MEDIA

The Rates of Success, Goals, and Future Priorities of Digital Transformations, by Sector





The key findings for media companies

Media companies have a digital transformation success rate of 30%, roughly on a par with the cross-sector average, but they show a wide range of scores relative to other sectors, reflecting the mix of legacy and digital players.

Top-quartile media companies nail the six key success factors, but more typical media companies struggle on four of the six.

Going forward, successful digital players are pivoting to much broader adoption of digital approaches across the entire value chain and support functions.

The forward-looking digital agenda emphasizes customer acquisition and engagement; next-generation marketing, operations, and support functions; and content production and management.

Media companies have emphasized growth and business model innovation, ecosystem partnerships, marketing and pricing, and new business ventures more than companies in other industries.

ESG considerations—especially those related to data privacy, diversity and inclusion, and cyber resilience—are becoming more important in the digital agenda.

The data in more depth







The role of ESG in digital transformation RATES OF SUCCESS

Only 30% of media companies land in the win zone, slightly below the cross-industry average

CASES BELOW SUCCESS SCORE (%)



Source: 2021 BCG Global Digital Transformation Survey.

Note: Survey question: "Across the following dimensions, please rate your organization's digital transformation experience to date on a scale of 1 to 10, using the guidelines in the table below." ¹Success score is calculated from respondents' answers on six dimensions of transformation: strategy; leadership; talent; agility; monitoring; and tech and data.

- Media data points
- Media
- Cross-industry
- Woe zone (success score <6)
- Worry zone (success score ≥6–<8)</p>
- Win zone (success score ≥8)

SUCCESS SCORE¹

Media companies struggle most with deploying high-caliber talent, having an agile governance mindset, and monitoring progress effectively

DISTRIBUTION OF SUCCESS SCORES ON INDIVIDUAL KEY FACTORS ¹	0	1	2	3	4	5
1 Integrated strategy with clear transformation goals						
2 Leadership commitment from CEO through middle management						
3 Deployment of high-caliber talent				—		C
An agile governance mindset that drives broader adoption			 			
5 Effective monitoring of progress toward defined outcomes				 		
6 Business-led modular technology and data platform					H	
Lower extreme Media average Upper or lower quartile Upper extreme Woe	zone (su	ccess scor	re <6)	Worry z	one (succe	ess score

Source: 2021 BCG Global Digital Transformation Survey.

Note: Survey question: "Across the following dimensions, please rate your organization's digital transformation experience to date on a scale of 1 to 10 using the guidelines in the table below." ¹Success score is calculated from respondents' answers on six dimensions of transformation: strategy; leadership; talent; agility; monitoring; and tech and data.





TOPICS OF FOCUS

The transformation priorities for media companies have been growth and business model innovation, and customer experience and journeys

Strategic objectives

SHARE OF RESPONDENTS (%)



Scope of digital transformation¹

SHARE OF RESPONDENTS (%)

Growth and business model innovation		
Customer experience and journeys		
Digital ecosystem and partnerships		
Sales and market acceleration		
Marketing and dynamic pricing		
New business venture		
Building resilience via cybersecurity and compliance		
Digitizing support functions		
Digital procurement		
Supply chain		35
Digital manufacturing and operations	24	

Source: 2021 BCG Global Digital Transformation Survey.

Note: Because of rounding, the percentages given for the strategic objectives do not add up to 100%.

¹Respondents were asked to select all priorities that applied.

(CROSS-IND AVERA	
	81	72
	78	81
	76	65
	73	71
62		41
57		45
49		54
46		45
41		54
		48
		50

Win-zone media companies have greater breadth of transformation focus

Scope of digital transformation

SHARE OF RESPONDENTS (%)



• Woe- and worry-zone media companies (combined)

• Win-zone media companies

• Change of +5 pp or less

Source: 2021 BCG Global Digital Transformation Survey.

Note: Survey question: "From the list of most common digital outcome areas and enablers in digital transformation, please help us identify the scope of your digital transformation (select all that apply)."

Change of more than +5 pp

TOP PRIORITIES FOR THE FUTURE Nearly all media companies intend to invest in three key digital topics

PLANNED SHARE OF WALLET SPENDING ALLOCATED ACROSS DIGITAL TOPICS IN THE NEXT TWO TO THREE YEARS (%)¹



• Share of respondents allocating any investment toward each digital topic

Average share of total investment

Source: 2021 BCG Global Digital Transformation Survey.

¹For example, the uppermost pair of bars can be read as "97% of media respondents plan to invest in digital customers acquisition and engagement, allocating an average 25% of total digital investment."



	97
	97
	·····
	95
8	9
86	

Media companies' digital priorities: Digital customer acquisition and engagement

Digital initiatives (bars indicate relative prioritization of initiatives)





	1.00
0.72	

Media companies' digital priorities: Digital support functions and operations

Digital initiatives (bars illustrate relative prioritization of initiatives)

End-to-end record-to-report digitization of finance activities	
End-to-end source-to-contract digitization for contracting	
End-to-end hire-to-retire digitization (including integrated training) for HR	
End-to-end contact-to-resolve digitization for contact center	0.63
End-to-end order-to-cash digitization for management of accounts receivable	0.57
End-to-end procure-to-pay digitization for procurement	0.49
Automatic capture and processing of legal terms of (media) licenses contracts	0.46
Relative prioritization for all media companies	Top priorities for win-zone companies



Media companies' digital priorities: Advertising

Digital initiatives (bars illustrate relative prioritization of initiatives)



1.0

Media companies' digital priorities: Smart content management

Digital initiatives (bars illustrate relative prioritization of initiatives)

Automated metadata generation for content	1.0
Predicting the reach of content (through characters, actors, broadcasting time, etc.)	0.86
Real-time tracking and prediction of social reputation	0.69
Monitoring and optimization of distribution of physical assets	0.64
AI-driven copyright infringement detection and mitigation (auto-block)	0.59
 Relative prioritization for all media compani 	es • Top priorities for win-zone companies



1.0 0.86 0.69

Media companies' digital priorities: Smart content production

Digital initiatives (bars indicate relative prioritization of initiatives)

Content production driven by historical and customer-behavior data	1.0	
Automating content creation workflows	0.79	
Smart content generation from structured datasets (using AI and NLP)	0.73	
Live content creation with customers via digital channels	0.64	
Automated translation and localization	0.21	
Rapid iteration based on real-time feedback	0.16	
Automated content license optimization	0.08	

• Relative prioritization for all media companies

• Top priorities for win-zone companies



THE CRITICAL ENABLERS Media companies intend to invest across a broad range of tech and human enablers

Nine out of ten media companies plan to invest in infrastructure and cloud enablement, AI and big data, and modernization of tech architecture, allocating on average about 50% of their total digital enabler spending to these areas

PLANNED SHARE OF WALLET SPENDING ALLOCATED ACROSS ENABLER DIGITAL TOPICS IN THE NEXT TWO TO THREE YEARS (%)¹



• Share of respondents allocating any investment toward digital topic

Average share of total investment

Source: 2021 BCG Global Digital Transformation Survey, n = 41.

¹For example, the leftmost pair of bars can be read as "91% of Media respondents plan to invest in Infrastructure and cloud enablement, allocating an average of 19% of their total digital enablers spending."



About 70% of media companies plan to increase their investments in ESG (vs. about 80% of all companies)

Share of respondents planning to increase/decrease/maintain investment toward ESG in coming years



... with greater emphasis on S and G dimensions

Leading digital initiatives being prioritized to support E, S, and G goals

Environment	 Digital supply chain opt Reduction in energy cor offices and buildings
Social	 Ensuring protection of c employees', and/or cust Improving diversity and functional organizational
Governance	 Critical risk incident ma building cyber resilience Real-time tracking/mon

Source: 2021 BCG Global Digital Transformation Survey, n = 22.

SHARE OF RESPONDENTS PRIORITIZING (%)

timization nsumption in

clients'. tomers' data inclusion within al aspects

anagement, nitoring of risk



If you would like to discuss this topic, please contact one of the authors:



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