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# **Vertically Integrated Premium Video Engagement: Anywhere Everywhere**

Managed cloud native MAM solution  
necessity in multi-screen TV & video services era



# Premium content spend and diversification continue to rise globally

In today's hyper competitive D2C (OTT TV & video services) arena, investment into premium content repositories (i.e. sports, first look film titles, original TV programming, live concerts etc) still remain one of the key differentiators providing unique market positioning on the long-run basis. Although, there has been a steady and gradual shift towards local, regional and short form content repositories to not only improve engagement rates but also safeguard profitability margins. Furthermore, as "the content I want (as highlighted by 35% of respondents) " becomes the pivotal norm for enhancing ARPU (average revenue per user), and lower churn rates, thus paving way for majority of enterprises to increase spend on multi-dimensional premium media asset portfolio. This can be also witnessed from figure 1a and 1b across six leading media enterprises globally. These are as follows:

01

The total content (both sports and non-sports) to touch US\$127bn with CAGR of 14.4%. Amazon will be the fastest growing within the top 6 media enterprises as highlighted below with CAGR of 38.3% but accounting for just over 13% in 2024.

02

Disney will lead The content spend contributing almost 29% (2021: 32%) by 2024. It will further accelerate sports rights spending spree in the next few years, with the media asset portfolio accounting for slightly more than a quarter (26%) by 2024.

03

Also, there will be steady shift towards premium live asset portfolio such as sports rights in the next 3-4 years. Sports based content spend to constitute 27% of total spend up by 3% as compared with 2021.

04

By 2024, Amazon will witness a shift from TV and film titles towards live content repositories such as sports. Sports will control almost 7% of spend for Amazon in the next 2-3 years.

Figure 1a: Premium content spend by leading media enterprises globally in US\$bn (2019-2024e)

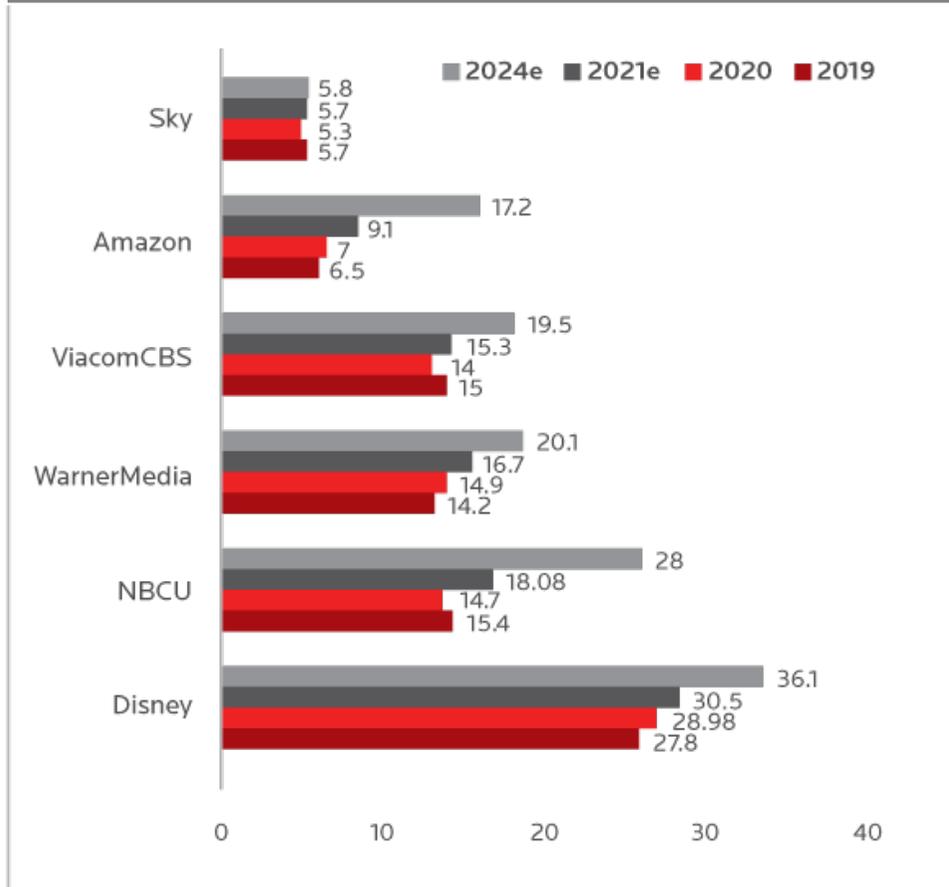
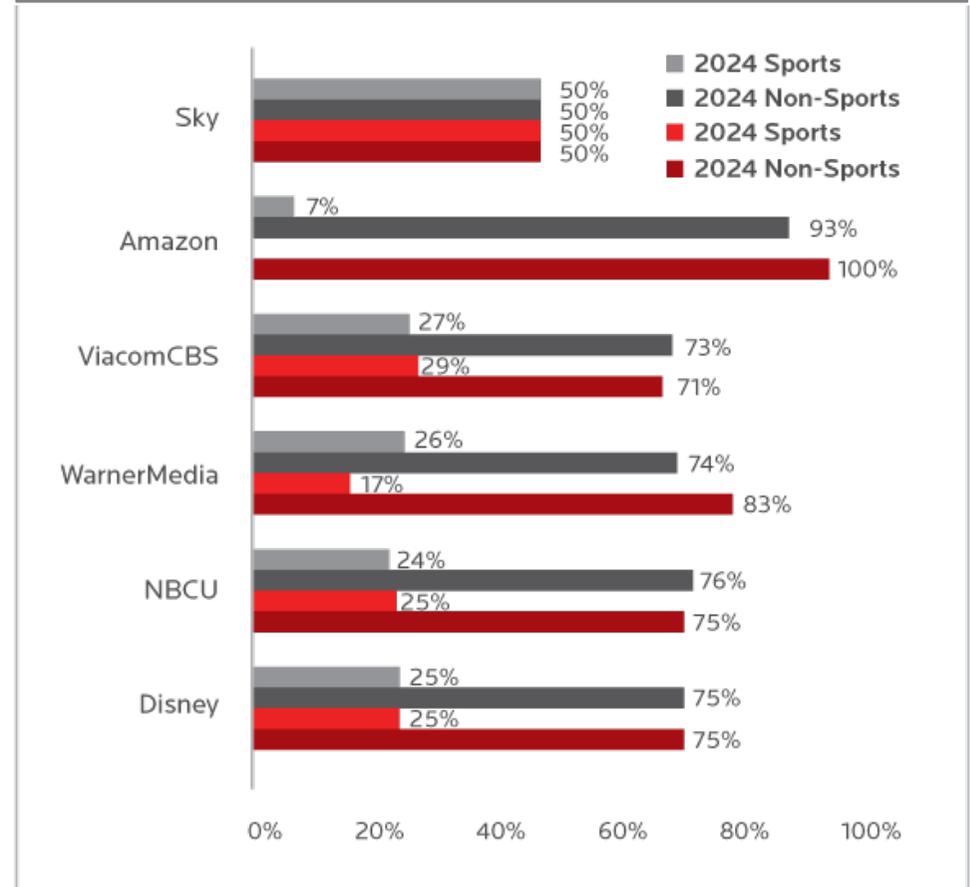


Figure 1a: Premium content spend by leading media enterprises globally in US\$bn (2019-2024e)



Source: FUTURE TODAY X VARIETY INTELLIGENCE PLATFORM VIDEO STREAMING SURVEY NOTE: DATA FIELDDED JUNE 15-29, 2021; N=1,008 U.S. CONSUMERS AGE 18+

\*Non sports includes all the content spend around TV & original programming, film titles, short form along with other entertainment libraries (concerts etc) Thus, as content spend diversification continue, this eventually will push media enterprises to accelerate their operational productivity, and exploit untapped newer monetization avenues to safeguard their profitability margins on the long-term basis. Furthermore, as the on-going COVID-19 pandemic intensifies newer mobility restrictions, cancellation of live events, and emergence of hybrid workgroup collaboration as the new norm, this will need significant strategic upgradation and modification of existing media asset management (MAM) systems to meet these changing business requirements.

# Managing multi-generation MAM systems and associated metadata remain the core challenges

Historically, media enterprises have leveraging best of breed technology procurement strategy across the content supply chain including media asset management (MAM) workflow. This included both in-house proprietary and best in class third party systems from global MAM vendors such as Avid, Dalet, Arvato, Vizrt etc. As expansion beyond local and regional markets became the primary growth strategy for these media enterprises, this traditional approach created highly fragmented multi-generation capital intensive media asset management (MAM) ecosystem especially woven around on premise deployment configurations. Furthermore, with the decentralization of technology procurement budgets (line of business gradually controlling more than half of total annual spend), this also increased complexities with majority of enterprises having on an average more than five diverse MAM systems (with respect to code, vendor, deployment configuration etc).

In the past 4-5 years, as diversification of content consumption (live vs video on demand, long vs short form, global vs regional/local titles etc), and distribution (devices, platforms etc) surge. This has accelerated investments into D2C (OTT TV & video services) with emergence of multi-screen hybrid monetization and engagement avenues further demanding for significant modification and unification of MAM workflows to:



# Strengthen market agility and improve operational efficiencies.

This resonates with Birlasoft's recent trade interviews with three of the leading MAM vendors highlighting that both market agility (i.e. enrich single media asset ROI, exploit untapped monetization avenues, and enhance time to market), and operational efficiencies (i.e. increase production and creative teams workgroup collaboration, unified content repositories into a single hub etc) based drivers will significantly (more than 6% annually) increase investments in the next 18-24 months. Also, as primary KPI's are woven around improving margins and engagement rates, MAM systems assisting in creating real-time personalized rich media story anywhere along with reduction of multi-screen total cost of ownership (TCO) will witness strong adoption curve in 2022.

**Table 1a: Core drivers for MAM system significant investments in next 18-24 months**

| Drivers  | Priority level |
|--|----------------|
| Increase single media asset ROI  | Primary        |
| Unlock new revenue monetization avenues  | Primary        |
| Increase production and creative team operational efficiencies                                   | Primary        |
| Enhance time to market   | Secondary      |
| Lowering multi-screen distribution TCO   | Secondary      |
| Enrich real-time creative professional collaboration   | Secondary      |
| Enhancing personalized story telling on every device Anywhere                                    | Secondary      |
| Unified diverse content repositories (from sports, TV, film to original programming) into single | Tertiary       |
| Improve UHD support  | Tertiary       |

**Table 1b: Current MAM deployment pain points, 2021**

| Implementation challenges                                      | 1=low, 3= medium, 5= high |
|--|---------------------------|
| Lack of pre-packaged managed services                          | 5                         |
| Lack of multi-generation system migration competencies         | 5                         |
| Metadata issues  | 4                         |
| Lack of sub-segment knowledge of deployment teams              | 3                         |
| Poor third party content supply chain integration capabilities | 3                         |
| Transformation road-map continuously changing                  | 2                         |
| Fluctuating interim and long-term support from internal staff  | 1                         |

Source: Birlasoft trade interviews with MAM vendors, n=3 (December 2021)



Although, D2C (OTT TV & video services) driven business priorities will instigate further investments into next generation MAM systems, the current technology, and implementation pain points are also crucial in embarking on these transformation journeys.

***As highlighted by NEIL ANDERSON (Chief Revenue Officer at Codemill) “Vendor lock-in, costly prerequisite infrastructure, professional services overhead expenses, complex UI/UX with low personalization options for each workgroup, and poor downstream content supply chain integration” remain the existing challenges of legacy MAM systems across the media & entertainment space.***

Also as the technology risks persists, Birlasoft’ s survey with sell side vendors have also revealed that lack of pre-packaged managed services, multi-generation MAM system, and metadata migration issues are the leading implementation bottlenecks for media enterprises globally.

***Historically, as revealed by Neil from Codemill, MAM systems were predominantly leveraged by broadcasters and film studios that owned a large volume and value of rich media assets.***

This has rapidly shifted with majority of media and enterprise video segments acquiring and producing premium content repositories thus demanding deployment teams to possess sub-vertical knowledge and competencies due to diverse business applications, used cases, and integration complexities.

# Move to cloud MAM solution eminent but crafting technical debt centric transformation journey essential

In the past 18-24 months, as decentralized workgroup collaboration, acquisition of niche multi-dimensional content repositories, and cost competitive pressures lead the top business priorities for majority of media enterprises globally, pushing them towards leveraging an agile auto scalable infrastructure and media value chain. This can be witnessed with the continuously increase in cloud based MAM projects across all the media & entertainment segments especially driven by pure play OTT TV & video services, gaming, e-sports, and enterprise video. Also, the myth that migration of MAM workflow in the cloud completes the transformation journey is untrue as it's just the initial phase. Furthermore, the cloud transformation will vastly differ across each of the sub-verticals within the media & entertainment space majorly dependent on the technical debt scenario. Some of the initial preferences towards this road-map by vertical are as follows:

**Table 2: Key MAM system deployment configuration preference by segments, 2022-2023**

| Segment   | Highest preference |
|---|--------------------|
| Broadcast TV & video  | Hybrid cloud       |
| Publishing  | Private cloud      |
| Pure play OTT TV & video services                             | Public cloud       |
| Gaming & e-sports   | Public cloud       |
| Enterprise video  | Private cloud      |
| Digital service providers (cable, satellite, Telco operators) | On-premise         |
| Sports franchises   | On-premise         |

Source: Birlasoft trade interviews with MAM vendors, n=3 (December 2021)

From table 2 it can be inferred that although cloud based MAM solution is at the epicenter of media enterprises road-map, there are factors beyond the current business priorities or multi-faceted content repositories or hybrid workgroup collaboration driving the deployment configuration preference in the next 18-24 months. A good example that can be seen is broadcasters will primarily prefer hybrid cloud deployments as compared to public environment by gaming, e-sports and OTT TV & video platforms globally. Traditionally, broadcasters have built customized in-house proprietary technology stacks followed by procurement of third party best in class MAM systems thus creating a highly complex multi-generation ecosystem. With the need for enhancing time to market, and creating personalized rich media experience for every audience base on multiple screens have pushed broadcasters to embrace hybrid cloud deployment configuration to safeguard their legacy CAPEX with unification of enterprise wide media asset repositories. But managing these multi-generation MAM systems with diverse deployment configuration has intensified add-on technical debt pain point such as:



**Attrition across in-house teams resulting into gap in the upgradation and modification of proprietary systems along with migration bottlenecks attributed to lack of knowledge and metadata transfer issues**

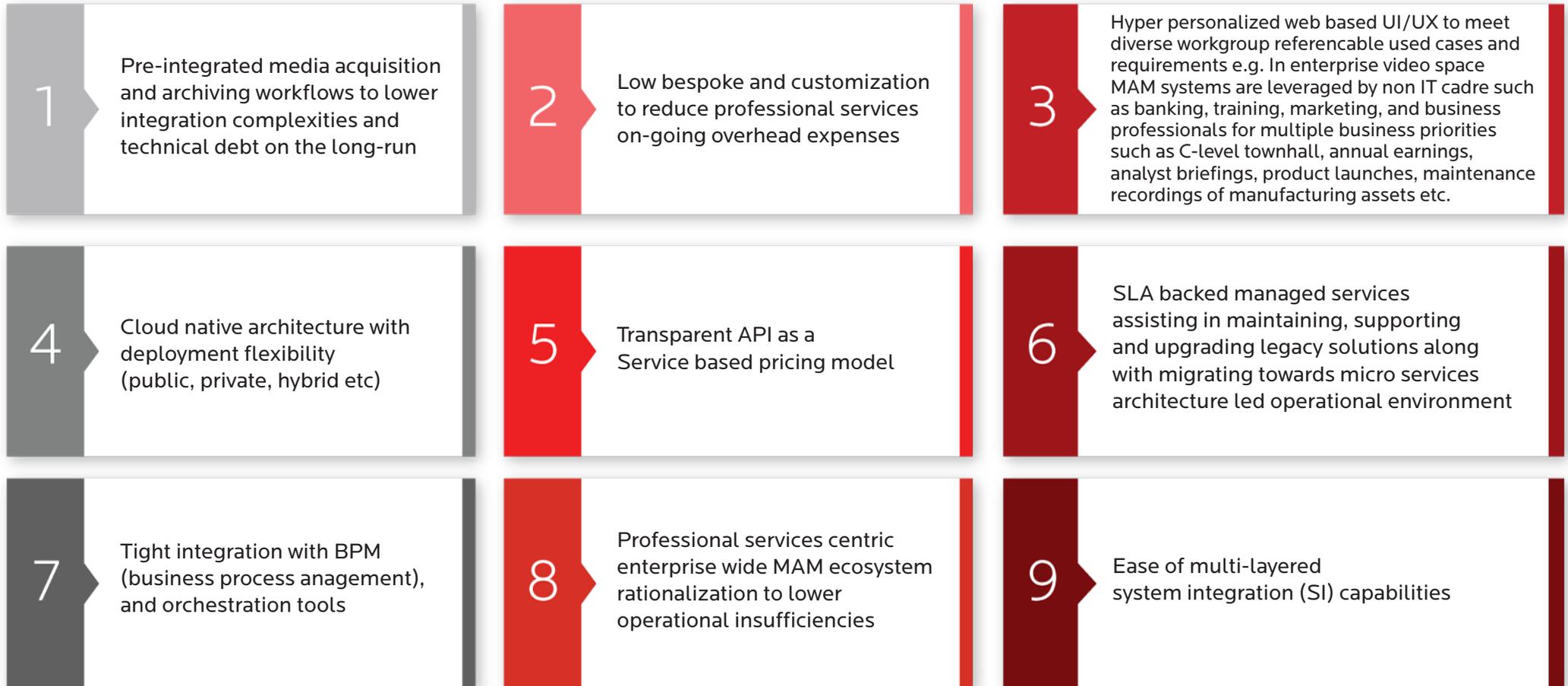


**Attrition across MAM vendors enhancing loosely coupled first generation lift and shift MAM system characteristics including code, integration knowledge repository etc**



**In November 2021, the average attrition rate across global IT segment reached 20% almost doubling from 10% on year-on-year basis (also includes URA i.e. unregretted attrition rate of average of 5-6%)**

Thus, it can be seen that high technical debt consideration lies at the epicenter of the cloud migration journey along with managing this unified ecosystem on an on-going basis. Therefore the next generation MAM solution demand the following characteristics:



As, media enterprises continue to spend on multi-faceted content repositories to deliver premium video engagement Anywhere Everywhere, re-engineering MAM workflows to facilitate access of each media assets Every time will be crucial differentiator. Finally, Birlasoft believes that migrating MAM workflows to API driven cloud native (micro services) architecture with highly customized UI/UX will not only improve operational productivity but also provide market agility on the long-run to tomorrow's connected media enterprises.

# Methodology

Birlasoft has followed a dual research methodology for this paper and study on media asset management (MAM) workflow. We have conducted three in-depth interviews with leading MAM vendors globally along with few survey based questions to build a broader viewpoint on the changing trends in the space along with the drivers instigating this transformation. Also, thorough secondary research has been conducted on the new technology enhancements across top 10 leading MAM vendors to enhance the validity of our hypothesis and key proposition.



# Author



**KEDAR MOHITE** heads the Media & Entertainment practice at Birlasoft. Kedar's area of focus includes media technology and ICT service developments across broadcasters, digital service providers, sports franchises, OTT, publishing, and enterprise video segments. Kedar is a regular speaker at IBC, NAB, and vendor-sponsored industry conferences, and his work has been cited by the BBC, Wired UK, IBC.org, and Business Wire.

# Further Readings



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