

Creating revenue off news and entertainment

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A revolutionary change in the media and entertainment industry is happening on the back of ubiquitous internet access, mass social media uptake and high global mobile penetration, with today's consumer demanding rich, interactive and very personal interaction with brands. With it, is the potential to drive significant revenue off news and entertainment.

Media and entertainment companies need to keep pace with how consumers consume content today if they want to stay in the game. Historically news was first spread by word of mouth and tailored to geographic and individual relevance. The advent of the printing press in the 1400s sparked the beginning of mass-market news dissemination. Fast forward to 2010 on, and news is moving back to its roots, becoming a personalised, targeted message once again.



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Critically, the mass audience is no more. Where only a few years ago, entertainment and news could successfully be broadcast in more or less a one-size-fits-all fashion, the mass audience has dispersed and audience demographics and consumption styles have changed significantly.

Demographics no longer apply

Recent studies by IBM found that the old demographics based on age and geographic location are no longer as relevant in a globally-connected audience; now the audience is better segmented by digital native status and social media behaviour. Consumption models have changed too: across all age groups, multi-screen interaction and distracted viewing and networking are common.

The research found 65% of all respondents aged 55 to 64 report surfing the Web and texting with friends while watching TV. Of those over age 65 watching TV, 49% surf the Web and 30% text their friends. Across age groups, 52%-75% of this group reports using all of the following digital content services: Internet on their mobile phones, music on their mobile phones, mobile information services, online video on their PCs, video on demand on their home TVs, music services, online video games, user-generated content web sites, social networking, online newspapers and online magazines.

Disruptive technologies hold the key

It is clear that media and entertainment providers must target and deliver their content in ways that are relevant to individual users and in the ways they prefer to consume content today.

Doing so is possible thanks to a range of disruptive technologies - from social media that delivers deep insights into individuals' interests and needs, to advanced analytics and mobile apps that allow for highly targeted market segmentation and direct communication with the individual. However, many entertainment and media players are proving slow to harness these new technologies.

Moreover, while traditional media players move too slowly into the digital space, hordes of newcomers enter the media and entertainment arena. Telcos, service providers, brands and even individuals are rapidly moving into the media and entertainment space. Thanks to lowered barriers to entry, they are able to offer rich, interactive and personalised content to niche audiences. This presents serious threats to traditional media.

Monetising traditional media

The good news is that the same disruptive technologies that threaten traditional media also present them with a wealth of

new channels and potential revenue streams. Instead of simply digitising content, they should be looking to monetise it. They could be thinking innovatively about partnering with advertise to create rich and interactive media experiences that also lead to sales.

Traditional media players need to fully exploit their intellectual property across multiple channels, and should be looking to disruptive technologies to optimise their workflows and cut the cost of operations.

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