



Media monetisation: an essential driver for business growth

How businesses can overcome the challenges of media monetisation to boost growth and build business resilience.



What is media monetisation?

Monetising media covers all the processes involved in the way businesses make money from their assets.

In today's market, a business's ability to effectively monetise its media assets can dictate its competitiveness.

The effects of COVID-19 are receding in most industries, but the changes to customer behaviour that impact the media sector, have remained. This has created an opportunity for media companies to differentiate themselves by better aligning with the changing needs of customers. This has led to an increase in innovation and in competition.

[According to research undertaken by Deloitte](#), a massive 33% of customers both added and cancelled subscriptions to streaming services over the last six months. When only millennials were taken into account, that figure soared to 49%.

This volatility puts pressure on business models to keep pace with changing customer behaviours and expectations.

Which processes are we talking about?

Product and catalogue management, marketing, sourcing, sales, quotation and ordering, service, and revenue management.

Which assets are we talking about?

Content assets, data assets, physical assets (such as advertising space in high footfall locations), digital advertising space, and native advertising on transaction pages, personas (such as journalists), and talent for rights endorsement/sponsorship.



What is media monetisation?

The problem is, many media businesses have reacted to this volatility with functional transformation. They aimed to increase their media monetisation by transforming, for example, their advertising sales, then their marketing, then other functional areas one by one. But the success of these initiatives has been limited. In fact, according to [research from BCG](#), 70% of digital transformations fall short of their objectives, often with profound consequences.

Outside of functional transformation, as margins get squeezed, media companies have looked for new income streams many of which have also led to failure – even from established players such as CNN, as [highlighted in this article from the BBC](#).

The root cause? Managing volatility and capitalising on current market opportunities requires an enterprise-wide approach to transformation. One which breaks down silos, increases data visibility, and transforms the core processes that make effective monetisation of a diverse range of assets possible.

Unfortunately, an enterprise-wide approach is hard to orchestrate. On the technical side, few solution platforms are able to support this level of cross-departmental transformation. It also requires a major shift in working culture towards data-driven, customer-centric ways of working.

In this eBook we delve into:

- Why monetising media is harder than ever
- The obstacles standing in the way for businesses
- How business can overcome those obstacles

We will also explore how the industry's front-runners are reimagining diversification of media assets to increase growth and resilience, and how your business can join them.

Let's dive in.



Why monetising media is getting harder

Larger catalogues increase complexity

Many businesses have increased the size of their media asset libraries in an attempt to stay ahead of their competition. This is the result of both organic expansion and mergers and acquisitions (M&A) activity.

This leaves them with large catalogues to manage and maintain, especially as legacy media assets and products are often not rationalised in the process. As competition increases, further assets are added and new propositions are introduced, typically without efforts to migrate the existing customer base to these new propositions.

This is also the case for businesses who differentiate by repackaging existing assets into new offerings rather than adding new ones. Without careful rationalisation of new packages, the increased complexity can increase buyer friction and decrease sales efficiency.

This is a problem Australian telco giant Telstra tackled head on. It wanted to remove pain-points its customers were experiencing due to legacy systems and offerings.

Telstra simplified its product offering and digitised interactions which involved rationalising its product portfolio from 1,800 products, down to just 20. This reduction in complexity, combined with the digitalisation of its sales and service journeys resulted in a 70% reduction in call centre traffic and [a huge +11 point jump in Net Promoter Score over 12 months.](#)

Sprawling systems decrease data visibility

Expanding media libraries can create further problems as assets are often provisioned by different systems.

If those systems are not fully integrated, it can create a lack of visibility for customer-facing teams.

For example, sales agents often have to swivel-chair between a range of different systems. This increases the effort needed to work out if a certain media asset is available in a given region or if a customer can access particular discounts. The result is a drop in service, customer experience, and employee experience.

Inheriting data sources increases silos

Many businesses sought to improve their offering through M&A activity.

In fact, the total M&A deal value in the global technology media sector jumped 30% from 2020 to 2021, according to [Business Wire](#).

However, this too creates a need for robust integration which is often overlooked. When the systems of the two businesses are poorly integrated, it increases data siloization and impairs data visibility.



The obstacles standing in the way for businesses

Optimising the processes we outlined in the last chapter, typically has high ROI. So why aren't businesses addressing these issues to access the benefits?

1. A product-first mindset

Product-first thinking focuses on finding new ways to sell media assets to customers. For example, increased media catalogues and repackaging current media assets under new offers.

But in the rush to bring new products and services to market quickly, those offerings are often built and serviced on separate systems to avoid the need for the complex integration with existing processes.

This can lead to increased siloization, inefficient processes, highly complex product offers – and ultimately, a lot of money getting left on the table.

2. Siloed data and weak Integration

Differentiation via M&A activity or by increasing the size of media libraries can lead to sprawling systems, and increased siloization.

That's in addition to the 200+ apps that businesses use on average according to [a poll by Productiv](#).

Getting the most value from applications relies on the business's ability to integrate them with its existing systems. However, many rely on point-to-point (P2P) integration whereby custom code is used to make a connection between two applications.

This not only makes adding new data sources extremely slow, it also drastically increases the cost of adding new activation channels. Worse still, integrations of this kind increase the innovation debt within the business. The more non-standardised P2P integrations you have, the heavier the cost of maintaining them to ensure they remain connected to core systems or can be used to support innovation.



The obstacles standing in the way for businesses

3. A lack of automation

Many businesses have not automated their core processes.

This means that large amounts of their employees' time is spent performing repetitive tasks which could be better served with automation.

This causes both employee and customer satisfaction to decrease, and creates inefficiency at every stage of the media monetisation process.

4. Slow cultural change

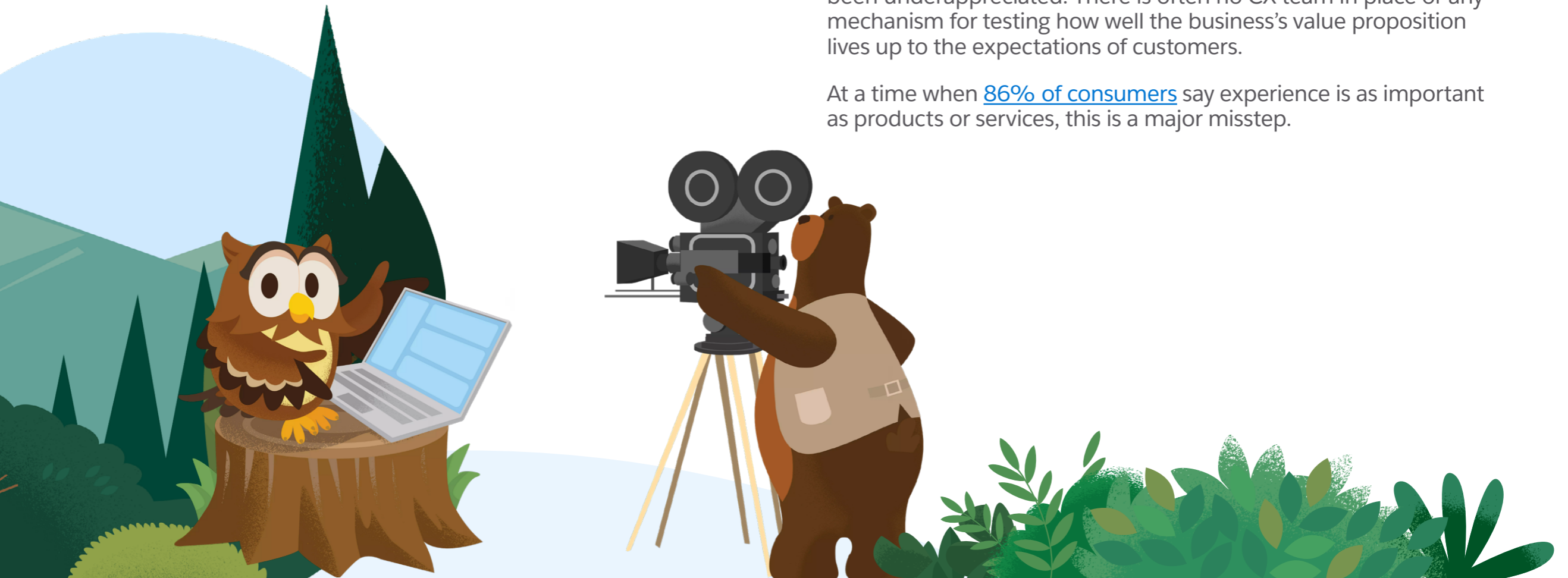
Many businesses have yet to grasp the value of a data-driven culture.

This means, irrespective of increased competition and squeezed margins, the need to connect data sources and increase data visibility has not been seen as a priority.

The result? Increased siloization, and an inability to use data to influence decisions across the business.

The importance of a customer experience (CX) culture has also been underappreciated. There is often no CX team in place or any mechanism for testing how well the business's value proposition lives up to the expectations of customers.

At a time when [86% of consumers](#) say experience is as important as products or services, this is a major misstep.



How businesses can overcome these obstacles

So how can businesses optimise their current models so they hit their full potential?

A customer-first mindset

A customer-first mindset uses digital transformation as a chance to create value by critically assessing and simplifying processes, offerings, and customer journeys.

This allows businesses to avoid simply moving current pain-points, friction, and inefficiencies to a new digital environment, and instead improve cost-efficiency and CX for both B2B and B2C customers.

For example, B2C customers can benefit from rationalised offers that fit their needs, simplified buying processes, and connected user-journeys.

B2B customers also benefit from rationalised offers, and more efficient quotation and purchasing processes. Check out [this fantastic presentation from Elsevier](#), if you want to see how this mindset can help you build a world class sales department.

But this approach also adds value through the interoperability of these streams. The more you are able to adapt to and meet customer expectations, the more robust 1st party dataset you cultivate on engagement habits. This allows you to optimise your assets, and personalise offerings more effectively which can increase customer lifetime value.

The data can then form the basis for more targeted one-to-one advertising to a highly-engaged audience base which increases the B2B commercial premium potential.



How businesses can overcome these obstacles

A robust data platform

The right choice of data platform can help businesses create enterprise-wide transformation.

This also allows businesses to break down silos, improve data visibility, drive strong integration across multiple data sources, and simplify processes. The cumulative effect is better mobilisation of data which can then be used to improve both CX and employee experience.

Take the subscription streaming service, Hulu for example. Using Salesforce, Hulu was able to mobilise its customer data to deliver a proactive and personalised chatbot experience that drove engagement.

Using the customer's behaviour data, the chatbot can make personalised recommendations about products or services they might like. Should the customer want to continue the conversation with a live agent, that agent will have access to all the data they need to seamlessly pick up where the chatbot left off.

By automating key processes, businesses are also able to rapidly and efficiently create dynamic 1:1 journeys and interactions. This gives them the CX agility they need to orchestrate rapid growth without decreasing satisfaction.



How businesses can overcome these obstacles

Improved data access & decision making

If managed correctly, connecting siloed data sources and increasing data accessibility can give everyone within a business a single, shared, 360° view of its customers.

This empowers company-wide teams with the data they need to make decisions which boost CX.

It also opens the door to further improvements such as the use of AI for smart recommendations.

This can help businesses provide more personalised offers to their customers. At a time when [74% of customers expect companies to understand their unique needs and expectations](#), this is a key part of staying competitive. If you want to see just how successful this can be, check out [this great webinar with global sports entertainment platform DAZN](#).

Data-driven decision making also allows businesses to effectively rationalise their offerings. By getting visibility on their least valuable (and highest trending) assets or offerings, businesses can remove the 'dead wood' from their catalogue.

Strategic automation

With a customer-first mindset, a robust data platform, and data-led decision making in place, businesses are able to automate their processes in a way that creates value.

For example, implementing a chatbot to handle low-level customer support queries improves time to resolution. The business can then reserve its highly-trained agents for more complex queries or re-deploy them for targeted cross-selling.

Using automation to reduce cost also frees up financial resources which can be used to increase headcount for higher-margin value creation services such as media and content strategy or advisory roles.

This helps businesses create profitable growth, by reducing cost through automation alongside increasing headcount to focus on new income streams.



Reimagining diversification to drive growth

Diversification is a vital imperative for businesses in the media sector. Even industry incumbents such as Netflix and Spotify are feeling the pressure from more diversified competitors such as Disney and Apple.

Diversification is not a new phenomena but it has typically focused on getting new assets into the market e.g. moving into video, audio, gaming, or live entertainment.

However, some businesses are reimagining diversification and building entirely new revenue streams or business models around their existing assets.

To highlight how effective this could be, in a recent survey by the Harvard Business Review, [63% of CEOs said they expect competition with new business models to be a major threat.](#)

But it's vital to point out that only by mounting enterprise-wide transformation which addresses the core processes in their current models, are businesses able to mount the kind of diversification that doesn't just increase complexity and friction.

Enterprise-wide transformation allows businesses to leverage data and create insight from these new business models, and to orchestrate connected and fulfilling customer journeys between them.

The cumulative effect? Businesses can reach new customers, make current customers more 'sticky', increase business resilience, become more competitive, and accelerate growth.

RTL Netherlands uses diversification to empower customers and drive growth

Dutch entertainment company RTL Netherlands, has activities across broadcast, streaming, content and digital. To lower the threshold for content access, it introduced RTLXL, an Advertising-based View On Demand (AVOD) platform to run in tandem with its Videoland SVOD subscription.

This allowed new customers to access content without signing up for a full subscription, which can prohibit some viewers.

But this also opened the door to journeys which led viewers from the AVOD platform to more content they might love in RTL's Videoland subscription Video On Demand (SVOD) platform. In addition, they enhanced the relevance of the advertising on its news platform 'RTL Nieuws' based on subscriber data gathered with customer consent on its subscription platforms.

The combined effect of these initiatives, means its subscription and advertised revenue streams reinforce one another, contributing to the successful growth of both.



Conclusion

With the right data platform and mindset, businesses can successfully monetise their media assets.

For many, the data platform they choose to deliver frictionless, personalised B2C and B2B media experiences is Salesforce.

Our purpose-built platform Media Cloud provides industry-specific data models, process libraries, tools, and applications. But the combined impact of Salesforce Media Cloud and the entire 360 product suite enables media businesses to take this to the next level. This means delivering holistic, enterprise-wide transformation opportunities to every department, every touchpoint, and every media customer use case.

It allows businesses to:

- Break down silos and fast-track their digital transformation with industry-specific processes, data models, integrations, and UX templates.
- Improve data access and decision making so they can launch tailored products, packages, and promotions without adding to complexity.
- Maximise advertising revenue through industry-specific processes, automated pricing, and discounts.
- Automate manual tasks and simplify their offerings
- Empower their teams with a 360° view of the customer so they can deliver intelligent, personalised experiences, across any platform.
- Build future-proof capabilities and tap into ongoing innovation to drive growth and resilience.

If you'd like to optimise your current business models, and lay the foundations for the next generation of media monetisation, contact us and let's get the conversation started.





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