

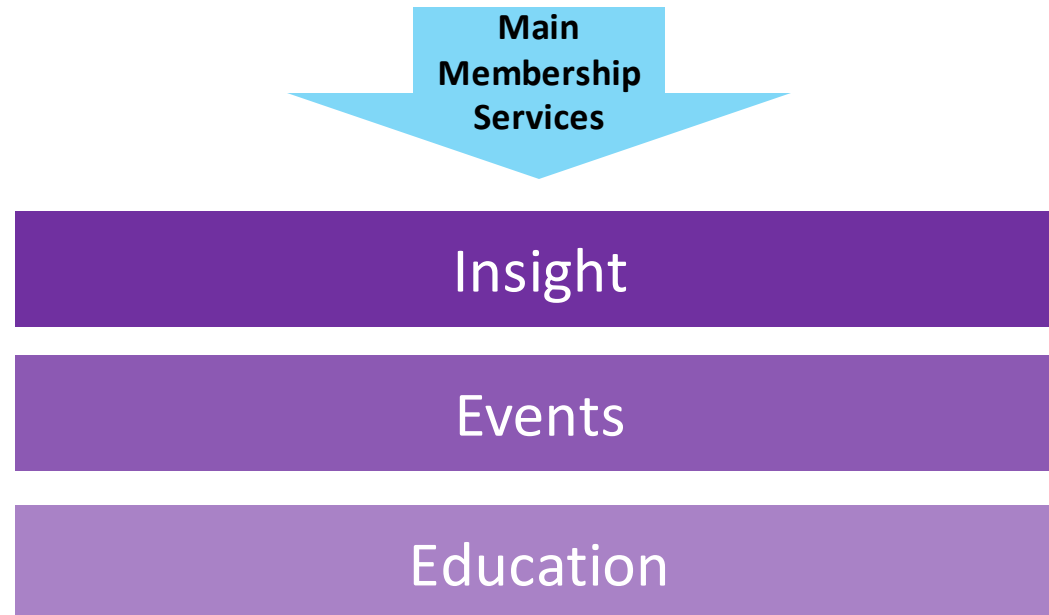
MediaTech Convergence

Lorenzo Zanni, Head of Knowledge, IABM

What is IABM?

Inform, Connect, Support

IABM is the independent, international organization that **informs, connects and supports** the entire MediaTech ecosystem



What is IABM?

The MediaTech ecosystem

IABM is the independent, international organization that informs, connects and supports the entire **MediaTech ecosystem**



Convergence

The lines of demarcation between sectors are blurring

Netflix identifying its main competition

*We **compete** with a staggeringly **large set of activities** for consumers' time and attention like **watching linear TV**, reading a book, **browsing TikTok**, or **playing Fortnite**, to name just a few. As one example of this dynamic, on October 4, **when Facebook experienced** a global **outage** for several hours, **our engagement saw a 14% increase** during this time period*

Netflix's Q3 Letter to Shareholders
(October 2021)



Sources: IABM, Company filings

Convergence

MediaTech Before: Clear demarcation

MediaTech Before



Tagging the competitors identified by Netflix

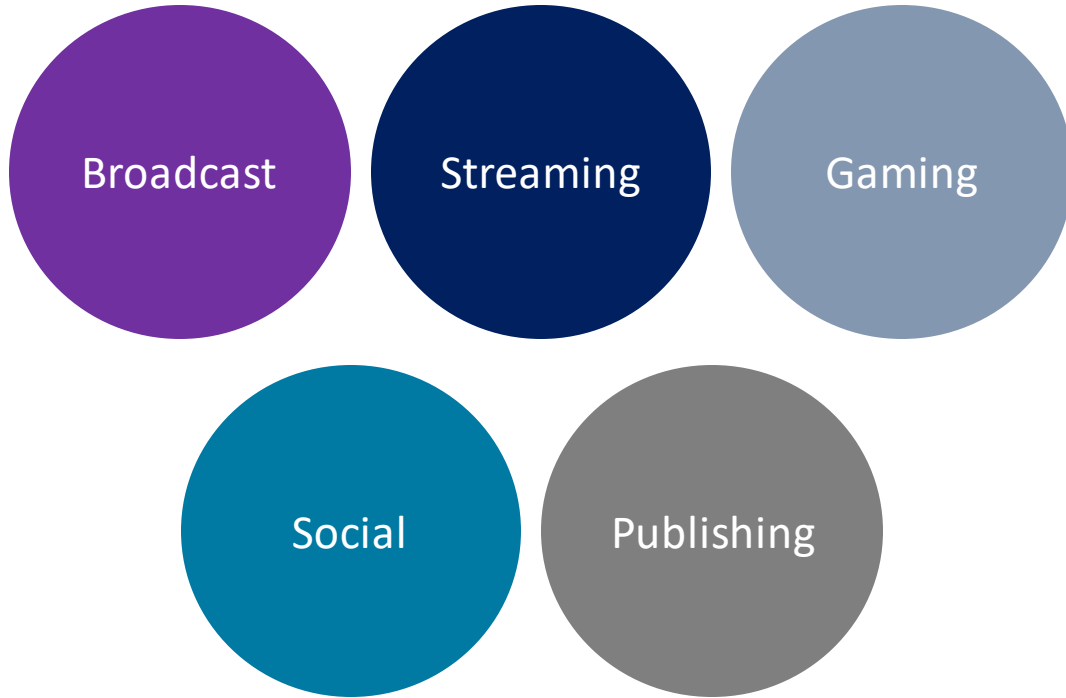


Sources: IABM

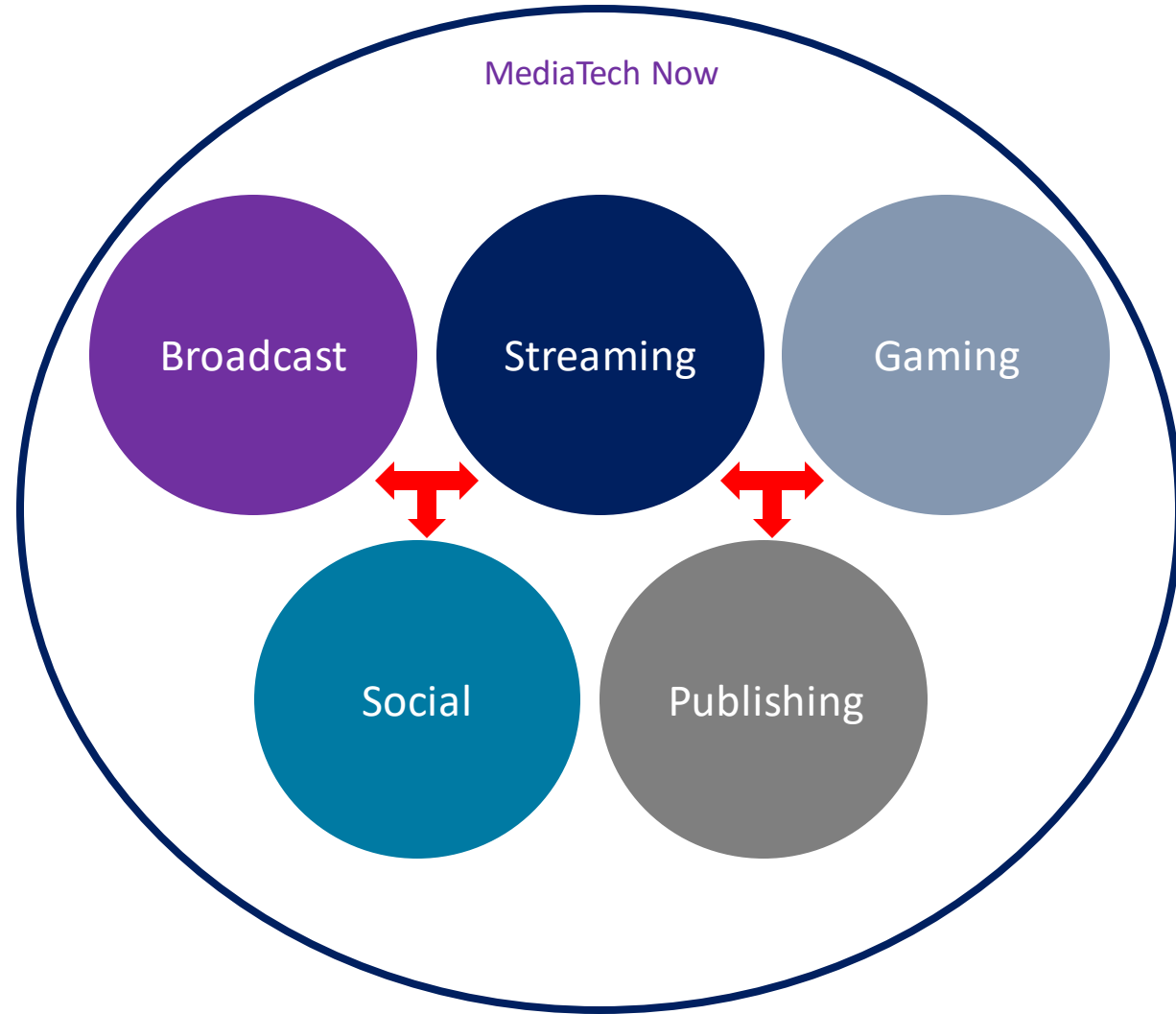
Convergence

MediaTech Before & Now: Convergence

MediaTech Before



MediaTech Now



Sources: IABM

Convergence

Gaming is increasingly the epicentre of convergence in the MediaTech universe



Disney hires gaming exec from Apple while Bally Sports makes a series of gaming/betting acquisitions



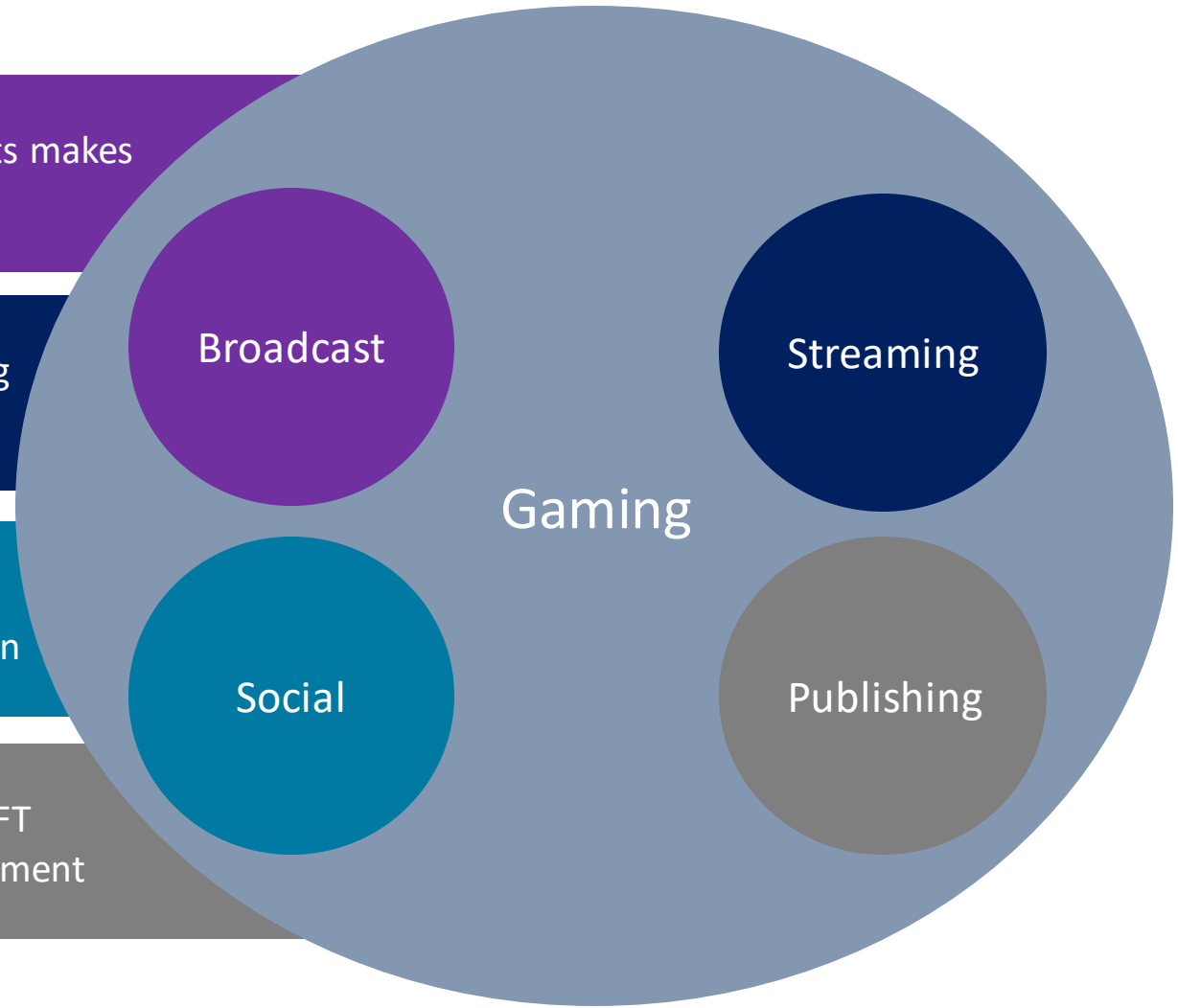
Netflix launches gaming offering and buys 3 gaming companies while DAZN launches DAZN X



Facebook rebrands as Meta and invests in the Metaverse while Microsoft buys Blizzard for \$68.7bn



Publishing businesses such as the NYT and the FT invest in gamification to improve consumer engagement

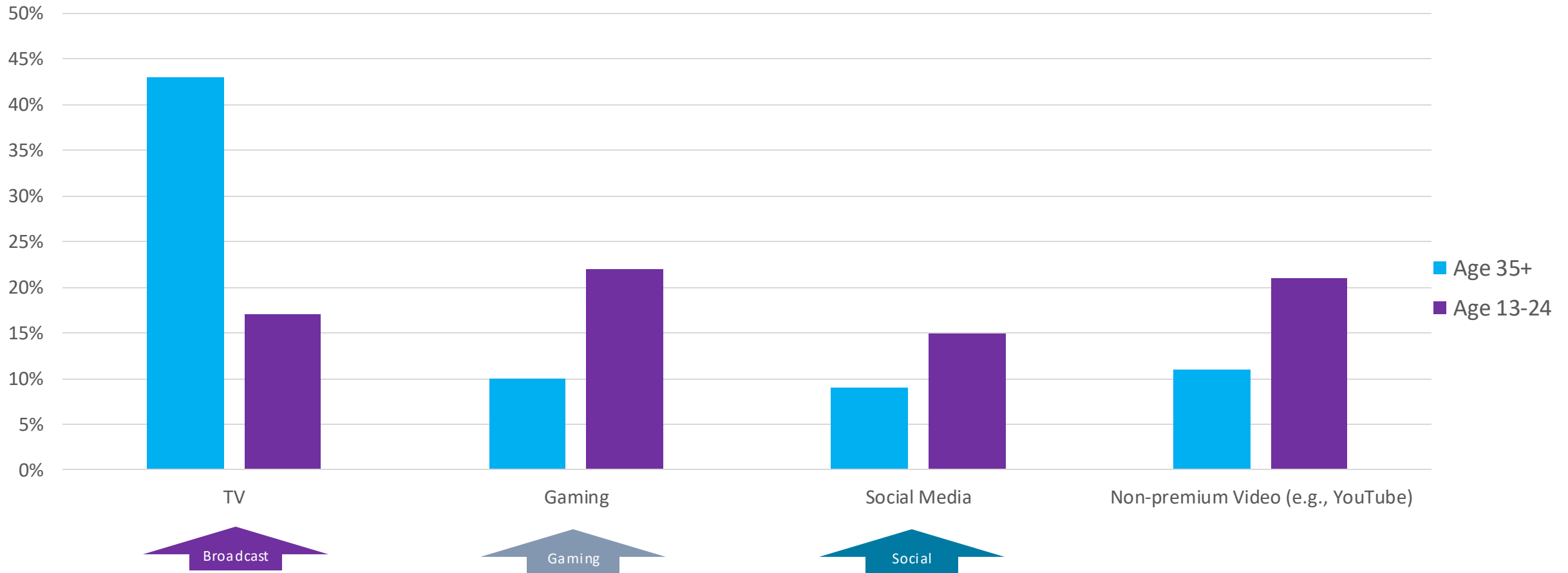


Sources: IABM

Convergence

New generations demand converged experiences

Entertainment habits in 2022, by generation



Sources: IABM, Hub Entertainment Research

Convergence

Many initiatives in 2021-2022 combine data, gaming, betting and commerce



Acquisitions of Boss Fight, Night School and Next Games to launch gaming offering free to existing subscribers and rollout of interactive content



Acquisitions of Telescope, Gamesys Group and SportsCaller with a particular focus on gaming and betting for consumer engagement



Acquisition of Texel, launch of DAZN X and appointment of new CTO to increasingly focus on betting, gaming and e-commerce



Hired gaming exec from Apple to lead its next-gen division and is developing an app and wider engagement proposition for ESPN

Most initiatives aim to augment/diversify revenues through better engagement

Sources: IABM

Convergence

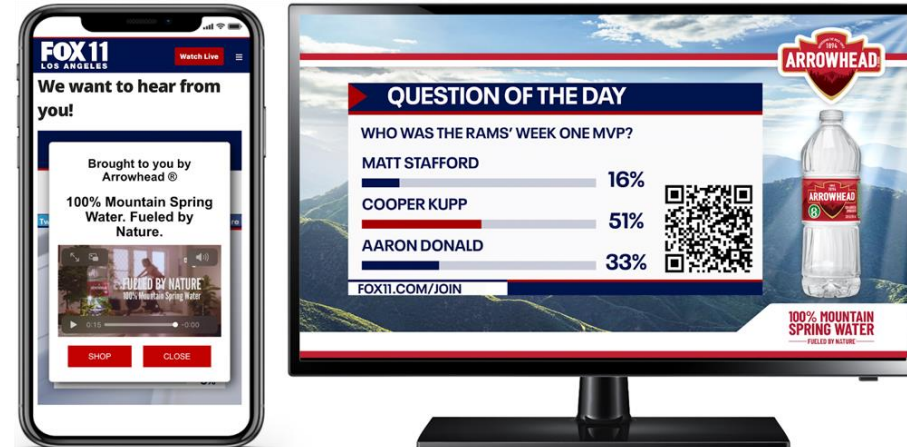
Live could be a testbed for convergence and its impact on monetization

Live Sports



Seven West Media invested in tech firm Aura to incorporate gaming, betting and commerce features into its sports content

Live News



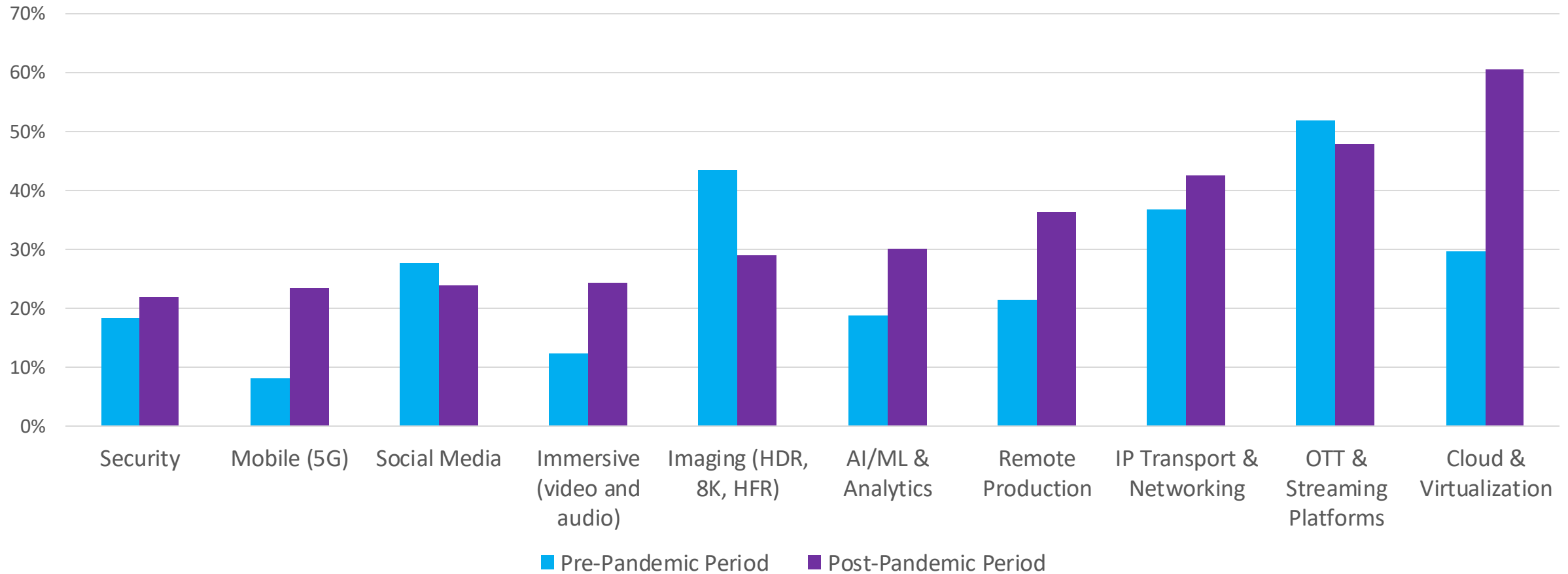
Several US local broadcasters rolled out sponsorships featuring polls and other interactive content to boost ad revenues

Sources: IABM, Aura, SportsPro, FoxLA, TVNews Check

Convergence

Impact of convergence on MediaTech: MediaTech roadmap

% Importance of trends in MediaTech Roadmap

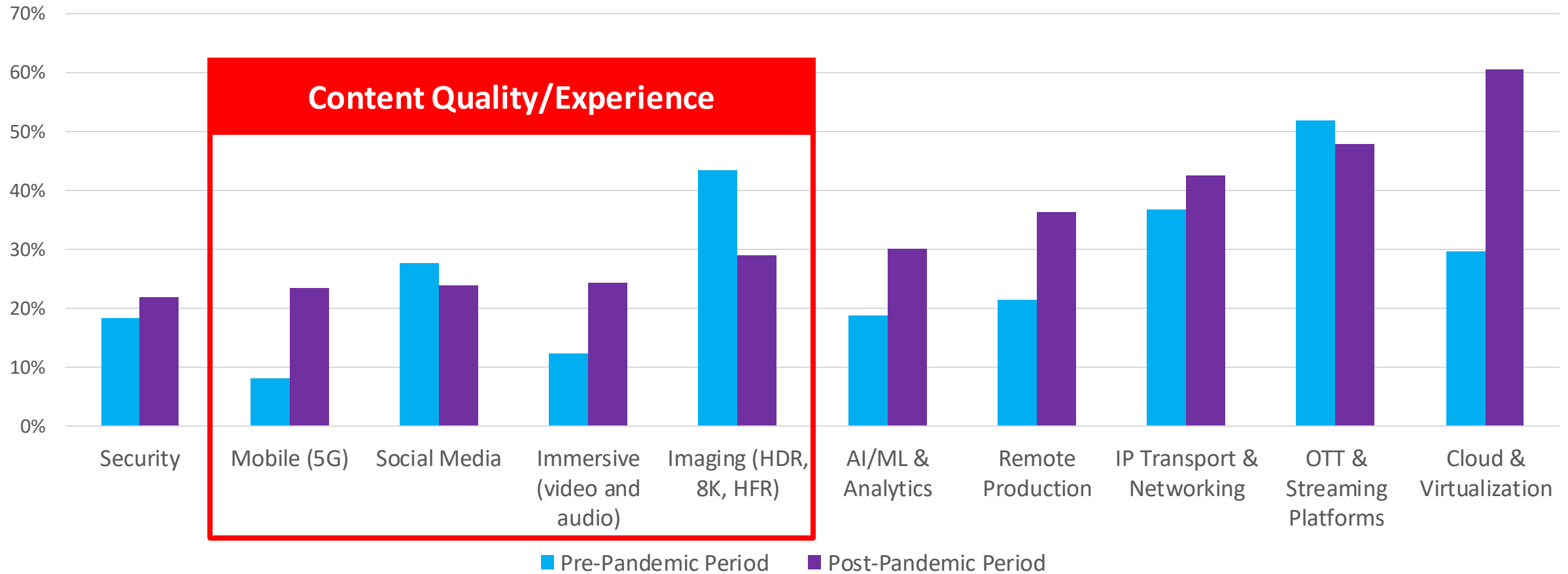


Sources: "Pre-Pandemic Period" refers to the period 2017-2019, "Post-Pandemic Period" refers to the period 2020-2022

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Impact of convergence on MediaTech: MediaTech roadmap

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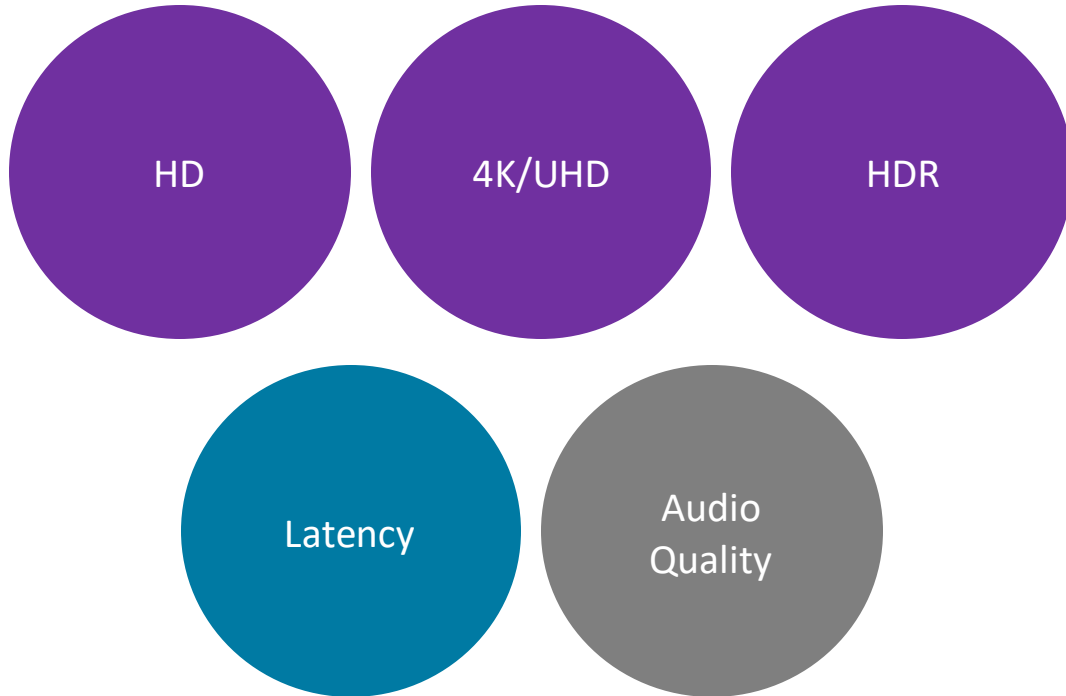


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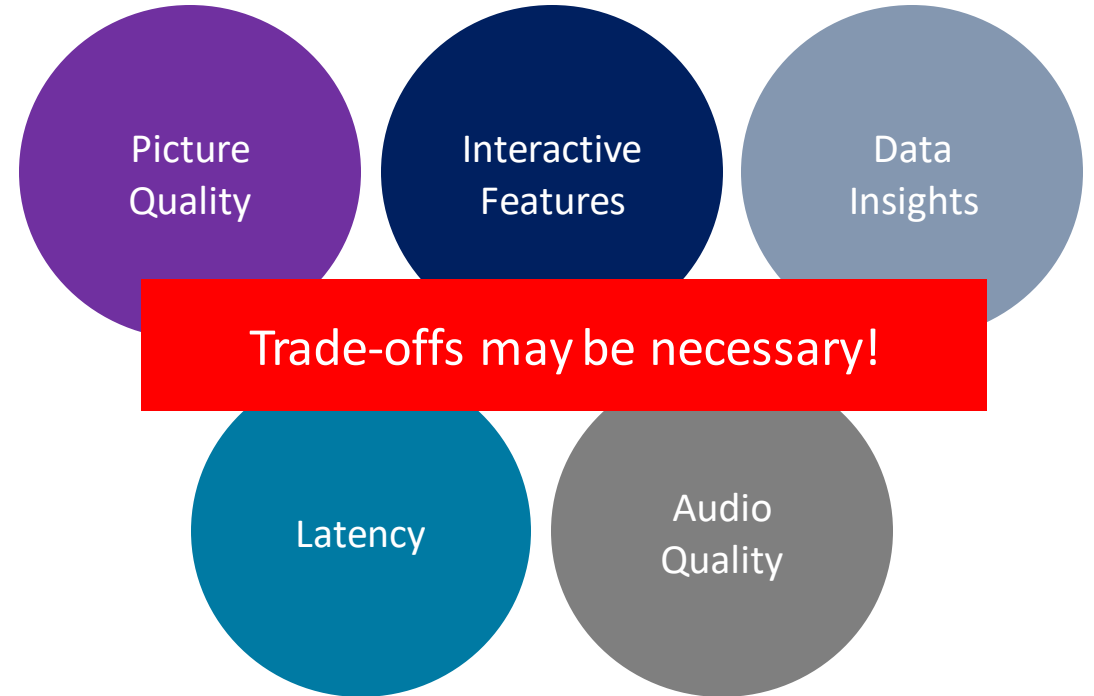
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Has the definition of content quality changed?

Quality Before: Picture quality dominated







Quality Now: Picture quality is just one element



Sources: IABM

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Impact of convergence on MediaTech : Impact by segment

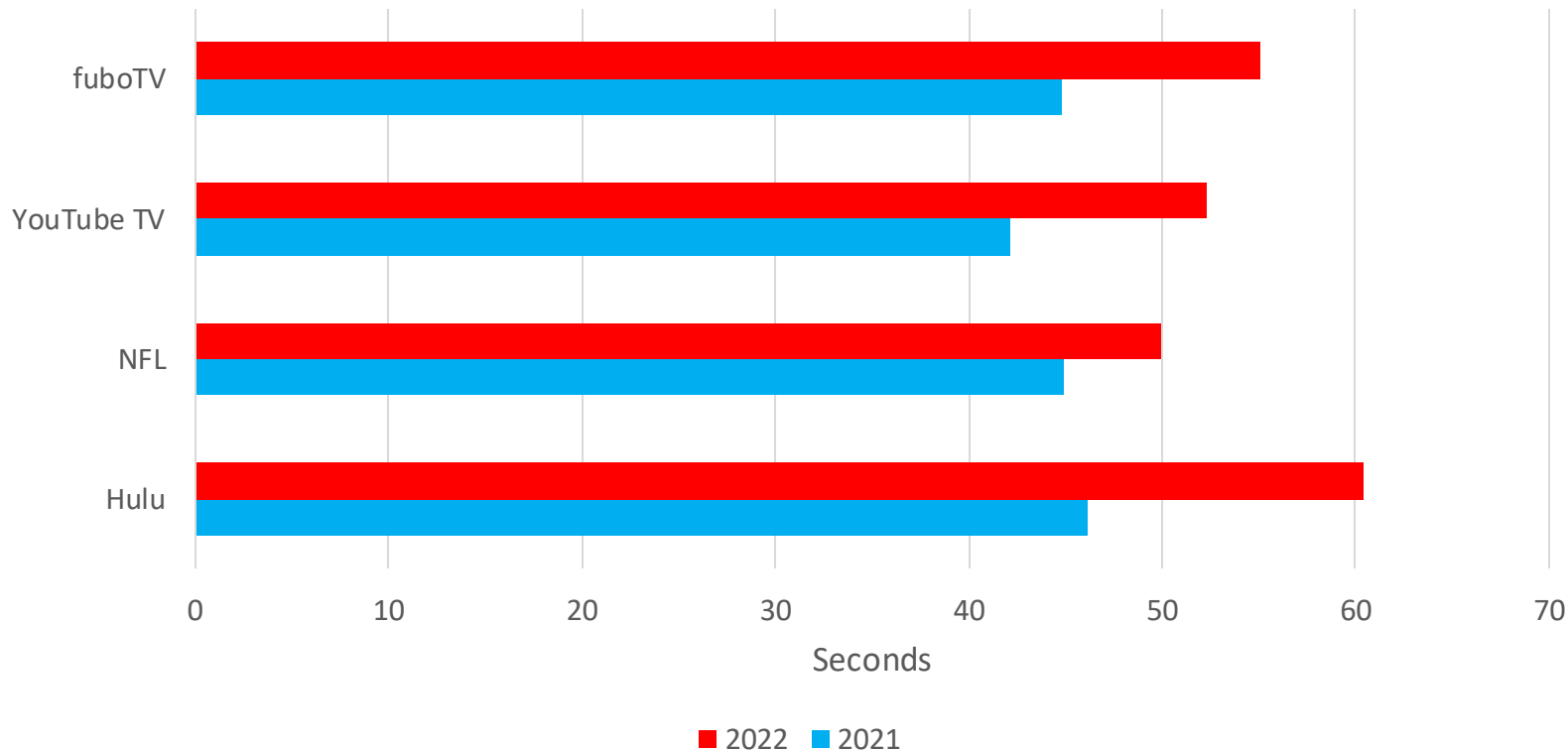
		Segment	Main Convergence Impact on Media	New Purchasing Drivers	
Content Supply Chain		Creation	Increasing investment in immersive and virtual production	+ Tech Versatility (adaptability)	+ Tech Usability (user-friendly, low-code etc.)
		Management	Increasing investment in data capabilities		
		Distribution	Increasing investment in interactive experiences		
		Infrastructure	Increasing investment in cloud/edge		

Sources: IABM

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Infrastructure: Convergence increases latency

Super Bowl 2022 and 2021: Measured lag behind real-time for selected services



Streaming & Betting
More viewers streamed the 2022 Super Bowl through the internet while betting on it in near real-time, increasing latency issues for providers

Cloud & Edge
Several infrastructure providers have focused on bridging cloud and edge to allow for the convergence of different media experiences

Sources: IABM, Phenix, TVTechnology

Convergence

Creation: Growth of virtual production with increased impact on latency

Stats on Virtual Production Growth

Unreal Engine
Growth in downloads
(January-December 2021)

+40%

ICVFX
ICVFX stages in January 2022
(up from <12 in 2020)

250

AWS expanded its Local Zones by 32 new cities in February 2022

Stephen Kowalski
Director of Digital
Production Infrastructure
Engineering
Netflix
(February 2022)



*Historically, artists had specialized machines built for them at their desks; now, we are working to **move** their workstations to the **cloud**. In order to provide a good working experience for our artists, **they need low latency access** to their virtual workstations*

Christian Kennel
VP Post & Production
Technology
FOX Entertainment
(February 2022)



*With AWS Local Zones in **close proximity** to **our production hubs**, shoots, and the famed FOX lot, we're able to **deliver cloud resources directly to our artists**, allowing them to craft their vision without the limitations of traditional remote solutions*

Sources: IABM, AWS, Epic Games, ICVFX stands for "in-camera visual effects"

Convergence

Management & Distribution: Combining data and interactivity

BRIGHTCOVE[®]

Acquisitions of HapYak and Wicked Labs to focus on interactive videos and data capabilities

vimeo

Acquisitions of WIREWAX and Wibbitz to focus on interactive video and enterprise content creation

Brightcove acquires HapYak

*Video delivers content in the most powerful way, and **adding interactivity dramatically enhances viewer engagement**, on-boards employees more effectively, inspires stronger passions, and closes more sales faster. **Interactivity also generates valuable data-driven insights for businesses that can guide new interactions based on viewers' previous behaviors***

Namita Dhallan
Chief Product Officer
Brightcove
(October 2021)

BRIGHTCOVE[®]

Sources: IABM, Company filings

Convergence

Management & Distribution: Enterprise video

BRIGHTCOVE®

Acquisitions of HapYak and Wicked Labs to focus on interactive videos and data capabilities

vimeo

Acquisitions of WIREWAX and Wibbitz to focus on interactive video and enterprise content creation

Vimeo acquires WIREWAX and Wibbitz

Vimeo now serves over six thousand enterprises with our video software, and we've only just begun to unlock the myriad ways video can be used at work to communicate, collaborate and connect better

Anjali Sud
CEO

Vimeo
(November 2021)

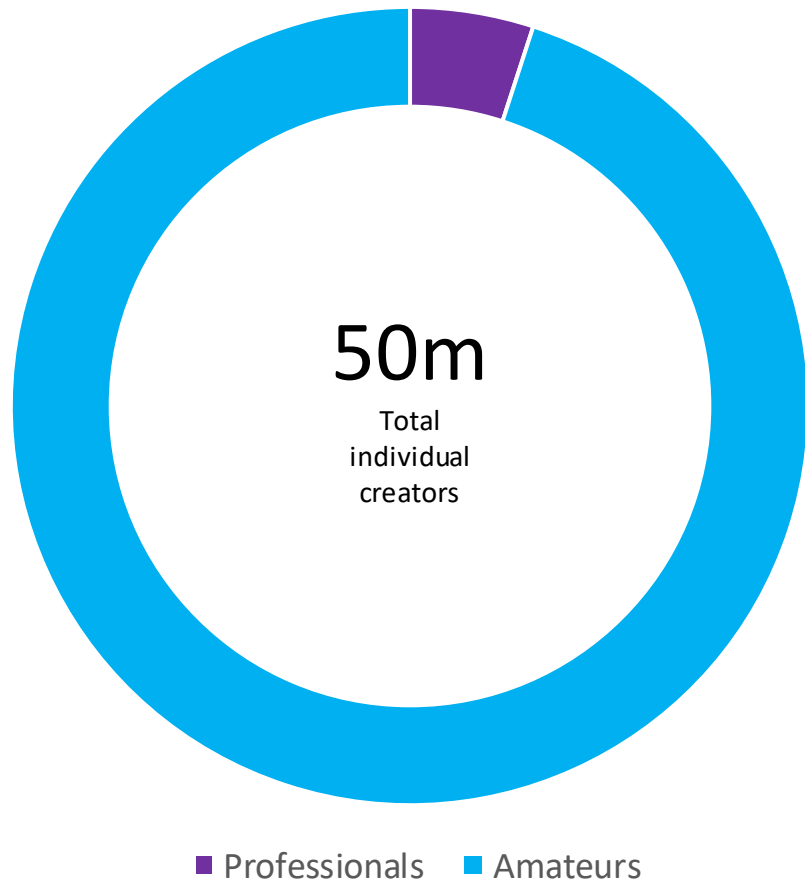
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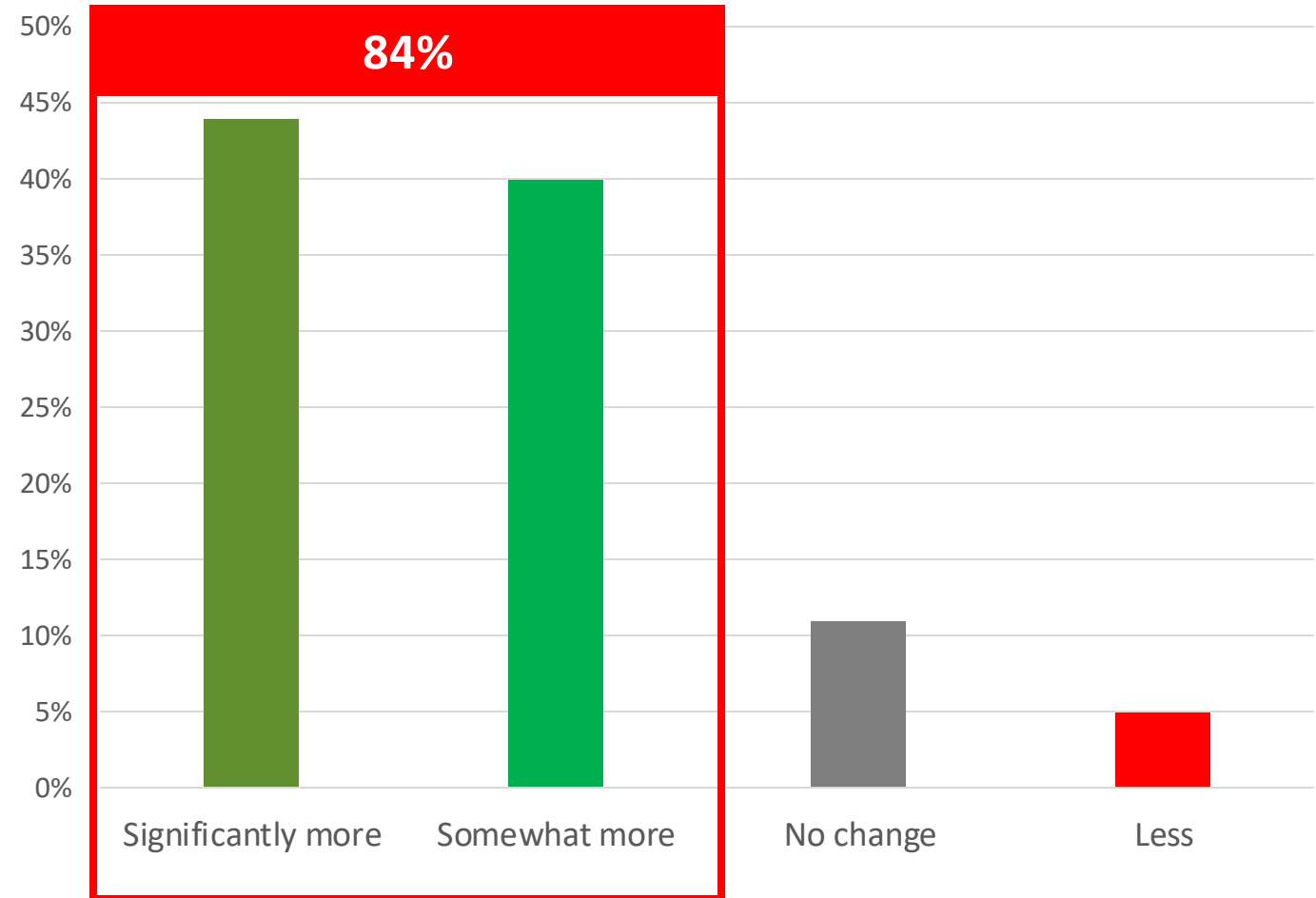
Convergence

Growth of creator economy and enterprise video are additional catalysts for convergence

Estimated size of Creator Economy







2021 change in enterprise video output since COVID-19



Sources: IABM, Influencer MarketingHub, SignalFire, Socialive

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Impact of convergence on MediaTech : Impact by segment

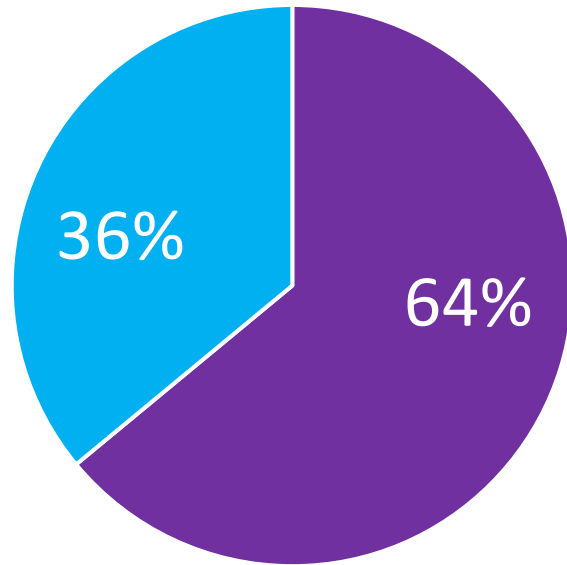
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Sources: IABM

Convergence

Impact of convergence on MediaTech: Catering to new segments

% of MediaTech supplier revenues derived from broadcast & media and parallel markets



■ Broadcast & Media ■ Parallel Markets

Avid presenting at Credit Suisse Annual Technology Conference

*There's **2 parts of the market that we size**. One is the enterprise side, which are media **enterprises**. These are everything from the **big brands** that you know, Disney, NBC, etc., **to brands you don't know**. Even banks use our solutions for creating marketing videos or communication or training. So, there's a **business use of our technology** on how people create media and manage media and distribute media. And **then there's a creator side**. There's a large creator economy that has been growing for several years, and we see a long runway ahead of us for growth*

Jeff Rosica
CEO

Avid

(November 2022)



Sources: IABM, Company filings

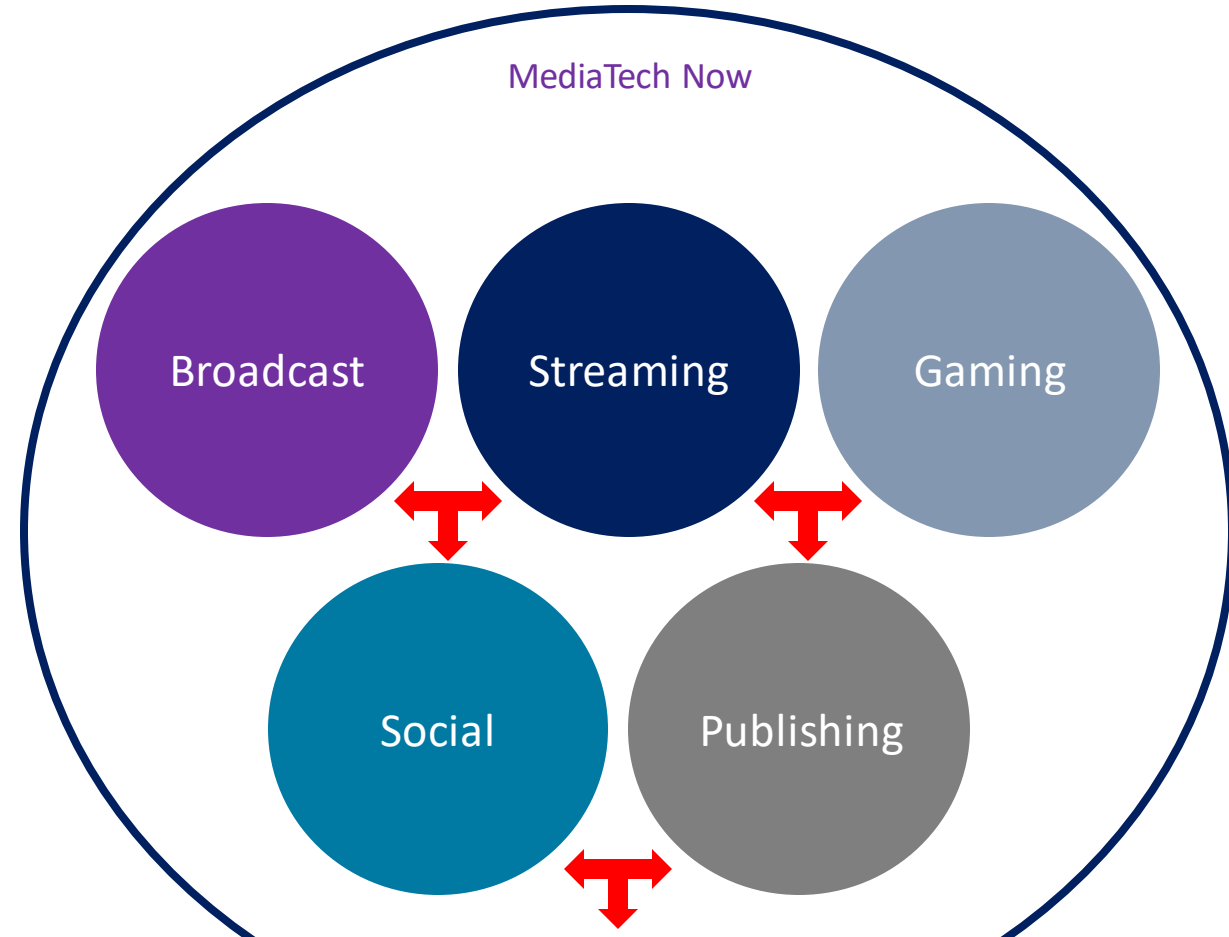
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MediaTech Before & Now: Convergence

MediaTech Before



MediaTech Now



Enterprises & Creators

Sources: IABM

THANK YOU!!!

Email: [*lorenzo.zanni@theiabm.org*](mailto:lorenzo.zanni@theiabm.org)