



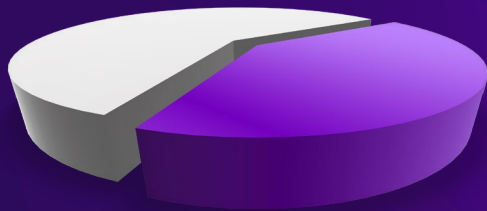
accenture

Streaming's complex consumer

Understanding streaming DNA
through cross-platform insights

Executive summary

Media companies are experiencing a massive shift in how consumers want to be entertained.



40% More than 40% of consumers now subscribe to three or more video streaming services.

Today, more than 40% of consumers subscribe to three or more video streaming services. Despite growing choice, it has become a complex and time-consuming process for consumers to find the content they want. As we explored in **Streaming's Next Act**¹, scattered recommendation algorithms lead to incomplete or inaccurate recommendations, often irrelevant content, and hence, frustration for many consumers.

The reason? Platforms tend to suggest content and build personalized marketing based only on what consumers watch on their own service, rather than taking their customers' broader tastes and viewing habits into account. In short, customers are complex, and that complexity is not reflected in the recommendations they're getting. That's a challenge that platforms must solve.

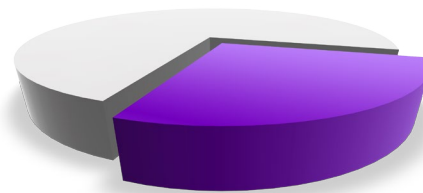
In this paper, with help from data provided by Whip Media, we explore why this must be an urgent priority for CMOs of streaming services and explore strategies to not only survive but thrive in the world of the increasingly complex streaming consumer.

The complex consumer

Back when consumers had only one or two streaming services, it was easier to understand their likes and viewing habits and serve them recommendations accordingly. But with viewers' patterns and preferences now split across multiple services, streaming platforms face a much more challenging task to understand those preferences holistically.

For instance, the sci-fi fan may also be a devotee of *The Crown*. The reality TV addict might also be a history buff. And they'll turn to different platforms to satisfy their diverse needs. The problem? No single platform today knows all of this².

In fact, 36% of consumers say that they are somewhat dissatisfied with the personalization of content they get from video-on-demand (VOD) services. That's because, in a multi-platform world, each streaming service now only has a partial view of each consumer. They know what that individual watches on their platform, but not what they're enjoying on others.



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A person wearing glasses is shown in profile, looking towards the right. The background is a server rack with many vertical columns of colorful lights (blue, green, red, yellow) that are blurred, creating a bokeh effect. The person's glasses reflect some of the light from the server rack.

From single 'genes', to entire DNA

The result? Scattered personalization algorithms and, what's worse, an inability to provide relevant content that keeps viewers on the platform.

Accenture research shows that 67% of consumers find it frustrating to find something that they want to watch, and 56% say that the recommendations they receive are not relevant to their interests. What's more, according to Accenture research, 55% of consumers say that they use or prefer to use cross-service search engines.

This challenge will only become more acute. As the growth in subscriber numbers slows, the competition will shift to **share of engagement** and retaining viewers on the platform. That means maximizing the appeal and relevance of content recommendations that address a consumers' entire preferences and interests. The only way to achieve that is with cross-platform consumer viewing data that will enable media companies to develop a comprehensive understanding of viewing behavior, interests, and habits. Consumers seem to want this too. Over half (56%) would like to be able to take their profile from one service to another to achieve better personalization.



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The consumer: it's complicated

To find out more about today's complicated consumer, we analyzed their viewing habits across platforms by looking into Whip Media's proprietary data that captures individual's content preferences from the various streaming services that they use (see box below). What we found was that the average consumer has a range of interests that no single platform is able to meet comprehensively.



TV Time and Content Value Management (CVM) Insights

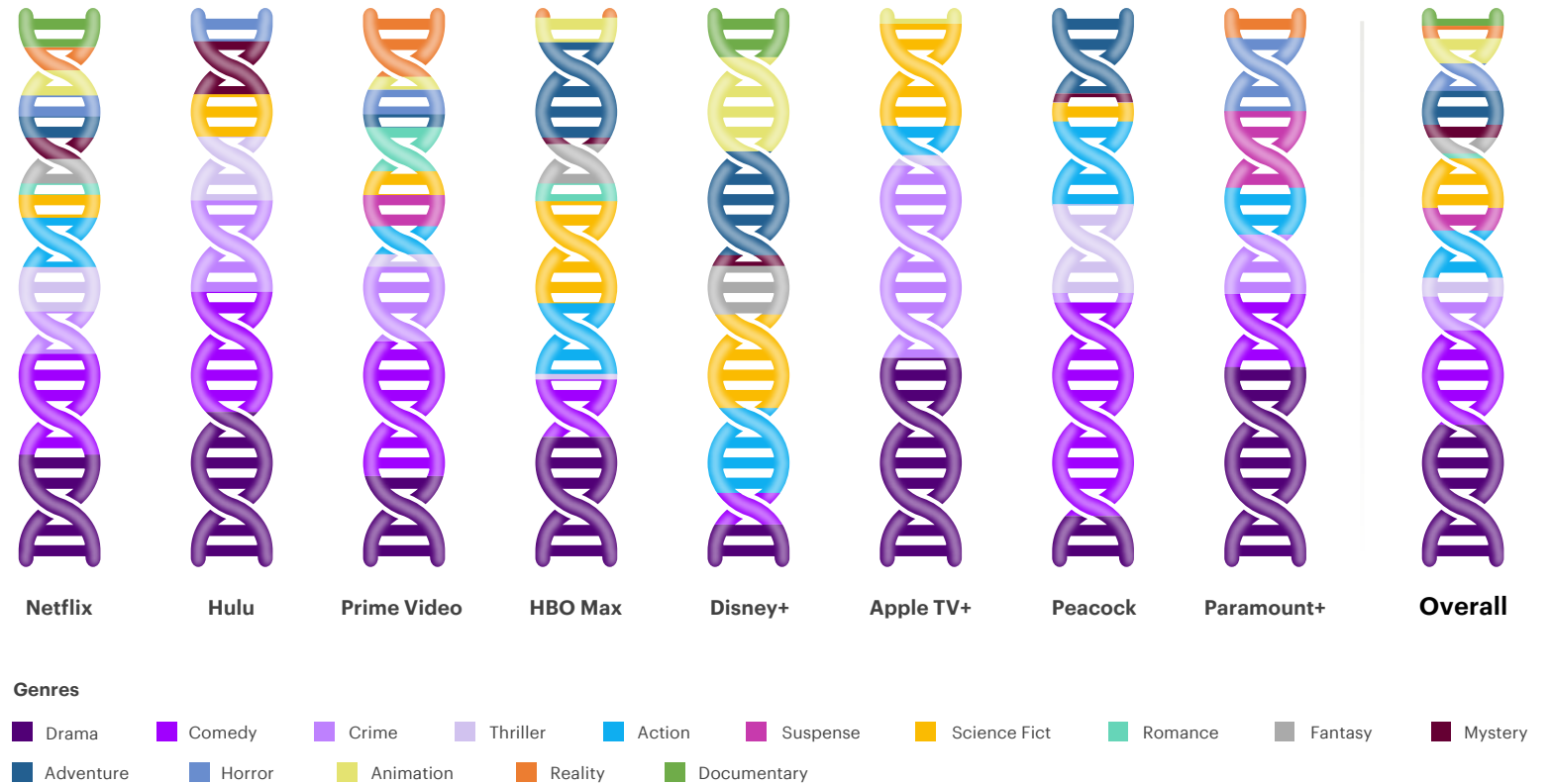
TV Time, a Whip Media company, is the world's largest TV and movie tracking app for consumers. Every day, over a million people use TV Time to keep track of the shows and movies they're watching, discover what to watch next and engage in a global community of more than 21 million registered fans. They make this data available to companies in CVM Insights, continuously capturing viewing intent, engagement and affinity data for content across platforms and devices. Their CVM platform fuels real-time actionable insights to better understand audiences, streamline distribution, and maximize content performance and engagement.

While the sci-fi or drama fan may watch more of that content on one platform, their viewing habits elsewhere are likely to embrace a variety that, overall, accounts for a greater proportion of their viewing time. And by only having a partial – and somewhat skewed – understanding of their consumers, platforms are missing the opportunity to suggest other content in their catalogue that could meet consumers’ more varied interests.

As Figure 1 shows, a consumers’ real viewing DNA is likely to be at considerable variance with the ‘genetic profile’ that each platform holds for them. In the first visual, out of the audience that watches the Paramount+ franchise, Star Trek, we see what genre this audience is watching on other popular streaming services. The ‘overall’ genetic profile to the far right shows the average genre preference across all platforms.

Genre preferences are based on shows that have a common audience to the target show as measured by Whip Media affinity scores. Affinity scores reflect the amount of common audience between the target and other shows, normalized to all shows on a platform. The 'Overall' DNA strand represents the average genre preference across all platforms.

Figure 1: Genre preference by platform. Star Trek franchise (Paramount+) audience



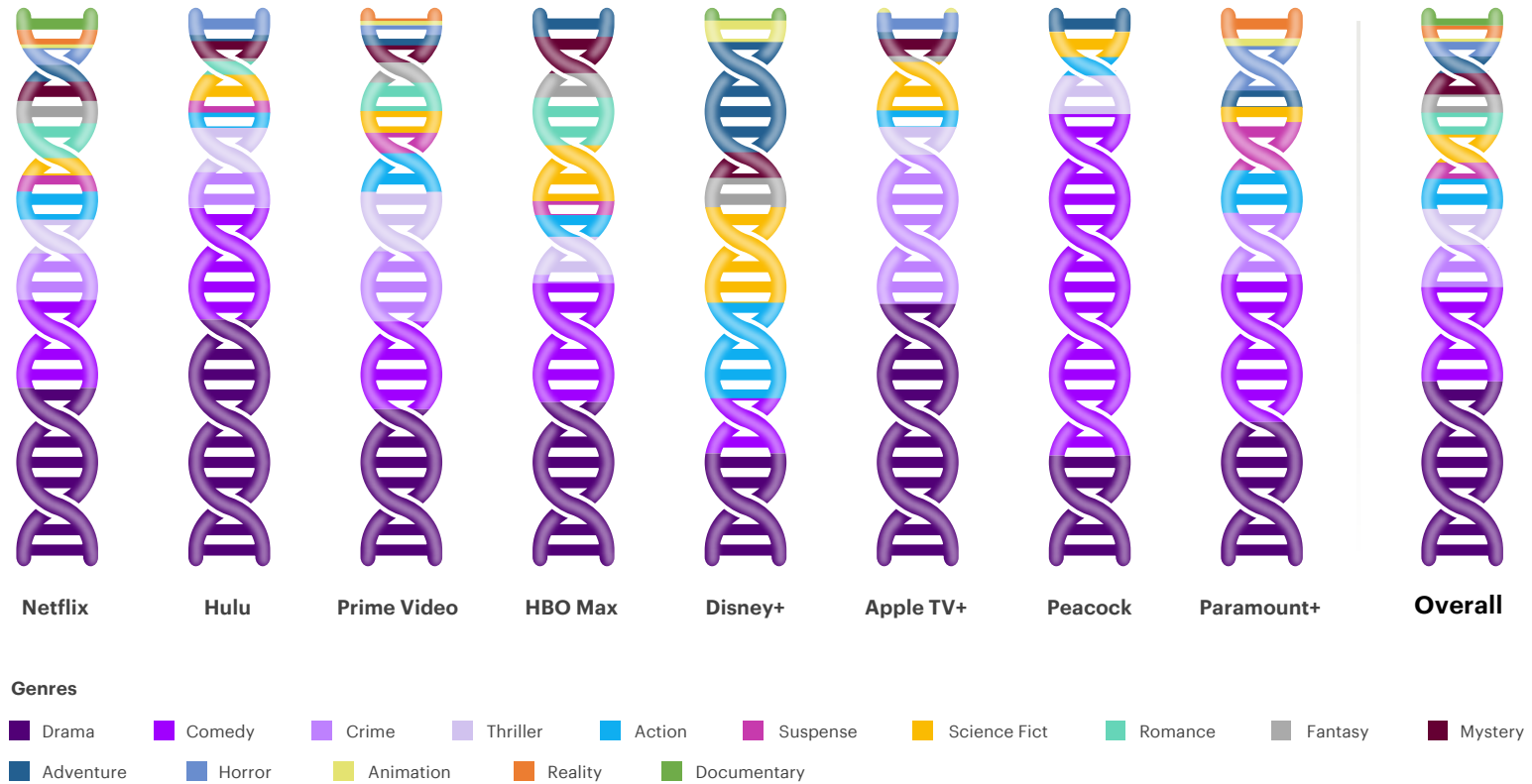
whip media TV TIME

Source: Accenture analysis based upon U.S. data from Whip Media’s TV Time.

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In Figure 2, we show the same analysis for the audience of the Netflix drama series, Maid, with similar results. It's easy to visualize (in purple) new targeting opportunities for similar content.

Figure 2: Genre preference by platform. Maid (Netflix) audience



whip media TV TIME

Source: Accenture analysis based upon U.S. data from Whip Media's TV Time.

Serving the complicated consumer – future landscape

The future landscape for content delivery is still taking shape. The proliferation of platforms, and consumers' changing behaviors are combining to offer a number of future scenarios. As we have today, we may see the continued competition between multiple disparate subscription and ad-funded models or hybrids of the two, with consumers choosing to pay for each library of content from separate platforms. And as Accenture covered in its recent paper on **Ad-Funded Video's Powerful Return**³, ad-funded models may come to the fore as consumers rationalize their spending on multiple subscription services.

Alternatively, there could be a growing role for aggregators who provide a single platform to access content from a range of other media companies (as highlighted in Streaming's Next Act). These larger players would charge a fee that would allow consumers access to others' content all through a single interface.

There may also be a model that offers consumers anytime, anywhere access to a vast library of content that was previously only available from each discrete platform. Think about it as a Spotify for video content.

Know your customer and take action

Whatever the future of the streaming landscape might become, one imperative – to know the complete customer in as much detail as possible – will be critical to success. Conversely, not having that holistic view looks likely to be a growing risk.

Being armed with a clear understanding of consumers' cross-platform viewing habits will be table stakes for streaming platforms to make improvements and identify new opportunities. These will range from the operational, for example having holistic datasets to more effectively train content recommendation algorithms, to the strategic, such as identifying possible acquisition targets whose content plugs gaps in existing portfolios.

So how should media companies set about addressing these opportunities now and next? There are a range of short and longer-term actions possible, each of which will require progressively larger and more transformational efforts.



01

The quick wins



These are actions that media companies can take in a relatively short period of time, requiring only moderate levels of resources and investment.

Gather broader data and make more existing content visible

Acquiring and integrating viewing data from other platforms will help improve personalization and content recommendation algorithms. And by analyzing what different customer segments view on other platforms, it will be possible to develop the big picture understanding that will enable better targeting of content and more relevant (and therefore effective) content marketing programs.

Decisions about content acquisition and production will also be more accurately determined by a clearer and more comprehensive understanding of consumer appetite.

Platforms can also increase their customers' awareness of the breadth of content available (as opposed to making today's narrow recommendations) by redesigning the user interface to display more of the content catalog and making it as easy as possible to navigate.

A hand is shown in silhouette, reaching out from the left side of the frame. The background is filled with glowing, wavy lines in shades of purple and blue, creating a sense of motion and energy. A white rectangular box is overlaid on the right side of the image, containing the text '02 Medium-term'.

02

Medium-term




These are actions that platforms can take over three to six months. As such, they may require more substantial investments.

Use data to rethink content strategies and marketing

By building a picture of the market that's both broader and more detailed, platforms can learn more about their customers, and start to develop priority segments that are likely to find the content on offer more appealing. This understanding should also feed into branding strategy. That may mean, for example, repositioning to reflect a comprehensive content library with mainstream appeal that captures the largest possible audience. On the other hand, a platform may determine that emphasizing breadth and depth of a specific genre or genres is more likely to attract premium subscribers. The point? Platforms need to define who they are and communicate that identity's appeal and value as clearly and effectively as possible.

Understanding what content is resonating with viewers across other platforms can also help streaming services to evaluate their own content strategies. If, for example, a show demonstrates both relatively low affinity scores and overall viewership, it may be time to re-evaluate that contract or franchise. On the other hand, analysis may reveal shows with higher-than-expected affinity scores which may justify continued, or even higher, investment. What's more, platforms should capitalize on their deeper understanding of content's appeal by creating targeted marketing campaigns to try and acquire new customer segments from competitors.



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03

Long-term



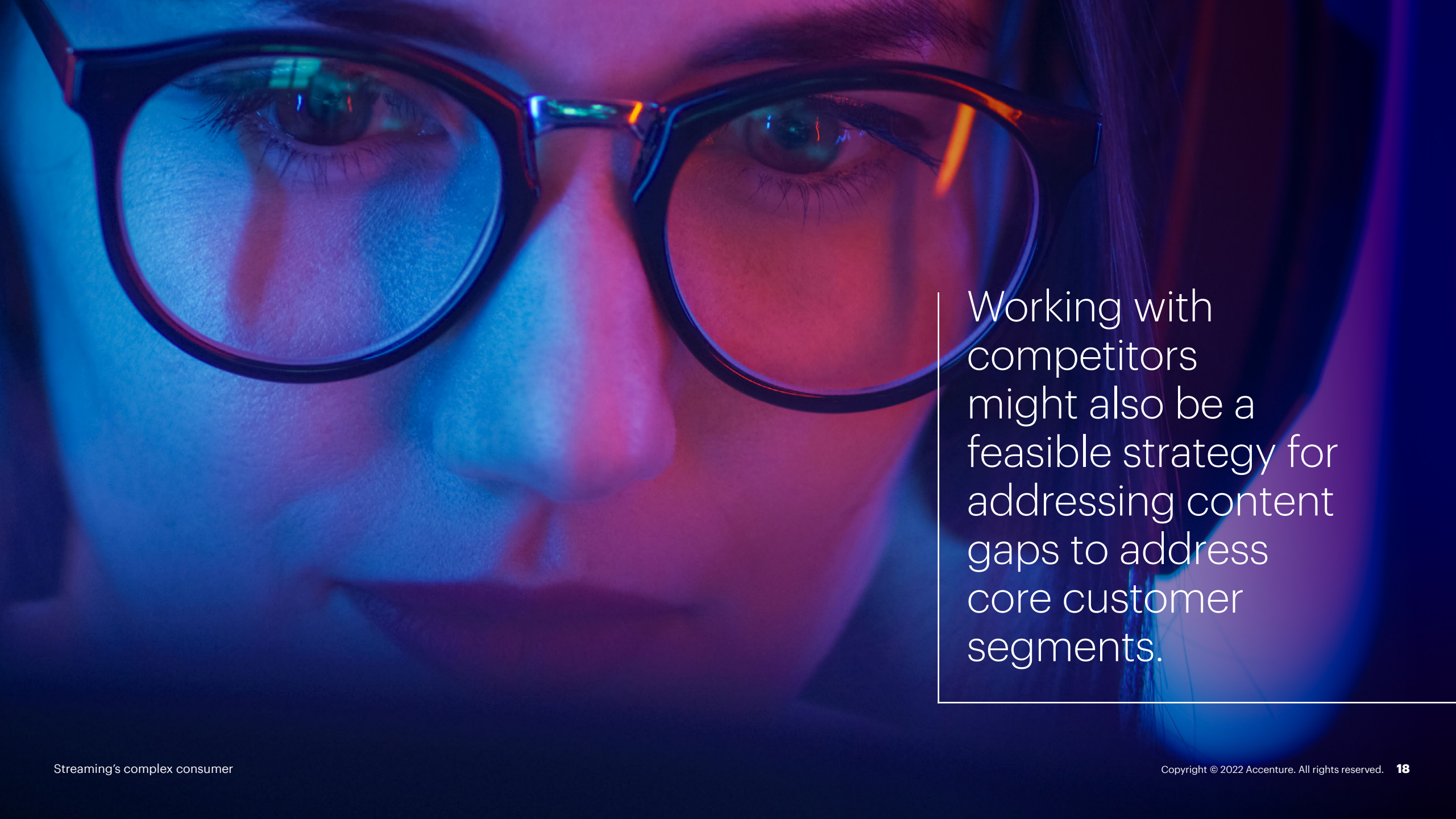


These are actions that will take six months or longer to implement. They are likely to require significant resource investment as well as organizational buy-in.

Collaboration, M&A and business model shift

Moving between streaming services today means consumers' different viewing personalities, tastes and preferences change from platform to platform. Enabling consumers to carry their profile from one to the next would provide a more frictionless experience, and platforms would be able to suggest more content that meets consumers' diverse interests. But achieving this would require sharing information about individual consumers with competitors.

Working with competitors might also be a feasible strategy for addressing content gaps to address core customer segments. Partnerships like these could be delivered as discrete channels on the same platform, or as bundled offers. In addition, it may be possible to address gaps in the content portfolio by buying a competitor outright. Acquisition priorities should be aligned to platforms that have complementary content to your existing library. Finally, some streaming services (i.e., the largest players) could consider a shift in business model and become an aggregator of multiple platforms.



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Conclusion

Whatever strategic choices they make in the short and long term, one thing's clear: streaming services must try to develop a broader understanding of the consumer and what they watch everywhere. Relying on the relatively narrow set of data that comes from just one service isn't enough. Satisfying the needs of the complicated consumer requires a similarly complex approach.

Having more – and more detailed – data also enables a deeper understanding of consumers. And those insights could help media companies develop their offerings into a platform approach with streaming as just one revenue area. The possibilities range from commerce and social to gaming and new areas such as the metaverse. But success will hinge on getting to know and understand customers, and what they want, in all their complexity and diversity.



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About Whip Media

Whip Media is a market leading enterprise software platform and data provider to the world’s largest entertainment organizations. Our solutions connect and scale data, processes and teams across licensing, content planning, and financial operations to improve decision making, drive efficiency, revenue, and growth. The company’s latest innovation, The Whip Media Exchange, is a first-of-its-kind content licensing and research platform for buyers and sellers of film and TV content, with real-time access to data and performance predictions to accelerate deal making.

For more information, visit www.whipmedia.com

References

- [Streaming’s Next Act](#)
- [Accenture Analysis](#)
- [Ad-Funded Video’s Powerful Return](#)