

M+E

JOURNAL

WHAT'S NEXT?

An M&E industry that's learned to adapt and excel after a year like no other, for one

LOCALIZATION

Dubbing from home is a work in progress

SECURITY

How to beat piracy and secure your business during a pandemic

SMART CONTENT

The new ways content players are using data to connect with consumers

NEW WORKFLOWS

Adopting the latest tools fuels a successful change to remote work

20.02

THE FUTURE-FIT M&E ORGANIZATION: BEING READY IN AN UNPREDICTABLE WORLD

Being future-fit means being prepared for the unexpected



THRIVING IN THE NEW NORMAL

NEW SOURCES

BOOST DIGITAL EXPERIENCE

RAPIDLY SCALE

THE UNEXPECTED

ABSTRACT: Fueled by a global crisis, media companies must lead the way, echoing right-ful messages from every corner of the world and helping others through technologies. With disruption and change at every turn, Softtek helps the media industry shift from reacting to what's already happened to solving what's yet to come.

Softtek's core expertise supports three key needs for M&E: respond to the unexpected, optimize costs, and deliver innovations to the business model using technology-based solutions.

By Jorge A. Zarur, Media, Entertainment Lead, Softtek

The media and entertainment industry, like all others, is focused now on the immediate repercussions of the pandemic. The common theme can be summarized as the need to be ready for the unexpected. Being future-fit requires organizations to rapidly adjust to unexpected situations, to protect their business and their clients and rapidly capitalize on new market demands and opportunities.

As we pivot toward recovery, M&E companies are now focused on setting themselves up for success in the new normal. All companies are reevaluating how they operate, what they sell, how they sell and, most importantly, how to create stronger and stickier relationships with their customers. In response, Softtek leverages its core technology expertise to support three key needs: respond to the unexpected, optimize costs, and deliver innovations to the business model using technology-based solutions.

REACT AND RECOVER: FUTURE-FIT MEANS BEING READY FOR THE UNEXPECTED

When the first signs of the global pandemic became known, at Softtek we established a COVID-19 action committee and activated our continuity plans for each of our client engagements. Alongside our risk management experts, we were ready to immediately operate under these new protocols to enable remote work. We had learned during the H1N1 outbreak, which started in Mexico in 2009, that when a pandemic arises, it's already too late to start planning a response. At the time, our management team had decided to replace every desktop computer in use in our company with secured laptop environments, and establish a response plan for each engagement. Fast forward to March 2020: two weeks after the COVID outbreak, over 97 percent of our more than 15,000 employees spanning across four continents were already working in secured, pre-arranged remote-working procedures and 100 percent of our engagements were being met.

After this brief period, we also had to accommodate very fast changes to our services portfolio to support many of our clients who wanted help in enabling safe remote-working environments, security monitoring and workplace services. We launched new services, including Softtek Digital Triage, to accommodate these urgent demands, to provide resources to stabilize operations under the new ways of working and with social distancing in mind.

FUTURE FIT (AND FAST) MEANS BEING ABLE TO RAPIDLY SCALE CAPACITY UP OR DOWN

Media and entertainment companies have been unevenly affected. Some of our clients operate theme parks, cinema complexes, or large hotel and gaming operations. At first, these businesses had to focus on conserving cash and cutting costs. We rapidly adjusted our technology service offerings to help clients immediately reduce waste, scale back capacity, helping them conserve funds.

IT cost optimization is at the forefront of many companies' cash preservation activities. Interestingly enough, savings from optimizing IT assets pales in comparison to optimizing business processes using technology (AI, machine learning and robotic process automation). Given the need for speed, we created new flexible ways to assist in finding efficiencies that would lead to savings without sacrificing capability. We had to rapidly scale our IT and business process optimization offerings, as these services helped alleviate unpredictable workforce availability, while increasing performance and quality at much lower operating costs.

IN ORDER to thrive in today's environment, M&E organizations must achieve a sort of singularity: the fusion of technology in the form of AI, automation, big data, biometrics and apps, with the traditional operations of the industry such as logistics, financial systems, supply chain and HR platforms.

GROW THE TOP LINE

At the onset of the pandemic, demand for Softtek's services was almost entirely generated by our clients' need to save money. Several weeks into the crisis, however, they began scrambling to sustain cost optimization while finding ways to preserve their existing customer base. Some other companies — those with largely digital offerings — experienced a sudden influx of new clients. Needless to say, streaming companies saw a rapid increase in new subscriptions, while increasing the screen-time per subscriber. Gaming companies and media companies wanted to accelerate game launch roadmaps or the launch of new services.

This evolution propelled new needs that required agile programs to cut the time to recovery and growth. Some of our M&E client executives dreamed of touchless, end-to-end, app-based entertainment systems that allow customers to have a movie theatre experience at home including sound, lighting, popcorn, soda, and movie reviews. For example, one of our customers, a large cineplex operation, rapidly enabled box office titles to be streamed to living rooms and combined this with UberEats delivery of the delicious food moviegoers expect when going to the big screen. A huge effort was made to accelerate and adapt content based on restrictions in over 20 countries, as well as adding new



Jorge A. Zarur leads the media sub-segment for Softtek. With 30 years of experience including ownership of companies in the U.S. and Mexico, he works with clients to develop digital solutions that solve today's challenges in the media industry. jorge.zarur@softtek.com @JorgeZarur1

integrations and features needing rapid adjustments for the expanded catalog. As we addressed and worked with clients to enable this way of doing business, we formalized new services to accelerate product launches, speed up development roadmaps, and provide rapid integration services with third-parties through our agile API factory services.

M&E companies need to diversify income streams by adopting flexible, customizable platforms to compete while also generating ancillary revenue streams. These platforms will allow M&E companies to monetize through ancillary services, as well as integrate directly with other M&E and hospitality services. AI, automation, and big data will allow M&E companies to increase customer delight, thus generating loyalty and forging closer bonds with their custom-

ers. Chatbots and digital agents automate and improve customer service by serving real transactions, while additional tailored offers help achieve true personalization.

FUTURE-FIT FAST: FROM SURVIVING TO THRIVING IN THE NEW NORMAL

The paraphrased axiom “we’re all software companies now” is more true today than ever for the industry. But it’s more than that. In order to thrive in today’s environment, M&E organizations must achieve a sort of singularity: the fusion of technology in the form of AI, automation, big data, biometrics and apps, with the traditional operations of the industry such as logistics, financial systems, supply chain and HR platforms. M&E companies shouldn’t leverage technology to just sustain their

current business. Rather, industry participants must become technology-driven organizations that continue to deliver what customers expect with safety and security in mind, as they continuously pivot and explore new ways to disrupt with end-to-end entertainment experiences.

What strategic planning is needed to anticipate what’s in store for the future of our business? The current demand of information and entertainment requires strategic planning thinking, not just as a standalone exercise, but in terms of enabling core capabilities to rapidly respond to ongoing market disruptions. Organizations need to become future-fit fast: rather than trying to anticipate everything that is in store for the future, their capabilities need to be the fastest, fittest and most adaptable to win in this new normal. ■



Rebuild, Realign & Revive

Shatter the digital wrecking ball
and optimize your IT with Softtek

Discover more at



softtek.com/media-entertainment



Softtek[®]

Softtek is a global company and the largest provider of IT services from Latin America. With a broad portfolio of business-transforming products and solutions, Softtek helps Media and Entertainment companies evolve their digital capabilities constantly and seamlessly, allowing them to capitalize on market opportunities and access new technological territory in an agile way.