Media and Entertainment
Top Trends in Experience Management 2022

From customer data to
customer experience

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What's inside

SECTION 01

The Human Experience

The world today has radically transformed—for media and entertainment companies, for employees and especially for consumers. While every day seems to bring a list of "new normal," the constant is that customer experience is, and continues to be, the primary disruptive force in media and entertainment. Yet, the conditions are no longer set by the brands; they're set by the consumers. For some, this is cause for concern. For forward-thinking experience businesses, this is an opportunity.

Gartner* reports that nine out of ten Chief Marketing Officers now expect to compete mostly based on customer experience. Your competitors have figured this out and are making progress. Audience preferences are changing, and they expect you to deliver on them. Competition is also heightened as the industry battles to launch new digital services, develop premium subscription offerings, and transform operations to become direct-to-consumer brands.

*Source: Gartner Surveys Confirm Customer Experience Is the New Battlefield

You simply can't afford to be left behind, and must deliver a personalized, human experience that recognizes people as individuals, values their time, and uses what we know about them in a safe, secure way to bring utility and add value to their lives. This has perhaps never been more important than within the current landscape, with the COVID-19 pandemic completely altering consumers' habits and behaviors, particularly around how they consume content. To differentiate themselves in an increasingly experience-driven market, media and entertainment companies must understand, adapt, and meet their audiences' changing behavior and human needs. Organizations that go beyond delivering on customer experience to elevating the human experience will be better positioned to create more meaningful connections, foster loyalty and, ultimately, drive growth.

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62%

of media and entertainment companies still have either a fragmented approach to marketing technology or have little to no cloud-based technology.

ONLY 16%

of media and entertainment companies cite customer data management as a top priority for 2020.

ONLY 36%

of media and entertainment companies are planning to invest in customer experience technology this year, compared to 46% of companies in other sectors.

35%

of M&E companies say their customer experience management is decentralized across marketing and other departments.

*Source: https://www.marketo.com/analyst-and-other-reports/the-path-to-2020-marketers-seize-the-customer-experience/
**Source: Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus

Given that 22% of media and entertainment companies believe customer experience is the primary way they differentiate from competitors, the only way this happens is through smart use of technology and data to help automate, assemble and activate the right experience and messaging for the customer or prospect.

Most media and entertainment companies are confident in their management of customer experiences. However, the data tells another story.**

The consequences of failure and continued inability to better leverage technology and data to deliver a more human digital experience are significant. To remain relevant against an onslaught of evolving customer attitudes and disruption coming from traditional and non-traditional competitors, media and entertainment companies must change the way they build, organize and operate the customer experience and must address the technical, data and organizational challenges that stand in the way.

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TREND 01: EXPERIENCE MANAGEMENT

The Battlefield is Growing

Media and entertainment companies are facing stiff competition from below, above and from the sides. Disruptors are agile, focused and adept at customer experience. With so many digital media providers launching in the past two years, many have dubbed the modern media and entertainment landscape an all-out 'streaming war.' The more companies join the race, the fiercer the competition becomes. Deloitte's own research shows that 40% of Millennials feel "overwhelmed" by their number of subscription services, with 43% intending to reduce them.* Though media consumption has spiked since the onset of COVID-19**, the pandemic has also accelerated the rise in subscriber churn. Another survey reported that, by October 2020, 46% of respondents had cut out at least one streaming video service in the previous six months.*** Media and entertainment companies cannot assume the industry will shake out any time soon. Expect a long, hard slog as competitors continue to one up each other through innovation, convenience and, of course, experience.

INSIGHT TO OPPORTUNITY

· To fend of competition, media and entertainment companies need to enable digital transformation that streamlines processes and decision making through automation.

· Agility and speed to digitize are critical. They require the right digital transformation tools and infrastructure backed by agile enterprise engagement platforms, a command of operational and customer data and scalable organizational structures. This would allow media and entertainment companies to pivot quickly to meet customers' rising expectations.

*Source: https://www2.deloitte.com/us/en/insights/industry/technology/digital-media-trends-consumption-habits-survey/summary.html
**Source: https://www.nielsen.com/us/en/insights/article/2020/covid-19-tracking-the-impact-on-media-consumption/
***Source: Deloitte Center for Technology, Media, & Telecommunications; Digital media trends: How streaming video services can tackle subscriber churn, 2021

43%

Percentage of media and entertainment companies who cite outdated workflows that slow down their processes as the top internal barrier to creating successful digital experiences.*

62%

Percentage of US consumers who signed up for a streaming service to watch a specific show and then cancelled once they were done. 43% cancelled the same day. This indicates consumers are getting savvier about how to maximize value from a wide variety of streaming services.**

*Source: Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus
**Source: Deloitte Center for Technology, Media, & Telecommunications; Digital media trends: How streaming video services can tackle subscriber churn, 2021

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TREND 02: EXPERIENCE MANAGEMENT

Own Your Data

Media and entertainment companies are challenged by complex data systems and multitudes of data sources that hinder visibility and control. To address these challenges, many companies are consolidating tool sets, establishing formal data strategy and governance policies, and coming to appreciate data for what it is: an underleveraged asset. Savvy streaming providers understand they can leverage data to unlock new forms of value and prevent churn within the dynamic industry landscape. By better understanding and differentiating audiences, media and entertainment companies can provide a tailored experience customers can't live without.* To compete today, media and entertainment companies need to make data management a core competency—where data is owned and maintained in house. This gives media and entertainment companies rapid and efficient access to real-time, relevant customer data that informs quick decision making by people and algorithms.

INSIGHT TO OPPORTUNITY

· A Customer Data (CDP) platform allows media and entertainment companies to access, activate and orchestrate the customer journey using accurate customer data, in real time.

· The CDP needs to record and track customers' online behavior across devices in real time, gather insights on customers' data trails and be supplemented by other owned data sources like ad/ sponsor 2nd party data, CRM, QoS, and sister/parent company services. This provides a 360-degree view of customers, creating the foundation for an omni-channel customer experience.

*Source: Deloitte Center for Technology, Media, & Telecommunications; Digital media trends: How streaming video services can tackle subscriber churn, 2021

"Despite media and entertainment companies' confidence around delivering customer experience, they need to do more to put the necessary technology, staff, and processes in place. For many media and entertainment businesses, content is what will bring people through the door; customer experience is what will get them to stay."

Source: Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus

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TREND 03: EXPERIENCE MANAGEMENT

Moments That Matter

Milestones are *everything* in a person's life. They are the moments we cherish, the occasions we choose to spend with loved ones and the dates that we use to mark time. Emotions surround these moments—whether joy or sadness, anticipation or dread. Media and entertainment companies that want to build human experiences need to identify these moments in a customer's life—a birthday, graduation, starting a business, purchasing a house—and contribute to the emotion of the day through special offers or promotions.

INSIGHT TO OPPORTUNITY

· Participating in the special moments of a customer's life comes down to informed awareness. Media and entertainment companies need to sense immediate changes in behavior and mood, capture pertinent information and deliver an actionable and appropriate response, offer or solution.

· Media and entertainment companies should leverage artificial intelligence (AI) and machine learning (ML) in combination with sentiment platforms to collect and understand data signals that help them identify moments and deliver against them in a personalized, relevant and meaningful way. These insights, used intelligently and ethically, can help media and entertainment companies turn their data into a competitive advantage.**

** https://www.linkedin.com/pulse/future-video-here-its-driven-artificial-intelligence-rob-van-den-dam/

"Because AI systems learn from the data that results from the decisions they make, early adopters in this will tend to move ahead of laggards at increasing speed. This makes it essential for the two-thirds of media and entertainment companies that have no plans to embrace the technology to reconsider their position."

— Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus

30%
Percentage of media and entertainment companies that have introduced real-time personalized experiences into their marketing.

28%
Percentage of media and entertainment industry peers that say they lack knowledge on how to use AI/ML.

NEARLY 35%
Percentage of sales from a major online retailer that come from personalized recommendations.

Source: Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus

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TREND 04: EXPERIENCE MANAGEMENT

Data Unlocks the Human Experience

Today's customers crave a personalized, human experience tailored to their needs, wants and expectations. In fact, they expect it. Why? Because they're telling media and entertainment companies everything. Regardless of whether clients are using a digital service, contacting a call center or reaching out via social media, they willingly hand over data each time they interact with an institution. Everything media and entertainment companies need to know about their customers' buying habits, intentions, hopes and dreams is hidden in plain sight. It's up to media and entertainment companies to unlock this data and see the possibilities and meaningful experiences they can deliver. One streaming giant leverages data and machine learning to curate everything from the selection of video artwork for a specific user to the time of day when certain content is popular.* Through data, providers can also better match stories and talent with specific audience segments and deliver hyper-tailored marketing – all of which ultimately prevents churn.**

INSIGHT TO OPPORTUNITY

- Media and entertainment companies can harness the power of the information offered up by their customers with the right processes and technologies.

- The right CDP platform, combined with activation and automation tools, can cut through the noise and capture information that matters in a consolidated customer record. The record can continue to be updated as more touchpoints occur—giving media and entertainment companies the insight they need to deliver personalized, human experiences.

- Telcos are leading media and entertainment companies to connect and synchronize digital self-serve options with live customer care, using data to drive Next Best Action marketing and optimize each customer's journey to fit their needs.

*Source: FierceCable, Subscriber acquisition and retention in an OTT world, August 2017
**Source: Deloitte Center for Technology, Media, & Telecommunications; How streaming video services can tackle subscriber churn, 2021

$1B
per year

Amount one major streaming platform saves because of personalized recommendations.

Source: https://artelliq.com/blog/how-netflix-s-ai-recommendation-engine-helps-it-save-1-billion-a-year/#:%7E:text=Chief%20among%20these%20is%20the,catered%20to%20the%20viewer's%20tastes

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Experience Management in Four Steps

1

Focus on the core tenets.

Focused KPIs, aligned journeys, precise GTM segments and defined operational cadences can help focus on the individual customer so you can deliver relevant, personal experiences.

2

Govern your data with consistency.

Data governance, consistency, and democratization of usage should all be core competencies, maximizing the value of your data at every point of the journey for every member of your organization.

3

Automate your decisioning.

AI and ML should be used to identify the best way and time to engage with each customer, optimizing the experience and outcome for both consumer and streaming provider.

4

Integrate internal business processes.

Connect processes and technologies across the ecosystem to create seamless omnichannel experiences trusted by customers.

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TREND 05: EXPERIENCE MANAGEMENT

From Real-Time to Autonomous Marketing: One Step at a Time

Autonomous marketing allows media and entertainment companies to be right in the moments that matter—and at scale. AI and ML can help identify the best way and time to engage with each customer—even before the customer herself knows what she wants. Autonomous marketing allows media and entertainment companies to deliver customer segmentation and targeting at scale, automate decision making and curate the right experience for each segment. With so many options to choose from, customers crave a VIP experience from their content providers. Things like rewards programs, tiered subscription options, exclusive content, and lifestyle services that extend existing franchises can help customers feel less like subscribers and more like members of an elite club – all of which work in tandem with personalized recommendations and marketing to drive retention and growth. Providers using data analytics to get to know their audiences is key to delivering stronger value to consumers and ultimately reducing risk.*

INSIGHT TO OPPORTUNITY

- Emerging technology requires a test and learn approach. Media and entertainment companies should begin their AI/ML journey in an incremental and iterative manner. Conduct small pilots that provide a quick win and deliver value through measurable KPIs such as customer engagement, retention and loyalty. Small-scale successes can be used to get buy-in from stakeholders and secure budget for larger scale deployments.

- The customer profile needs to be updated in real time by the marketing, commerce, services and sales teams during and after every touchpoint.

*Source: Deloitte Center for Technology, Media, & Telecommunications; Digital media trends: How streaming video services can tackle subscriber churn, 2021

"Providers that improve modeling of subscriber segments can do a better job matching more relevant advertising to specific audiences, which could help them predict churn with more accuracy and detail. One of the largest and most mature paid streaming video services has used these tactics to effectively drive growth and retention.*"

— FierceCable, Subscriber Acquisition and Retention in an OTT World , August 2017

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Five Attributes of Autonomous Marketing

Customer journeys
Non-linear and unique to each customer.

Advanced segmentation
Segmentation is not real-time personalization, but micro segmentation is.

Channel campaigns
The right content at each touchpoint regardless of channel delivery.

Advertising vs. marketing
Advertising and marketing are complimentary but serve different needs and should be measured accordingly.

Regulation and privacy
Regulation and privacy are not limiting. It's a chance to differentiate your brand by proactively leaning in (e.g., 3rd party cookie elimination).

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TREND 06: EXPERIENCE MANAGEMENT

Digital Identity Empowers Human Experience

Delivering seamless, frictionless experiences across touchpoints requires the ability to **identify** customers across channels, email addresses, devices and timelines and create and maintain a single source of truth for each customer. This helps create meaningful partnerships as customers progress through the purchasing lifecycle from general awareness and research to sale to service and support. The goal, of course, is to improve retention while fostering life-long brand loyalty.

INSIGHT TO OPPORTUNITY

- Identifying a known customer opens so many doors for different types of engagement based on previous interactions. Anyone in the organization who has contact with a customer should be able to see all other interactions and the result. This empowers customer-facing employees across web, mobile, email and call centers to deliver relevant and personal experiences that matter.

- To power the Human Experience, you need a 360-degree digital identity strategy to help build trust and ensure privacy and security across the customer journey.

Source: https://www2.deloitte.com/us/en/insights/industry/technology/consumer-enterprise-digital-identity-management-strategies.html

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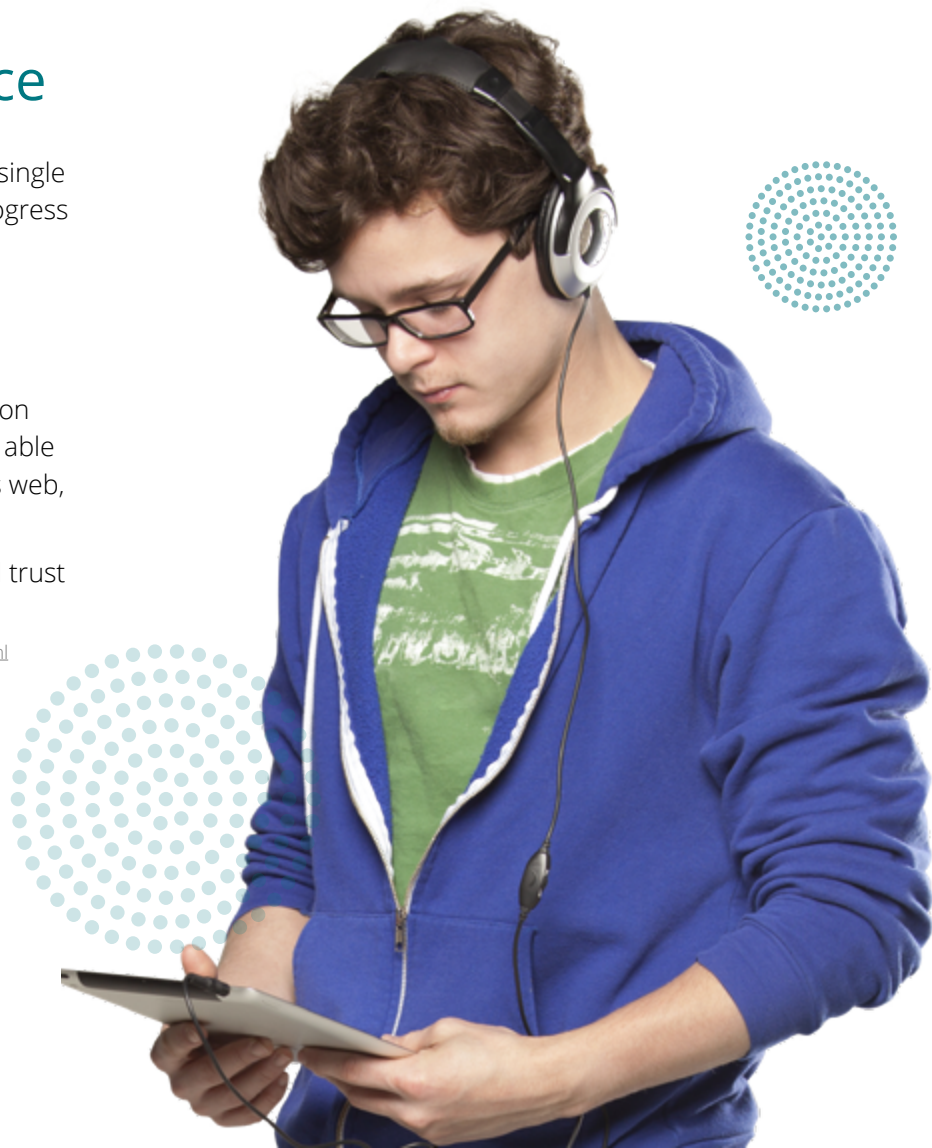
A Proper Digital Identity Management System

Safe
To ensure security, privacy, and compliance.

Flexible
To work across multiple platforms (on-premise and cloud); work with people, systems, and devices.

Agile
To quickly adapt to changing end-user needs, IT requirements, and new applications.

Scalable
To address the shuffling requirements of the business—such as adding new users from an acquisition or managing an influx of customers.

Open
To accommodate many types of users, including employees, consumers, partners, and contractors.

Private
To give users control over their information and an understanding of how it is used and how they can access it.

Frictionless
To provide a seamless and convenient experience for both users and cybersecurity administrators.

Resilient
To overcome potential service disruptions, technology failures, or Cyber threats—whether on-premise or in the cloud.

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TREND 07: EXPERIENCE MANAGEMENT

From Sales Enablement to Service Enablement (Lifelong)

Customers spend more time with services and support over time than sales or marketing. Media and entertainment companies must think of the customer service function as an integral part of the customer experience. Properly armed and enabled, both service reps and AI can enhance the value of the customer's use of the product and can make recommendations for upgrades and complimentary solutions in real time. Whether machine or human, superior customer service requires data at the core and an ability to engage the customer in the channel of their choice.

INSIGHT TO OPPORTUNITY

- Media and entertainment companies are incorporating new technologies at a faster rate than other sectors. From using AI to deliver personalized streaming experiences to automatically creating highlight packages for major sports events, machine learning technologies are helping media and entertainment companies replace labor-intensive, manual workflows with highly reliable, cost-efficient and fast robotic operations.

- Media and entertainment companies can apply this same formula to customer service, empowering automated service reps with customer context as they begin an engagement, requiring up-to-date customer information and details about previous touchpoints. A powerful service engagement can enhance retention and customer loyalty, increase the size of each sale and lead to upsell and cross-sell opportunities.

Source: https://www.linkedin.com/pulse/future-video-here-its-driven-artificial-intelligence-rob-van-den-dam/

30%

Percentage of media and entertainment companies that have started to deliver personalized experiences to their customers in real time.

Source: Adobe, Econsultancy; 2020 Digital Trends: Media and Entertainment in Focus

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Driving connection, loyalty, and growth for Media and Entertainment—together

At Deloitte Digital, we help clients see what's possible, identify what's valuable, and deliver it in a way no other professional services or creative agency can. Deloitte's Experience Management solution combines Deloitte proprietary assets, experience and know-how with commercial platforms from key alliances with companies like Adobe to build and manage a winning customer engagement system that helps media and entertainment companies drive connection, loyalty and growth with each interaction.

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- Deloitte Digital named a worldwide leader in Digital Customer Strategy & Experience Consulting based on breadth and depth of capabilities by ALM Intelligence.[1]

- Deloitte named a leader by Gartner in CRM and Customer Experience Implementation Services, worldwide.[2]

- Deloitte named a global leader in Digital Experience Agencies based on current offering and market presence by Forrester.[3]

- Deloitte named a leader, ranked #1 by IDC in Digital Strategy Consulting, worldwide and in all regions.[4]

- Adobe Global Digital Experience Partner of the Year 2019

- Adobe Americas Digital Experience Partner of the Year 2020

Adobe

- Industry analysts have named Adobe a leader in over 23 categories, such as Web Content Management, Digital Marketing Analytics, Digital Commerce, Marketing Cloud Platforms, and more.[5]

- Adobe Experience Platform, the industry's first open and extensible platform that stitches together data across the enterprise, enables brands to deliver impactful digital experiences in real-time.[6]

- Adobe Experience Cloud provides an end-to-end Customer Experience Management (CXM) solution for experience creation, marketing, advertising, analytics and commerce. It helps companies deliver consistent and compelling experiences across customer touch points and channels–all while accelerating business growth.[7]

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More Information about how Deloitte Digital and Adobe Elevate the Human Experience

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