

Opportunities and threats 2018

Media & Entertainment



Building a better
working world

EY's Global Media & Entertainment Sector has identified and assessed the top ten areas of upside and risk for the industry. We asked two questions; What are the most significant growth opportunities for media and entertainment companies today? What are the most significant risks or threats that they face? In this paper we discuss our finding and strategies and tactics for management teams to deploy in response to, or anticipation of, the shifting environment.



Evolving the business model

As the pace of disruption accelerates, Media & Entertainment companies must rapidly revamp product and service offerings, distribution frameworks and pricing/monetization strategies to meet shifting customer expectations.



Adapting the enterprise to new realities

Media & Entertainment companies require a new level of operational excellence – the type of performance improvement and strategic expense reduction that delivers short term results and long term efficiencies.



Enabling new advertising currencies

As advertisers gain a keener understanding of their target consumers, new currencies, which blur the lines between linear and digital media are emerging, even as audience measurement across platforms continues to challenge the industry.



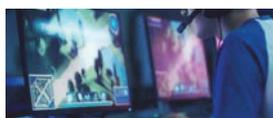
Engaging customers in new experiences

Just a few years ago, consumers were delighted to be able to stream a movie or TV show on multiple devices. Now, consumers expect personalized experiences across their daily lives.



Mitigating against cyber risks

Every click, view and download results in massive amounts of data being created every day. This data offers Media & Entertainment companies a real competitive advantage, however, the same data is a magnet for cyber-criminals.



Battling for the best content

Ever-rising investment in content is tipping the scales of corporate performance both ways – translating into either strong growth or painful margin pressures.



Building scale, both horizontal and vertical

Media & Entertainment executives see inorganic routes as the fastest way to fill gaps in their portfolios, re-set their strategic positioning in the industry and future proof their business models.



Accelerating the marketplace

As new technologies accelerate how supply and demand intersect, the dynamics of media marketplaces – for both consumers and advertisers – are becoming super fluid, placing new pressures on all parts of the ecosystem to move more quickly.



Reinventing the tax model

US tax reform represents the biggest change in taxation for over thirty years and yet it is really an inflection point in what has become a much wider conversation about the future of the tax function.



Making multi- national matter

Finding the optimal business model, strategy and ownership structure to achieve success in international markets requires nuance and flexibility.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

© 2018 EYGM Limited.
All Rights Reserved.

EYG no. 00079-184GBL

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax or other professional advice. Please refer to your advisors for specific advice.

ey.com/mediaentertainment



EY Global Media & Entertainment Leaders



John Harrison
Global M&E Sector Leader
John.Harrison@ey.com
+1 212 773 6122



Janet Balis
Global M&E Advisory Leader
Janet.Balis@ey.com
+1 212 773 1422



Ian Eddleston
Global M&E Assurance Leader
Ian.Eddleston@ey.com
+1 213 977 3304



Will Fisher
Global M&E TAS Leader
wfisher@uk.ey.com
+44 20 7951 0432



Alan Luchs
Global M&E Tax Leader
Alan.Luchs@ey.com
+1 212 773 4380



Martyn Whistler
Global M&E Lead Analyst
mwhistler@uk.ey.com
+44 20 7980 0654