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Insights

Future of media monetisation

How to pay the content bill

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Contents

Introduction

By the end of 2021, there will be an average of four streaming media subscriptions in US households. In Germany, there will be two. Those numbers will continue to rise, globally, and Germany's is even expected to double by 2023.[1] However, this is only one aspect of the dynamic in media monetisation. With innovative offerings and powerful streaming providers, like Netflix and Spotify, subscription models have captured the hearts of media users.

ACCEPTANCE OF THESE and other new revenue models have played a key factor in the media industry's success – determining how content is monetised and how the money flows. But the landscape continues to transform, with additional revenue pillars on the rise, such as e-commerce and donations to media professionals, and shifts of power among suppliers a distinct possibility.

Revenue models are crucial for the evolution of the media industry, but it is clear that media monetisation will look different by the end of this decade. How will it develop? In the best case, the new monetisation options will not cannibalise established ones, instead adding up to considerable market growth. But nothing is guaranteed, and two unanswerable questions loom behind the future of media monetisation: Who has control over loyalty? And what is the focus of attention? Media companies, advertisers and all links in the media value chain should begin imagining the path forward, preparing for all potential eventualities, and perceiving relevant changes at an early stage – without ever underestimating the immense market dynamics at play.

Deloitte's Center for the Long View, along with our global media experts, conducted a study to develop four extreme but valid scenarios for the evolution of media revenue models up to the year 2030. We offer this tangible look into the future to help gauge how media monetisation will develop and yield respective options for action, supporting strategic decision-making.

Media and revenue: An ever-changing status quo

This is a salient moment in time to cast our eyes forward; recent statistics show that media revenue models could currently be at a tipping point. Here is why:

- Consumers' acceptance of paid content is steadily increasing. In Germany, a quarter of media users say their openness to paid content increased during the COVID-19 pandemic.[2] Similar observations can be made in other markets.

- Remember the US and German statistics about streaming subscriptions? More and more households are taking on multiple subscriptions for premium content, and those numbers will continue to rise.[3]

- In contrast, compared to paid content, advertising revenue has recently become volatile and crisis prone. Just take a look at IPG's media investment and intelligence unit Magna,[4] which, as a result of COVID-19, experienced a 2.5 per cent year-over-year decline in 2020 global ad revenue.

- On the other hand, targeting can increase advertising's effectiveness and restore its relevance, through new technologies and the associated individual targeting of consumers. New advertising-based revenue models will also have a positive effect: advertising-based video on demand (AVOD) is already established in many Asian and North American markets, but its great potential is far from exhausted. In most European countries, AVOD does not yet play a role, but current surveys show a huge consumer interest; 50 per cent of German media consumers say they are open to AVOD.[5]

- The acceptance of digital media previously varied among age groups but is becoming increasingly similar. So far, older media consumers have typically consumed more linear content, while younger ones often prefer digital, non-linear offerings. But the gap is closing.

- A progressively important, additional revenue pillar for media groups is e-commerce: Media companies are diversifying their business activities, and large digital platform companies (DPCs) are demonstrating the enormous opportunities for cross-subsidising e-commerce and media content.

- Merchandising is also gaining relevance, as broadcasters and VOD providers are following Disney's example and commercialising their successful formats.

- User donations to news and online media are becoming an established, relevant revenue model. Donors aim to support creative minds and acknowledge the quality of their content, while encouraging more of it. YouTube users are a prime example of this monetisation model.

These observations are a snapshot of our world today, but they alone cannot give us a picture of the future of media monetisation. A wider-angle lens is needed, to encompass each stakeholder and the many driving forces surrounding them.

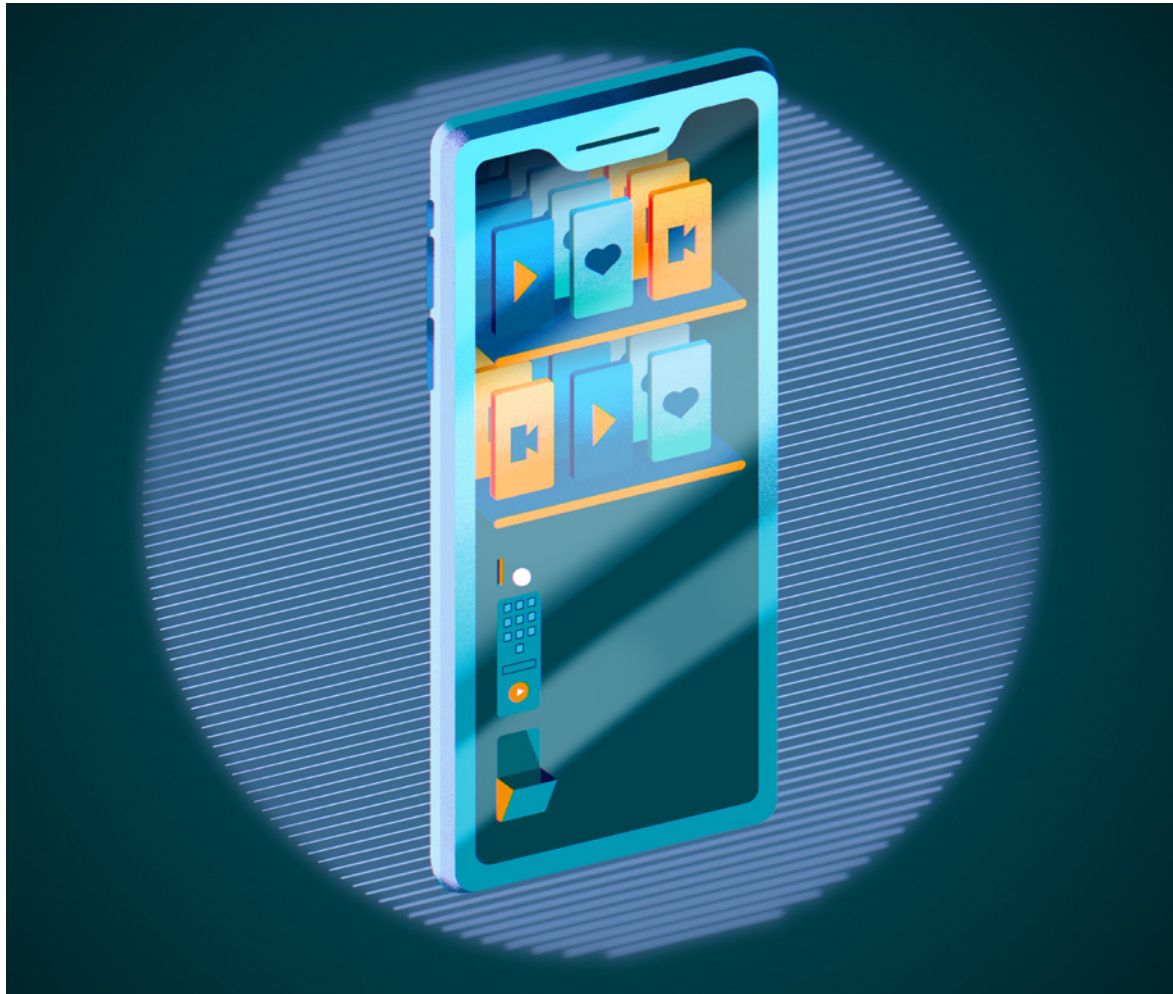# If all the world's a screen, who should we watch?

Eight discrete stakeholder groups, summarised in figure 1, are the protagonists of Deloitte's study. They should all be preparing to react to each of the potential future developments we will describe in our scenarios. Their significance varies greatly in the respective scenarios: The 'winners' in one may lose importance in another. Figure 1 also provides an overview of the market ecosystem, relevant to the future of media monetisation, and helpful orientation for digesting and analysing the four scenarios.

FIGURE 1

Stakeholder archetypes

Content creators
- take on the creative role and are the original producers of content
- are dependent on excellent revenue models to ideally monetise content
- place their content either directly or (usually) via aggregators.

Content aggregators
- are often traditional media companies (e.g. broadcasters, publishing houses, radio stations)
- act as important access points to content
- potentially come under pressure from DPCs.

Digital platform companies (DPCs)
- have a strong position as global content aggregators and technology providers
- increasingly offer own and exclusive content
- sometimes cross-finance content via other business activities (e.g. e-commerce).

Infrastructure providers
- providers of those infrastructures transmitting digital media content
- can be fixed, mobile or cable network providers
- often also act as (local) content aggregators.

Advertisers
- are the payers in advertisement-financed revenue models
- become increasingly independent of formerly indispensable partners in a digital and tech-focused advertising environment.

Advertising and media agencies
- create, plan and manage all aspects of advertising; their competencies range from creativity to media space transactions
- their traditional business model is increasingly threatened by digital skills of advertising technology (adtech) companies and DPCs.

Media consumers
- are primary recipients of media content
- usage patterns have heavily changed towards digital media services over the past years.

Regulators
- can have an enormous impact on shaping the respective media market environment
- interventions can relate to competitive contours, but also protect the diversity of local content.

Source: Deloitte analysis.

The myriad forces of media monetisation

We collated the drivers that will plausibly shape the future of media monetisation from expert interviews and our unique external environment analysis; the latter is based on natural language processing algorithms applied to media analysis.
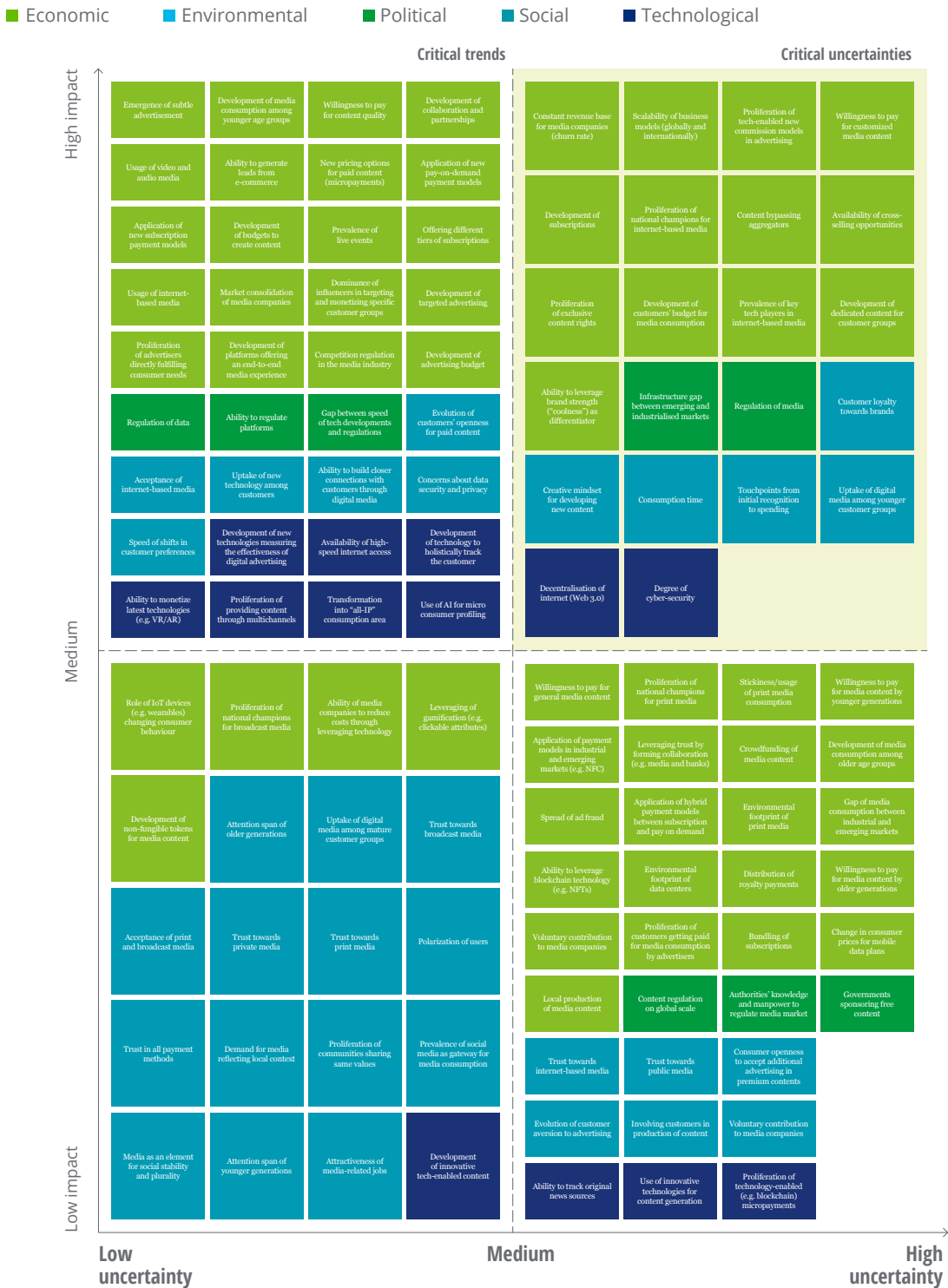
APPLYING SOCIAL, TECHNOLOGICAL, economic, environmental and political (STEEP) factors and a survey to rate the drivers enabled us to cluster the drivers and rate their relative uncertainty and impact on the future of media monetisation (see figure 2).

We identified two types of relevant driving forces that support our scenarios:

1. High impact and likely evolution (see the section 'What we know…')

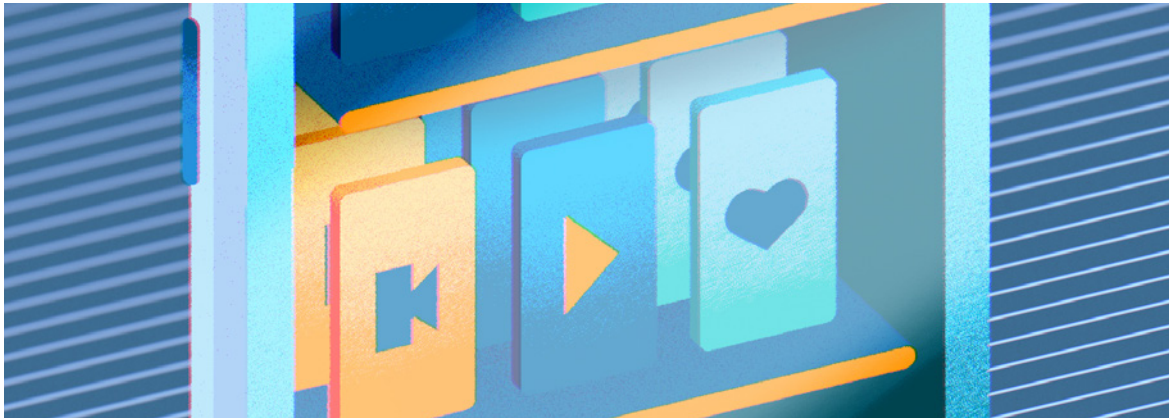2. High uncertainty and high impact on the future of media monetisation

5

FIGURE 2

Driving forces: Evaluation by degree of impact and uncertainty

■ Economic   ■ Environmental   ■ Political   ■ Social   ■ Technological

Critical trends   **Critical uncertainties**

High impact

Emergence of subtle advertisement	Development of media consumption among younger age groups	Willingness to pay for content quality	Development of collaboration and partnerships	Constant revenue base for media companies (churn rate)	Scalability of business models (globally and internationally)	Proliferation of tech-enabled new commission models in advertising	Willingness to pay for customized media content
Usage of video and audio media	Ability to generate leads from e-commerce	New pricing options for paid content (micropayments)	Application of new pay-on-demand payment models	Development of subscriptions	Proliferation of national champions for internet-based media	Content bypassing aggregators	Availability of cross-selling opportunities
Application of new subscription payment models	Development of budgets to create content	Prevalence of live events	Offering different tiers of subscriptions	Proliferation of exclusive content rights	Development of customers' budget for media consumption	Prevalence of key tech players in internet-based media	Development of dedicated content for customer groups
Usage of internet-based media	Market consolidation of media companies	Dominance of influencers in targeting and monetizing specific customer groups	Development of targeted advertising	Ability to leverage brand strength ("coolness") as differentiator	Infrastructure gap between emerging and industrialised markets	Regulation of media	Customer loyalty towards brands
Proliferation of advertisers directly fulfilling consumer needs	Development of platforms offering an end-to-end media experience	Competition regulation in the media industry	Development of advertising budget	Creative mindset for developing new content	Consumption time	Touchpoints from initial recognition to spending	Uptake of digital media among younger customer groups
Regulation of data	Ability to regulate platforms	Gap between speed of tech developments and regulations	Evolution of customers' openness for paid content	Decentralisation of internet (Web 3.0)	Degree of cyber-security		
Acceptance of internet-based media	Uptake of new technology among customers	Ability to build closer connections with customers through digital media	Concerns about data security and privacy				
Speed of shifts in customer preferences	Development of new technologies measuring the effectiveness of digital advertising	Availability of high-speed internet access	Development of technology to holistically track the customer				
Ability to monetize latest technologies (e.g. VR/AR)	Proliferation of providing content through multichannels	Transformation into "all-IP" consumption area	Use of AI for micro consumer profiling				

Medium

Role of IoT devices (e.g. wearables) changing consumer behaviour	Proliferation of national champions for broadcast media	Ability of media companies to reduce costs through leveraging technology	Leveraging of gamification (e.g. clickable attributes)	Willingness to pay for general media content	Proliferation of national champions for print media	Stickiness/usage of print media consumption	Willingness to pay for media content by younger generations
Development of non-fungible tokens for media content	Attention span of older generations	Uptake of digital media among mature customer groups	Trust towards broadcast media	Application of payment models in industrial and emerging markets (e.g. NFC)	Leveraging trust by forming collaboration (e.g. media and banks)	Crowdfunding of media content	Development of media consumption among older age groups
Acceptance of print and broadcast media	Trust towards private media	Trust towards print media	Polarization of users	Spread of ad fraud	Application of hybrid payment models between subscription and pay on demand	Environmental footprint of print media	Gap of media consumption between industrial and emerging markets
Trust in all payment methods	Demand for media reflecting local context	Proliferation of communities sharing same values	Prevalence of social media as gateway for media consumption	Ability to leverage blockchain technology (e.g. NFTs)	Environmental footprint of data centers	Distribution of royalty payments	Willingness to pay for media content by older generations
Media as an element for social stability and plurality	Attention span of younger generations	Attractiveness of media-related jobs	Development of innovative tech-enabled content	Voluntary contribution to media companies	Proliferation of customers getting paid for media consumption by advertisers	Bundling of subscriptions	Change in consumer prices for mobile data plans
				Local production of media content	Content regulation on global scale	Authorities' knowledge and manpower to regulate media market	Governments sponsoring free content
				Trust towards internet-based media	Trust towards public media	Consumer openness to accept additional advertising in premium contents	
				Evolution of customer aversion to advertising	Involving customers in production of content	Voluntary contribution to media companies	
				Ability to track original news sources	Use of innovative technologies for content generation	Proliferation of technology-enabled (e.g. blockchain) micropayments	

Low impact

Low uncertainty   **Medium**   **High uncertainty**

Note: Mathematically defined location of some text boxes may differ as overlapping data points have been rearranged to increase readability; survey was conducted 22-28 June 2021 with 13 participants.
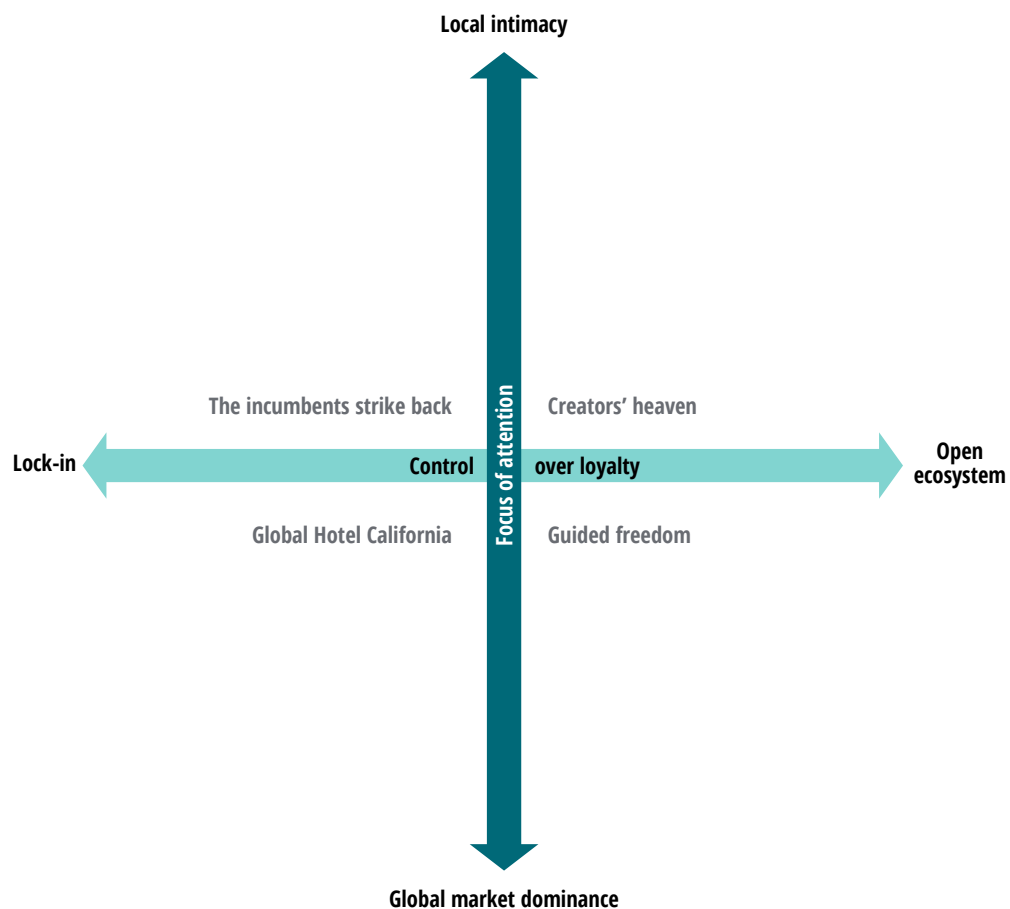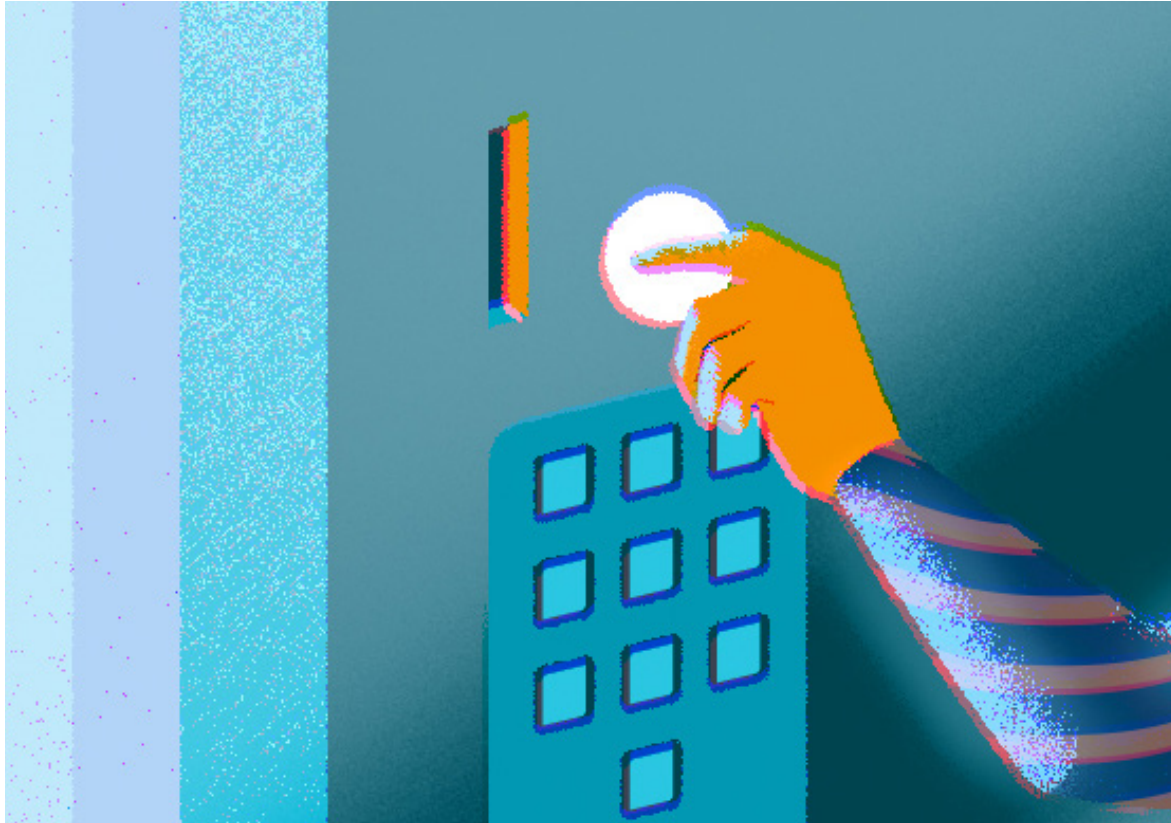
Source: Deloitte analysis.

Twenty-two driving forces fell into the 'critical uncertainties' category; because they are both highly uncertain and presenting a high impact, they became the focus of our analysis for future developments. We tested those drivers by measuring their interdependence with, and relevance to, each other. We then clustered them according to their relatedness. Finally, we created a matrix based on those two questions that the future of media monetisation rests on: Who has control over loyalty? And what is the focus of attention? Our four scenarios stem from the two axes shown in figure 3.

FIGURE 3

Scenario overview for the future of media monetisation in 2030

Local intimacy

The incumbents strike back   Creators' heaven

Lock-in   Control over loyalty   **Open ecosystem**

Focus of attention

Global Hotel California   Guided freedom

Global market dominance

Source: Deloitte analysis.

What we know and don't know

The exact future of media monetisation is practically impossible to envision, and three particular factors are blurring the picture even more:

- **Adoption of technical innovations**
  A multitude of technical advancements, such as involving hyperconnectivity, blockchain or AI, is creating opportunities and concerns for new and established media revenue models. Targeted advertising might become a relevant influence in content monetisation, for example, but privacy worries have a new breeding ground. The question is whether consumers will use or accept these technologies, and how much.

- **Media consumers' changing behaviour**
  Continually emerging forms of content delivery are leading to highly dynamic usage patterns. Consumers can choose from a wide range of offers for the services that suit them individually, but they are also prepared to switch. Which media offerings will consumers actually adopt in the long term?

- **Shifting forces on the supplier side**
  With new media offerings, new players are also entering the market, making shifts in power not only possible but probable. Global DPCs, in particular, can change the rules of the game. But to what extent this will happen, and whether the established media companies will be able to defend their positions, is unclear.

In the face of all this uncertainty, it is worth acknowledging what we do know. There are several 'critical trends' that our analysis revealed alongside the critical uncertainties (see top left of figure 2). According to our global media experts, they are most likely universally valid, contextual factors of the future media industry. Although they will have a decisive influence on how media monetisation looks in 2030, they are less relevant as distinguishing features of the four scenarios. Regardless, five of them point to important, expected future developments and were factored into the scenarios:

1. **Acceptance of internet-based media**
   In 2030, media will be almost exclusively digital and internet based. Consumers will cover their content needs digitally, and acceptance will cover all age segments – even seniors will primarily turn to web-based media.

2. **Development of new technologies measuring digital advertising effectiveness**
   Thanks to the progress and omnipresence of adtech, the effectiveness of digital advertising will most probably be measured with the highest accuracy at the end of this decade. Advertising performance measurement will remain a key driver of content monetisation. Even in 2030, a common, uniform performance indicator will still be essential for the entire media industry.

3. **Willingness to pay for quality content**
   The willingness to pay for premium content will most likely be strong in 2030. A considerable number of consumers will have come to appreciate quality and curated media, for several reasons. One is becoming accustomed to a high level of quality in VOD and feeling it is necessary. Another is desiring quality news, as a response to the spread of fake news.

4. **Application of new pay-on-demand models**
   Micropayments will proliferate in the future: for individual films, series, music tracks or news articles. Consumers will see such a payment model as easy and secure. Blockchain-based, pay-per-use models will complement conventional payment solutions, and they will enable new monetisation options for media professionals, despite being initially complex and fragmented.

5. **Customer uptake of new technology**
   Media-relevant technologies will most probably be widespread among consumers. Screens will be everywhere – encompassing all sizes, from smartwatches to movie screens. Just like speakers, they will all be connected in the year 2030, so media can be streamed extensively. This applies to media consumption at home, as well as on the move.
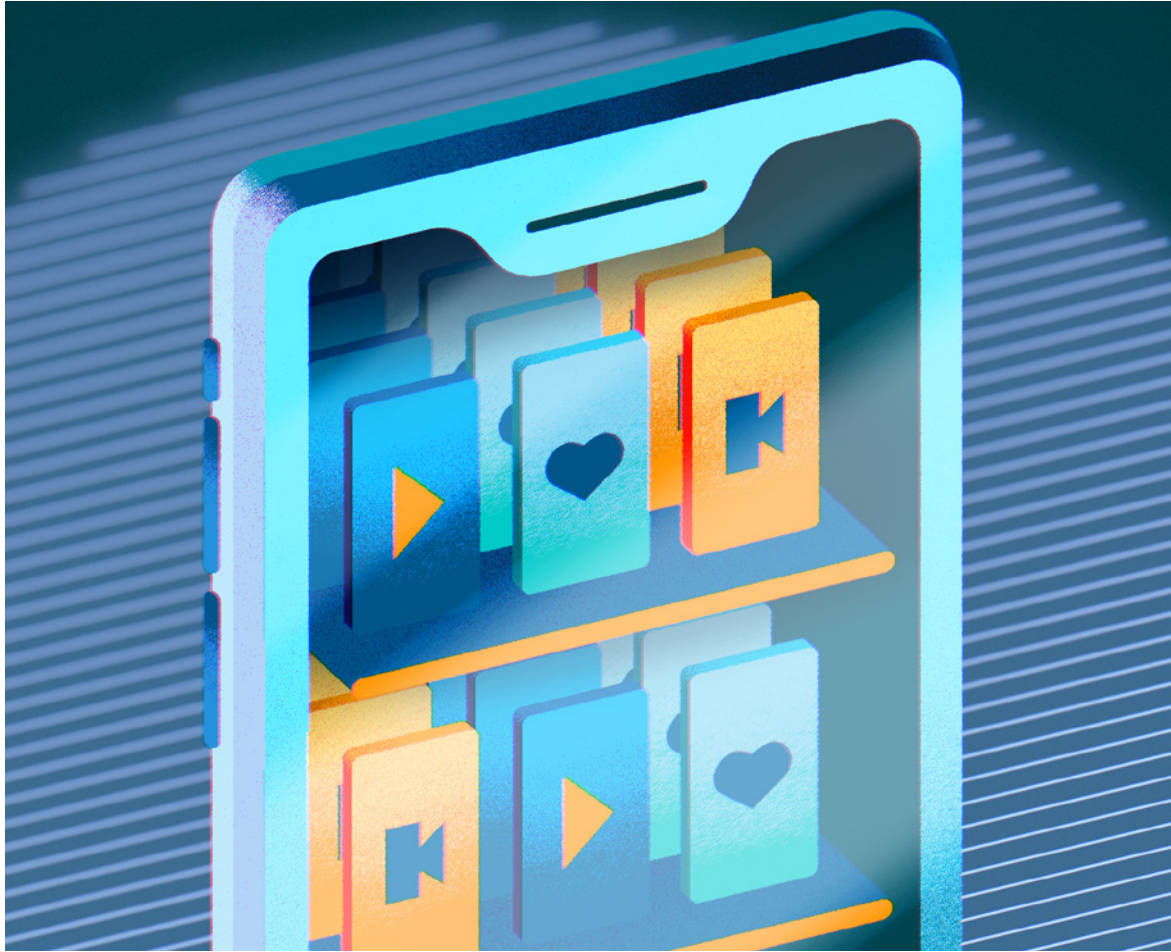
Picture this: Four scenarios of media and revenue in 2030

Conventional strategic analysis does not offer much in a highly uncertain environment, but the scenario lens enables perspectives beyond the usual three- to five-year planning horizon. It is not about predicting the future, per se, but depicting the risks and opportunities of specific strategic options in detail – scenarios illustrate relevant but opposing forces, or drivers, rather than specific future events. In other words, they are narratives set in alternative future environments that are affected by today's decisions and trends.

DELOITTE'S SCENARIO APPROACH can elicit robust responses by offering four plausible and distinct futures. They vary significantly and provide a sense of context and practical application by demonstrating the underlying drivers. This can help planners model strategies, according to potential impact.

Scenario 1: CREATORS' HEAVEN

In our first scenario, the market is characterised by a fragmented and open ecosystem that includes a **large number of local content providers** who maintain a **multitude of paid customer relationships**. In this highly connected and hyper-digital world, the level of innovation and **technological development is extremely high**. Customers are used to micropayments and **direct, blockchain-based payment methods**. Content is cheap and easy to consume in small doses, and subscriptions are easy to cancel instantly. **Individual, pay-as-you-go transactions and subscriptions** are the dominant revenue models. **Advertising** has lost ground and remains relevant only where it is maximally targeted. In this context, telecommunications and platform providers leverage their data and establish advertising sales houses.

The high standardisation and availability of technology results in low market-entry barriers. This creator economy allows everyone to implement their own content and business models while also providing a good breeding ground for **media start-ups and scale-ups** and their innovative offerings. As a result, the media **landscape is fragmented and margins are low,** due to atomistic competition. An **open partnering culture** secures a minimum level of transparency.

Regulators ensure there is competition and a wide variety of content, preventing global heavyweights from dominating the field. **DPCs** cannot leverage their global blockbuster content, instead acting as one of many distributors of platform-as-a-service solutions for smaller media companies. In this scenario, **local content producers and intellectual property owners** are the winners, since they can use their direct access to media consumers in order to grow. They successfully implement **e-commerce and in-app purchases** as additional revenue models. **Consumers** maintain a wide variety of paid contractual relationships but choose individual content to suit with a high degree of sovereignty.

Scenario 2: GUIDED FREEDOM

In this scenario, **numerous revenue models** have prevailed in an open ecosystem world, **with large DPCs** taking on the central aggregator role. DPCs provide their technology and set the rules of the game, which funnels the variety available in the open metaverse-ecosystem and allows DPCs to monetise their **global content**. Local content remains relevant but is supplied by partners. The DPCs' search and recommendation functionalities provide orientation in the overwhelming content flood but, on the other hand, this shapes a **global mainstream media culture** in line with DPC preferences.

Data, analytics and AI are omnipresent and freely available to all market participants in this highly innovative environment. As media has become almost entirely digital, smart technologies can predict consumption and pave the way for targeted advertising. DPCs can fully leverage their massive capabilities in those areas, while **traditional agencies** have been displaced. **Regulation** is in place but is unable to break the supremacy of the DPCs. **Ad funding strongly benefits** in this scenario: The extensive availability of data allows for highly targeted advertisements that fully meet media consumers' needs. More than that, some content is offered for **free in exchange for consumer data. Subscription models** survive as flat-fee access to premium DPC content, but the majority of payments are transaction based. Alongside these, a new generation of blockchain-based technologies and crowdfunding platforms enable small local producers to **monetise their content directly**. The latter, in particular, ensures variety despite strong DPCs.

DPCs differentiate themselves with **exclusive content and sports rights**. Local producers benefit from **partnerships** with the large platform providers but are making themselves increasingly independent through direct customer and payment relationships. In this way, the dominant role of DPCs tends to come under pressure.

Scenario 3: GLOBAL HOTEL CALIFORNIA

In this world, global **DPCs** command the **bulk of media revenues through both subscription models and highly innovative forms of advertising**. In a completely **unregulated** market environment, DPCs benefit at all levels: They can make best use of their financial power, monetise their global blockbusters, collect user data and leverage their analytics and AI capabilities. DPCs have created **their own metaverses** and act as central aggregators for all types of content, consequently 'locking in' media consumers. The **level of technological innovation is high** in this scenario, and DPCs set global standards. The outcome is an **oligopolistic market structure with a high price level**.

Revenue models based on **individual transactions** play practically no role in this scenario. In order to exploit the high media-revenue potential, the dominant DPCs rely on two main revenue models: First, there are constant revenue streams from **subscriptions** in this locked-in market landscape. Second, DPCs benefit from maximally **customised and targeted forms of advertising**. In addition, they **cross-finance** content through their e-commerce business. Due to DPCs' end-to-end dominance in the advertising market, **media agencies** are becoming obsolete. **Local content providers** are pushed into a pure production role and depend on the DPCs for direct customer access. **Small local aggregators and content producers** have largely been eliminated. **Media consumers** can access a wide variety of different content, but the offerings usually follow a global one-size-fits-all approach that completely ignores country-specific tastes and requirements. In the end, **consumer sovereignty** is weakened – "You can check out any time you like, but you can never leave," as the song goes.[6]

Scenario 4: THE INCUMBENTS STRIKE BACK

In our last scenario, **regulatory measures** create **local champions** and lead to a **limited variety** of offers that are primarily monetised by **paid content**. Regulators strongly protect local media and have pushed back large global players. Instead, **traditional media** channels, like newspapers, still play a prominent role. The dominant revenue model **is subscription based. Advertising is less significant** for future media revenues, not least because stakeholders are not incentivised to collect the data needed for targeted advertising. **National media houses and telecommunication incumbents are the winners** in this scenario: They are aggregators and super-aggregators, and act as content gateways for consumers.

Due to intensive data regulation, the **level of innovation and technological development is low** in this world. The market environment does not foster an intense start-up culture and lacks innovative media services, while M&A are also restricted. Regulators only allow market consolidation to a certain degree, in a bid to avoid players having high market power. Therefore, **DPCs are less relevant** in this scenario, since regulatory requirements prevent them from contributing their scale and data expertise. As a result, their premium global content is not available. The entire media industry stagnates, and revenue potential cannot be exploited because media consumers face a limited and **uninspiring media landscape that lacks international ingredients**. Therefore, consumers' **willingness to pay** is limited to the bare minimum of information, sports and entertainment.
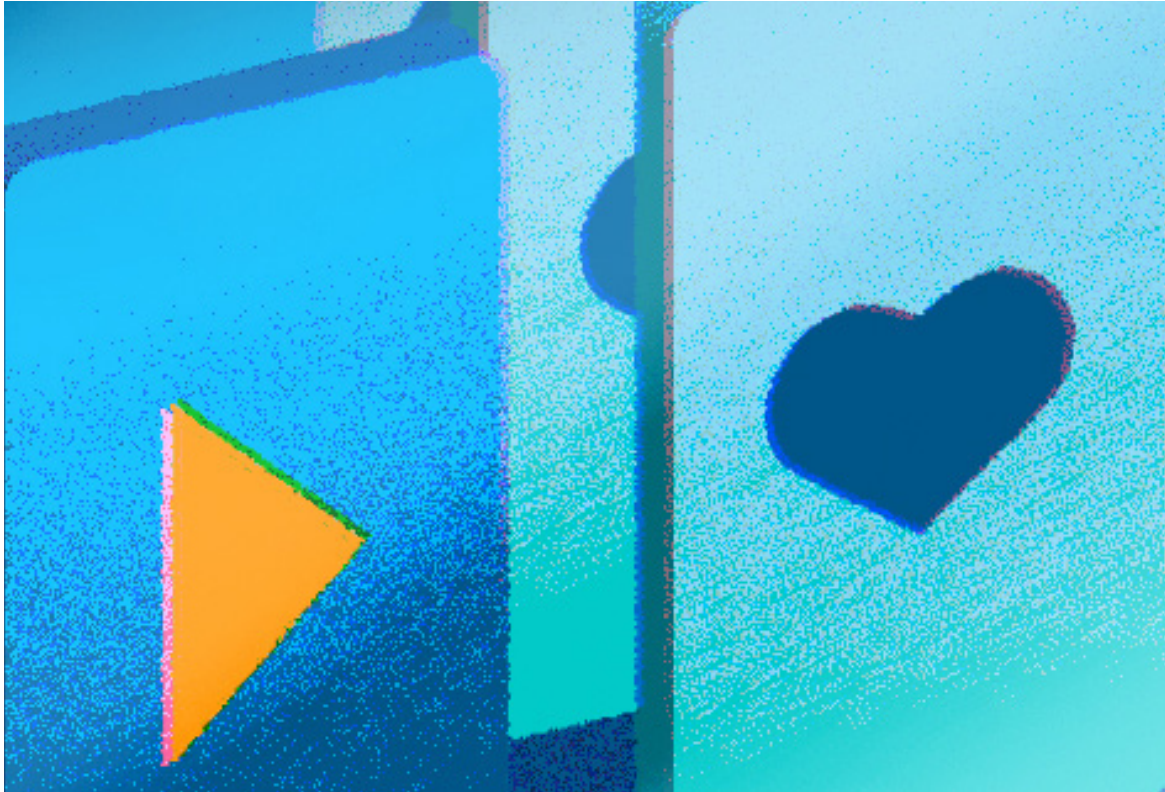
Pause, zoom in, take action

The already existing interplay of technical innovation, media offerings, new customer requirements and corresponding revenue models have set in motion a spiral of change – and it is occurring remarkably quickly. The metamorphosis brings with it immense market dynamics, and all stakeholders must keep pace with them, starting with setting the right strategic course at an early stage. The strategy must focus on the company itself, first and foremost, but the constant changes in market structures must also be closely observed and, if necessary, incorporated.

ZOOMING IN ON the future of media monetisation, the companies involved should sharpen their focus on five strategic fields of action:

1. **Regulation**
   The diversity of our four scenarios shows the extent to which regulatory decisions will potentially influence the market and its stakeholders.

The regulators' fields of action are broad, ranging from competition or data protection to the continued existence of local media offerings, and their decisions always leave room for interpretation. Market participants must always keep a close eye on the regulation of their markets and address decisions as actively as possible. This is especially true for large aggregators and global DPCs with their enormous scale and data-centric offerings.

2. **Partnering**

   Changes in media offerings often increase complexity for providers. The technological hurdles are particularly high for small content creators and aggregators. For example, smart, AI-based search and recommendation functions or new, blockchain-based payment and distribution models are often not feasible for these companies on their own. Content distribution sometimes also requires cooperation with a large (super-)aggregator. Selecting the right partners is becoming increasingly important and by no means only affects the small providers. The heavyweights in the industry should also think about how they want to provide their customers with a diverse offering and what a fair revenue share looks like. After all, partnering works best when all parties benefit.

3. **Payment technologies**

   Media users are increasingly open to paid content. Even though its importance differs among the four scenarios, convenient and reliable payment transactions will be enormously important in the media world of 2030. For example, the efficient payment of micro-cent amounts on a blockchain basis enables new pay-per-use business models. As it allows owners to track the usage of their material, new revenue-share models become possible. Content creators and small aggregators should closely track the development status of those new payment services. DPCs should even consider developing their own solutions.

4. **New advertising**

   Targeting greatly increases the effectiveness of digital advertising, potentially improving content monetisation opportunities. The technical capabilities are already present today and continue to improve. However, regulatory interventions sometimes set strict limits. For content creators, aggregators, DPCs and advertising stakeholders, it is important to carry out the best possible targeting within these limits. This is also relevant to evolving marketing methods and advertising performance measurement. Access to the technological base of targeted advertising should be treated as necessary, whether developed in house or purchased from partners.

5. **Consumer behaviour**

   All media-industry entities should be on their guard, as media customers' usage patterns are changing enormously fast in some areas. This also applies to media revenue models – even successful forms of monetisation must be permanently put to the test. Media companies must be aware that consumer sovereignty has increased significantly with the multitude of offers in the digital age. Strategies and offerings should be adapted accordingly.

Addressing these five fields of action may, in our view, invite more opportunities than risks, when it comes to actively shaping the future of media monetisation. Companies that succeed will be alert, aware and hyper-focused on the erratic loyalty and attention of consumers. They are planning for all possible outcomes but are ready to tweak those plans at a moment's notice. Because as we look back at our pandemic-occupied past year, and ahead to media in 2030, the only thing certain is that nothing can be foretold with certainty.

Study methodology

The methodology of this study is based on the scenario development approach practiced by Monitor Deloitte. The seven-step approach applies the guiding scientific principles of objectivity, reliability and validity. The study is the outcome of research, interviews, questionnaires and workshops involving technology, media and telecommunications experts from the Deloitte Global network, industry professionals and experienced scenario practitioners from Deloitte's Center for the Long View (CLV).

SCENARIO DESIGN BEGAN with identifying the focal question of the underlying issue. Scenarios are tools for shedding light on the strategic challenge, and the focal question sets the scope. Since we could tell an infinite number of stories about the potential future of media monetisation, we first had to agree on the issue or strategic challenge to address. We chose the question, 'How will the future of media monetisation look in 2030?'

Because scenarios help understand dynamics that shape the future, our next step was to pinpoint the forces driving the answer to the focal question. Driving forces are fundamental sources of future change, shaping the course of events and dramatically enhancing our ability to imagine future scenarios. They can be grouped into five categories, known as STEEP: social, technological, economic, environmental and political factors.

(However, these are only handles, as most issues involve more than one of these categories.) Driver selection was aided by expert workshops using Deep View, an AI-based trend-sensing and analysis machine that helps avoid the bias of the traditional approach, which often occurs based on the character, mood or preferences of the scenarists.

We primarily focused on driving forces showing critical uncertainty, as opposed to those that are pre-determined and make up trends already in the pipeline; the latter are unlikely to vary significantly in any of the scenarios. Critical uncertainties carry the potential to tip the future in one direction or another. They have two fundamental characteristics: unusually highly impactful and uncommonly uncertain or volatile. As a part of the scenario methodology, in a third step, we identified the critical uncertainties behind the focal question. Initially, all uncertainties appear unique, but by stepping back, we reduced uncertainties to clusters that serve as the building blocks for our scenario set.

The scenario framework was developed in the next step, by focusing the entire list of related uncertainties into two orthogonal axes. We then created a matrix, consisting of crossing and independent axes that allowed us to define four very different quadrants of uncertainty. In the underlying study, we used "control of loyalty" and "focus of attention" as the key dimensions and developed four distinct but plausible future scenarios.

The CLV scenario approach includes two additional steps that help enterprises make use of the defined scenarios: developing strategic options and monitoring the scenarios. We can use the scenarios to derive potential consequences for market stakeholders. Existing strategies are tested against each scenario and adjusted where necessary. We can apply Monitor Deloitte methodologies to identify, dissect and analyse businesses' strategies, formulating new strategic options that are suitable for all or individual scenarios. As it is important to provide long-term scenario monitoring, to ensure the validity of defined strategic options, we have developed CLV Gnosis: an AI-based modular tool that tracks movements towards individual scenarios in real time and indicates where the future is heading.

Endnotes

1. Deloitte Media Consumer Survey 2021; Ampere; Deloitte analysis.

2. Deloitte Media Consumer Survey 2021.

3. Ibid.

4. Magna, "Magna Global Advertising Forecasts" press release, 13 June 2021. See also: https://magnaglobal.com/magna-global-advertising-forecasts-june-2021/

5. Deloitte Media Consumer Survey 2021.

6. From the Eagles song: Don Felder, Don Henley, and Glenn Frey, "Hotel California", Genius. See also: https://genius.com/Eagles-hotel-california-lyrics

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Tarek is part of Monitor Deloitte's Center for the Long View. He has more than four years of experience in the area of (technology) strategy, digital transformation and the start-up environment. Moreover, he has an extensive understanding of strategy-based transformation topics, including operating models, governance concepts and designing innovation hubs. Tarek graduated with a degree in business administration from the University of Mannheim.

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Our insights can help you take advantage of change. If you're looking for fresh ideas to address your challenges, we should talk.

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