

A young woman with long brown hair, wearing large white and black headphones, is smiling and looking down at a tablet computer she is holding. She is wearing a dark green jacket. The background is blurred, suggesting an outdoor setting. A semi-transparent blue overlay covers the bottom half of the image, containing white text.

APPLAUSE^o

EBOOK

**HOW TO ADDRESS THE 3 BIGGEST
THREATS FACING DIGITAL MEDIA BRANDS**

For the past four decades, the media industry has been in a state of flux. Each digital innovation since the Internet was first introduced has only increased the amount of complexity and fragmentation that media brands are forced to deal with.

In the world today, the broad spectrum of devices, operating systems, cellular and Wi-Fi network carriers, and contexts in which people are watching, reading, and listening has opened up the number of different ways people can engage with their favorite media brands.

What was once a process of one broadcast reaching millions is now millions of different ways that the same message is narrow-casted to each individual. The burden of ensuring all of those different ways are accounted for falls directly on media brands.

Here are the three major threats that media brands must address as digital transformation and innovation continues to recreate the industry:

1. RENDERING LOW-QUALITY ADVERTISEMENTS MINIMIZES REVENUE

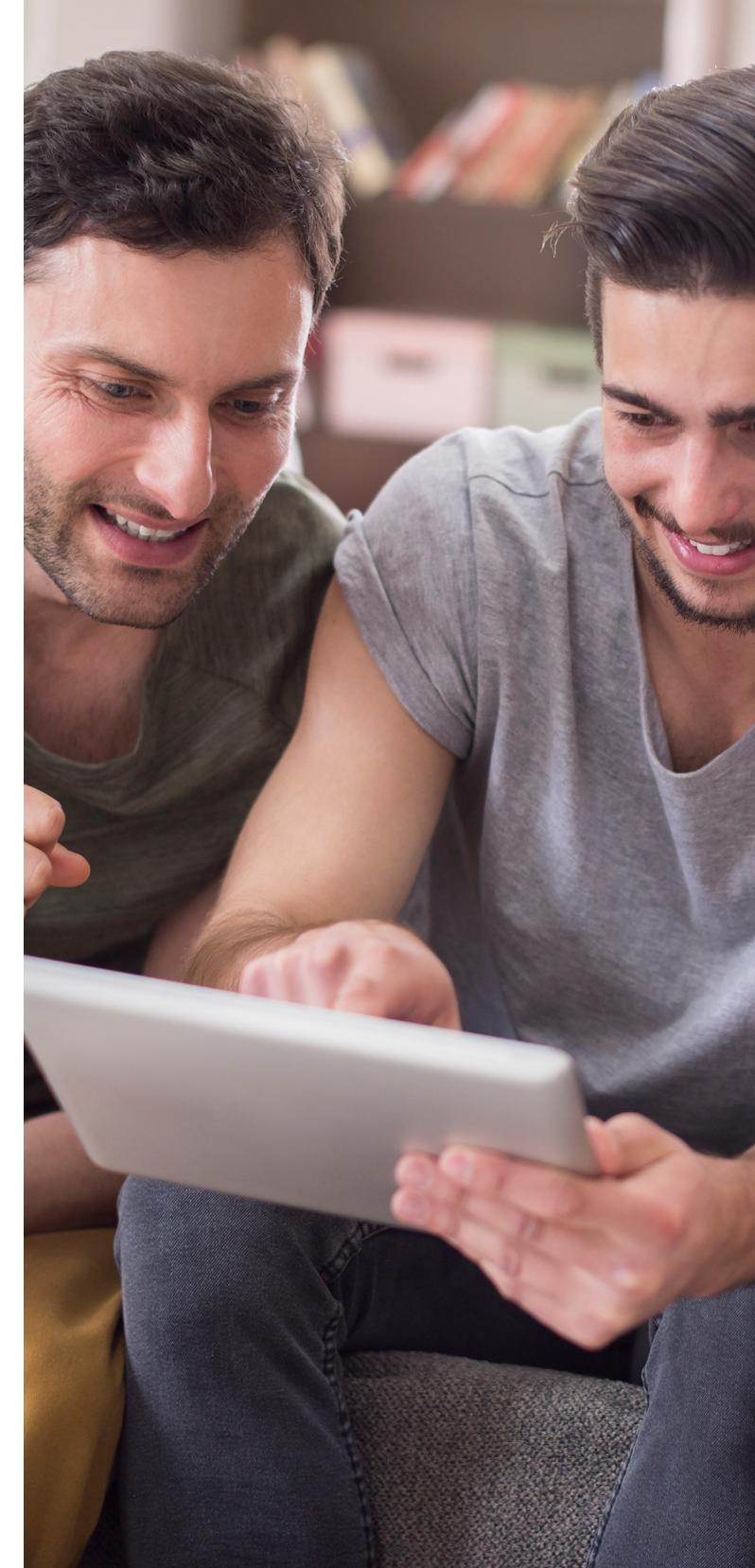
Digital Media spending among advertisers is projected by Forrester Research to reach \$118 billion by 2021.¹ With the current amount of spending sitting right around \$80 million, media brands are looking at close to a 40% increase in advertising revenue across the industry that will be up for grabs over the next several years.

On top of that, the most rapidly growing advertising channels are now digital.² As advertisers are moving away from the traditional broadcast model and into the digital realm, they will be exploring different models to get a sense of what they find to be effectively reaching their target audiences.

Media sites and apps that render advertisements poorly will be quickly dismissed by advertisers as they look for more reliable places to invest their money.

¹Forrester Research:
https://go.forrester.com/blogs/17-01-24-us_digital_marketing_spend_will_near_120_billion_by_2021/

²eMarketer:
<http://www.marketingdive.com/news/emarketer-lowers-ad-spending-growth-estimate-digital-on-the-rise/405692/>





**VIDEO AD SPENDING IS
EXPECTED TO OUTPACE
SOCIAL MEDIA, AND TRIPLE
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REACHING JUST SHY OF \$30
MILLION.**

Unfortunately for media brands, the most essential medium in which ad rendering quality is going to be needed is the tricky realm of video; video ad spending is expected to outpace social media, and triple between now and 2020, reaching just shy of \$30 million.⁴

Video quality has always been a challenge to ensure over the internet, as connectivity can vary by location. However, in today's market, with all of the different types of devices, operating systems, and contexts in which people could be watching these ads, it's nearly impossible to ensure quality.

Media brands need to adapt by expanding the number of devices and contexts in which they execute QA. The media brands that are able to adapt will collect the biggest piece of the continuously increasing digital ad revenue pie.

⁴eMarketer:
<https://www.emarketer.com/Article/Digital-Video-Advertising-Continues-Expand/1013722>

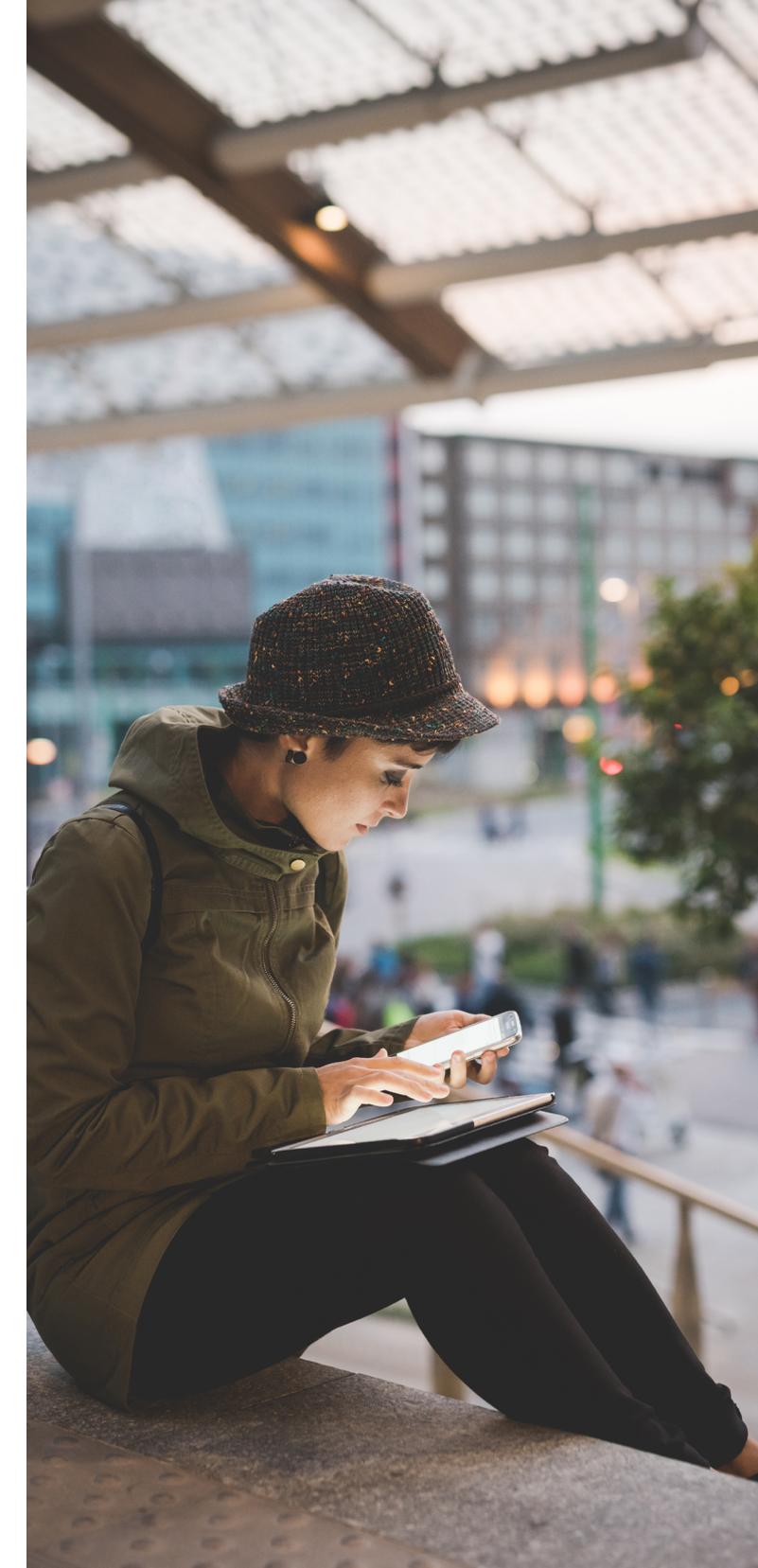
2. DELIVERING INCONSISTENT EXPERIENCES ACROSS DIFFERENT PLATFORMS CHASES CUSTOMERS AWAY

As media brands have come to know, the battle against device fragmentation extends well beyond the process of rendering ads, and into the process of delivering content to subscribers, viewers, readers, and listeners.

ScientiaMobile counted 45,000 different device profiles on the market today, and claims that the rate of fragmentation will continue to increase moving forward.⁵ The diagram on the next page indicates just how much variability there is among the types of content customers are engaging with and the platform they tend to be engaged on.⁶

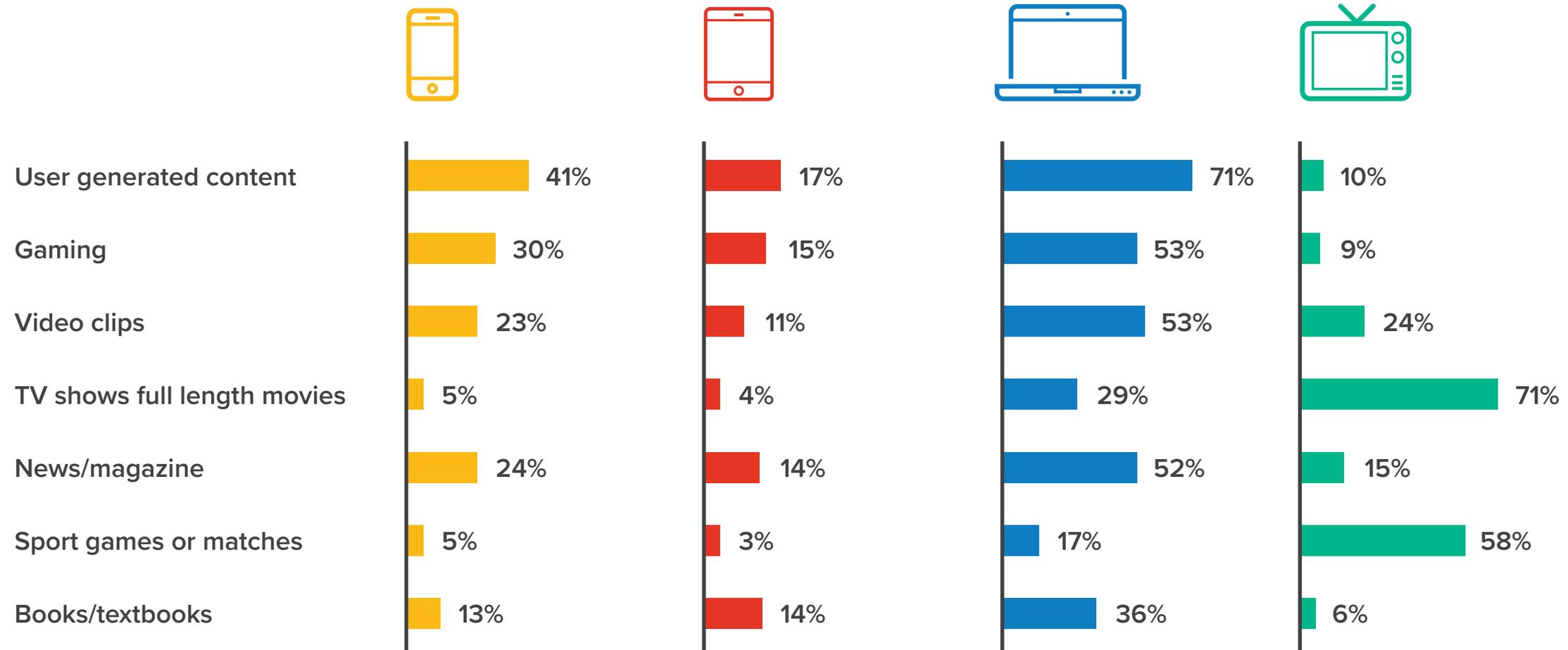
⁵ScientiaMobile:
<https://www.scientiamobile.com/page/mobile-device-fragmentation-proliferation>

⁶2014 Accenture Digital Consumer Survey



Device Usage

Which types of device(s) do you prefer to use when accessing different types of content?



Sample base: N=2300
Source: 2014 Accenture Digital Consumer Survey

There is a seemingly infinite number of ways that people are reaching media brands, and they expect a consistent experience across all of them.

In a hyper-competitive market where competing websites and apps are just a click or finger tap away, if your content doesn't appear clearly and seamlessly across every one of a customer's devices, they will find another site's content that will.

Streaming service-provider Netflix has proven how delivering consistency across devices drives customer loyalty, as Accenture explains:

Netflix is creating a strong digital brand as it offers a seamless experience across devices, enabling account holders to start watching video on their smart TV, stop, and pick up where they left off on another device.⁷

Companies like Netflix, that are able to account for the variability that device fragmentation creates, will be able to retain new customers and drive repeat business.

⁷Accenture: Bringing TV to Life (Issue IV)

3. FAILING TO INTEGRATE CUSTOMER FEEDBACK INTO THE DEVELOPMENT PROCESS CREATES WASTED TIME AND RESOURCES

Even if all of your advertisements render perfectly, and you deliver the same experience on every device, it is still possible to miss the mark. The key is delivering exactly what customers are looking for.

With new technology constantly being introduced, and customer expectations rapidly changing, it can be a challenge to keep up and ensure expectations are being met.

ACCENTURE POINTS OUT THAT:

Most established (media players) use a waterfall model to design and build new services. Typically, this means developing a business case, building a service architecture, executing a pilot in order to fine tune aspects of the service and then, finally, full deployment. While an unsuccessful service will generate significant losses, frequently a service is launched (or not abandoned as early as it should be) because of the major investments the company has already incurred.⁷

⁷Accenture: Bringing TV to Life (Issue IV)

The solution to this flawed process is injecting customer feedback early and often.

ACCENTURE CONTINUES TO POINT OUT HOW NEWER MEDIA PLAYERS HAVE FOUND A WAY AROUND THIS INEFFICIENCY:

New entrants, in contrast, do not work this way...They leverage customer feedback continuously in service creation and their delivery processes in order to adapt to evolving customer needs. This approach makes 'failure' a natural part of how a service evolves, embedding the potential to respond, adapt and change with innovations that audiences will value.⁷

Finding a way to include the customer voice throughout your entire software development lifecycle will enable you to confidently go to market, knowing you are meeting your customer's expectations, while avoiding the wasted time and energy that comes with failing to do so.

⁷Accenture: Bringing TV to Life (Issue IV)



CROWDTESTING: THE WAY TO OVERCOME THESE CHALLENGES

The fastest, most efficient way to ensure your content is delivered consistently across all digital platforms, your advertisements are rendering flawlessly, and the voice of the customer is present through your entire product development lifecycle is to leverage the power of crowdtesting.

Crowdtesting enables you to test your apps and websites with existing customers and subscribers to ensure they will deliver excellent digital experiences in the authentic real-world use cases where they are relied on.

Additionally, crowdtesting communities enable you to rapidly collect feedback from customers and subscribers at the same cadence as your development process. Incorporating customer feedback into every sprint enables you to proactively evolve your products to meet the ever-changing needs of the market.

Crowdtesting companies have trained and vetted professionals who provide valuable feedback and insights, and seamless processes to protect your IP while getting results back quickly. **Alternative methods for addressing these challenges like managing an outsourcing firm, adding internal headcount, and building out your own device lab, are excessively cumbersome in comparison to leveraging the power crowdtesting.**

ABOUT APPLAUSE

Applause empowers leading brands to deliver flawless digital experiences for their customers on any device, in every location. The company's **market insights, user feedback and digital testing solutions** enable businesses to delight customers, drive topline revenue and innovate faster.

Applause ensures digital experience quality for websites, mobile apps, IoT products and in-store interactions in a way no other approach can – through its technology platform and managed **global community of over 300,000 professional and on-demand testers**. Only real people on real devices in real locations can provide the real issues and feedback that brands need to deliver great digital customer experiences. You can't hire, outsource or automate the increasingly converged digital-physical experience that defines real customer interaction, but you can replicate it with the crowdsourced approach provided by Applause.

Thousands of companies of every size – including Google, FOX, Nike, BMW, PayPal and Slack – rely on Applause to dramatically decrease both the time and the costs of delivering great digital experiences for their customers. Learn more at www.applause.com

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