SPRING/SUMMER 2020 $25

The NOW WHAT *Issue*

A new remote-work reality will mean long-term changes for how M&E gets business done. Welcome to Hollywood's new normal. P. 15

M AND E JOURNAL
Media & Entertainment
Strategies. Solutions.

published by
MESA
Media & Entertainment Services Alliance

Connecting with Consumers with the Right Content During Massive Social Shifts

Many consumers are currently looking for their own version of comfort content

Photo by Gustavo Fring from Pexels

Abstract: The pandemic is fueling streaming viewing and driving dramatic shifts in consumer behavior and content release strategies and windows. Given the highly accelerated impact from COVID-19, we have a unique opportunity to measure changes in viewing behavior and sentiment, and the associated implications on programming choices, theatrical attendance, release windows and streaming services.

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In this COVID-19 era, TV viewership is up dramatically, driven by so many factors that are likely to have long-lasting implications on viewing behavior and the industry at large. Remote working is everywhere, and stay-in-place orders are fluctuating state to state. A record number of Americans have filed for unemployment. Events have been canceled. Educational institutions have moved to distance learning.

In this environment, traditional windows and content distribution strategies are being impacted. Disney+ released *Frozen II* earlier than planned. National movie chains such as Regal and AMC have shut down, further impacting a theatrical business that was already under pressure. Studios are making their movies available on-demand on the same date as their global theatrical releases. It's too early to tell for sure, but all of this could potentially signal the beginning of a large-scale shift in home viewing.

As our communities adjust to this new

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Whip Media

If we can **predict the travelability** of a **piece of content,** our ability to **maximize the investment** — whether by a platform or a studio — **becomes limitless.**

life of isolation and social distancing, people are staying inside, hunkering down and turning to television. But today's situation is beyond what we've come to think about as binge watching. It's not a voluntary change. It's an extended period of engaging with content as people lean in to entertainment while waiting out the crisis. And the already hot competition among streaming services is sure to heat up, benefiting consumers and platforms alike.

With that in mind, TV Time, a Whip Media Company, conducted a U.S.-based study from the period of March 13-15, 2020, with the goal of assessing how consumers were feeling as this volatile period of self-isolation got underway. Leveraging TV Time's global community of more than 13 million connected users of its TV tracking platform, the study examined not just what consumers are watching, but why they're watching. With the entertainment industry spending on content at an unprecedented pace, it's critical that streaming services understand their consumers and offer the content choices that are right for their platform.

How much we watch

Our survey revealed that, among those planning to isolate or considering isolation (91 percent), the vast majority (84 percent) are intending to increase their TV consumption during this period. At a minimum, consumers plan to keep their current level of viewership, with no respondents saying they will decrease their TV consumption.

What we watch

With consumption on the rise and production slowing due to the current situation, it becomes critical to understand what types of content people are turning to as networks and platforms leverage their libraries and make on-the-fly programming decisions. When people were asked what genre of shows they were planning to watch during this period, the most popular choices were dramas (78 percent) and comedies (76 percent), followed by sci-fi/fantasy at 67 percent. It appears that viewers are looking for some combination of lighter entertainment and escapism from today's ominous headlines. A notable group of viewers (25 percent) also said they are interested in Reality TV viewing.

Why we watch

To tap into the mood or emotional sentiment among viewers, the survey asked what was motivating their viewing choices. A full 86 percent of respondents said they wanted to watch shows already on their "watch list," suggesting that this period of viewership could be used to watch shows that people have been meaning to get around to. Other popular motivations were to give them an escape from reality (73 percent) and to make them laugh (72 percent), with about half of respondents indicating they want content to comfort them (53 percent).

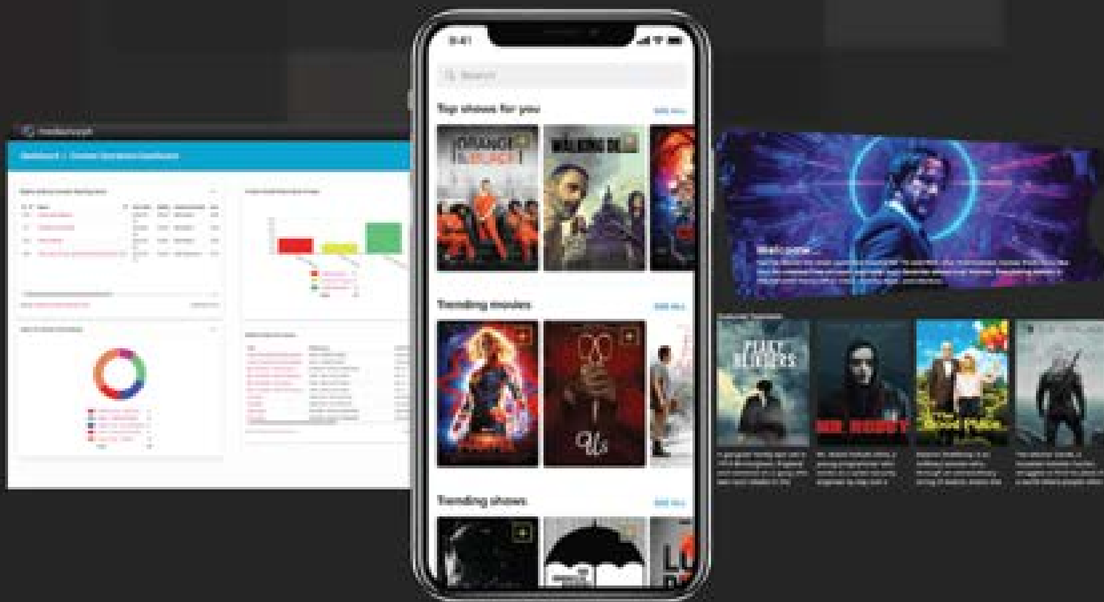
Streaming services are poised to be among the biggest beneficiaries to capture consumers' viewership and engagement. Consumers have an ever-expanding choice as we've seen with the launch of several new services, including Disney+, Apple TV+, Quibi, Peacock and soon HBO Max. With so much demand, we know the cost of content is rising at an unprecedented pace. A recent analysis conducted by Variety Intelligence Platform revealed that U.S. media and entertainment companies spent over $120 billion on original content, including movies and TV shows, in 2019. And that doesn't include the cost of licensing content libraries, which is just as important, if not more so, given the value of long-standing re-watchable libraries.

Measurement becomes even more critical in this context. And what's key is measuring the right things. There has been much attention paid to the new platforms themselves, but much less on the dynamics of how content is valued, bought and sold. While under the current circumstances we are understandably focused on the immediacy of today, it is also important that we take a long-term view. We need to make smart, data-driven decisions about the lifetime value of content investment and leverage the information we have to predict the success of future investments. This means capturing and assessing both sales data and consumer data across the content consumption lifecycle: from intent and discovery through viewership, engagement and loyalty.

Ultimately, the goal for streaming service providers is to determine what their customers want to watch and why, and which content is best suited for their platform. Decisions about acquisition and distribution require an understanding of "content travelability" — how well content will move from one geography to another, from one platform to another, or from broader audience appeal to niche consumption. All the while measuring engagement and sales every step of the way. If we can predict the travelability of a piece of content, our ability to maximize the investment — whether by a platform or studio — becomes limitless.

Consumer sentiment will no doubt evolve but the large-scale shift in home viewing brought about by COVID-19 will likely linger and has the potential to change the face of the industry. Whether a buyer or seller of content, we have to adapt to a new generation of viewers who are in control of their choices and move toward a consumer-centric strategy to capitalize on the opportunities ahead. ■

Right content. Right audience. Right now.



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