastructure available in each country.

This distinction applies especially to emerging markets with, for example, consumers in Brazil being the most dissatisfied with their existing television experience, and those in Mexico being the most interested in viewing content via mobile. Such variations mean that one size will not fit all in the global content delivery marketplace, and that media companies must think globally and act locally to achieve high performance in the future.

"Now TV’s not special, it’s ubiquitous. And the images on our TVs, mobiles and laptops may or may not emanate from a television company...”

Peter Bazalgette, Former Chief Creative Officer, Endemol


New consumption models: the mass-migration gathers pace

The way people across the world consume content is changing rapidly under the impact of new technologies and devices. As a result, television is shifting from its origins as a clearly-identifiable stand-alone medium towards a future in which it just one of an expanding array of devices through which people will choose to consume the content they want.

The Accenture Global Broadcast Consumer Survey 2008 confirms that the migration to new modes of consumption is well under way and gaining momentum. Consumers worldwide — increasingly accustomed to unfettered access to content — are questioning and bypassing the experience provided by the traditional television device. And as people get the chance to see and experience new consumption opportunities, they are becoming more dissatisfied with the traditional television experience, and have begun to consume content in new ways.

According to IDC, today’s consumers consume 70.6 hours of media per week, but only 23 percent of this involves what we would call a traditional television device. Our research echoes these findings by showing that three out of 10 adults across the eight countries now watch some TV content via alternative devices (see Figure 1).

In parallel with adopting new modes of viewing and participation, consumers are becoming increasingly interested in the benefits offered by ‘enhanced television services’. These are offerings that provide them with far greater control over their viewing experience, through capabilities such as viewing on demand, time-shifting and catch-up facilities. As Figure 2 shows, three-quarters of consumers are interested in at least one feature of enhanced television services, with on-demand services regarded as the most compelling feature, closely followed by the ability to time-shift their viewing. These two attributes underline that control of the experience is what consumers want — and will ultimately get.
...led by youth

As consumers progressively win and exert this control, the global migration towards new consumption patterns is being led by consumers under 35 years of age, and especially those under 25. In virtually every country in the survey, the younger a consumer is, the less likely he or she is to be happy with traditional television (see Figure 3), and the more likely to be excited about consuming content via mobile or PC. So it is younger consumers who are setting the pace in terms of readiness to embrace new technologies and try new consumption options.

"Media companies don’t control the conversation any more."

Rupert Murdoch, Chairman, News corp
The message is clear: watch the youth — they are the leading indicator, and the wave is coming. Our research reveals many correlations between consumers’ age and their attitudes and behavior about new viewing options. These findings suggest that changes in behavior will accelerate as these young consumers gain greater spending-power over time. For instance, compared to older consumers — and especially those over 55 — the under-25 set is:

- Less likely to say they are satisfied with current television options;
- More likely to watch content on alternative devices;
- More likely to be familiar with on-demand TV, and to prefer watching content on demand; and
- More willing to ‘pay’ to download content, whether by paying money or agreeing to watch advertisements.

“They need to replace or expose senior management to what 18-20 year olds want.”

US Television executive, Accenture 2008 Global Content Study
Catching the up-wave
The under-35 lead the way to future services.

Figure 4: Proportion of consumers globally who found a feature of expanded television service compelling

Taken together, these characteristics set the context for the new content consumption environment that will emerge in the next few years, as these younger consumers become an ever more dominant group in the user marketplace. As Figure 4 shows, consumers under 35 are more likely than their older counterparts to find some features of expanded television service compelling.

Under-35s, and more particularly under-25s, are also more ready and willing to pay for downloading TV shows from a digital service. This applies whether that payment is in financial form (Figure 5), or by agreeing to watch commercials to subsidize the cost of downloading shows (Figure 6).

Furthermore, respondents under 35 worldwide are more likely to say they would enjoy watching programming on their PC (Figure 7) and are also more likely than those 35 and older to say they would enjoy watching programming on a mobile device (Figure 8).
Figure 5: Proportion of consumers globally who would opt for any form of payment (excluding advertising) for downloading TV shows

<table>
<thead>
<tr>
<th>Consumer Age</th>
<th>Total Audience</th>
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<tbody>
<tr>
<td>&lt;25</td>
<td>37%</td>
</tr>
<tr>
<td>25-34</td>
<td>42%</td>
</tr>
<tr>
<td>35-44</td>
<td>33%</td>
</tr>
<tr>
<td>45-54</td>
<td>29%</td>
</tr>
<tr>
<td>55+</td>
<td>24%</td>
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</table>

Figure 6: Proportion of consumers globally who would opt to pay nothing but watch advertisements within the program, for downloading TV shows

<table>
<thead>
<tr>
<th>Consumer Age</th>
<th>Total Audience</th>
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<tbody>
<tr>
<td>&lt;25</td>
<td>33%</td>
</tr>
<tr>
<td>25-34</td>
<td>42%</td>
</tr>
<tr>
<td>35-44</td>
<td>39%</td>
</tr>
<tr>
<td>45-54</td>
<td>33%</td>
</tr>
<tr>
<td>55+</td>
<td>24%</td>
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</table>

Figure 7: Proportion of consumers globally who enjoy watching a form of programming on their PC

<table>
<thead>
<tr>
<th>Consumer Age</th>
<th>Total Audience</th>
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<tbody>
<tr>
<td>&lt;25</td>
<td>61%</td>
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<tr>
<td>25-34</td>
<td>74%</td>
</tr>
<tr>
<td>35-44</td>
<td>65%</td>
</tr>
<tr>
<td>45-54</td>
<td>60%</td>
</tr>
<tr>
<td>55+</td>
<td>46%</td>
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</table>

Figure 8: Proportion of consumers globally who would enjoy watching a form of programming on a mobile device

<table>
<thead>
<tr>
<th>Consumer Age</th>
<th>Total Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;25</td>
<td>37%</td>
</tr>
<tr>
<td>25-34</td>
<td>48%</td>
</tr>
<tr>
<td>35-44</td>
<td>37%</td>
</tr>
<tr>
<td>45-54</td>
<td>31%</td>
</tr>
<tr>
<td>55+</td>
<td>25%</td>
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</table>
Loyal to content, not channels

While young people are leading the migration towards new modes of consumption, a characteristic of all consumers — regardless of age — is that they select content based on content brand, rather than on the basis of channels.

As Figure 9 shows, over a third of consumers are watching more than six channels and programs every week — with one in eight watching more than ten of each. People are not simply choosing a channel they like and then watching the programs that air on it. Instead, they are switching to new channels to get to their chosen programs. These behavioral changes herald further challenges in the future around customer service — as described in the accompanying box-out.

A similar tendency for consumers to value content more than channels is evident in their attitudes to choosing new technologies and devices for consuming content. Rather than wanting to switch wholesale to a new type of device and consume whatever it delivers, consumers are looking to pick the device that best suits the specific content they want to consume. So the actual content — the type or genre of programming — that they are seeking to consume impacts the channels where consumers express interest in viewing it.

In terms of content/device combinations, consumers have already developed clear ideas about what type of content fits best on which alternative device. They are most interested in:

- Receiving news and information via mobile device
- Watching full-length television programming on the PC.

The ranking of their content preferences between the PC and mobile platforms are summarized in Table 1. Consumers are keen to see full-length TV programs via their PC, while the immediacy and portability of mobile makes it more suited to public service information such as news, and to user-generated content. However, the most striking trend is the impact of age on consumers’ eagerness to use alternative platforms, with younger consumers universally ahead in terms of willingness to consume content over PC or mobile.
The rising challenge of customer service and insight

As consumers migrate to new forms of content consumption, it will be critical for providers to ensure that they are not only provided with offerings that work, but that they are fully supported with the advice and help they need — whether they are searching for specific content or simply trying to make the service work. This need will become all the more pressing and challenging as providers roll out offerings across different platforms in a range of geographical and infrastructural environments.

Whatever the local environment, consumers will have little patience with offerings and channels that fail to deliver both the content and the positive user experience they expect. At the same time, to make their services a commercial success in different locations, providers will need to focus on understanding how consumers of various ages and in different geographies decide which programs to watch on what platforms. They must then provide those target consumers with the services, help and guidance they need to find the right content via the right device.

“There will be an increasing schism between the high-end network production, meaning prime-time, and low-cost, digital material produced in collaboration with users.”

UK Television executive, Accenture 2008 Global Content Study

<table>
<thead>
<tr>
<th>Mobile</th>
<th>PC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public service info</td>
<td>Full TV show episodes</td>
</tr>
<tr>
<td>Content I create</td>
<td>Public service info</td>
</tr>
<tr>
<td>New content not normally on TV</td>
<td>New content not normally on TV</td>
</tr>
<tr>
<td>Full TV show episodes</td>
<td>Content I create</td>
</tr>
<tr>
<td>Program highlights</td>
<td>Program highlights</td>
</tr>
<tr>
<td>Shortened versions of shows</td>
<td>Shortened versions of shows</td>
</tr>
</tbody>
</table>

Table 1: Consumers’ content/device preference, globally
Recent events have already highlighted signs of the emerging alignment between particular forms of alternative consumption and specific content genres. For example, in March 2008 NBC Digital Entertainment announced more viewers than ever before were watching entire online episodes on its NBC Rewind video player, with 92 percent of users who start an NBC video watching the whole episode.

Young consumers vote for on-demand over live content

A further factor in the content/device decision is between content consumed live or on demand. Here, younger consumers under 25 are again setting the lead, expressing a greater preference than older people for consuming many types of content on demand (see Figure 10). Similarly, fewer younger respondents prefer live content when compared to older people.

To date, on-demand has not yet emerged as the clear winner over content viewed live. But the patterns emerging in our research findings, driven by the youth, make it clear that on-demand content is going to become more important over time, and that the linear schedule will become correspondingly less important.

While younger consumers are leading the trend towards on demand, consumers of all ages say there is a lot they do not like about live TV. These points of dislike suggest that all consumers will ultimately move towards favoring on demand, redoubling the momentum towards on demand consumption. As Table 2 shows, advertisements lead the way in terms of the elements people most dislike, followed by the inability to rewind and the restrictions of linear schedules. However there are significant local variations — with consumers in Mexico, for example, being the most relaxed about advertisements, while those in Spain dislike them the most.

In terms of how people will pay for shows that they consume, our consumer research reveals a familiar paradox. As we have just seen, respondents cite advertisements as the most dissatisfying part of watching live TV — but the single most popular choice as a way of paying for downloading TV shows from a digital service is by agreeing to view advertisements in the programming. This advertising-based option is favoured by 33 percent of consumers, followed by a variety of financial payment options including paying a monthly fee for unlimited downloads (19 percent), paying for a season of shows (13 percent), per episode (5 percent), and per network (4 percent). As we mentioned earlier, younger consumers are happier than their older counterparts with the idea of having to make any form of payment for digital content.

“All the networks are looking to ads to create revenue from new digital media, as seen with Hulu and ABC.com.”

Bruce Rosenblum, President, Warner Television Studios
Figure 10: Consumers’ on-demand viewing preferences

Table 2: What consumers dislike about watching “live” TV by geography

<table>
<thead>
<tr>
<th></th>
<th>Combined</th>
<th>Brazil</th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>Mexico</th>
<th>Spain</th>
<th>UK</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercials</td>
<td>64%</td>
<td>50%</td>
<td>63%</td>
<td>57%</td>
<td>68%</td>
<td>49%</td>
<td>73%</td>
<td>65%</td>
<td>59%</td>
</tr>
<tr>
<td>Can’t rewind</td>
<td>40%</td>
<td>48%</td>
<td>38%</td>
<td>39%</td>
<td>37%</td>
<td>30%</td>
<td>47%</td>
<td>40%</td>
<td>36%</td>
</tr>
<tr>
<td>Can’t watch when I want</td>
<td>38%</td>
<td>40%</td>
<td>37%</td>
<td>37%</td>
<td>35%</td>
<td>22%</td>
<td>50%</td>
<td>36%</td>
<td>30%</td>
</tr>
<tr>
<td>Content not appealing</td>
<td>13%</td>
<td>40%</td>
<td>14%</td>
<td>14%</td>
<td>8%</td>
<td>16%</td>
<td>17%</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>Can’t watch away from home</td>
<td>8%</td>
<td>20%</td>
<td>8%</td>
<td>7%</td>
<td>12%</td>
<td>17%</td>
<td>10%</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Can’t interact</td>
<td>7%</td>
<td>29%</td>
<td>3%</td>
<td>5%</td>
<td>13%</td>
<td>11%</td>
<td>10%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Can’t rate</td>
<td>7%</td>
<td>29%</td>
<td>4%</td>
<td>5%</td>
<td>11%</td>
<td>8%</td>
<td>12%</td>
<td>3%</td>
<td>3%</td>
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A diverse and multi-polar world of consumers

As we have described, one of the clearest findings of our research is that younger consumers worldwide are leading the migration towards new forms of consumption. However, our study also reveals clear geographic variations in terms of consumer tastes, expectations and aspirations.

These variations align closely with Accenture’s concept of the multi-polar world. This encapsulates a major reshaping of the world economic order, reflecting the rapid rise of developing nations onto the world stage, and the collapse of the traditional clear divide between developed and emerging countries. It is a world in which global economic activity, spending power, innovation and capital flows are increasingly dispersed across the world.

One of the defining characteristics of the Multi-Polar World is the emergence of an additional billion-plus high-spending, aspirational, middle-class consumers into the global marketplace. These new consumers tend to be young, ambitious and early adopters of new technologies and devices. In our research in Mexico and Brazil, as elsewhere, it is young consumers who are leading the demand for and adoption of new modes of consuming content. These responses are often influenced and shaped by the offerings and infrastructure available in each country.

Figure 11a: Consumer interest in Mobile

<table>
<thead>
<tr>
<th>Country</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>23%</td>
</tr>
<tr>
<td>Mexico</td>
<td>66%</td>
</tr>
<tr>
<td>Brazil</td>
<td>51%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>31%</td>
</tr>
<tr>
<td>France</td>
<td>26%</td>
</tr>
<tr>
<td>Germany</td>
<td>25%</td>
</tr>
<tr>
<td>Italy</td>
<td>44%</td>
</tr>
<tr>
<td>Spain</td>
<td>41%</td>
</tr>
</tbody>
</table>
“People want content more than ever... Quality is more important than ever, because the marketplace is more ruthlessly competitive. Options are not merely one click of the remote away; devices undreamed of a few short decades ago are at least as tempting as a change of the channel.”

Rupert Murdoch, Chairman, Newscorp
A world of variety

Some of these key variations in consumer responses across the world are summarized in Figure 12. Crucially, these demonstrate that the pace and nature of the ongoing change in consumer tastes, expectations and aspirations varies in different geographies worldwide, often reflecting differences in local offerings and infrastructure, especially in emerging markets.

For example, when our consumers worldwide are asked whether content on demand is one of the most compelling features of an enhanced television service (Figure 12), Brazilian consumers are the most positive in every age-group, reflecting their high level of dissatisfaction with their existing television experience.

Similar influences from local offerings and infrastructure are also evident when we ask consumers in varying geographies how many programs they currently watch each week on alternative devices. As Figure 13 shows, young French consumers are the most active watcher of content on new devices, while Italians of 35–44 are leaders in their own age group, and older Brazilians have yet to catch on.

Such findings underline the fact that a one-size-fits-all approach to digital services will not work — and that providers must factor local conditions and behaviors into service design and roll-out, alongside the content genre and type of device.

The overall message is clear: our research paints a picture of a diverse, consumer-led, multi-polar world, where overarching trends and strategies may be global, but local execution requires local knowledge and awareness.
Achieving high performance in the emerging media landscape

“Change inevitably takes longer than you think to happen, but when it happens, it's more profound than you could have imagined.”

UK television executive, Accenture 2008 Global Content Study

A shifting balance...

Throughout our findings, the clearest dynamic among consumers globally is their absolute demand for control over their viewing experience: a greater ability to watch what they want, when they want, via the device they want.

Power has already shifted substantially to the consumer, and will continue to do so. Linear TV is not dead — indeed, it will be a very long time before this happens — but, as our study makes clear, non-linear consumption is on the rise, and is increasingly where consumers' interest and excitement are focused. This transitional phase is characterized by the current blurring of boundaries around what constitutes a TV experience. Catch-up viewing via the PC? YouTube clips on a mobile? Self-generated movies on an iPod? It actually doesn't matter whether these are categorized as television experience. What matters is that consumers want them.

...involving three key factors

As consumer preferences continue to change, and as their collective power continues to grow, our research confirms that companies trying to meet, capture and monetize consumer demand for digital content anywhere in the world face a complex three-way balancing-act. The three factors that they must reconcile are all distinct yet closely interrelated, each exerting a substantial influence on the other two. The three factors are:

- The content genre
- The consumption device
- The infrastructure and offerings available in the local geography.

Any content-based strategy in any marketplace across the world will only succeed if it takes these three factors into account. And each of the three factors has a significant local element. For example, will the content genre play well with consumer tastes in the local marketplace? Is the consumption device widely available and suited to local lifestyles and budgets? And is the
local network infrastructure sufficiently developed to deliver the content in high quality to consumers via the target device?

Thinking global, acting local

In our view, this means achieving this success will require a strategic ability to think globally and act locally — what we term a ‘glocalized’ capability — across multiple devices and content genres/formats. Given the fast-moving nature of consumer demand worldwide, flexibility and speed of development, launch and response will be equally critical. So companies will need the operational and executional ability to streamline R&D, bring new products to market quickly, and scale up fast when something takes off.

These attributes must be delivered in the context of the multi-polar world — where innovation and consumers are increasingly dispersed around the world. On innovation, it is no coincidence that major content producers are currently making a series of acquisitions in emerging markets, seeking access to innovation, talent and content that they can both leverage locally and recycle to developed and emerging markets worldwide. And in terms of consumers, the combination of rising user spending-power, declining costs and advancing technology is making it ever more viable and cost-effective to target identifiable niche groups of consumers, be they the Indian diaspora in the UK or Hispanics in the US. Here again, there are major cross-border opportunities in the multi-polar world.

Content innovation: two current examples

There are several examples of major content companies innovating with new approaches to content.

In February 2008, US media conglomerate The Disney-ABC Television Group launched Stage 9 Digital Media, which will focus on creating original short-form programming, blending creativity with superior production quality. The studio’s experimental new content premiered with the comedy series Squeegees in a co-exclusive premiere on ABC.com and YouTube, with the initial run sponsored by Toyota.

And Warner Bros. TV says it is creating its own ad-supported channels, while its Studio 2.0 operation, which produces short-form videos for broadband and mobile, is working on more than 20 projects at a total cost less than that of an hour of a broadcast network drama.

“Participation with the audience for content companies will be unrecognizable in the next five years. There’s a whole kind of user generated transformation underway.”

UK television executive Accenture 2008 Global Content Study
Four steps to high performance

“Digital media has levelled the playing field, opening doors for anyone to have immediate and unlimited access to an audience. But content must evolve with the platform.”  Mark Pedowitz, President, ABC Studios

Taking all these factors into account, here are Accenture’s four steps to future high performance for media companies:

Think global and act local, applying flexible ‘glocalized’ management of the three-way balancing-act of content genre, consumption device, and local infrastructure/offering. Striking the right balance requires companies to have the technology in place to know their customers and their habits, aspirations and expectations. This information must then be applied to ensure that the right consumers are targeted with the right content at the right time and place, and via the right device to suit both the type of content and local tastes and lifestyles. This comes down to knowing the customer, meaning that companies need to ensure they have the ability in each marketplace to monitor and understand consumer behavior through sophisticated CRM techniques.

Build a robust capability to productize and monetize content managing rights, technology and content formats. This must be done rigorously to ensure that content can be repurposed, packaged and bundled quickly and effectively across different devices and geographies. New mediums need to be well positioned for delivery in response to changes in consumer demand, the available infrastructure, and new devices. Companies need to leverage technology better to build the ability to understand their rights.

Implement the right product creation and delivery infrastructure, including flexible production, post-production and distribution capabilities and capacity, while seeking out and exploiting opportunities to streamline and automate the production process.

Create differentiated customer service capabilities. Consumers worldwide want access to content anytime, anyplace, and they want it to work first time. Customers are also increasingly demanding of service quality and consistency. In the multi-screen media environment of the future, effective and responsive customer service will be more important — but even more challenging to deliver. Crucially, the challenges will vary depending on the legacy capabilities that each participant in the value chain brings to the party.
For example, media companies have historically been business-to-business operations, and have not needed to build sophisticated customer service functions. In contrast, a mobile communications company already has a strong customer service capability. In the multichannel world, the mobile operator will need to improve its focus and capability to support users of content-rich services more effectively, while the media company will need to start building or sourcing such a capability if it is going to be successful in interacting directly with the consumer.

The quotes from industry leaders in this report — some drawn from Accenture’s 2008 Global Content Study — underline the extent to which consumers are now in control of the agenda. The high-performance media companies of the future will be those that enable consumers to exert this control and thereby enjoy the content they want through the right device. We believe the four steps above will enable a business to do this effectively, consistently — and profitably.

“What do audiences want? In all areas of television they hunger for surprise.”

Stephen Poliakoff, leading screen writer
About the Accenture Consumer Broadcast Survey 2008

The study was fielded for Accenture by Opinion Research Corporation (ORC) at the beginning of 2008. The results are based on telephone and on-line interviews.

All efforts were made in good faith to secure a balanced and representative sample of respondents across all countries.

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About the Media & Entertainment Group

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