

evolve or die

Globalization and the Fragmenting Marketplace: Using Cutting-Edge Technology As A Competitive Advantage

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The introduction of new technologies continues to change the world as we know it. These changes are usually radical, often unexpected and almost always threaten the status quo. There are no areas left unaffected, including the broadcast media landscape, which has not escaped these profound shifts. Television is now on the cusp of a dramatic revolution unlike anything previously witnessed.

As the broadcast industry experiences rapid transformation, there are now more options to receive and view broadcast content than ever before. These options are the main factors contributing to the fragmentation of the media.

The world is becoming an increasingly smaller place. Paradoxically, we can all receive content from across the globe and yet content consumption is becoming progressively more fragmented and localised. As more channels are introduced, audiences will become increasingly fragmented. Most channels will struggle to reach an audience large enough to make them commercially viable. Take as an example, a keynote address earlier this year delivered at NATPE 2006, a U.S. broadcast industry tradeshow that targets the global television community, in which BBC Chairman Michael Grade noted that in 1995 there were 225 shows across British television that delivered audiences of more than 15 million. By 2004 that figure had dropped from 225 to just ten shows. Last year there were none.

The increasing number of channels and the introduction of new programming combined with the availability of new technology – and new distribution channels – provide consumers with a plethora of viewing options, allowing content to be viewed anywhere and at any time. While consumers may see the availability of seemingly limitless content as an advantage for themselves, it actually presents an issue that the broadcast industry cannot ignore – how can you determine what is actually happening to your video?

In a world where television channels are born, live and die at dizzying speed, the multi-channel, multi-region universe is more difficult to understand now more than ever. How can you be sure the integrity of your content is maintained once broadcast? How can you determine your video is being distributed as it was intended? For decades, owners of all kinds of video footage – from news to soap operas, sports matches to feature films – have struggled to get accurate information on when and where their video was broadcast and to keep track of their content following distribution. If content owners do not take immediate action to both manage and protect content in this age of dramatic change, they may miss out on new crucial business opportunities and risk being at a competitive disadvantage.

In the past, a standalone digital rights management solution (DRM) would be a viable resolution, but with increased media fragmentation, this is no longer tenable. The accelerating rate of change in the television

market is driving progressive video media companies to find ways to better analyze, measure and manage performance, and the digitalization and proliferation of content coupled with an increase in available delivery platforms has made the broadcast industry aware of the need to establish media intelligence systems. Once a solution is found that can handle these changing needs, the key to emerging ahead of the competition is found in the intelligence gathered.

Business models that worked for content owners in the past may not be sufficient today. Solutions must be adapted to stay in tune with the current evolving landscape. Solely using a DRM solution will not work anymore. Sure, it can tell who owns the rights to the video, how much to pay the talent, and who made specific contributions to the content. But how can you be sure of what happens when the video is distributed? Is it being used in accordance with the contract? Has it been edited without permission? Was it re-run multiple times without consent? How will content owners truly know?

The precise intelligence required can be gained through the use of digital watermarks. Watermarking technology coupled with an accurate reporting service helps content owners such as entertainment companies, news organizations, TV syndicators, and the advertising industry to maintain control over assets, protect content and generate higher return-on-investment.

Content owners need to remain on the cutting-edge of technology in order to maintain a competitive advantage. For example, a news story that originates in the U.K. may wind up airing at one of the network's affiliate stations in Australia – something no one would have thought possible just a few years ago. How would they know the content was aired? These types of situations create a need for video to be accurately tracked to maintain a sense of whom the audience consists of and how far the video reaches. If the original broadcast content contained a digital watermark, gathering all of this information can be done within minutes.

Use of watermarking technology not only helps manage the protection and control of video, but also serves as a pertinent aspect of the planning process. If the U.K. network referred to above knew beforehand that its Australian affiliate was interested in using a particular news story, it could distribute more targeted content relating to that specific topic, ensuring clients have the most useful information to meet their needs.

The rapidly evolving digital media world continues to create countless new business opportunities. There are currently many types of delivery systems for content, as well as a proliferation of channels on cable, satellite



With the media market changing so quickly and dramatically, movie studios, television networks, and advertisers must be sure to block the accidental or deliberate misuse of their media assets – and need to find ways to continuously protect sensitive content throughout its entire lifecycle. Watermarking technology is the wave of the future. Used in conjunction with reliable tracking and monitoring solutions, it can ensure content providers know the true reality of how material is actually used.



and terrestrial broadcasting platforms. In order to manage this process, content owners across the news, programming and advertising sectors have begun looking at how their output is working for them as well as how it is protected. Keeping track of who is using what material and who owns it is more now complex and more important than ever.

How do content owners ensure the video is accurately tracked, as it needs to be? In order to be protected, content has to be precisely identified, which is made possible by watermarking technology. Embedding watermarks within the video itself allows the transmission of data within analog or digital signals, allowing for the monitoring of information such as when, where and how long the video aired. Accurate data is delivered to the content owner instantaneously, and can be used to gain specific intelligence, not just serve as 'proof of airing.'

In the near future, watermarking technology will be the norm. Take the following scenario into consideration. A major motion picture star demands his contract stipulate that his latest feature film be watermarked in anticipation that the movie will be later distributed on television. In requiring watermarking of the movie, the star can ensure precise compensation according to the syndication deal, for the entire lifecycle.

Also consider that the process of watermarking occurs in post-production, which means the movie trailers are able to be tracked as well, resulting in the accurate monitoring of marketing efforts by the producers and distributors. Fast-forward to the evening the movie is broadcast on satellite or terrestrial television. The watermark allows the movie to be detected for each individual airing, anywhere in the world.

Advertisers who have paid for the ad breaks are also receiving instant and accurate data reports verifying the precise time and duration of their ad units to make sure they match up with their inventory. Say there is a news bulletin that runs before and after the movie on this particular evening. The pictures contain footage from each of the news agencies that have also watermarked their output. They are able to determine just how much of their news content aired, as well as which content was not aired, providing crucial information in their decisions of what to feed their affiliate stations.

With the information generated, executives at the production company, the distributor, the advertiser, the news agency and the movie star's agents can compute the royalties owed, determining the end return-on-investment. Through the use of watermarking technology, media intelligence can be used as a management tool enabling informed decisions to be made about performance and reach of video content.