Atos in Media
Pathways to digital transformation

Trusted partner for your Digital Journey
“The internet disrupted the media and entertainment value chain. Business, however, is essentially still based on the fundamentals of a century ago: engaging and retaining audiences. What is changing dramatically is the way to monetize the products and services you offer them.”

Mauro Starinieri, Global Head of Media Portfolio, Atos

For thirty years and more, the media industry has been a true pioneer in digital transformation. What is different today, is the degree to which digital media experience has become utterly enmeshed in people’s private, professional and social lives.

When we ask, ‘What happens next?’, there is no better place to start than by examining how people behave as consumers of media products - and thinking about how that behavior already points to new kinds of consumption and participation.
Look across the media landscape and life-cycle. Nothing is untouched by digital transformation. Print, broadcast TV, film, gaming, music, advertising, corporate branding; all are being reinvented for the digital age. It’s as true in the studio as it is on location - as true in the home as it is in the stadium, the cinema or on the train.

Media companies can no longer separate business strategy from digital strategy: digital is no longer an “add-on”.

Every media company needs to compete for audience-share in a world transformed and transforming – a world in which audience behavior and expectation is in a state of continuous mutation. Audience behavior is:

**Connected**
Audiences are always connected. From the moment we wake up to the moment we fall asleep, access to news, to entertainment, and to social media is rarely more than an arm’s length away. Unsurprisingly, the digital detox is now a thing.

**Volatile**
Loyalty is fluid. Even the biggest media brands struggle to hold a live audience for an hour or so. People routinely flip in ten-second bursts. Box set gorging is now a thing.

**Various**
From mega-screens to micro-screens, fixed or mobile, scheduled or on-demand, audiences consume in more ways than ever before. Fee-based streaming is now a thing.

*Source IDATE: https://en.idate.org/digiworld-institute/digiworld-yearbook/global/

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The digital mega-shift

Digital has already had a massive impact across all media sectors - and these are only conservative estimates, according to IDATE*:

**Publishing**
30% of all book sales are now digital while 10% of press purchase is online. These figures ignore the deeper impact of the rise of the spoken book, for example, and a generation of news consumers who have never bought a newspaper.

**Music**
60% of music sales now happen online while physical media are losing 15% and more annually. Digital does not just impact recorded music. Audiences for live performance can be radically extended through digital. Look, for example, at opera houses playing to regional cinemas.

**Film and video**
70% of all film and video revenues are generated over the product lifetime through video-on-demand services. This ignores the extended profitable lifetime of historical assets that would simply have gathered dust in the pre-online world.

**Games and entertainment**
No surprises here, with online gaming accounting for some 60% sales now happening on personal, usually mobile, devices. What is surprising, perhaps, is that there is still a market for offline anywhere but on the race-course.

Previously distinct barriers between sectors become increasingly blurred. National public service broadcasters, for example, are learning how to play new roles as global media companies, selling digital output to and through Over the Top (OTT) providers and inviting active participation from worldwide audiences.

Atos has been providing both IT and specialist digital services to the media industry for over 40 years. With our current focus on digital transformation, we are helping clients from across the media industry identify opportunities and define the IT and digital strategies needed to turn them to practical and differentiating advantage.
In dialog with our media clients around the world, six topics come up again and again. Although these are not overtly technology themes, they are all deeply linked to a world in the midst of digital transformation.

Consider these six mega trends, particularly from the perspective of changing audience preference and behavior, and they provide essential indicators to the new digital skills and capabilities that now become so essential for sustained media success.

To a very large extent, it’s study of these topics which steers our own investment in the resources we need to best serve our media clients.

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<th>Client considerations</th>
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<td><strong>Operational excellence</strong></td>
<td>In a period of rapid change and market turbulence, media companies must keep operational excellence in keen focus. Not only must they ensure that all aspects of production, service delivery and customer engagement are conducted with the greatest agility and efficiency. The ongoing shift in broadcast from bespoke and dedicated infrastructure and network technology to IT and IP is an indicator of change driven by the need for business agility and operational efficiency. Media companies must also continually monitor the cost of operations, seeking opportunities for major savings.</td>
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<td><strong>Mergers and acquisitions</strong></td>
<td>The media market has always been volatile: many of the world’s leading publishers still use names resulting from historical acquisition. What changes now is the pace and breadth. Scalability, globalization and critical mass now become the key drivers. As established media companies respond to new OTT players, for example, new alliances with the previously distinct telecommunications market also become normal.</td>
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<td><strong>Telco and media convergence</strong></td>
<td>It’s not just that the telcos underpin media delivery in a connected and mobile world. The relationship between media company and telco also opens access to new audiences and to new ways of promoting and marketing products. There are huge technology implications too - not only in terms of handsets and leases, but also in terms of dynamic network planning and capacity management.</td>
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<td><strong>OTT service delivery</strong></td>
<td>Digital strategy consultancy from Atos provides a balanced and insightful perspective on these threats and opportunities.</td>
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<td>Established broadcasters and media service companies naturally see the OTT players as the greatest of all threats. Whether it’s movies, documentaries or music, OTT companies can address audiences directly without any of the traditional delivery overheads. The battleground is always going to be content, and as OTT revenues increase, so too do their production and commissioning budgets. Although premium content is essential, it does not guarantee great consumer experience and loyalty. All consumer touch points must be considered for fruitful 360-degree customer management. But the game is not completely one-sided and established media players can equally well develop winning OTT delivery models, competing on both content and consumer experience.</td>
<td>Real-time analytics and agile payment services are critical in a media landscape redefined by OTT, and in both these specialties, Atos has much to offer. Depth of behavioral understanding coupled with the ability to personalize contract and consumption with maximum agility are both winning capabilities.</td>
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<td><strong>Digital media business models</strong></td>
<td>New digital media models need new media cultures. Atos is not a media guru: we are a partner in digital transformation.</td>
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<td>A new generation of media executives is moving into position. These are people who have never experienced a world in which advertising revenues are either stable or assured. These are people who have grown up with click-driven metrics and micro-payments, and indeed with an understanding of the ethics and risks of a world in which all media is social media. Can the incumbent models and processes of established media adapt and extend to the world of new digital media, or is it time to build from zero?</td>
<td>With analytics, cloud delivery and orchestration, the digital workplace, cyber-security and agile payment systems, we put the tools in place. When audiences engage across multiple channels, support and management for those channels must be integrated, rationalized and secured. There can be no media transformation without digital transformation.</td>
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<td><strong>Sports</strong></td>
<td>The world of sport is a multi-billion-dollar industry and it concentrates all aspects of the digital media revolution. From subscriber access and live-action offers, through additional data services and in-play betting, sport has become the showcase for digital entertainment. And with the arrival of OTT services, sports clubs gain unprecedented opportunities to take ownership of their media brand and behavior. As worldwide IT partner to the Olympic Games since 2001, Atos has been instrumental in transforming the digital experience of sports fans for the world’s largest media and sporting event. Our digital transformation consultancy has helped shape multi-channel delivery, the growth of media analytics in sport, and the provision of new and compelling data services for sports fans both for the Olympic Games and for many other sports organizations globally.</td>
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As a partner in digital transformation to the media industry, Atos has a clear understanding of how best we can contribute. Our business technology skills contribute directly to meeting the business challenges faced by our media clients in this period of dramatic industry change.

Putting the audience first

Every member and potential member of your audience has more choice than ever before. People consume content over multiple devices at home, at work and on the move. Personalized, on-demand services become the norm.

To satisfy continually shifting audience expectations, media companies must know audiences and their behavior. They must know how to craft propositions at an increasingly personal level, and they must know if they are meeting acceptable quality-of-service levels.

With the arrival of real-time analytics, Atos’ deep experience of CRM and client engagement are now employed to help media companies gain unprecedented insight into their audiences and potential audiences.

Covering the media supply chain

The media supply chain is more articulated than it has ever been. The path from production through to consumption is no longer bound by single channels and fixed schedules.

For publishers, broadcasters and entertainment companies, the ability to automate, manage and monitor complex supply chain landscapes becomes a pre-requisite for survival and success.

Atos is expert at the process optimization and automation which now becomes the core of effective media supply chain management.

Most importantly, Atos can help media companies eliminate the need to develop and support multiple support systems for multiple channels. Integration is central to all future efficiency. This is not only about managing cost. It’s also the key to agility which is so essential to new product and service development.
The data game

All media business is increasingly data-driven, from infrastructure and content supply chain through to audience engagement. But how do you transform a media company to give it an edge through new data analytics?

With our Atos Codex offering for data analytics, we deliver the capabilities and resources needed by forward-thinking media enterprises.

We provide the realtime tracking and analysis needed to understand audience behavior; we offer the analytical tools needed to monitor content consumption from the latest streamed event to the oldest archive asset; and we deliver the IoT smarts and Artificial Intelligence (AI) skills needed to ensure that virtualized and physical media infrastructures can sustain optimal performance levels by improving, for instance, their efficiency with predictive maintenance.

Virtualizing media infrastructure

The rapid rise of OTT players, the new agility required for rapid new product go-to-market, and the need to reduce operational costs all point to the power of fully virtualized infrastructures. As media companies build increasingly dynamic relationships with communications companies and extend their geographic reach to serve global audiences, mastery of fully virtualized media infrastructure becomes a prerequisite for profitable growth.

Atos has developed a groundbreaking Network Function Virtualization proposition for our communications clients. A similar approach, combined with the required media skills, is now offered to media clients seeking the benefits of fully virtualized infrastructures.

The Atos Media Functions Virtualization proposition includes both a reference framework and technology partner ecosystem. We are equipped to support media clients through the transition from dedicated broadcast media technologies to virtualized infrastructure. Virtualization gives media companies the flexibility and scalability they need to compete effectively in the new digital media landscape.

The virtual media infrastructure becomes particularly important, for example, when seeking to exploit the peak demand for one-off sporting or cultural events. By virtualizing, media companies can scale up to meet exceptional service demand, confident that the quality-of-experience will satisfy audience demand.
1. **Cognitive Media Analytics and Artificial Intelligence**
   Covering realtime analytics, AI and cognitive computing, Atos Codex helps deliver media insight on everything, from audience behavior to quality-of-service. It is used in predictive maintenance for media infrastructures and for tracking and optimizing the digital supply chain.

2. **Media Function Virtualization**
   By virtualizing media functions, Atos helps media companies achieve unparalleled scalability and responsiveness.

3. **Orchestrated Hybrid Cloud**
   As cloud delivery becomes the norm, Atos orchestrates services from multiple providers for seamless media operation.

4. **Digital Workplace for Media**
   For both media company employees and extended partnerships of independents, the new media workplace is agile, cloud-based, mobile, personalised, and omni-channel. This makes rigid and costly corporate networks a thing of the past.

5. **Cybersecurity**
   In a world of social media, interconnected technologies and internet-based delivery platforms, every media company faces rapidly mutating threats. Atos provides the integrated managed security services needed to protect assets, customers' data, infrastructures and reputation.

6. **Payments and Transactions**
   With the rise of personalized services and highly articulated service bundles, Atos provides agile platforms for effective digital micro-payment and client engagement.

7. **Digital Transformation Factory**
   With our industrialized approach to digital transformation, Atos puts media companies on the fast-track to new digital practice with a growing library of media use cases.

8. **Media Supply Chain**
   Atos automates the media processes needed to create, manage and distribute content with deployment on-premise or in-cloud for maximum agility.

9. **Broadcast Network Control System**
   As every media device in the production environment becomes internet-enabled, Atos BNCS eliminates the need for costly dedicated platforms for managing hybrid legacy and IT/IP-based media infrastructures.

10. **Help and Interaction Center**
    New generation media audiences expect instant and personal support. Advanced robotics and AI help Atos create the media contact centers of the future.

11. **IT Transformation and Outsourcing**
    Every established media company struggles to manage heritage IT platforms in the face of continuous change. As an ITO partner, Atos is committed to a program of continuous optimization and cost-effective service delivery.
Atos has provided IT Outsourcing services to many of the world’s foremost media companies for many years. As we make shift towards partnership in digital transformation, we maintain an acute professional focus on ITO.

Over the years, our media clients have made significant investments in the IT solutions and services needed to manage their businesses and customer relationships. We now look towards virtual models for core media processes and operations with a strong emphasis on cloud and analytics. It becomes more important than ever before to ensure core IT systems are agile, cost-effective and fit-for-purpose.

This becomes especially important when mergers and acquisitions occur. In these situations, the speed and efficiency with which core business systems can be integrated makes a fundamental contribution to success.

With its Digital Transformation Factory, Atos has developed an industrialized approach to effective innovation. We serve clients from many sectors and are continually extending our repository of use-cases, exploring ways in which innovation in one sector can bring benefits in another.

Investments made in Network Function Virtualization for the telecommunications sector, for example, are now bringing direct benefits in accelerating the design and implementation of networks for virtualized media infrastructures.

Growing media adoption of IP and IT brings many benefits but also creates new challenges: content and customer data protection and business continuity, for example, must be secured. Atos has strong cyber-security solutions, skills and best practices that we already apply in many large media and entertainment organizations, including the Olympic Games.

By putting use-cases at the core of our approach to digital transformation, we ensure that things happen fast. We take ideas to a fully-functioning proof-of-value, often using actual datasets, in just a couple of months. Speed is critical in achieving business differentiation.

**ITO remains critical**

**A direct pathway to digital transformation**

The milestones in media digital transformation are clear: virtualization in infrastructure and value chain; an agile and enabling digital workplace; data-driven intelligence and business insight; and an increasingly personalized audience experience. How can media companies embrace these changes for increased differentiation while minimizing risk?
Atos and the Olympics

Atos has been the Worldwide IT Partner to the Olympic Games since 2001. Our contribution to the Olympic Games is particularly relevant for our clients in the media sector: the Games are the world’s largest media event.

From the start, Atos has worked to bring the benefits of digital innovation to the Games, and we are now showing how digital transformation adds value to the experience of sports fans around the world, while making operations as agile and efficient as possible.

At the PyeongChang 2018 Winter Olympics, for example, Atos introduced the “build once - use many” approach to media infrastructure. Using only cloud models, Atos eliminated the need to set-up hardware on site, delivering all media services without a glitch by triangulating services between South Korea, Spain and London.

During the Games, we delivered realtime results to over 8 billion devices. We are looking forward to Tokyo 2020 as the most digitally enabled Games in history.
For over 40 years, Atos has built its reputation as a responsive and innovative business technology partner to the world’s leading media brands.

For the Olympic Games we have crafted a repeatable and innovative approach to servicing the world’s greatest media and sporting event.

Across publishing, broadcast and entertainment we have delivered consistently advanced service as a technology partner, and today are actively influencing the industry-wide drive to digital transformation.

As a digital transformation partner, we are eminently practical. Our ability to move quickly from digital transformation discovery sessions to working proofs-of-concept and actual implementations is an indicator of how we work together with our clients in the rapidly changing media markets.

A day spent in one of our worldwide network of Business Technology Innovation Centers is a great place to start.

Make Atos your partner, as you plot your pathway to digital transformation.
About Atos

Atos is a global leader in digital transformation with approximately 100,000 employees in 73 countries and annual revenue of around €13 billion. The European number one in Big Data, Cybersecurity, High Performance Computing and Digital Workplace. The Group provides Cloud services, Infrastructure & Data Management, Business & Platform solutions, as well as transactional services through Worldline, the European leader in the payment industry. With its cutting-edge technologies, digital expertise and industry knowledge, Atos supports the digital transformation of its clients across various business sectors: Defense, Financial Services, Health, Manufacturing, Media, Energy & Utilities, Public sector, Retail, Telecommunications and Transportation. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, Unify and Worldline. Atos SE (Societas Europaea) is listed on the CAC40 Paris stock index.

Find out more about us
atos.net

Let’s start a discussion together