



Empowering Decision Making with Unlicensed Insights

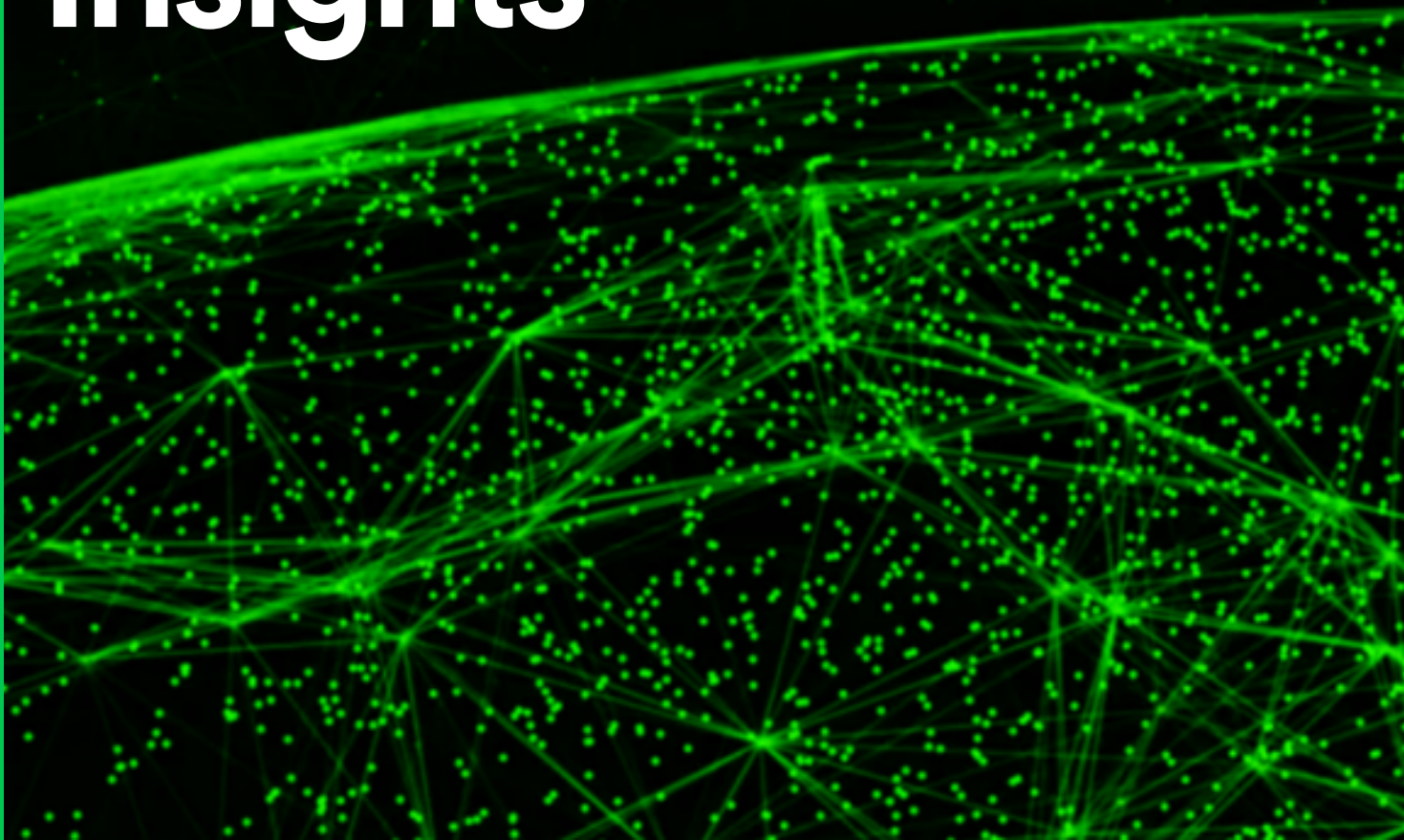


Table of contents

Introduction	2
Audience measurement and data	3
Utilising a new data driven approach: unlicensed audience data	4
Key Takeaways	5
Summary	6

Empowering Decision Making with Unlicensed Insights

MUSO recently hosted a Round Table and brought together leaders representing a broad spectrum of brands in the media and entertainment sector.

The roundtable enabled the participants to exchange ideas, share experiences and explore approaches to understanding demand and audiences for film and TV. The session provided an invaluable opportunity to delve into the intricacies of audience measurement, research, consumer trends and the unique role of unlicensed data in shaping decision-making processes for media and entertainment businesses.

Participants engaged in discussions surrounding their current practices for collecting, storing and applying different sources of demand and audience data across multiple platforms at the granular levels of titles and genres and crafting effective go-to-market content strategies.

The discussion uncovered valuable insights into how content demand is currently analysed, and how having access to piracy data, the world's biggest video on demand platform, can add value to insight, strategy, acquisition and sales teams.

Part 1: Audience measurement and data

The participants were asked about how they currently used data to understand their audiences, the data sources they rely on and how they apply data to drive subscription and revenue.

Below is a summary of the key points raised during the discussion.

1. Diverse Data Sources and Siloed Challenges:

Participants acknowledged the value and rapid adoption of data within their organisations, particularly from digital channels such as cinema memberships and streaming platforms. However, physical film distribution businesses still faced challenges with data integration.

The participants collected a range of 1st and 3rd party data including demographic and usage data across linear, pay TV, news platforms and box office data.

Multiple CRM systems were being used to store different types of data, sometimes within the same organisation, and the need to merge these systems to gain a holistic view of customer behaviour was acknowledged as the vision or 'holy grail'. This integration of multiple data sets to form a single customer view was seen as a major competitive advantage, especially for businesses operating in multiple verticals, allowing for deeper customer insights along the entire value chain.

“

The goal is to merge all data sources into one CRM system where we have the full picture of an individual; what are they consuming on our news platform, which movies are they watching in our cinemas, what kinds of content are they consuming on the TV platform.

2. Utilisation of External Data Sources:

Comscore, Nielsen and other research panels were identified as the prevalent 3rd party data sources amongst the participants. However, it was felt that some of these data sources were a barrier to delivering the holistic view required, given the multi-channel environment that they now operate in. In addition, regional variations in data and privacy legislation between the US and parts of Europe made collecting 3rd party data a challenge and necessitated the continued use of more traditional sources, e.g. postcode data. However, it was acknowledged that there were untapped opportunities to gain more comprehensive insights from 1st party data and non-traditional 3rd party data sources.

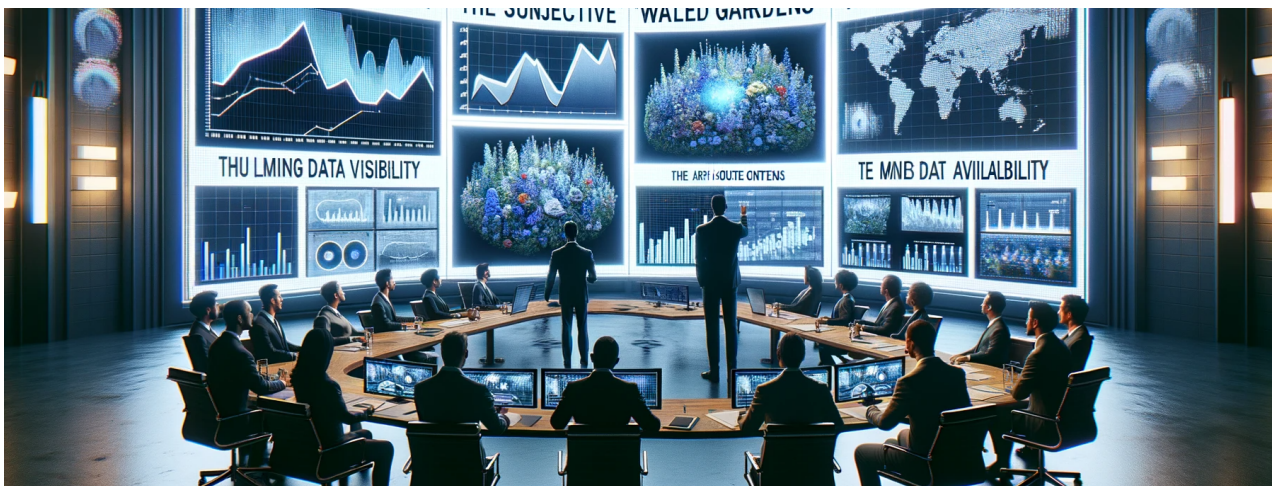
3. Transactional Data and Customer Research:

Transactional data was highlighted as a major focus, especially data related to sales quantity and demographic information. Some participants expressed challenges in obtaining detailed customer data due to intermediaries, e.g. streaming platforms, who tend not to publish demand or audience data. Consequently, a significant portion of audience targeting was reliant on primary research, panels, and intent-to-purchase studies, particularly for new releases.



“

You have some filmmakers and some talent in the creative side of the community who are adverse to leveraging data ... if it's somebody's film, who's been working on this film for three years, and they believe it's going to be the best movie the world has ever seen, no amount of data is going to change that.



4. Challenges in Data Visibility:

The lack of data visibility within the TV and film industry was a recurring challenge. Participants cited walled gardens on VOD platforms as an example of limiting data availability. Additionally, the inherently subjective nature of artistic content posed difficulties in predicting its success, as it lacked the quantifiability seen in other industries.

i. Navigating the Uncertain Terrain of Artistic Success

Predicting the success of titles, particularly in the art-house sector, resembled sailing uncharted waters. Unlike conventional genres, artistic content can lack well-defined parameters that facilitate data analysis. Consequently, quantifying its potential for success continues to be a formidable challenge.

ii. The Quest for Specialised Insights

Certain leaders required specialised audience insights tailored to their unique niches. This aspiration, referred to as the "holy grail," has been a decade-long endeavour, and despite an increase in digital data, remains a long term goal. GDPR regulations introduce additional layers of complexity, making it arduous to gather customer data while upholding stringent privacy standards.

iii. Data Freedom and Collaborative Endeavours

On the reverse of the coin, The freedom to access data in territories outside of EU regulation, offers opportunities to glean extensive insights from TV customers. Nevertheless, a critical challenge persists in acquiring data from other pay TV operators. Content owners may be able to measure subscription volumes originating from specific channel partners but do not have visibility of the usage patterns of those cohorts due to a lack of data sharing. This restricts the ability of content owners to target customers and develop new products. Addressing this void necessitates industry-wide collaboration and data sharing to enhance customer targeting.



What is still lacking, but this is of course Utopia, is to have more insights from other pay TV operators.

iv. Content Segmentation Challenges:

The classification of content remains a challenge, with genre definitions often mired in ambiguity. Content segmentation hinges on various factors, including genre, age, and viewing channels, demanding precision and adaptability in targeting diverse audience segments.

Part 2: Utilising a new data driven approach: unlicensed audience data

Unlicensed demand for film and TV content has grown rapidly since 2020.

However, as unlicensed demand increases, so too does the amount of data which can be used to better understand and exploit marked trends and patterns of consumption.

The piracy ecosystem is arguably the largest Video-on-Demand platform in the world. The resulting data, unrestricted by platform or geography offers the entertainment industry a more holistic, rapid view of global audience demand, enabling media companies to drive more value from their content.

1. Predicting the success of content

When trying to determine future acquisition, sales, distribution or production investment, and trying to predict successful content, comparative title analysis and green light forecasts were discussed as potential methods to achieve that.

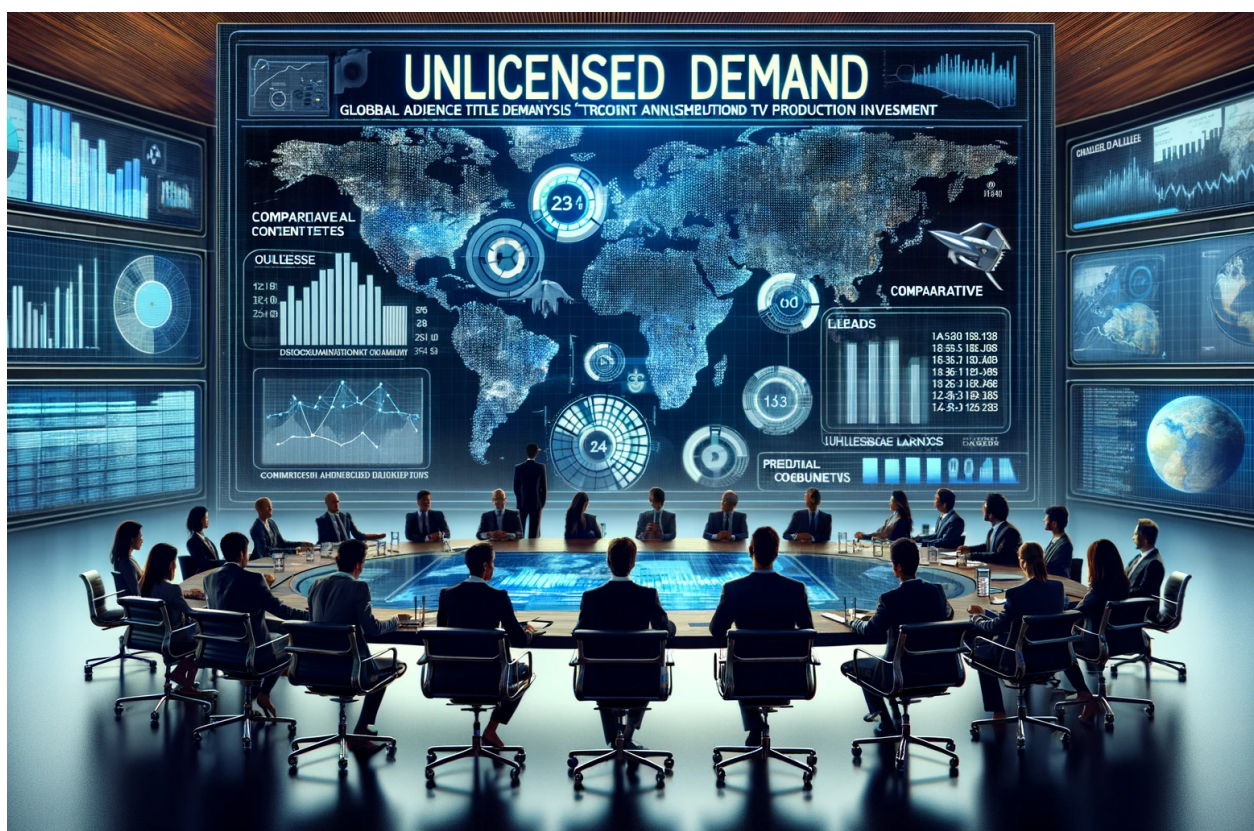
However, comp title analysis can be challenging with traditional data sets because audiences change over time and due to the impact of COVID on comparison timelines and variables. To overcome these challenges, it was suggested that content teams have to ask the right questions and have the right data sets in order to get the right answers. Some participants had addressed the issue by building predictive models and scenario testing. However other contributors relied on more traditional “archaic” methods including gut feel, historical data and post / zipcode analysis.

It was acknowledged that unlicensed demand data could play a significant role in competitive title analysis due to the timeliness of the data. Unlicensed data enables a near real time view of consumption for titles, even if particular titles were released decades prior, and hadn't had a legitimate release for several years. This data was able to provide an expanded comparison title view and the current view of what people want to watch.

2. Converting unlicensed audiences to legitimate audiences

It was widely accepted, based on several studies, that people who consume unlicensed content are generally hyper engaged, spend more money on entertainment, more likely to go to the cinema and have more VOD platforms. The leaders acknowledged that this presented an opportunity to convert unlicensed audiences to new customers and the debate turned to how companies can work more holistically to ensure that these potential customers come into the fold.

Education was seen as a key pillar and building a narrative around why audiences should go to the cinema - an experience that you cannot recreate at home.





Getting the bonus content and the director's cut - all of the other stuff that you just cannot get from infringing content.

It was recognised that unlicensed audience data can play a direct role by providing an analysis of user journeys, whether individuals had viewed unlicensed content, and then directly targeting those users with those audience behaviours.

3. Windowing strategies

The participants discussed the effect of windowing strategies on unlicensed content consumption. The group discussed MUSO's recent study that showed that piracy data very closely mirrors box office data, is an effective proxy for box office and various analyses indicate that there is a strong correlation between unlicensed demand and the length of the theatrical window. It was generally accepted that a shorter window tended to increase unlicensed demand data, although day and date releases could also be beneficial in driving legitimate subscription.

User experience emerged as a pivotal factor in steering consumers towards legitimate streaming services. The convenience of accessing multiple platforms through a unified interface with a powerful search feature was identified as a compelling incentive for users to subscribe. A thought-provoking debate unfolded regarding the sustainability of subscription models versus the emerging pay-as-you-go (transactional) models. With the spectre of subscription fatigue looming, some experts anticipate a shift towards more transactional models in the future.

The contributors expressed the need to explore unlicensed audience data to determine to what extent windowing differentials drive fluctuations in piracy, and whether they create more piracy or shift the demand from one place to another across platforms. The group also expressed the intention to use the datasets to optimise windows and identify windows that convert illegitimate consumption into paid consumption, whether in a theatre or at home.

Key Takeaways

Our roundtable explored how entertainment companies collected, stored, segmented and used data in their organisations and the challenges that they faced in turning audience data into actionable insights. Our panel also discussed how piracy, or unlicensed audience demand, could be used to address the challenges of audience measurement.

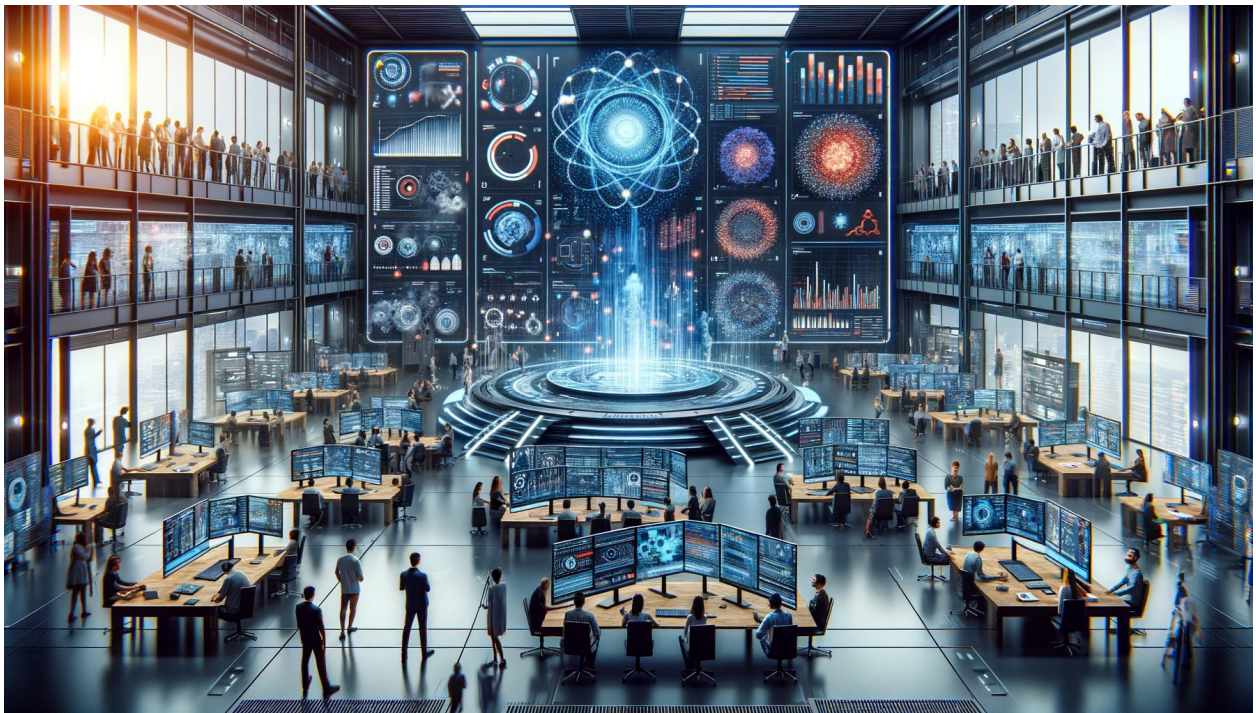
- The rapid adoption of data within the leader's organisations was ubiquitous, largely driven by the rise of digital channels and tools, and the value that data can generate was universally recognised.
- Data collection, assimilation and integration and the ability to generate strategic actionable insights were a shared challenge.
- While traditional measurement methods were still dominant, they could involve long delivery cycles and incur significant budget.
- Unlicensed audience consumption, and the resultant data, offered a new way to view the market and the challenges of traditional measurement methods.

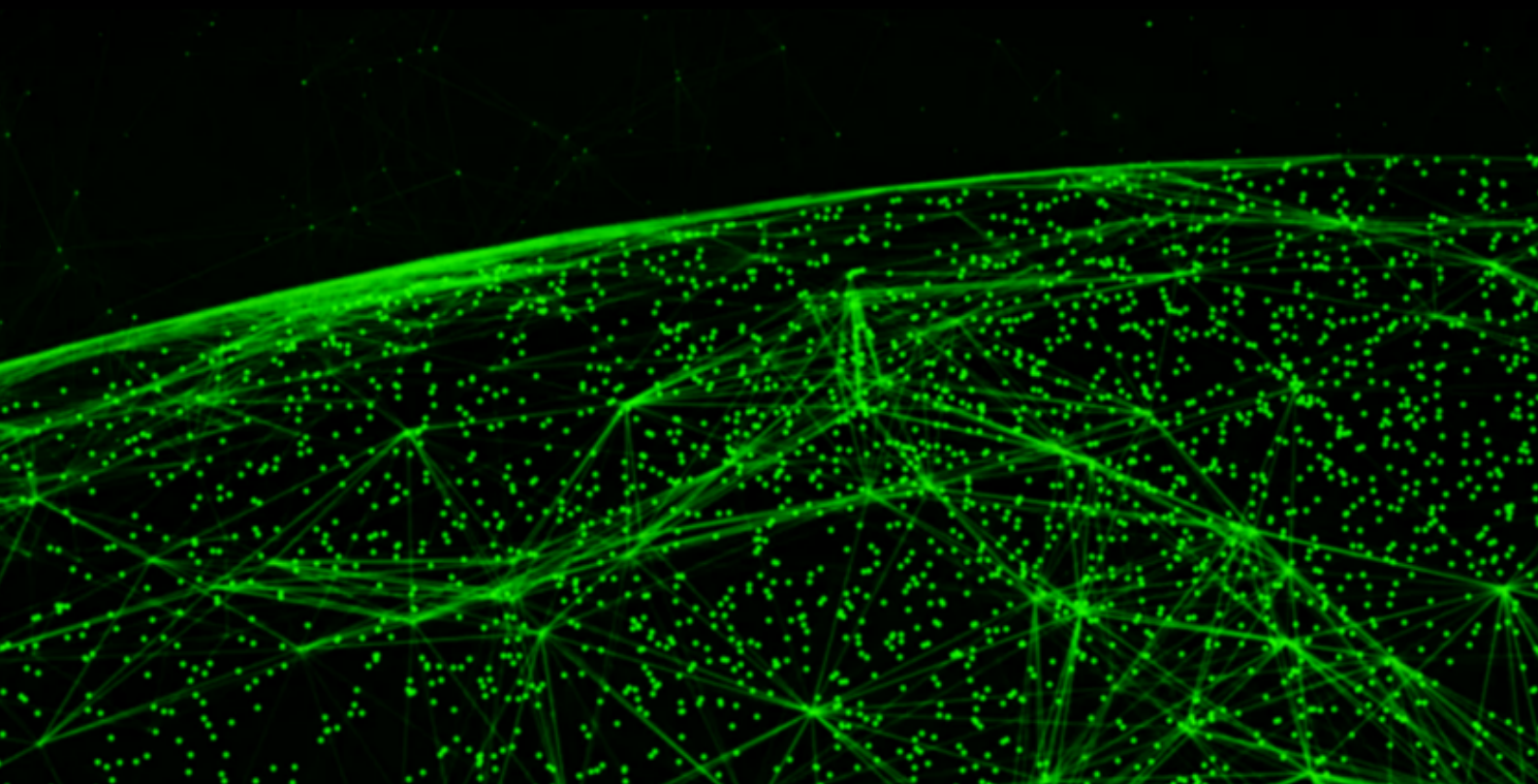
-
- Unlicensed audience data could play a significant role in user journey analysis, predictive analytics and competitive title analysis and inform modelling for acquisitions, sales and distribution strategies.
 - Audiences who consume unlicensed content are generally hyper engaged and more likely to spend on entertainment. The leaders acknowledged that this presented an opportunity to convert unlicensed audiences to paying customers through audience analytics, targeting user journeys and enhancing the cinema-going experience.
 - Release, or windowing strategies, have a huge impact on revenue generated and are key to maximising income. Examples like "Halo" and "The Mandalorian" were cited to illustrate how release timing can either fuel piracy or drive audiences towards legal streaming platforms. There was a collective appetite to apply the unlicensed audience datasets to help optimise windows and to convert illegitimate consumption into paid consumption.



Summary

In looking forward, it is clear that unlicensed audience data is a potent yet underutilised resource that can provide a more nuanced understanding of content demand and consumption patterns. While the single customer view remains an aspirational 'holy grail,' the insights from both licensed and unlicensed data are invaluable in navigating the evolving landscape of media consumption. Companies must continue to innovate in data collection and analysis techniques, break down data silos, and adapt to the opportunities presented by unlicensed data to drive growth and remain competitive in the media and entertainment sector.





About us

MUSO is a data company that provides the most complete and trusted view of global piracy and unlicensed media consumption.

MUSO measures global unlicensed demand, monitoring all major forms of unlicensed activity, including streaming, web downloads, public and private torrents, and stream rippers. MUSO's data drives content protection, audience measurement and monetisation solutions for rights holders globally.

Headquartered in London, the company was founded in 2009 with a mission to protect clients IP and unlock the value of global audiences for unlicensed content. Since then the company has experienced explosive growth in the entertainment sector serving some of the largest global brands in film, TV, music, gaming and live sports, and currently has 50 staff across London, LA and Eastern Europe. www.muso.com