Buying Trends Report

June 2020

About This Report

The IABM Buying Trends Report biannually tracks trends in the media technology sector. The purpose of this report is to enable IABM member companies to benchmark their own performance within the industry and track emerging trends in the demand side of media technology. The information analyzed in this report is derived from both quantitative and qualitative research carried out by IABM.

The primary source used in this report is survey evidence on sector trends and issues gathered and analyzed by IABM. We use this survey evidence as well as variety of secondary sources - including interviews, news, announcements, earnings calls, technology material etc. - to provide users with a comprehensive account of the status of the media technology market.

The majority of responses upon which this survey is based were gathered before the full impact of the COVID-19 pandemic hit Europe and the USA. During the course of the coronavirus outbreak and lockdowns, IABM has been constantly surveying the industry on its effects. It is clear from these surveys that the overall trends noted in this Buying Trends Report remain highly relevant – in fact, many (such as the move to the cloud and development of OTT services) have been accelerated.

On the other hand, advertising revenues in particular have been adversely affected by the pandemic, and the overall level of business optimism will have almost certainly reduced.

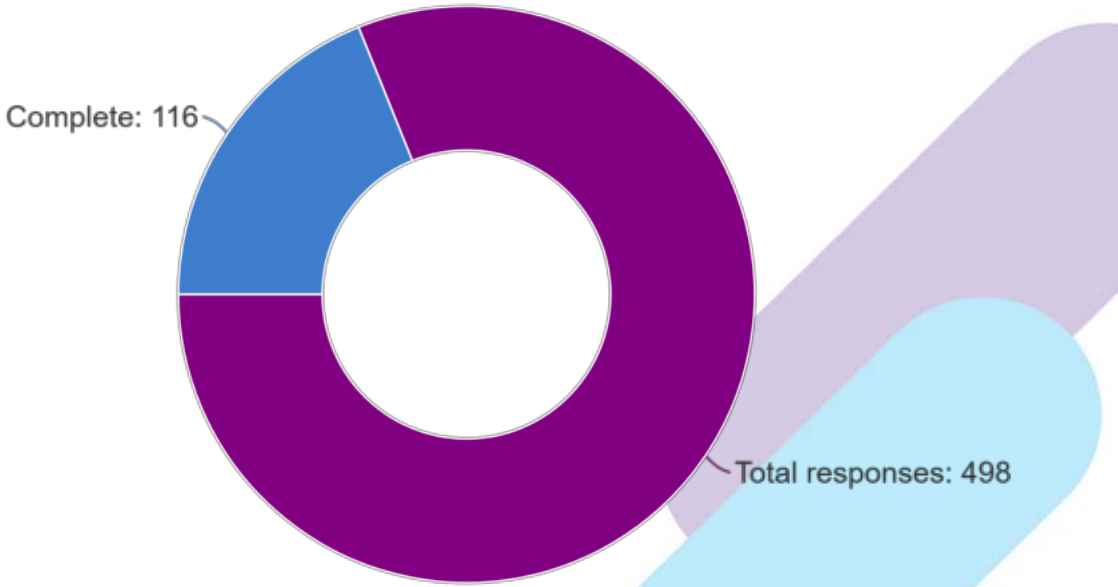


Table of Contents

Executive Summary

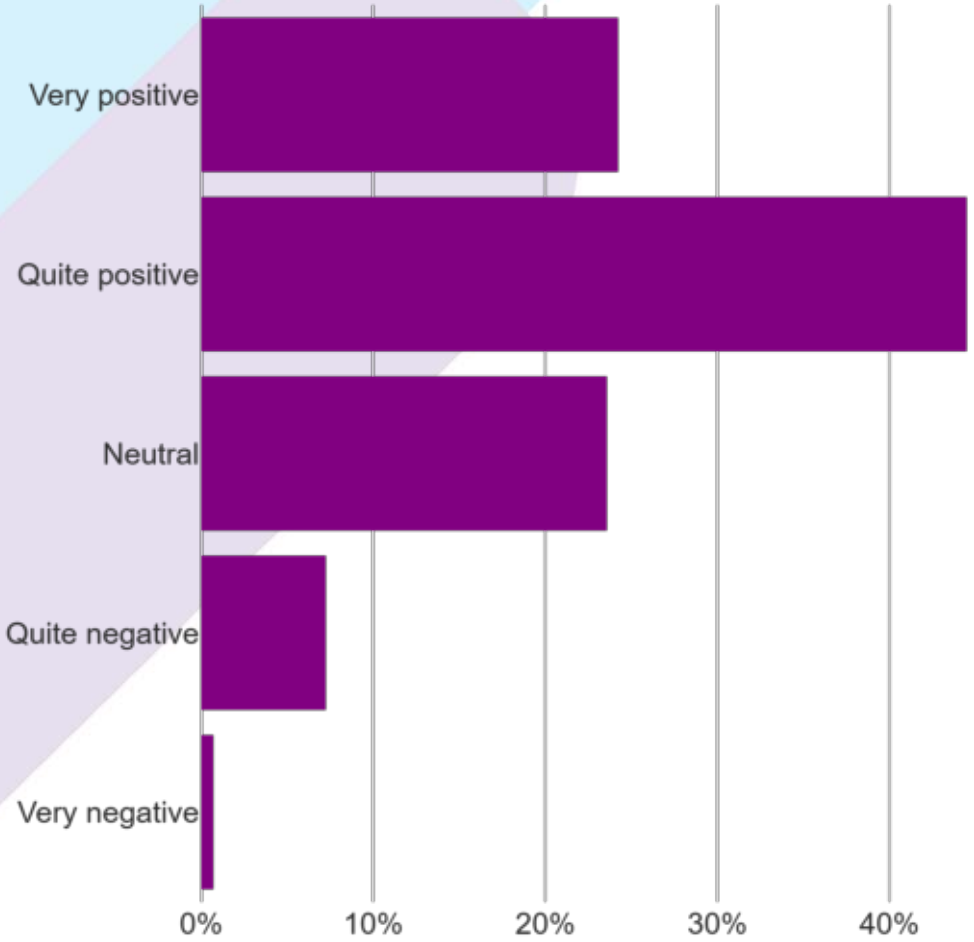
Executive Summary

- Confidence remains at a high level throughout the industry despite all the change affecting the media technology sector, including the implications of the COVID-19 outbreak
- While media companies' revenues from traditional broadcast operations continue to decline among all end-users, OTT and streaming services are becoming increasingly important new sources of revenue for more traditional media companies. During the COVID-19 outbreak, streaming consumption has skyrocketed globally, which has led several OTT providers to even cut the quality of their streaming
- Advertising and licence fees/government funding remained the biggest primary revenue sources for most technology buyers, followed by subscriptions. The general sentiment about advertising is still relatively optimistic, but an increasing number of end-users relying on traditional TV advertising-based business models are feeling financial pressure, as advertisers shift toward digital advertising on OTT platforms. During the COVID-19 pandemic, advertising revenues have dropped significantly, according to several commercial broadcasters
- As media companies move toward direct to consumer business models, spending on an operational basis enables them to better respond to the changing market conditions and competition. During the COVID-19 outbreak, cancellations of live events and scripted productions have caused a negative shock in hardware revenues. The crisis has also had a negative impact on permanent licences, whereas the demand for software subscriptions has increased
- Most technology buyers plan to increase their media budget by up to 10% in the coming 12 months, indicating a continued general increase in demand for media technology. However, the COVID-19 outbreak has put a significant pressure on end-users' budgets, which will translate into an overall decline in media technology investment, as most "nice-to-have" projects are being halted or slowed down to prioritize technologies that allow remote working and production of content

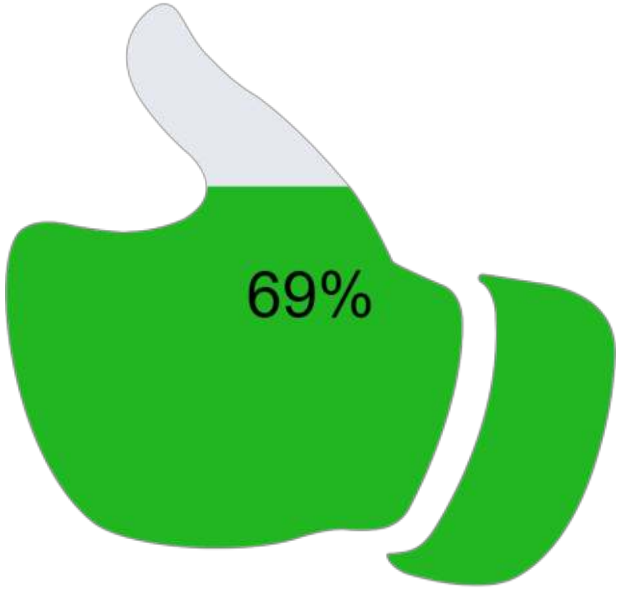
Business Sentiment

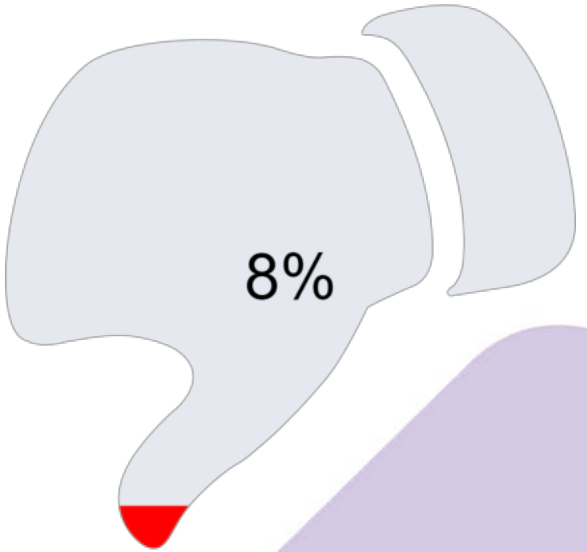
Business Sentiment

Business Sentiment



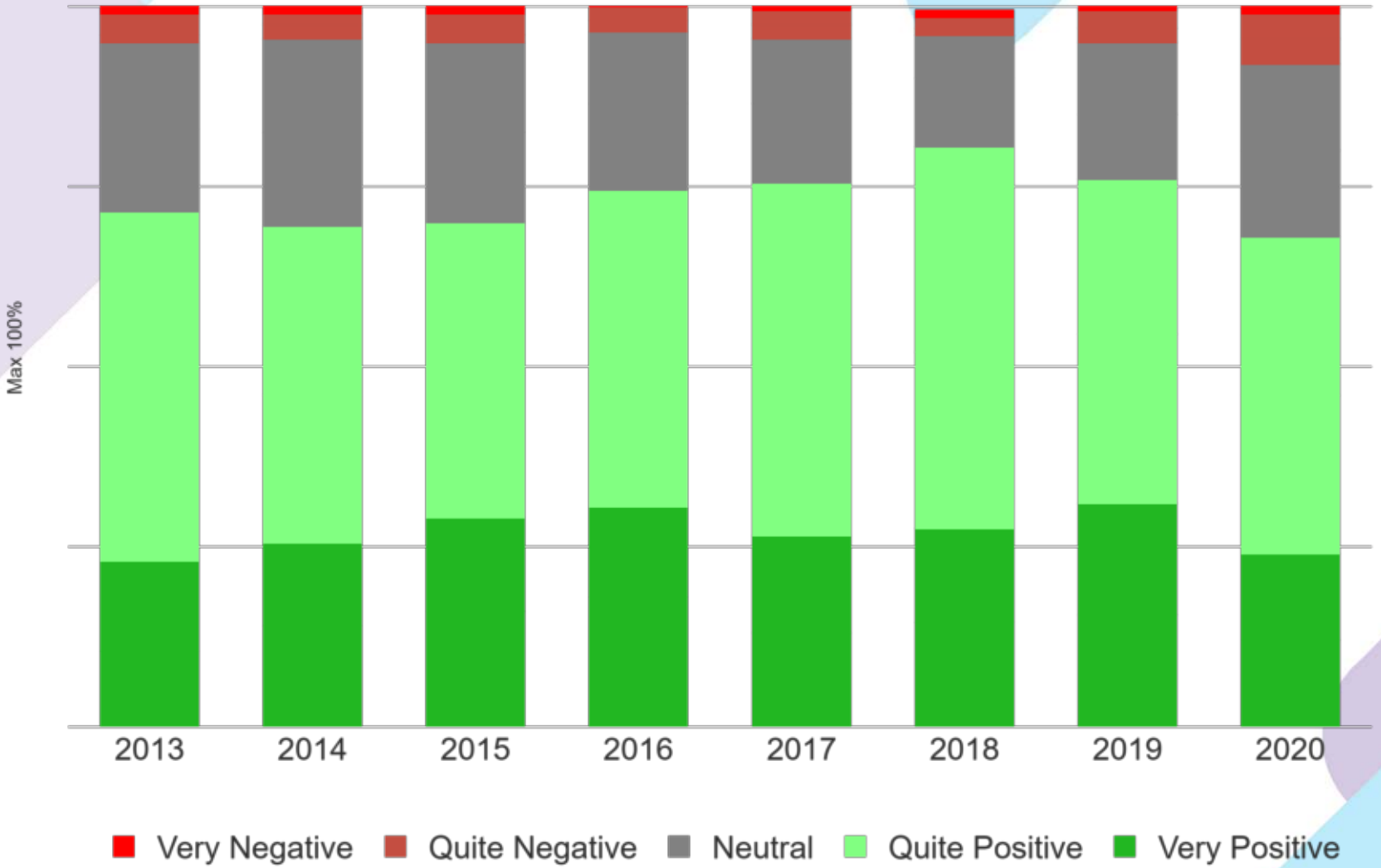
Confidence Stats





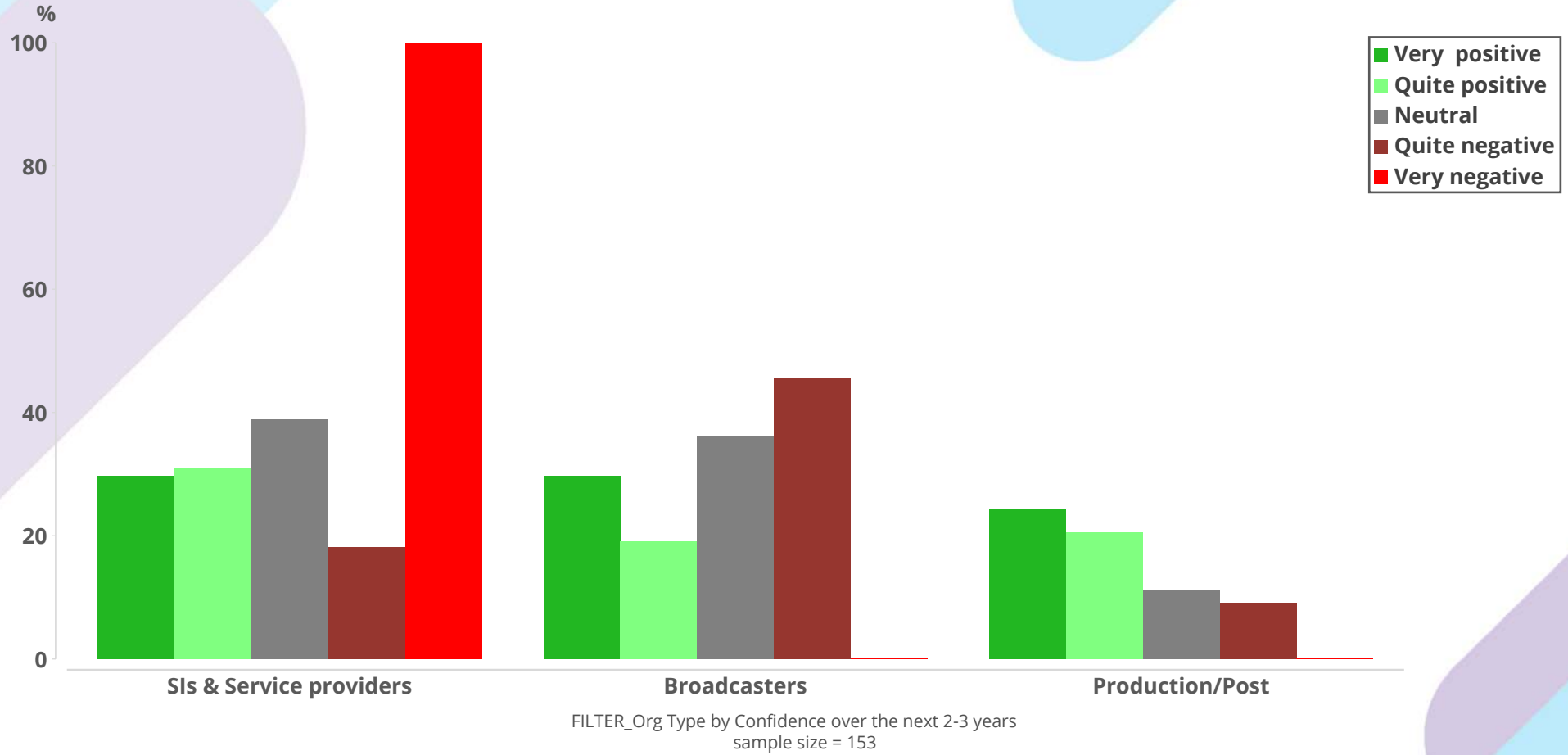
Business Sentiment

Confidence in the Industry



Business Sentiment

Confidence by the Organization Type

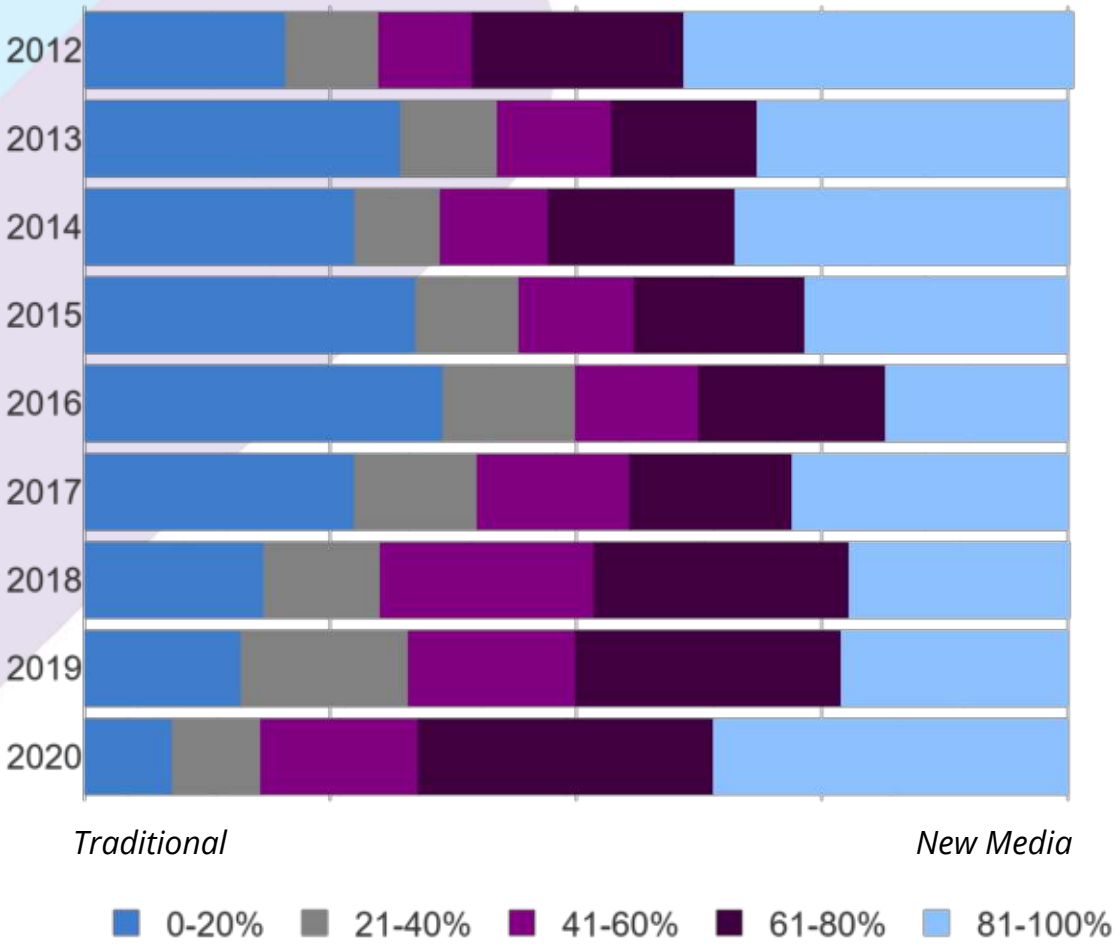


FILTER_Org Type by Confidence over the next 2-3 years
sample size = 153

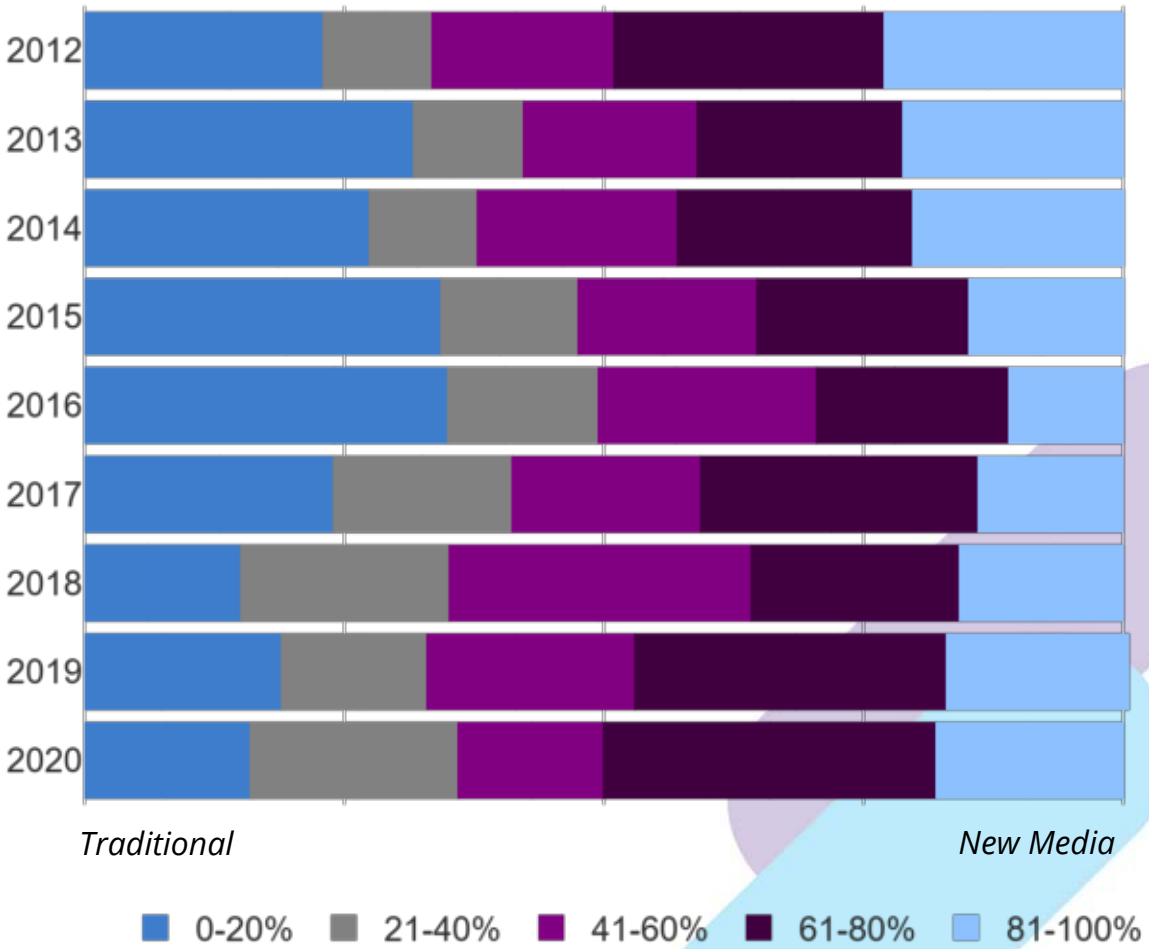
Revenue Sources

Revenue Sources: Traditional vs. New Media

Current

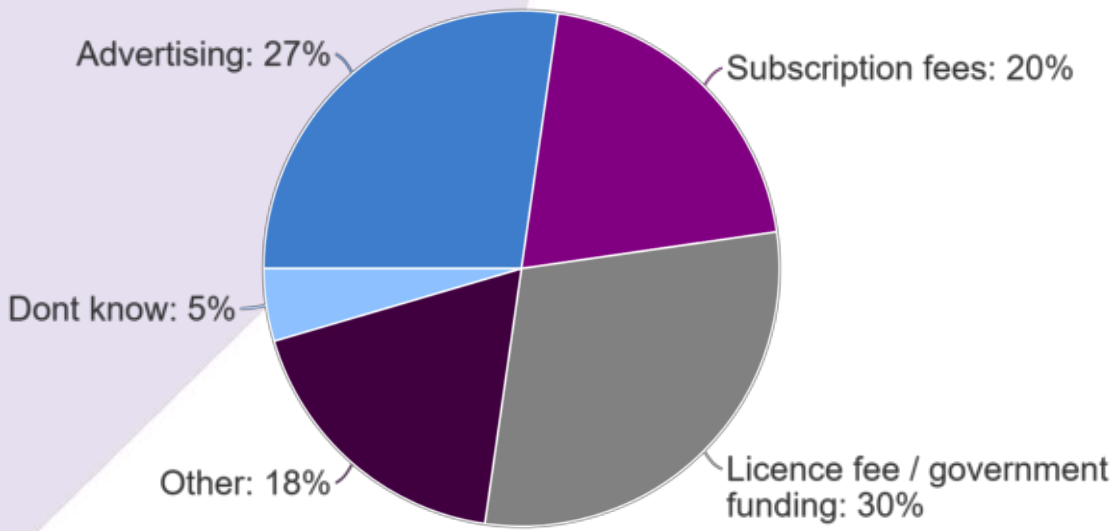


In 2-3 years

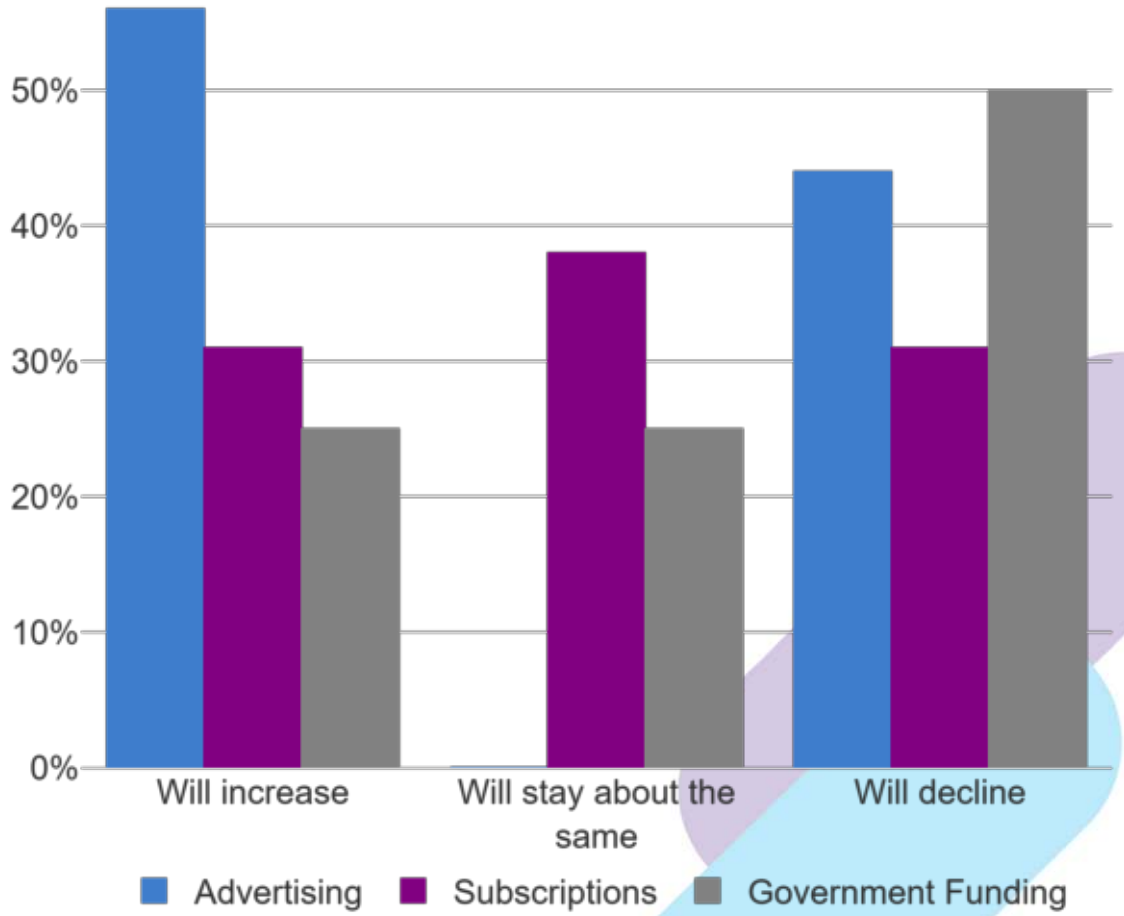


Revenue Sources: Business Models

Broadcast Business Models



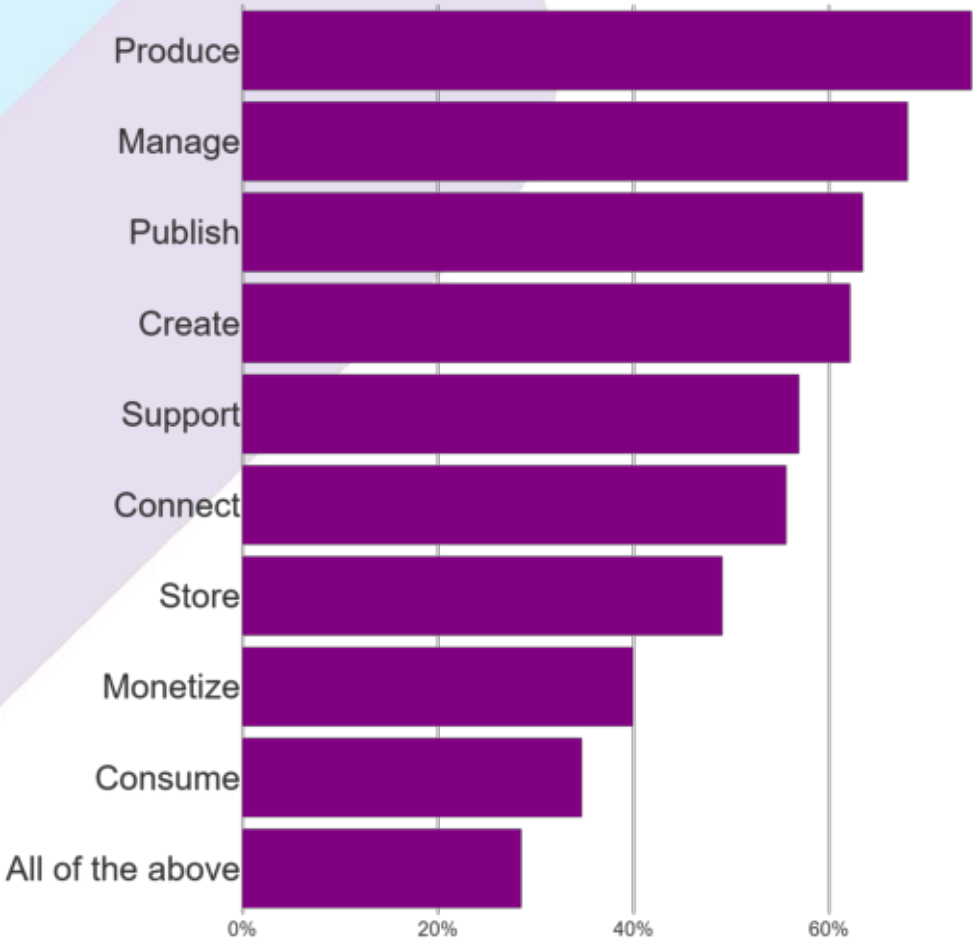
Revenue Outlook by Business Model



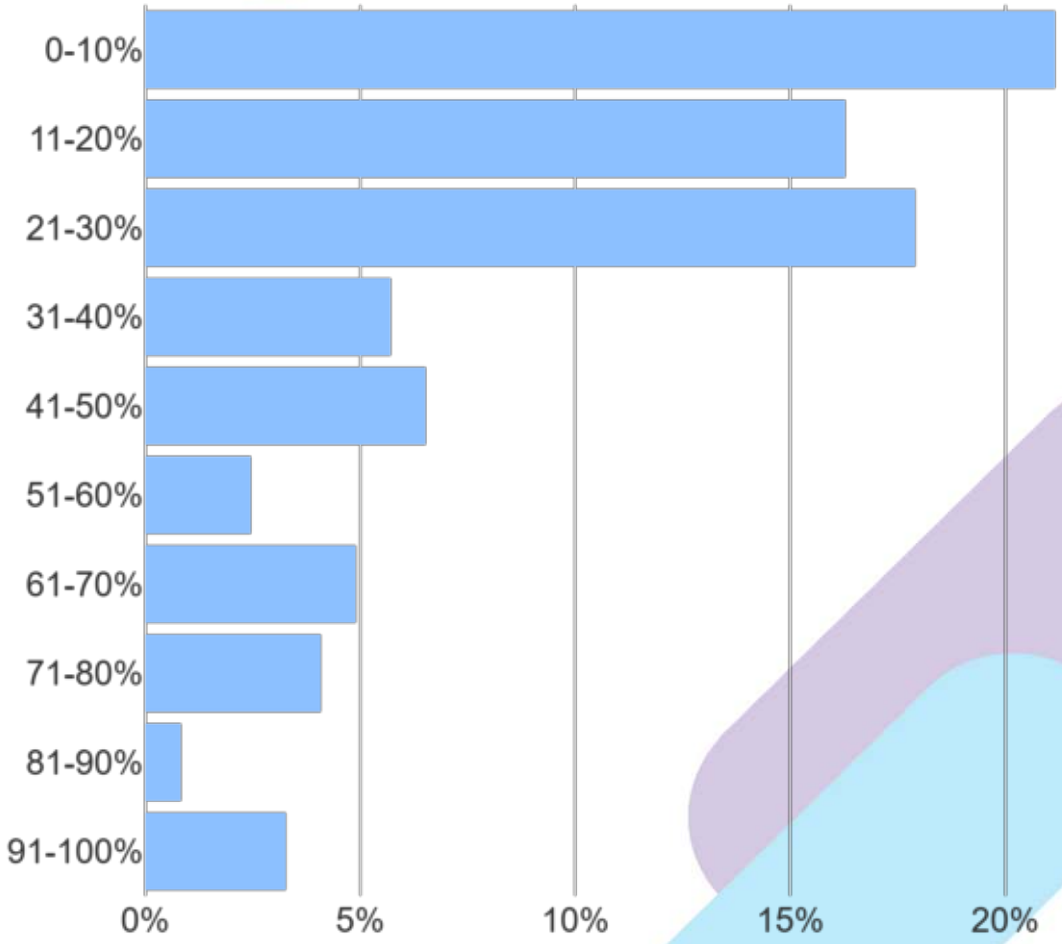
Media Tech Investment

Supply Chain Blocks

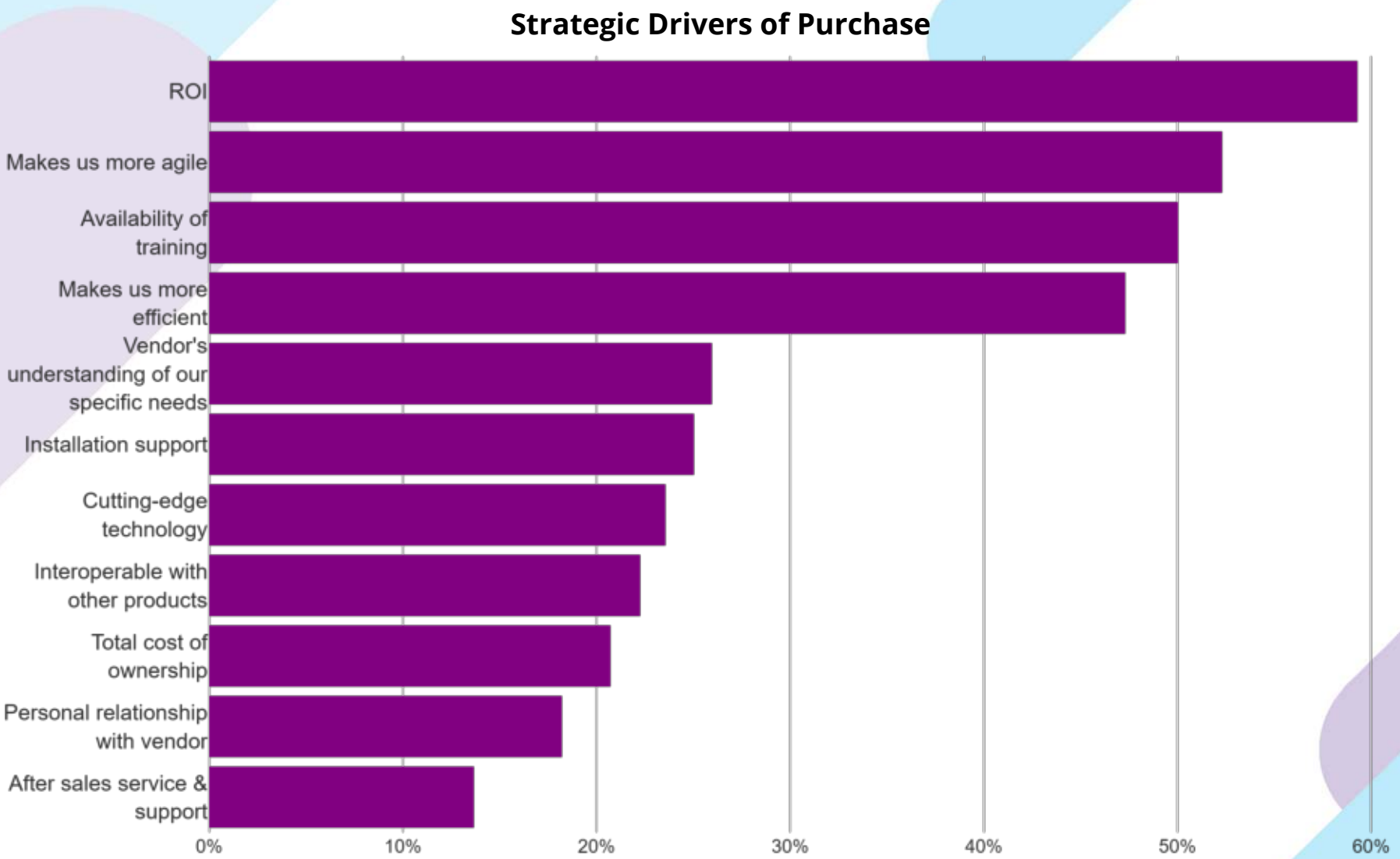
Investment by Supply Chain Block



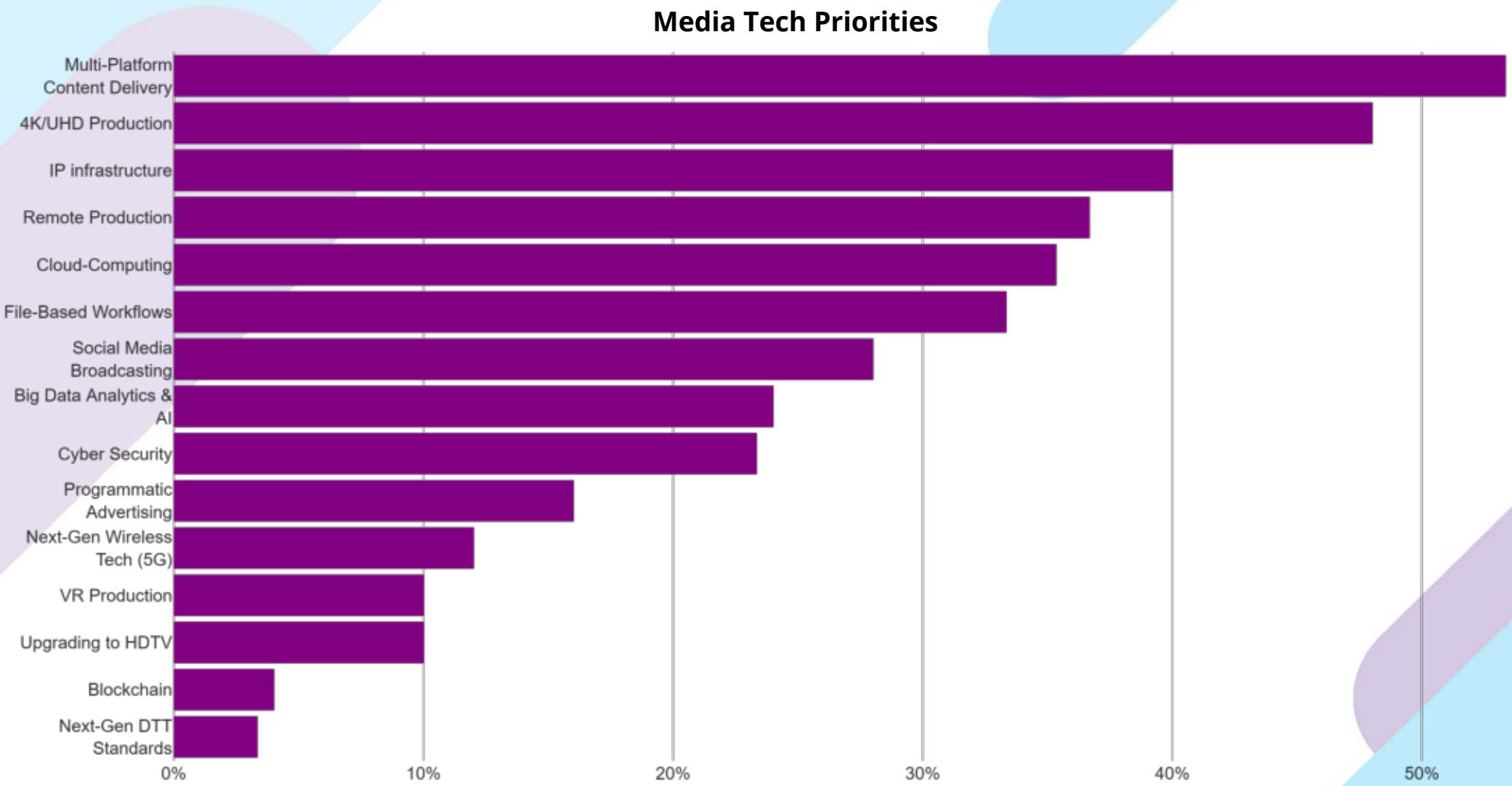
% of Revenues Spent on Broadcast & Media Technology



Strategic Drivers of Purchase

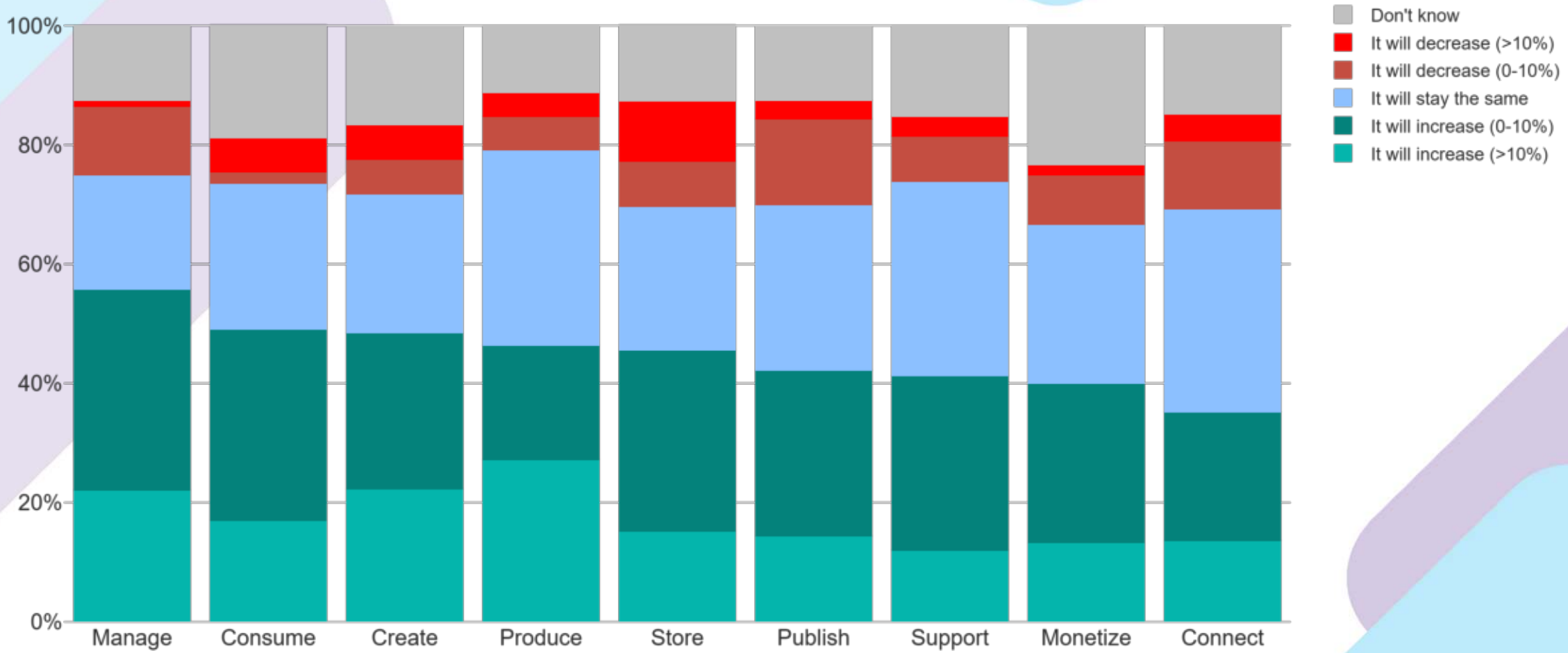


Media Tech Priorities

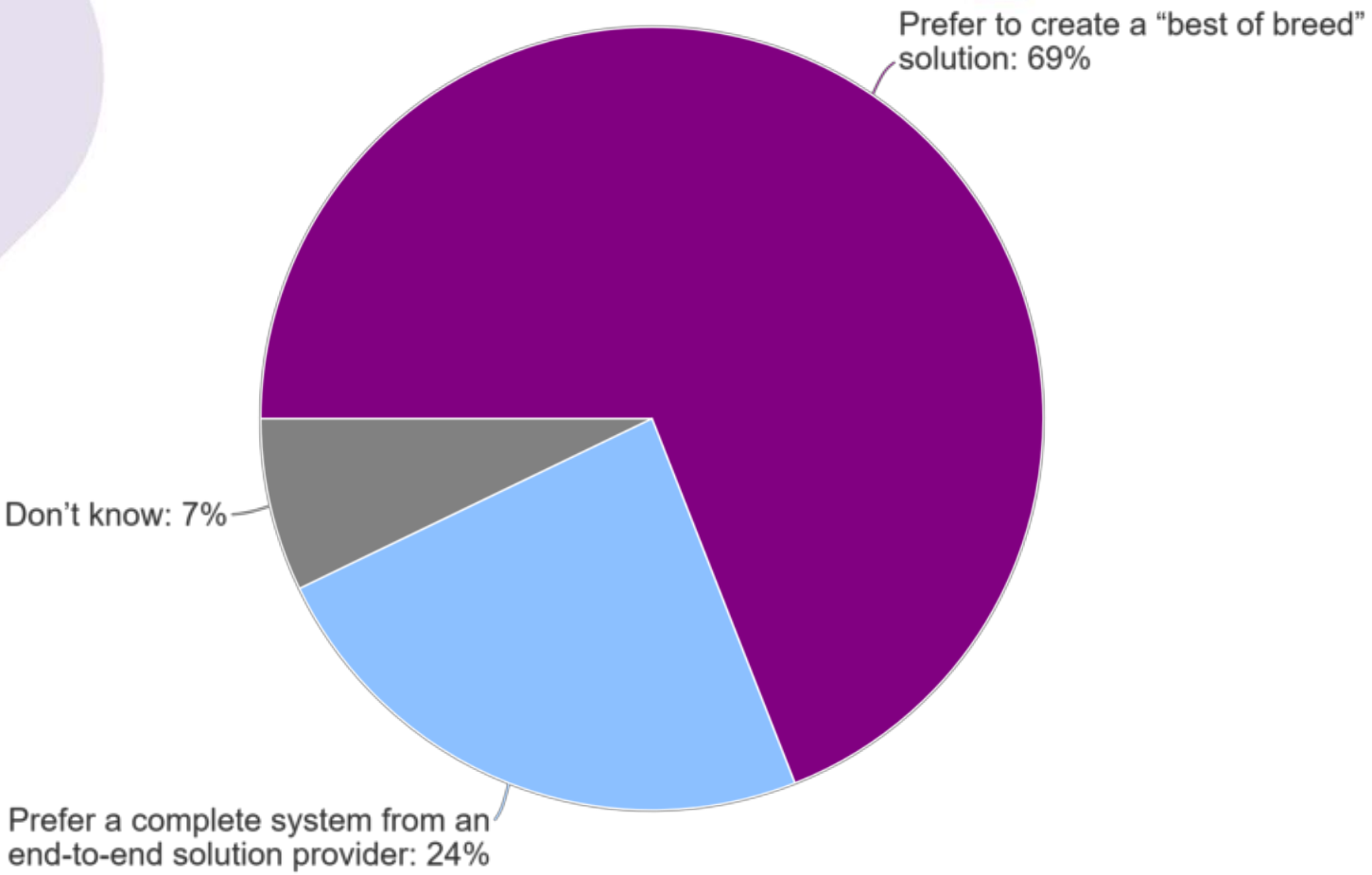


Media Tech Demand

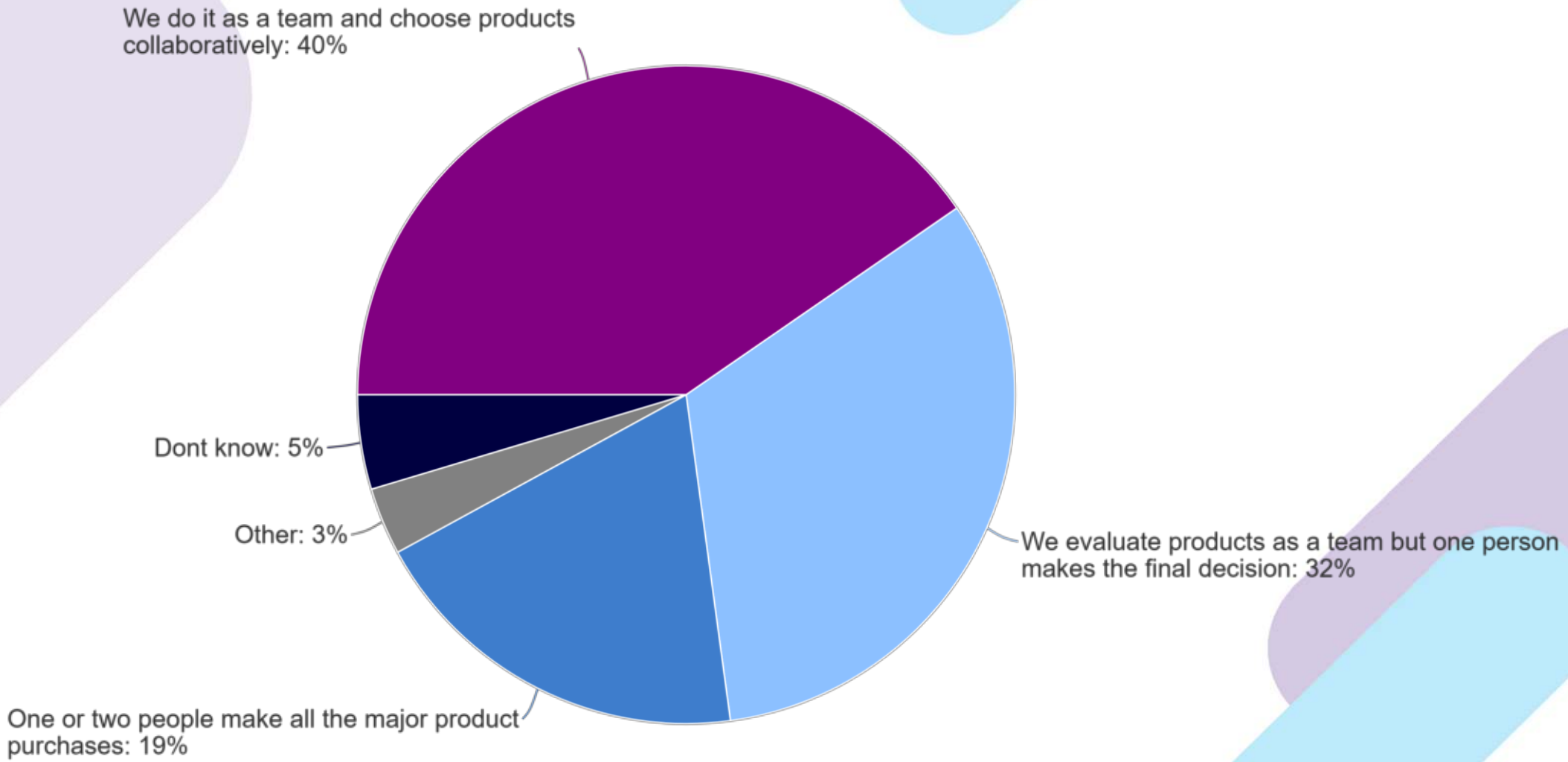
Investment in Media Tech by Supply Chain Block



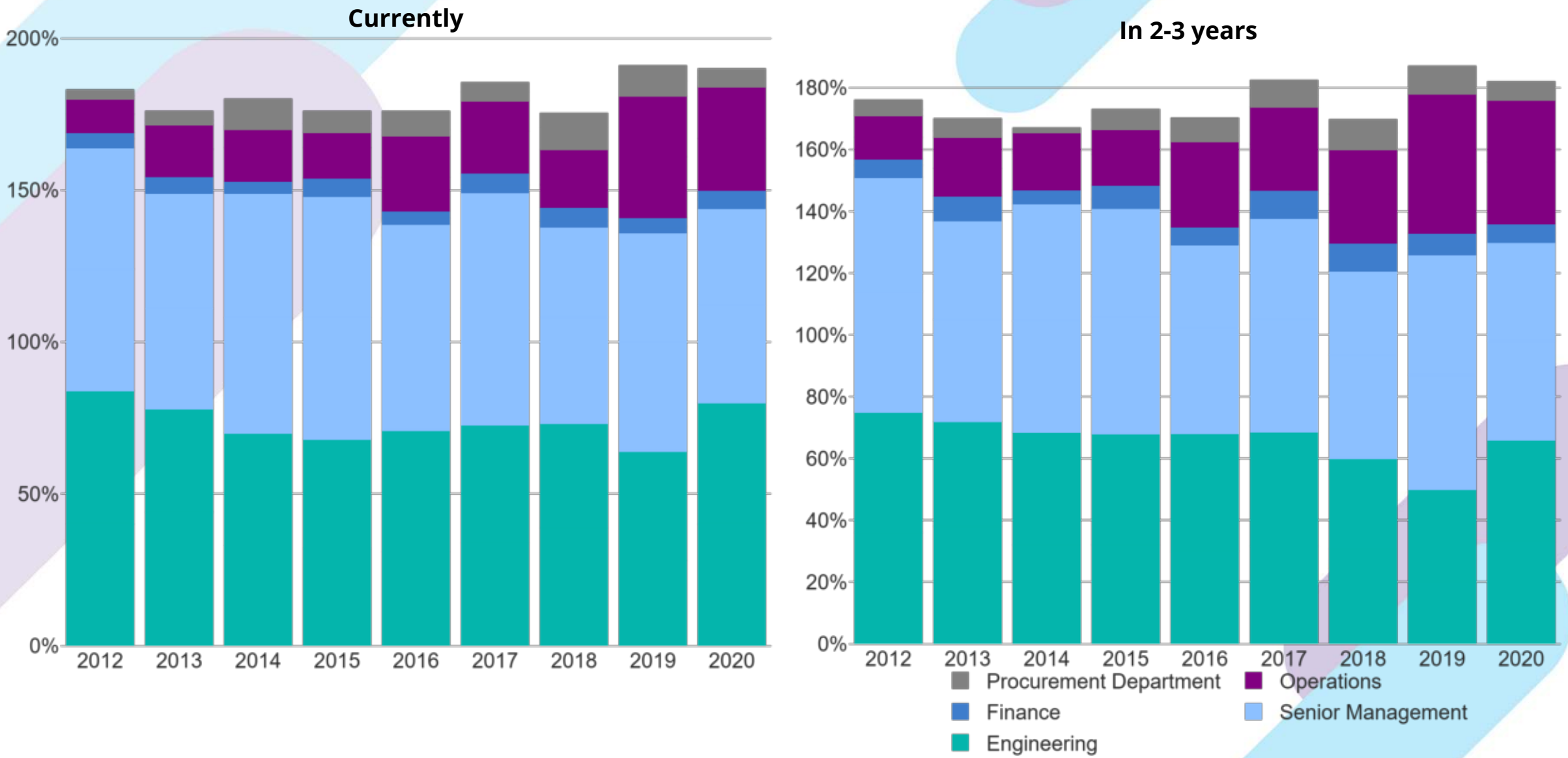
Media Tech Preferences



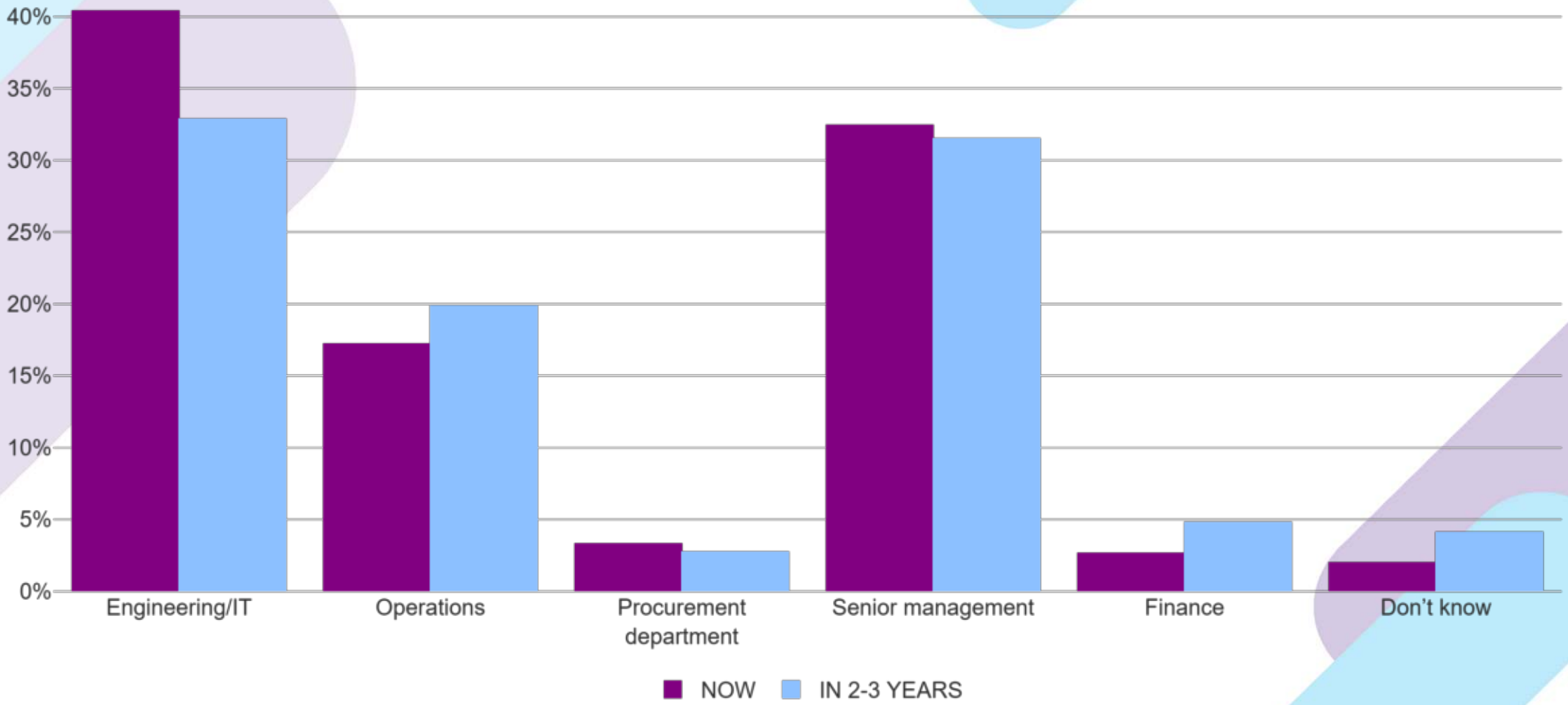
Approach to Tech Purchasing



Key Decision-Makers

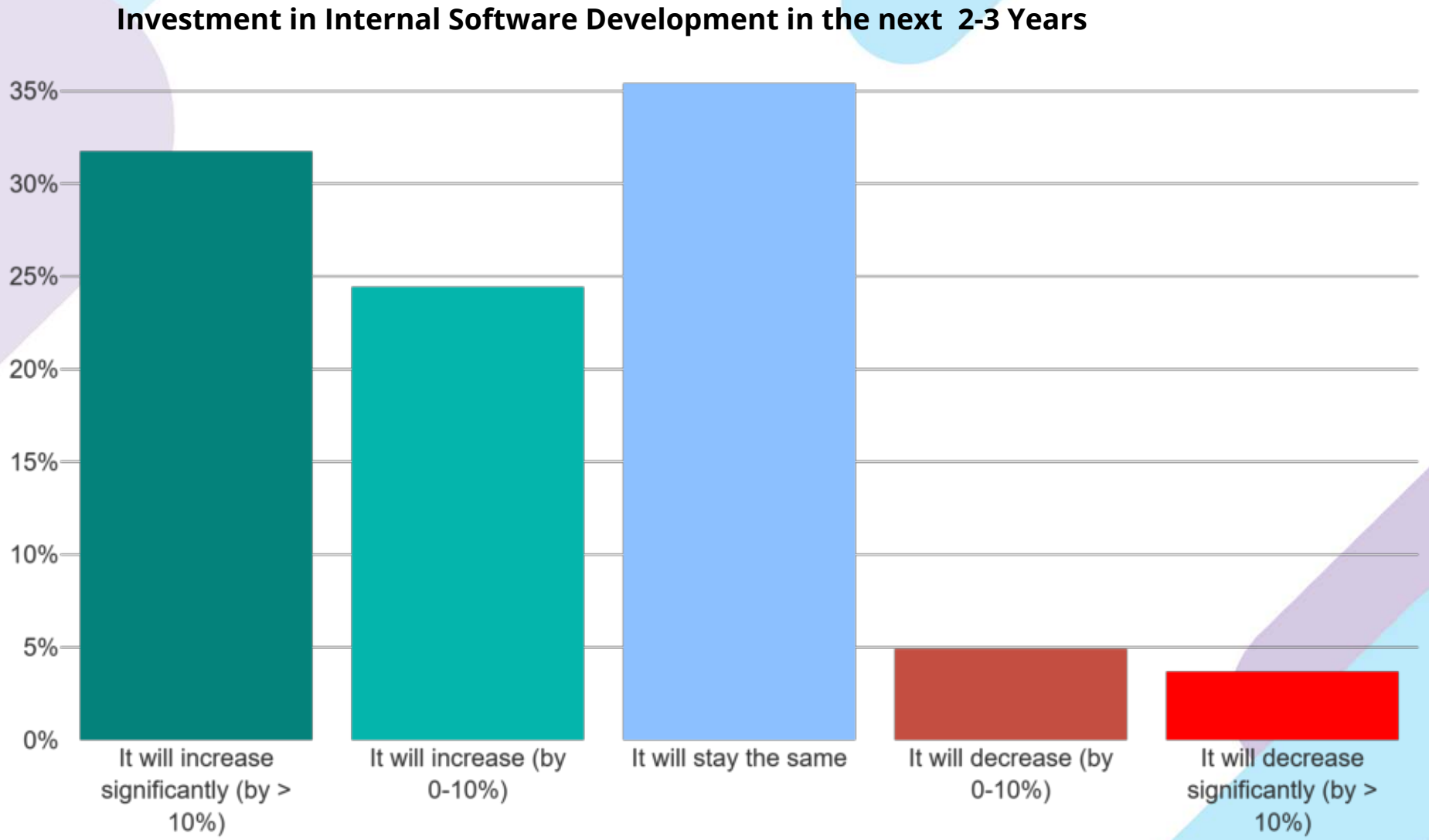


Key Decision-Makers (2)

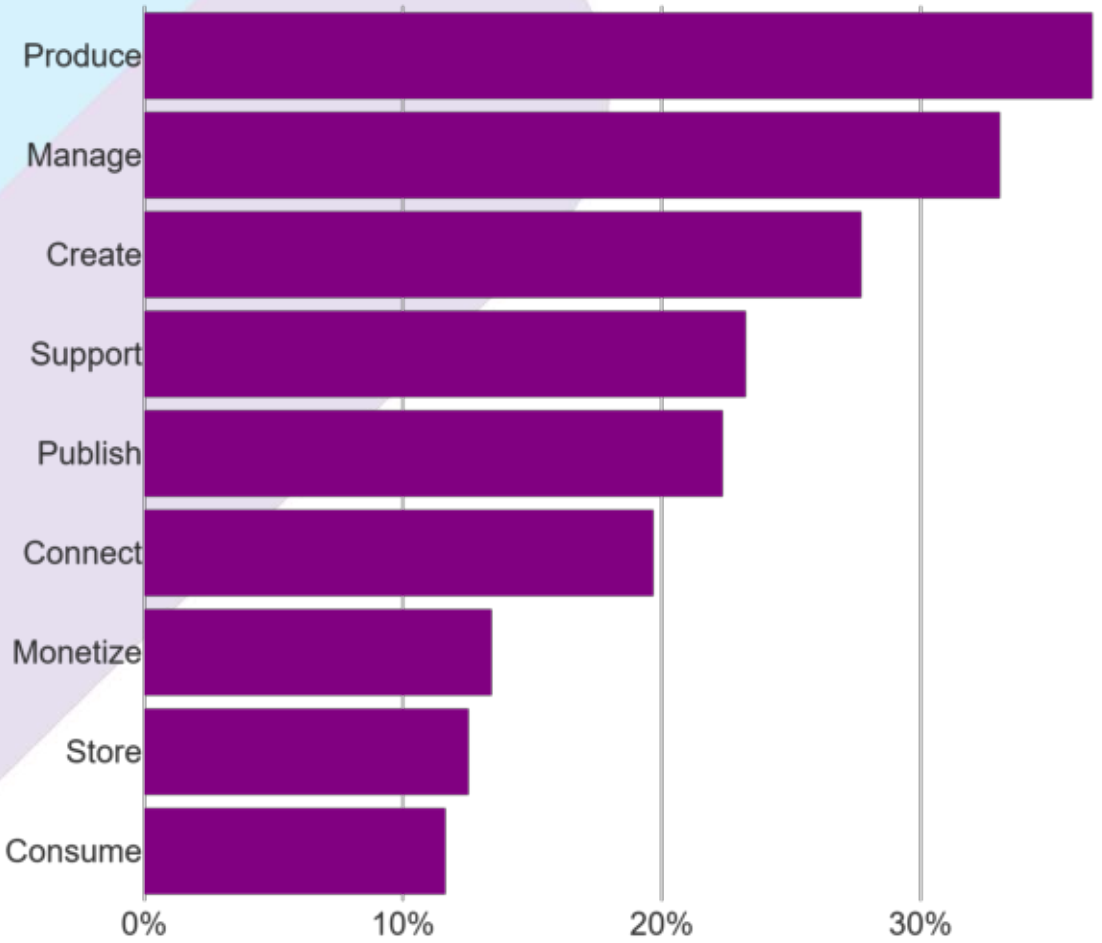


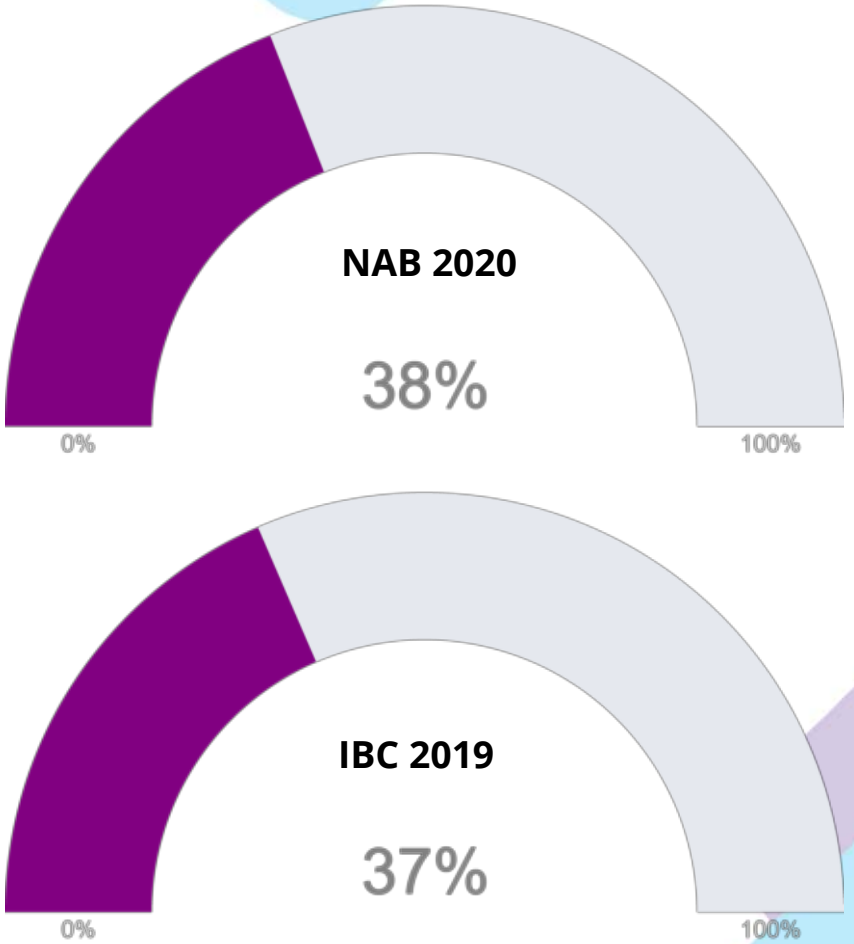
IT Technology - BIY

Internal Software Development (BIY)

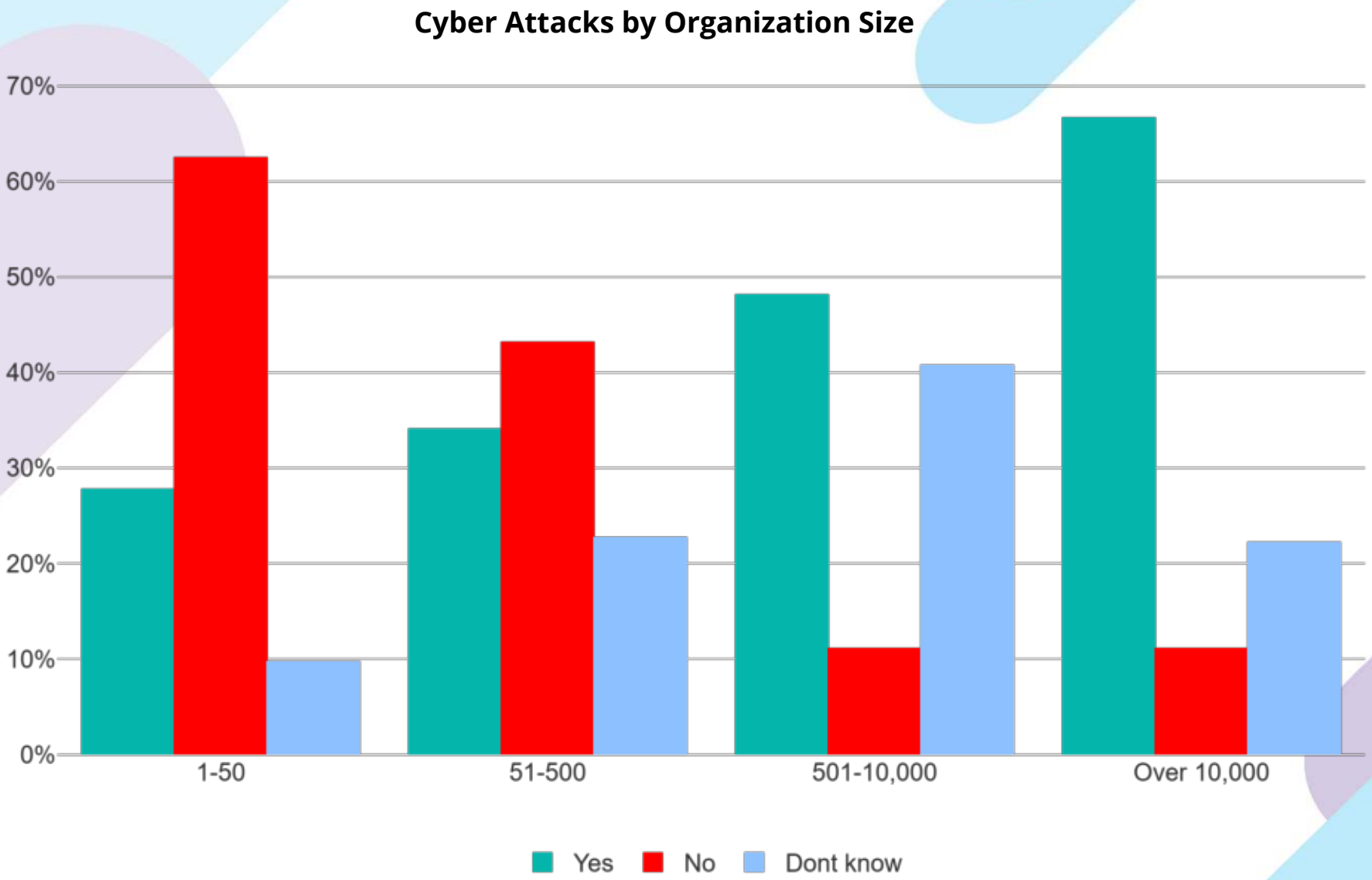


BIY by Supply Chain Block





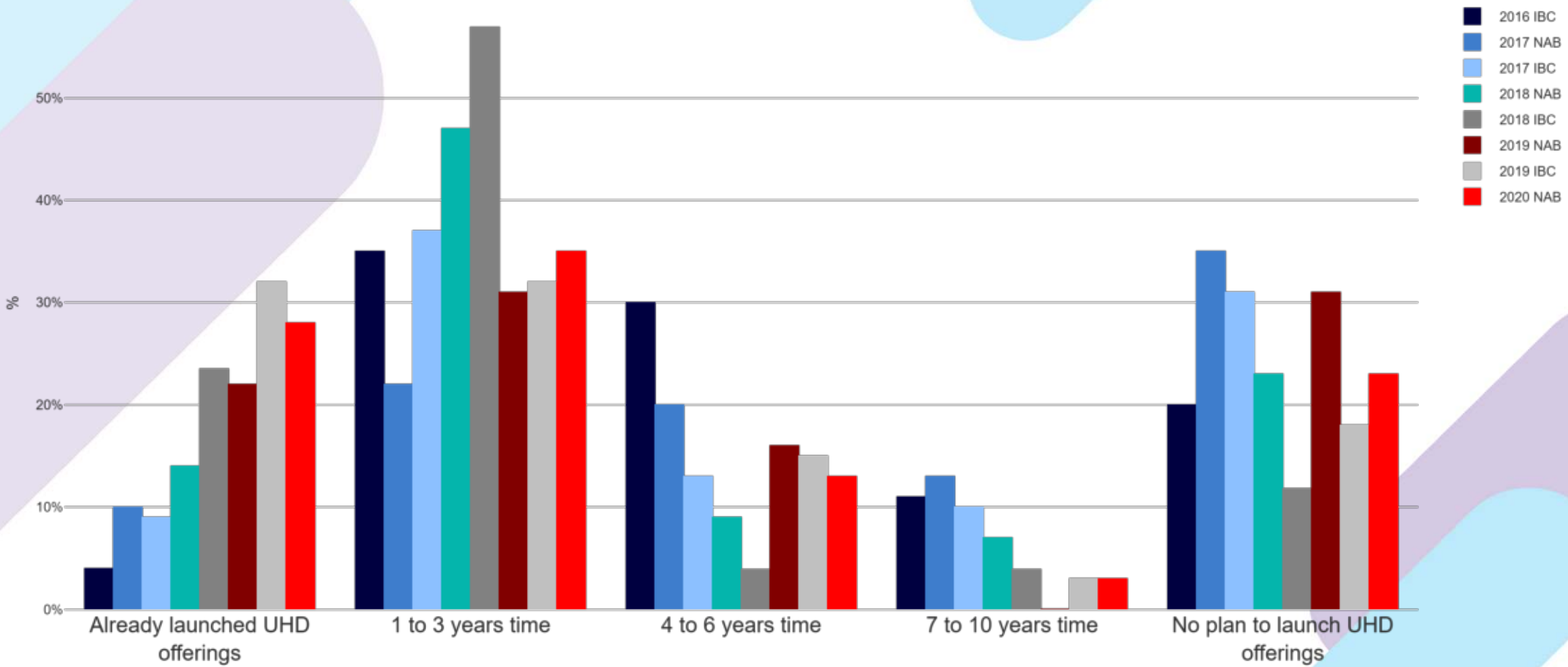
Cyber Attacks



Media Tech Adoption

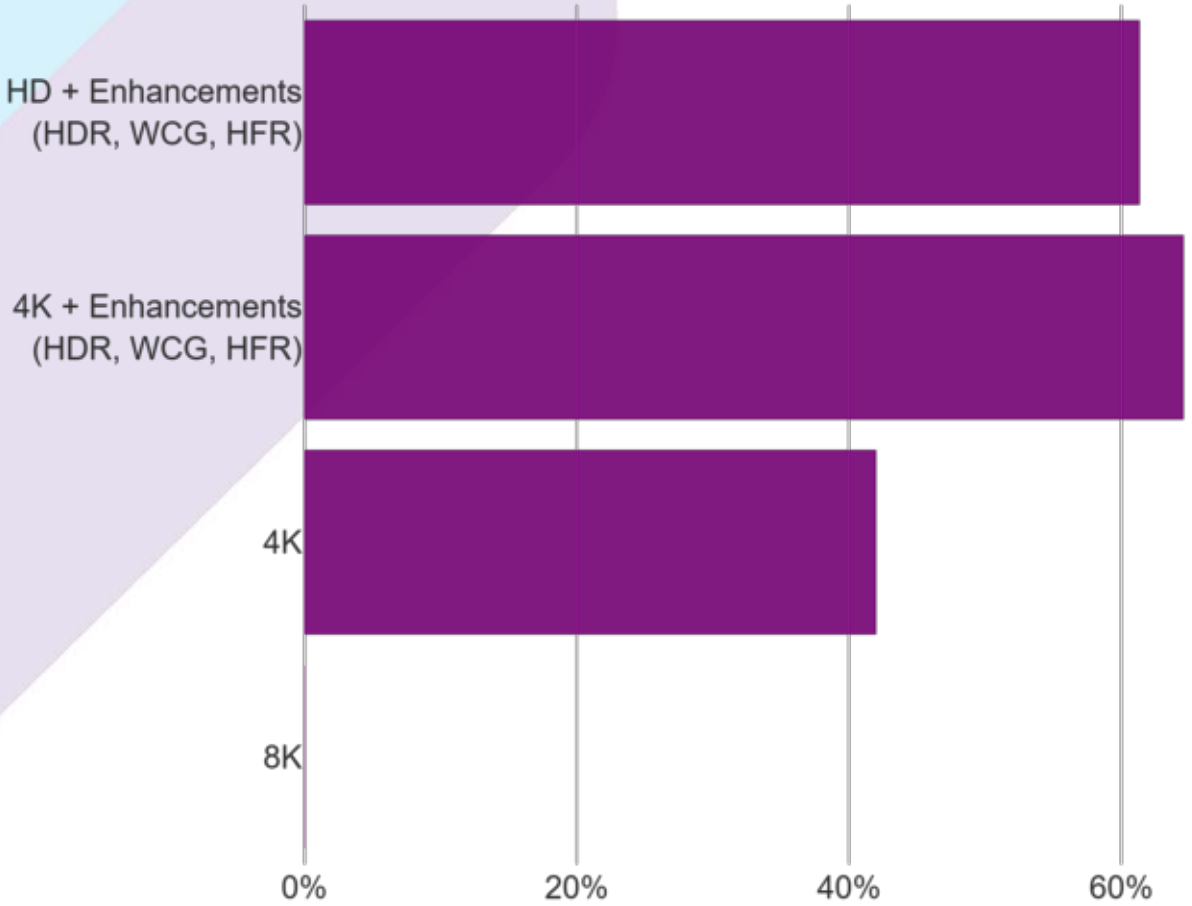
UHD Adoption

UHD Adoption Tracker

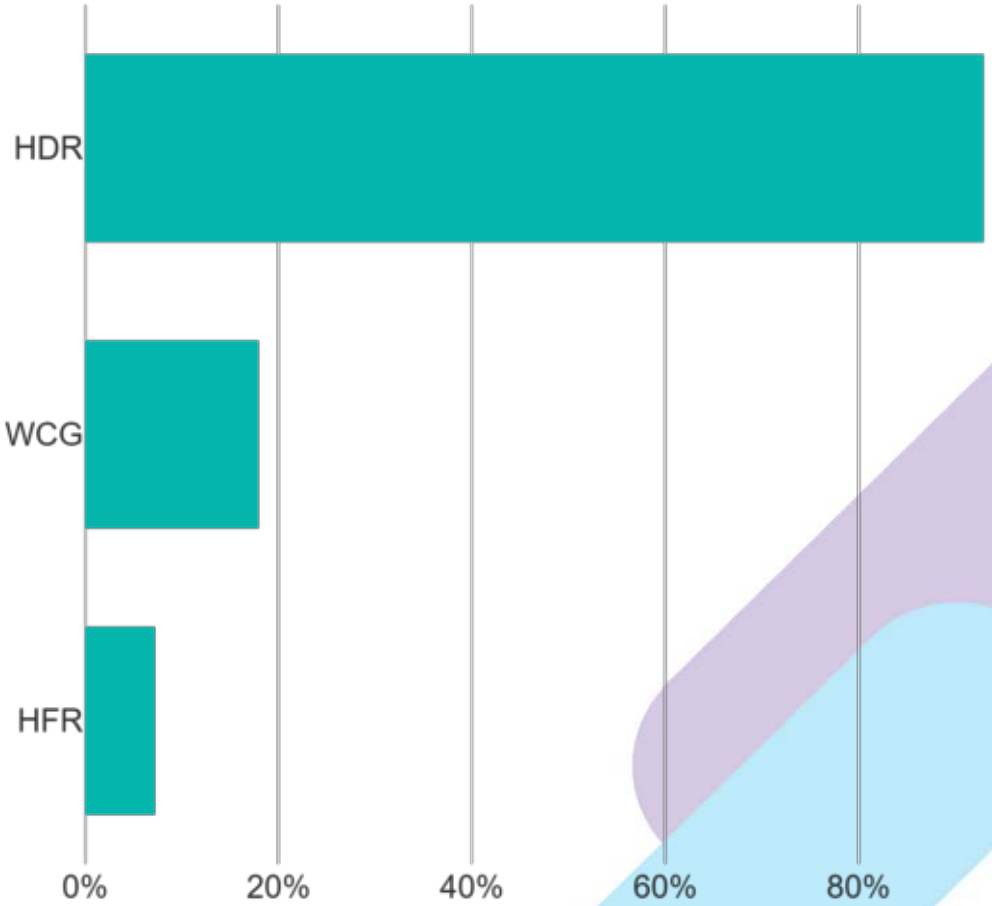


UHD Adoption

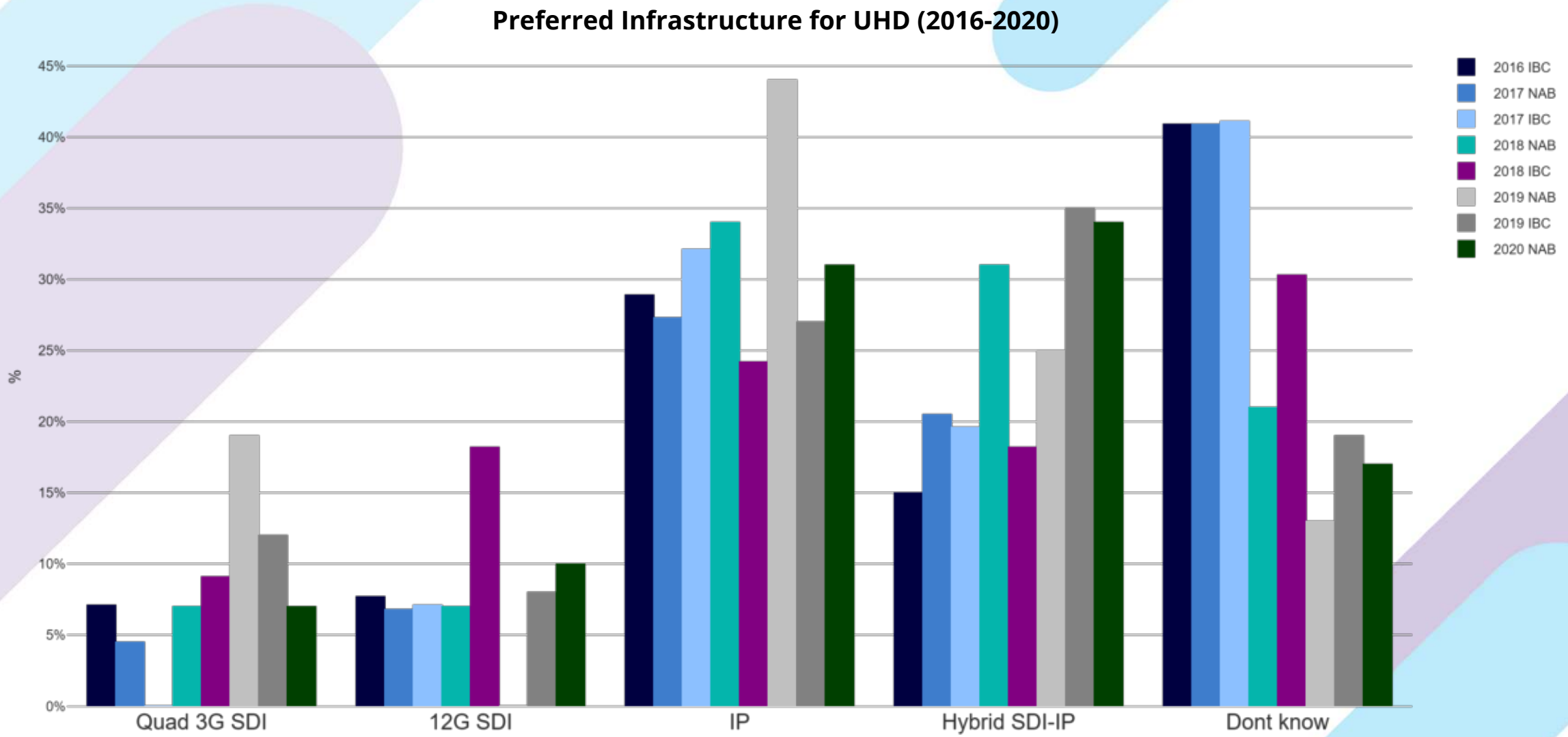
Top UHD Formats



Top UHD Enhancements

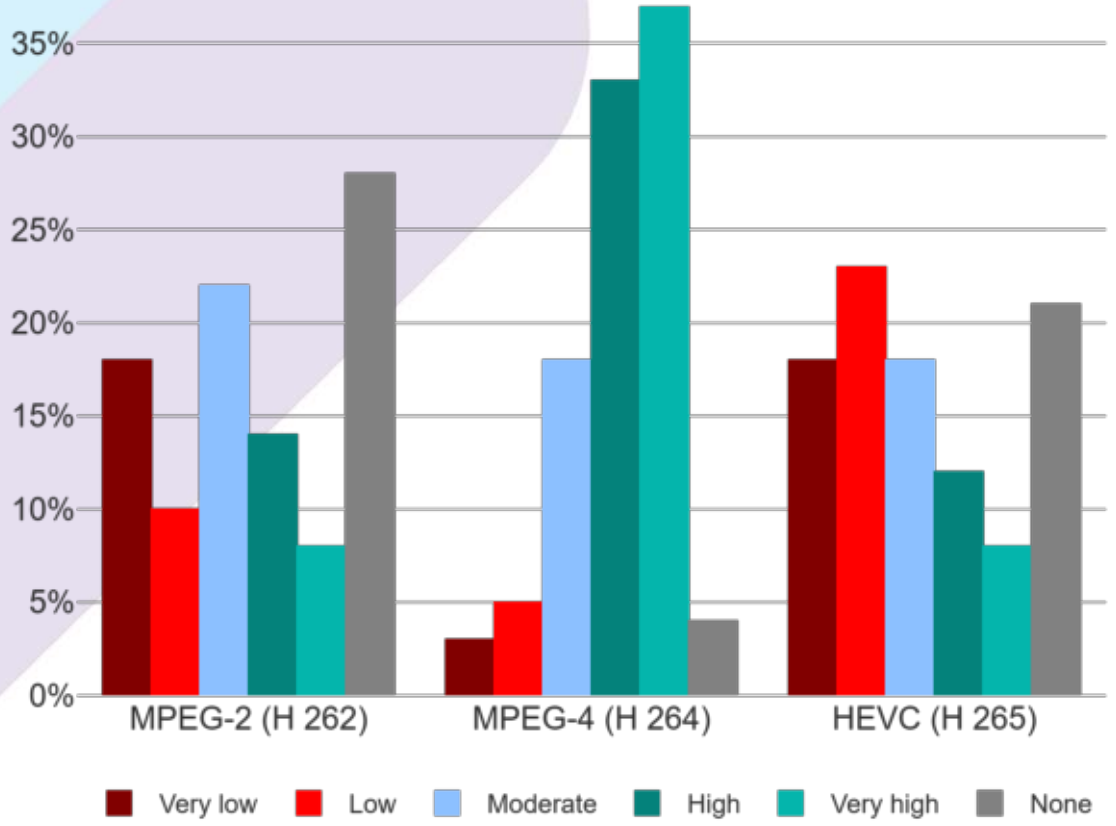


Preferred Infrastructure for UHD

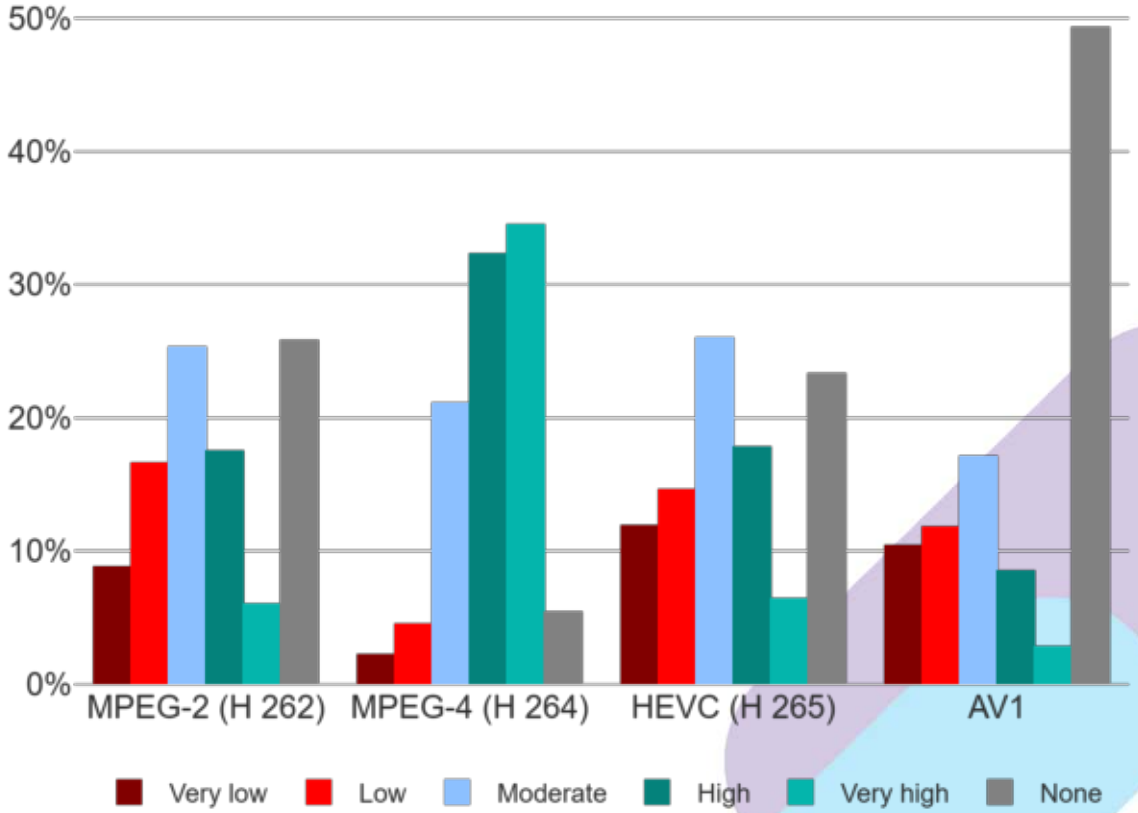


Compression

Compression Usage - NAB 2018

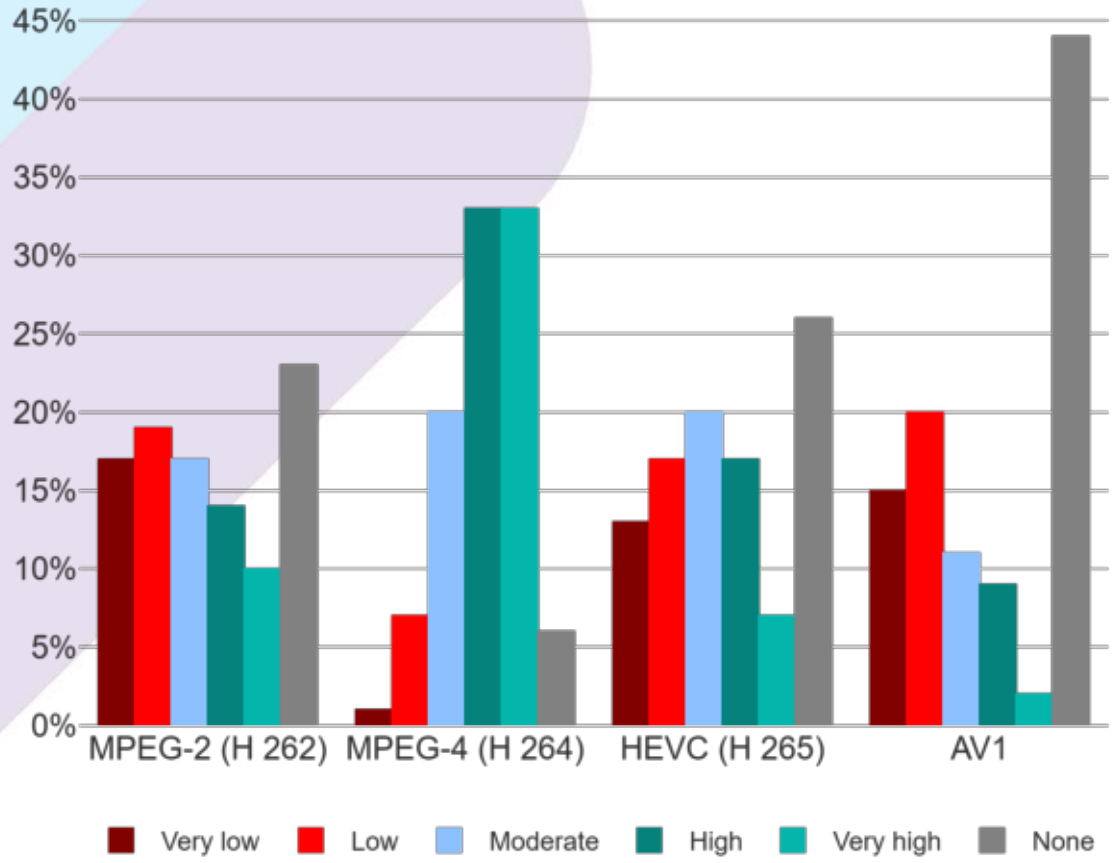


Compression Usage - IBC 2018

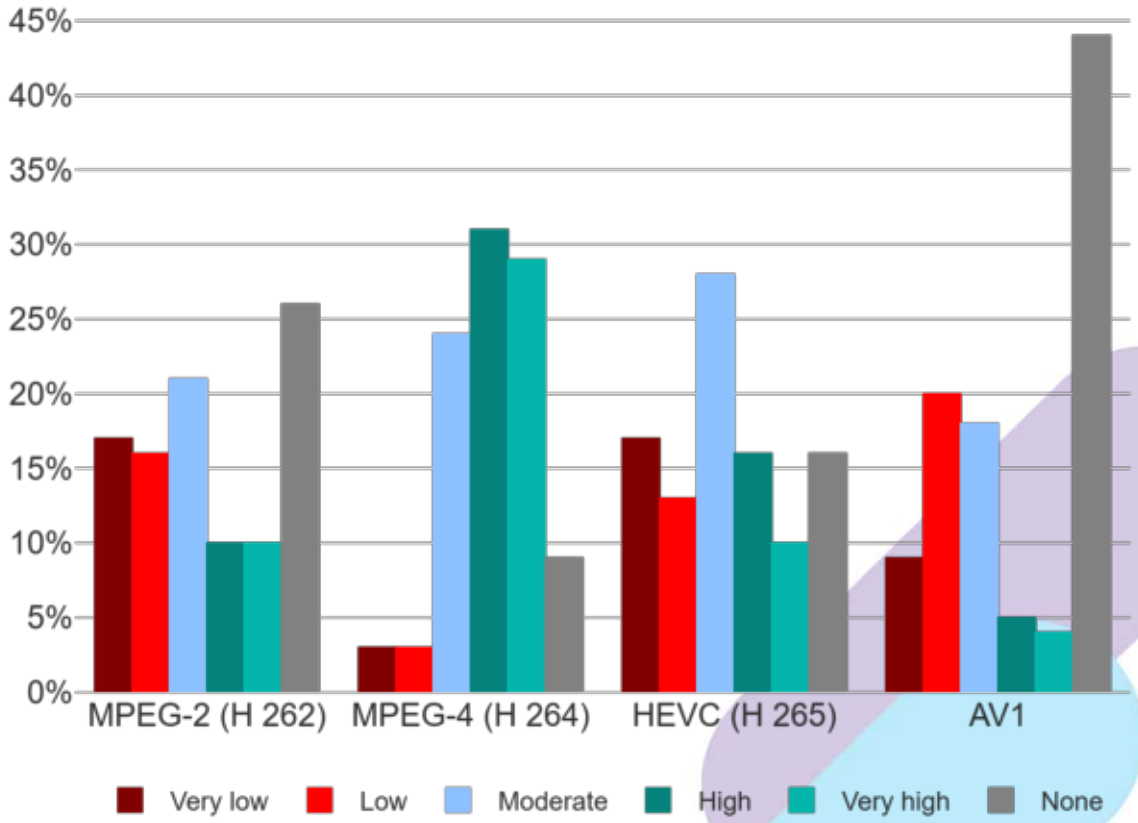


Compression

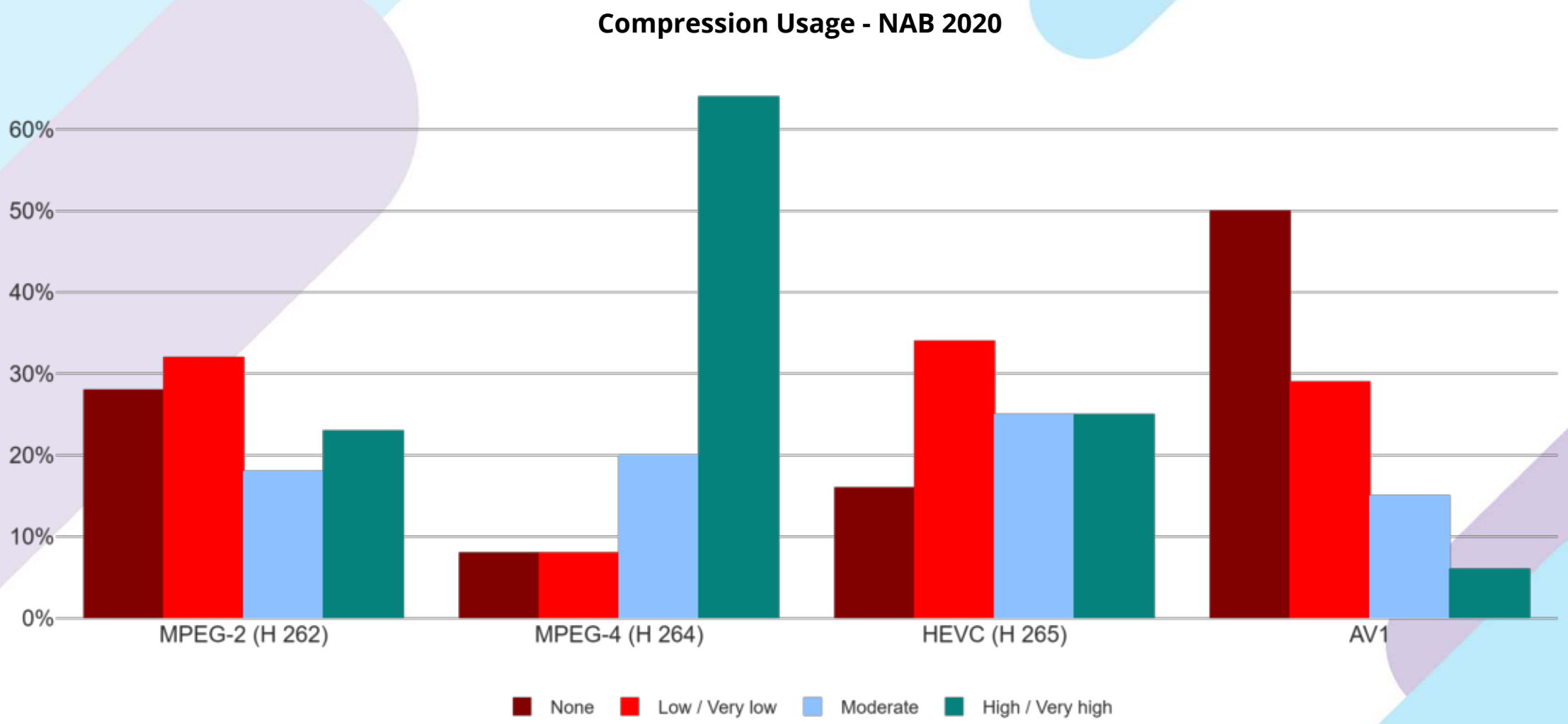
Compression Usage - NAB 2019



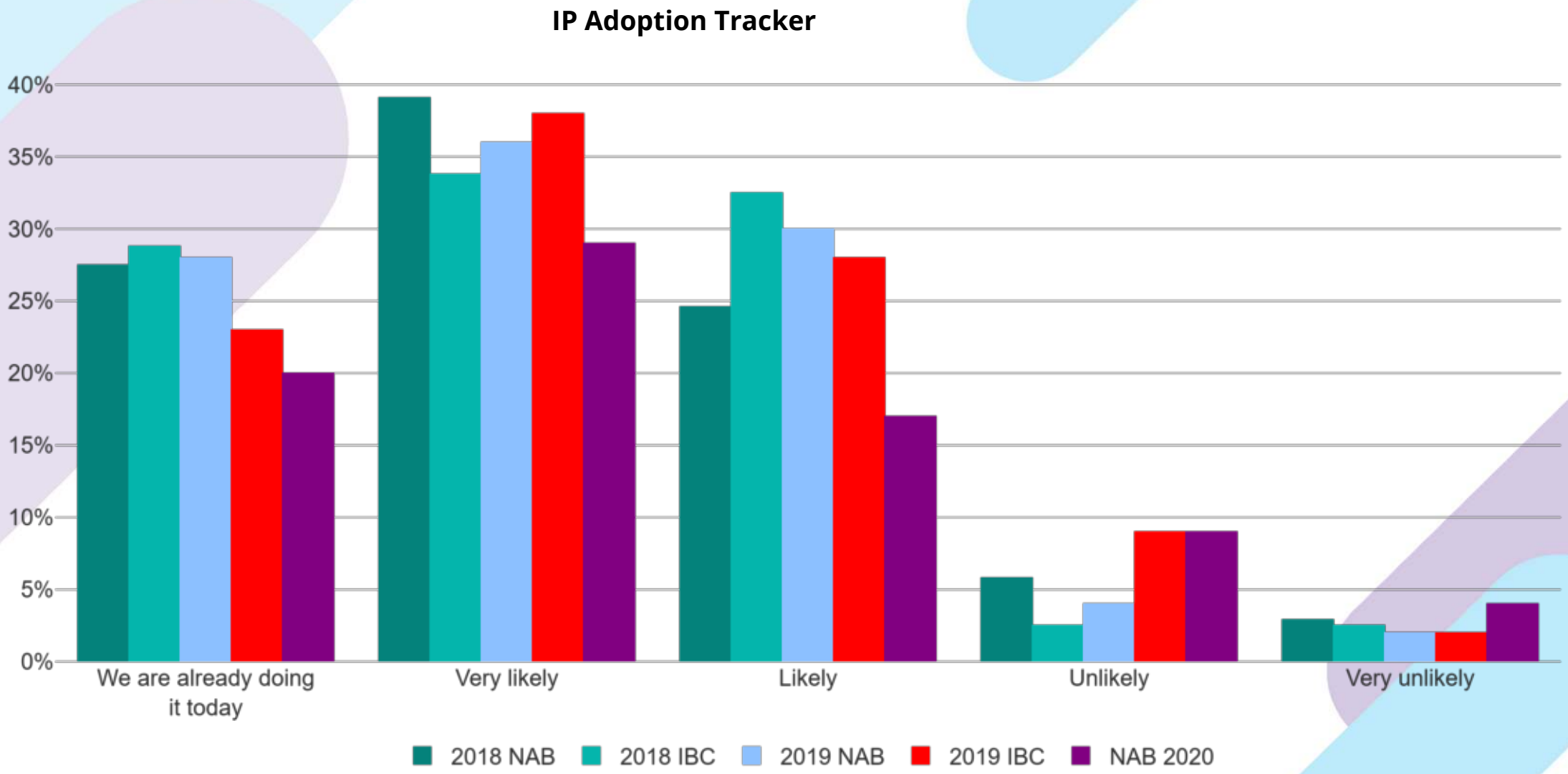
Compression Usage - IBC 2019



Compression

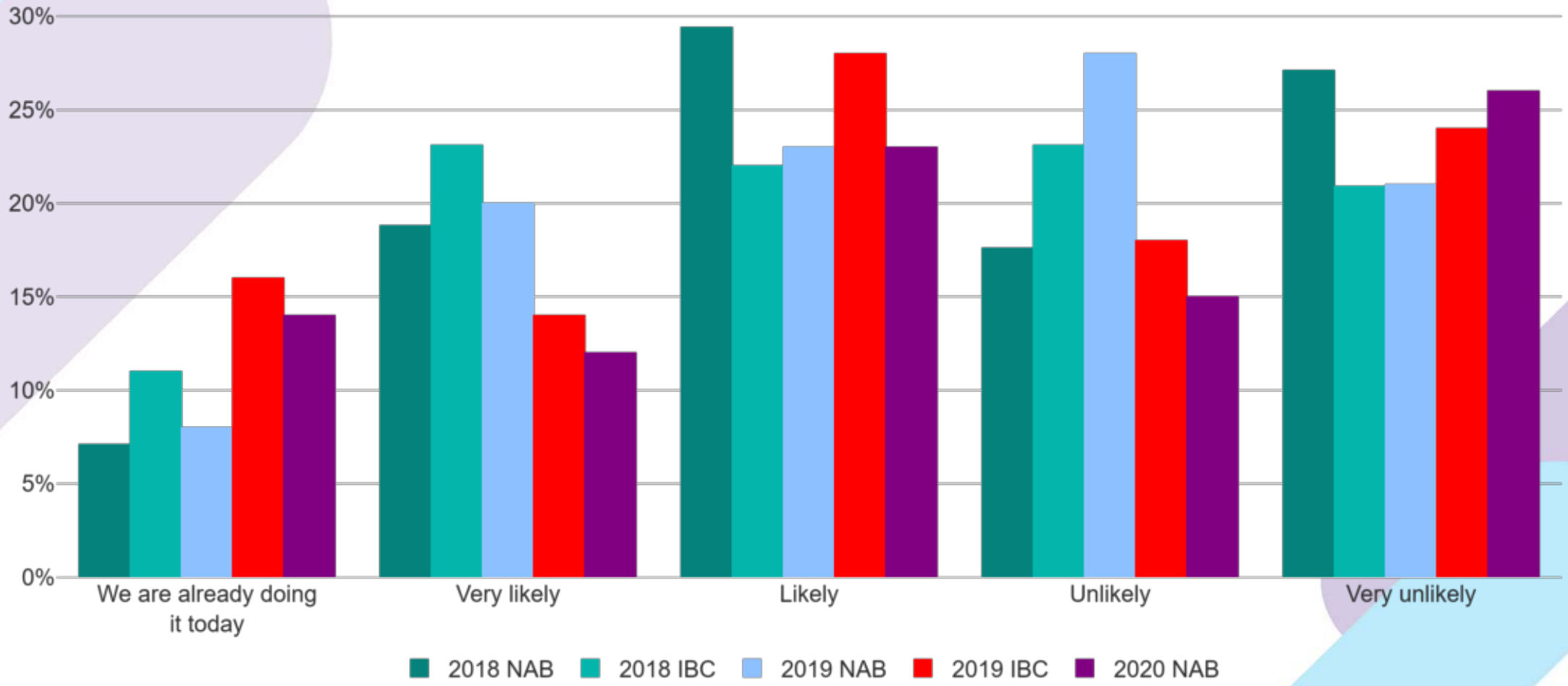


IP Adoption

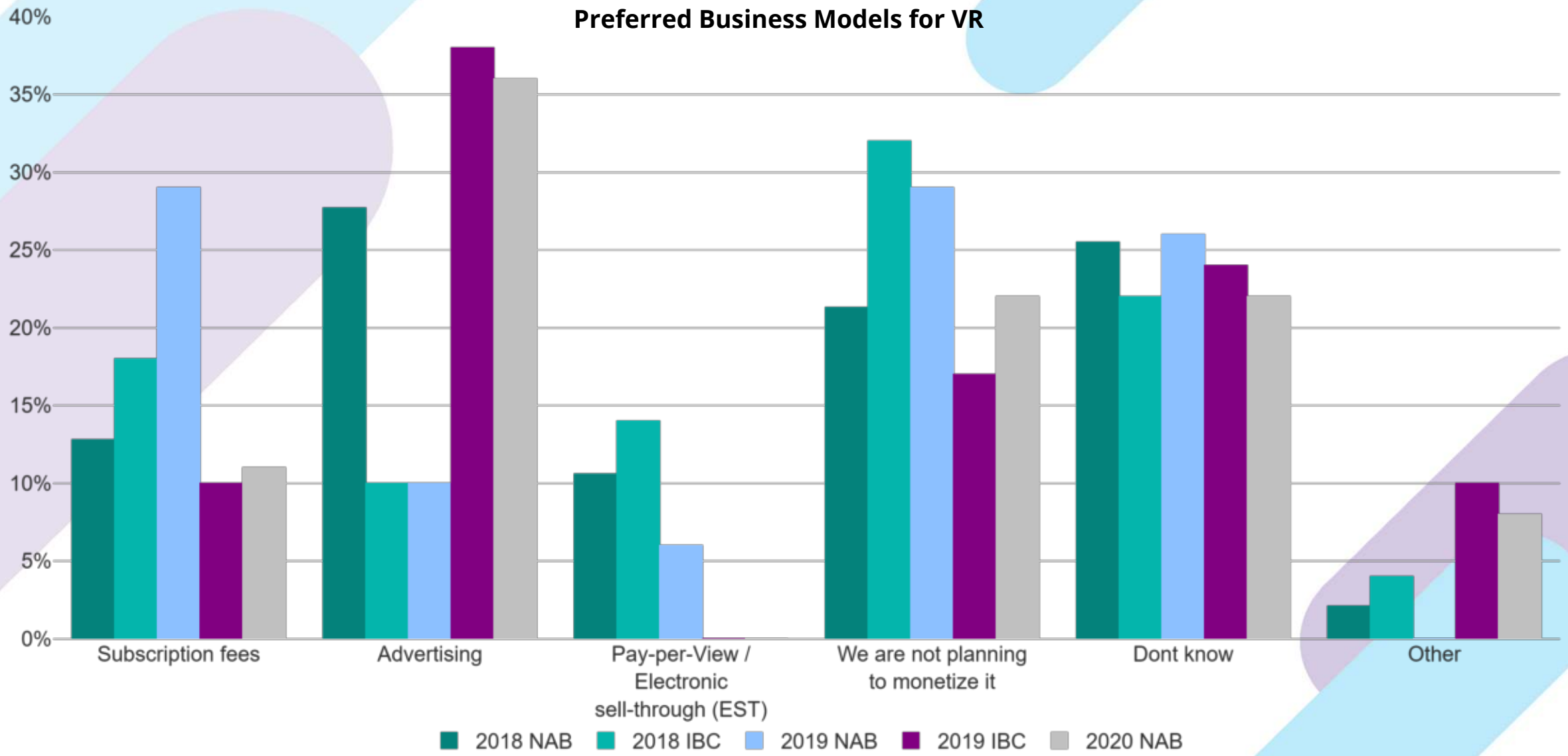


VR Adoption

VR Adoption Tracker

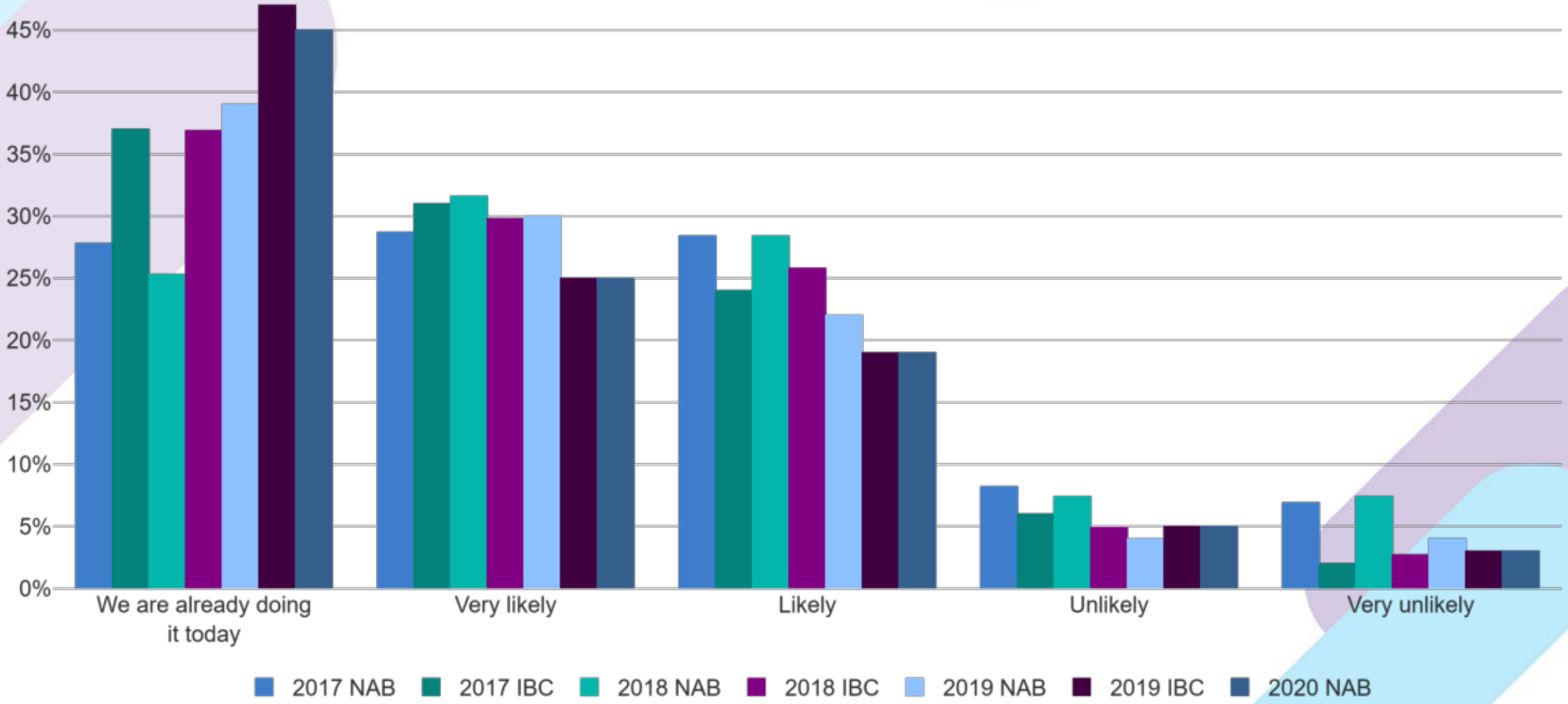


VR Adoption



Cloud Adoption

Cloud Adoption Tracker

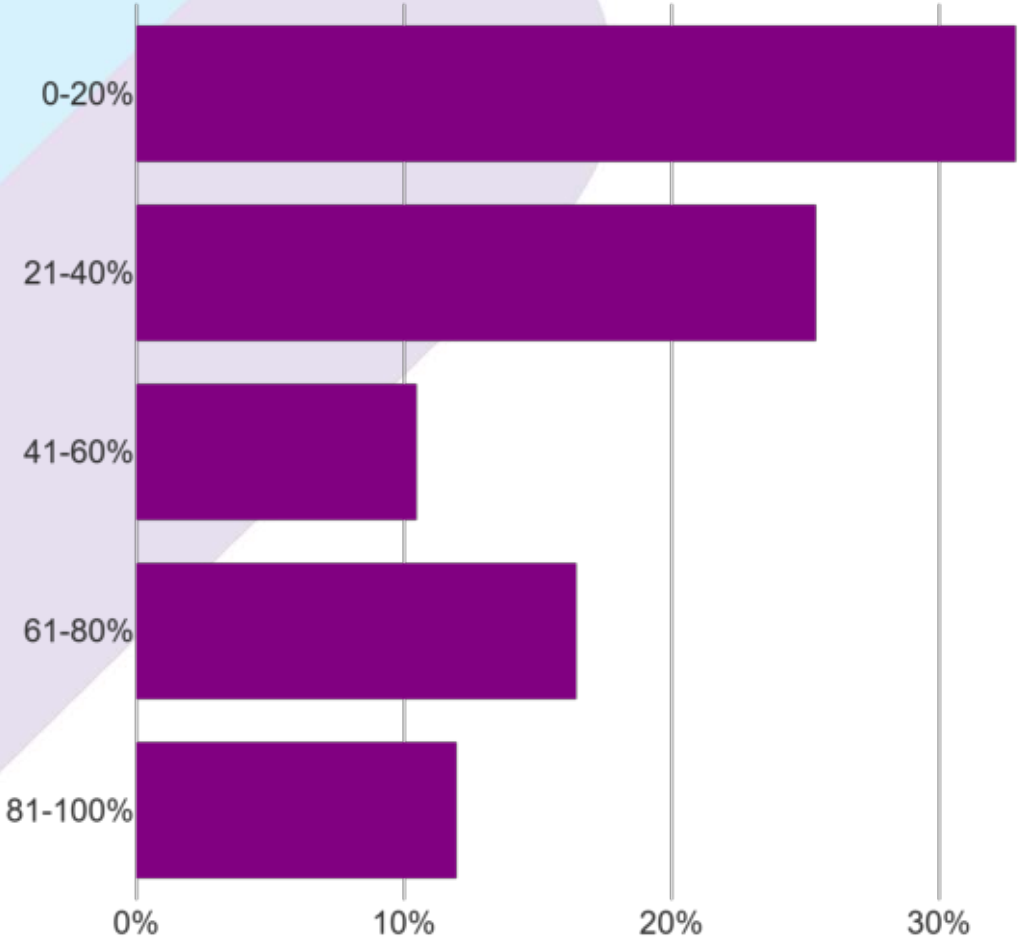


Cloud Adoption

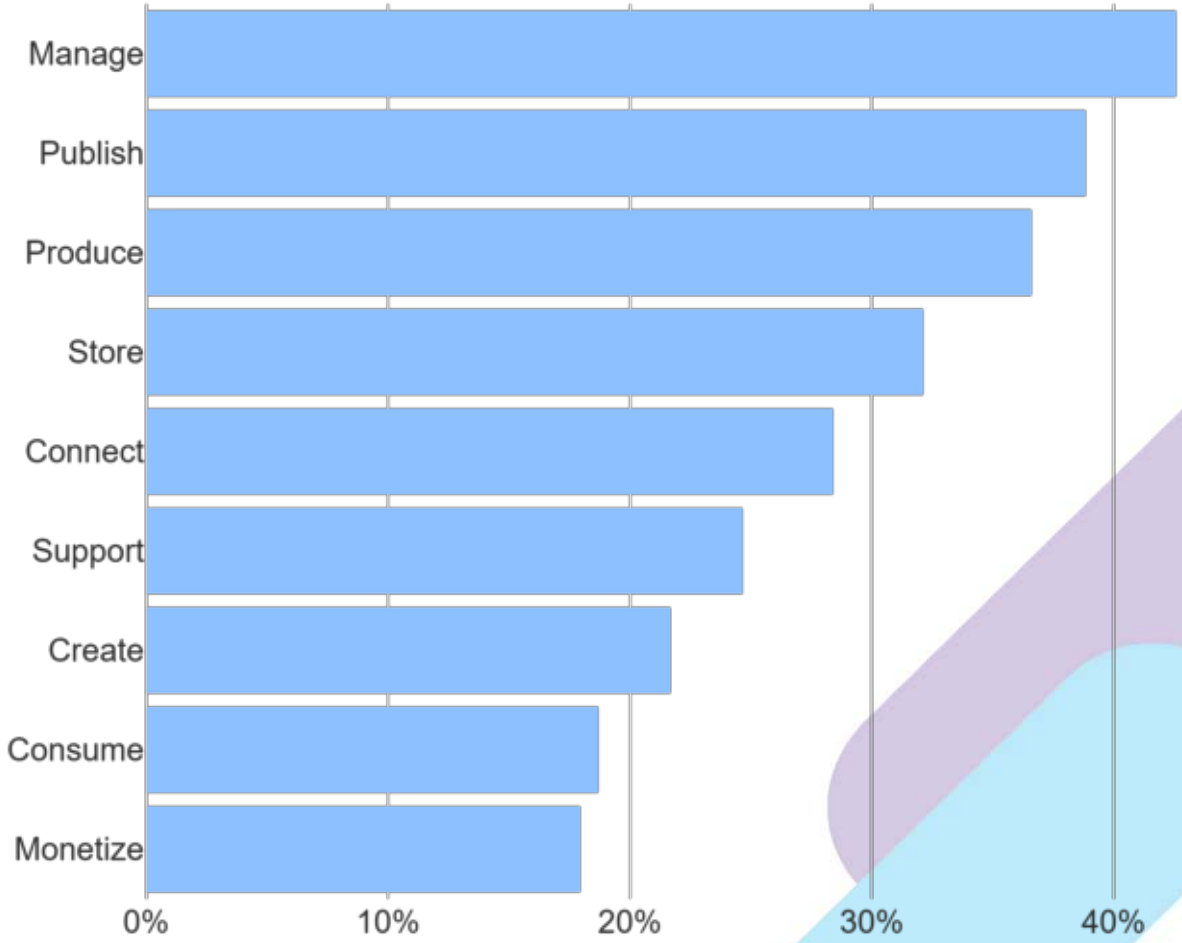
Preferred Cloud Deployment Model

Cloud Adoption

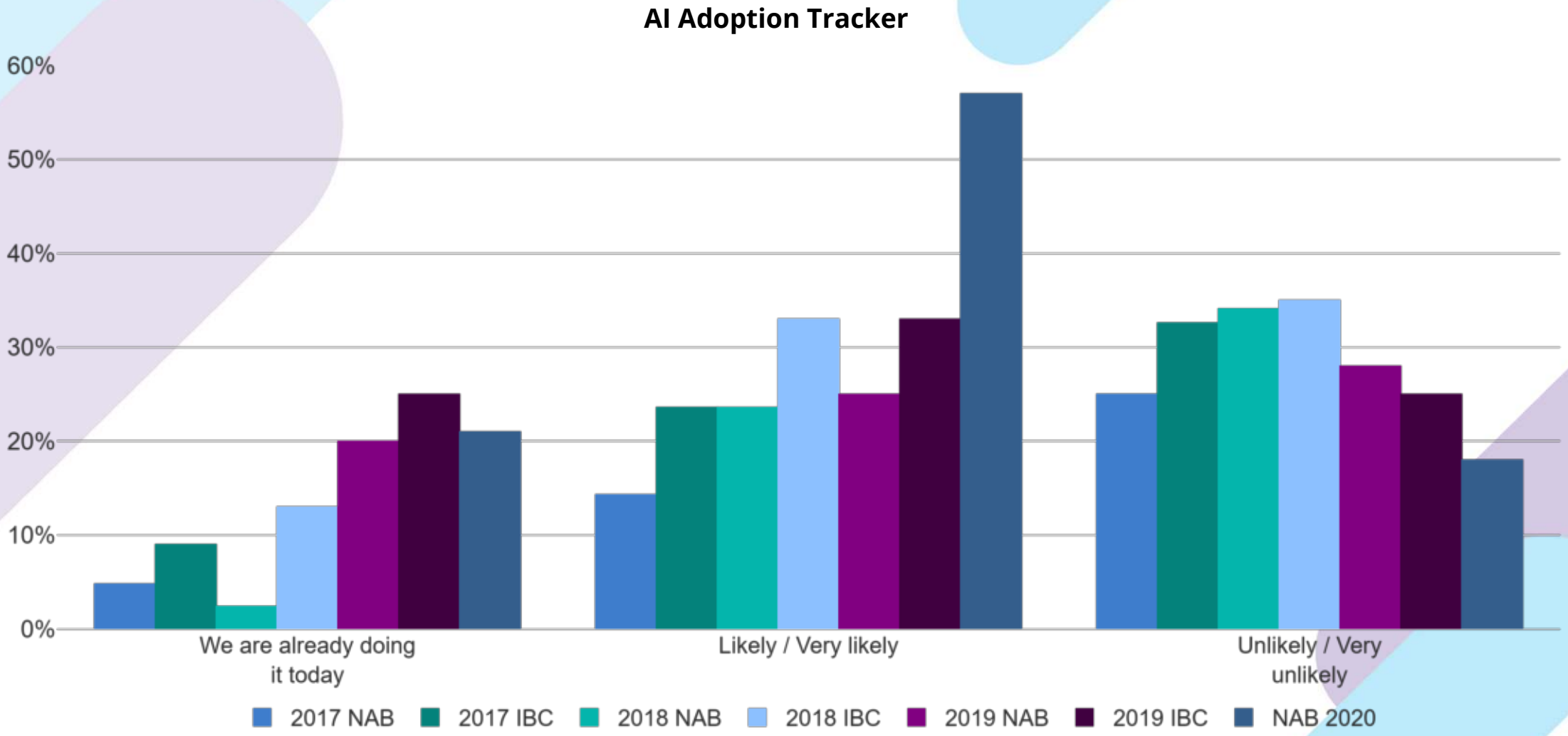
% of Operations Moved to Cloud



Preferred Area for Cloud Adoption

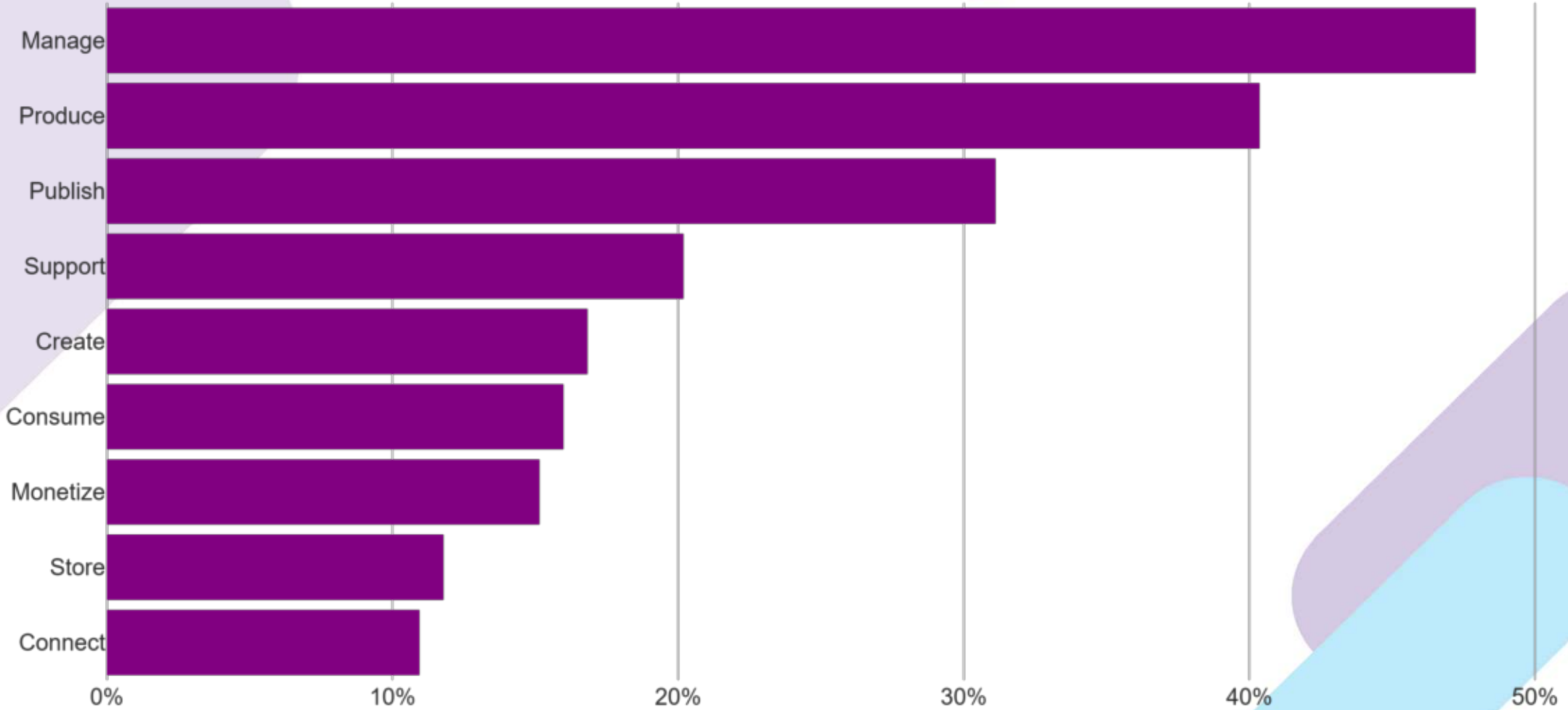


AI Adoption



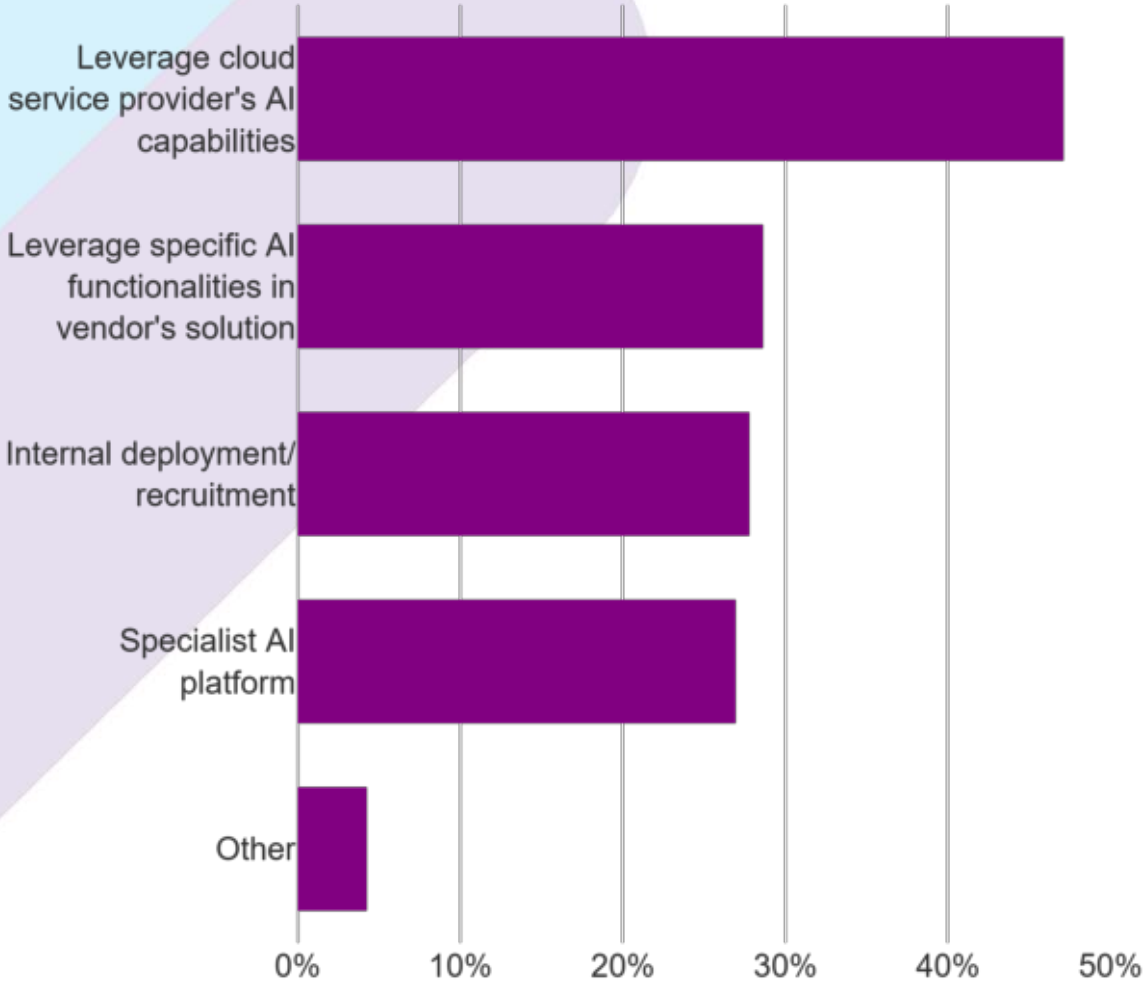
AI Adoption

Preferred Area for AI Application

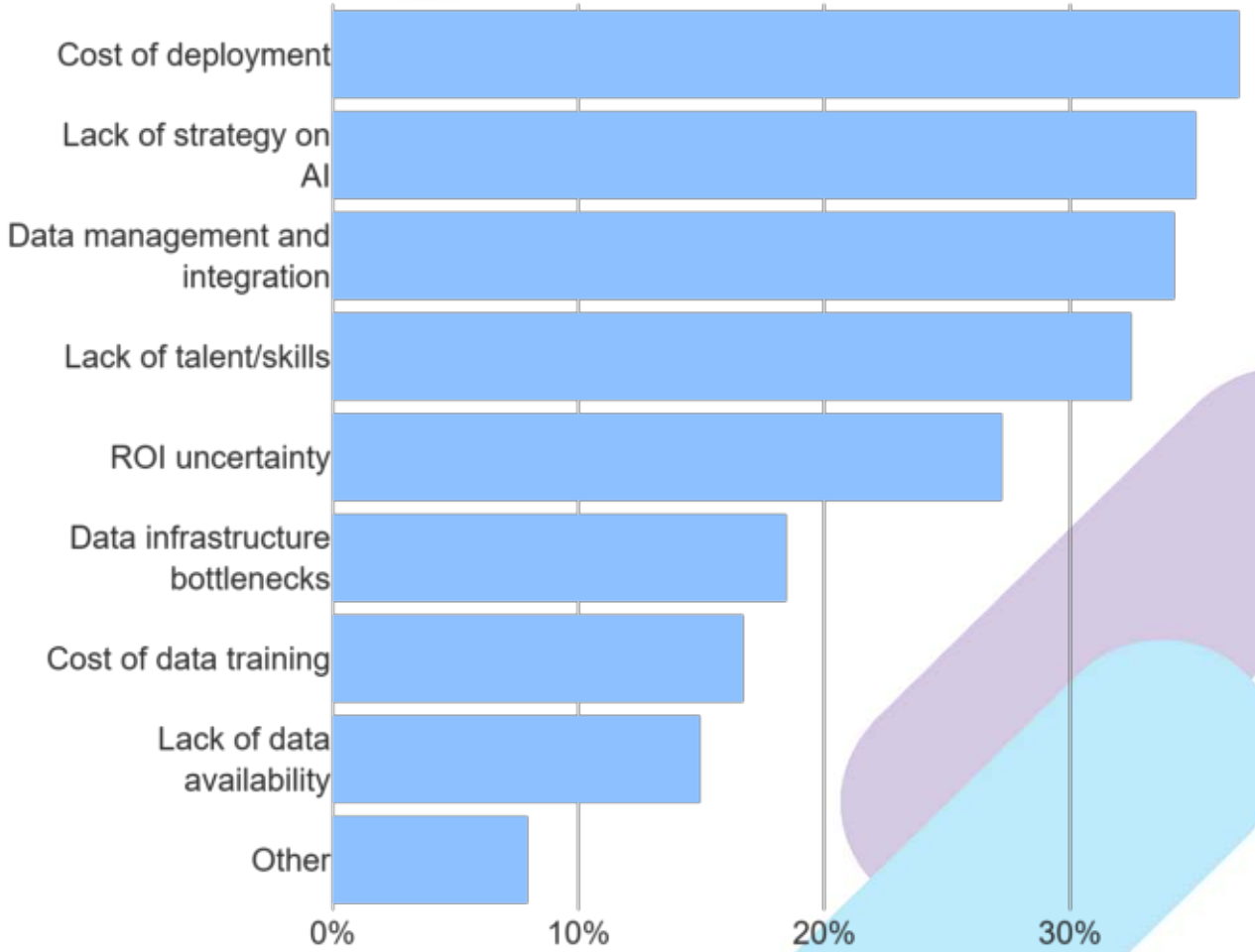


AI Adoption

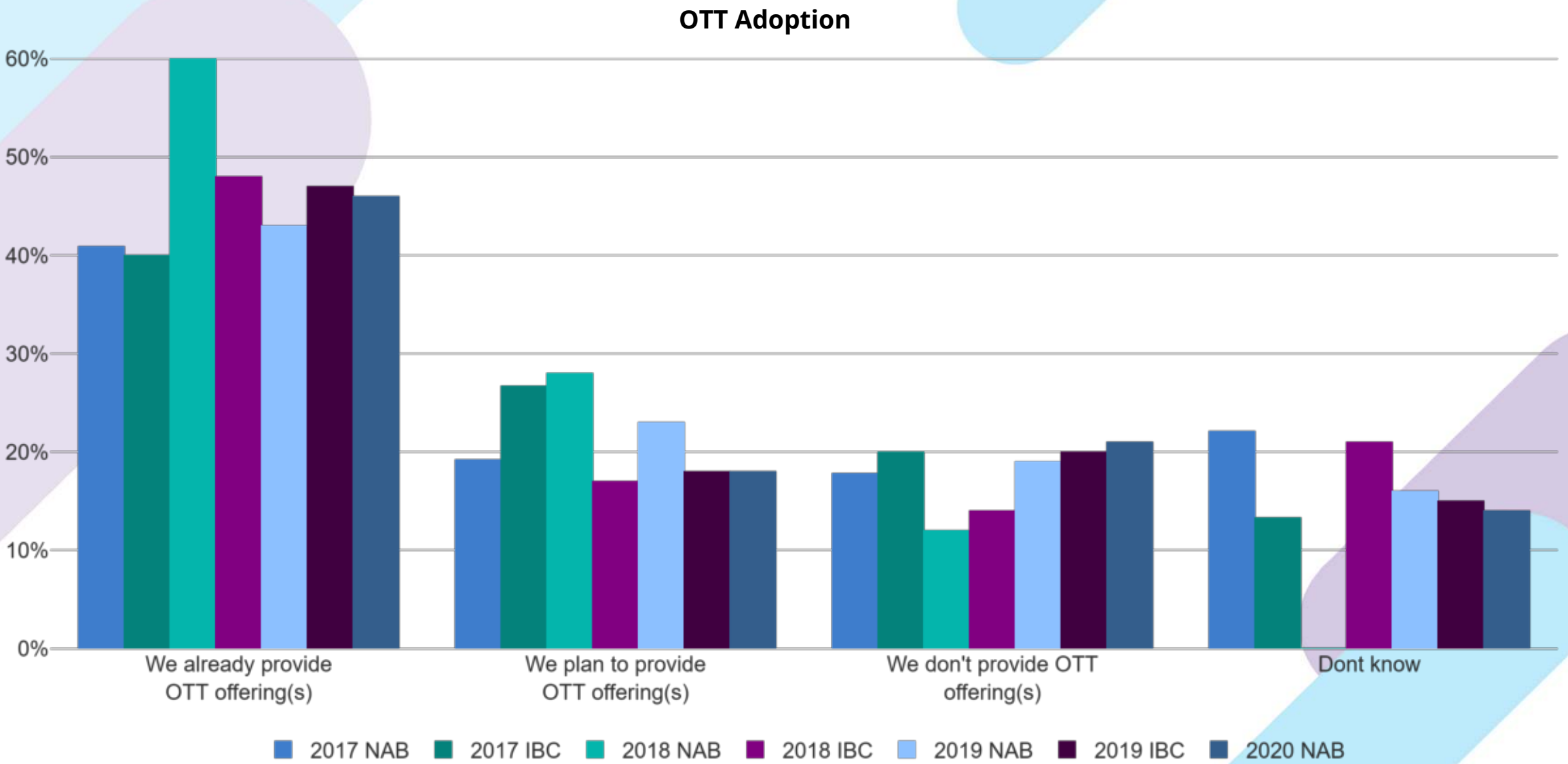
AI Types of Deployments



Main Challenges in Deploying AI

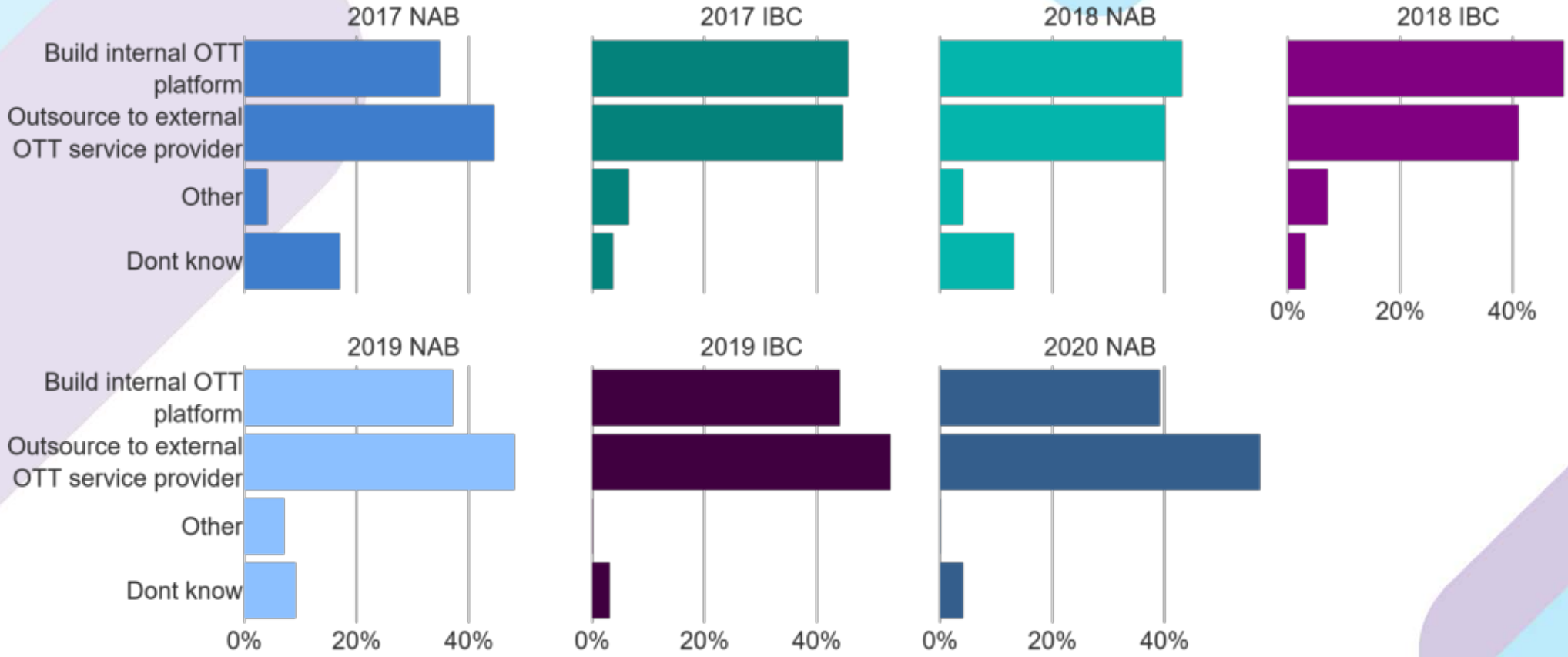


OTT Adoption



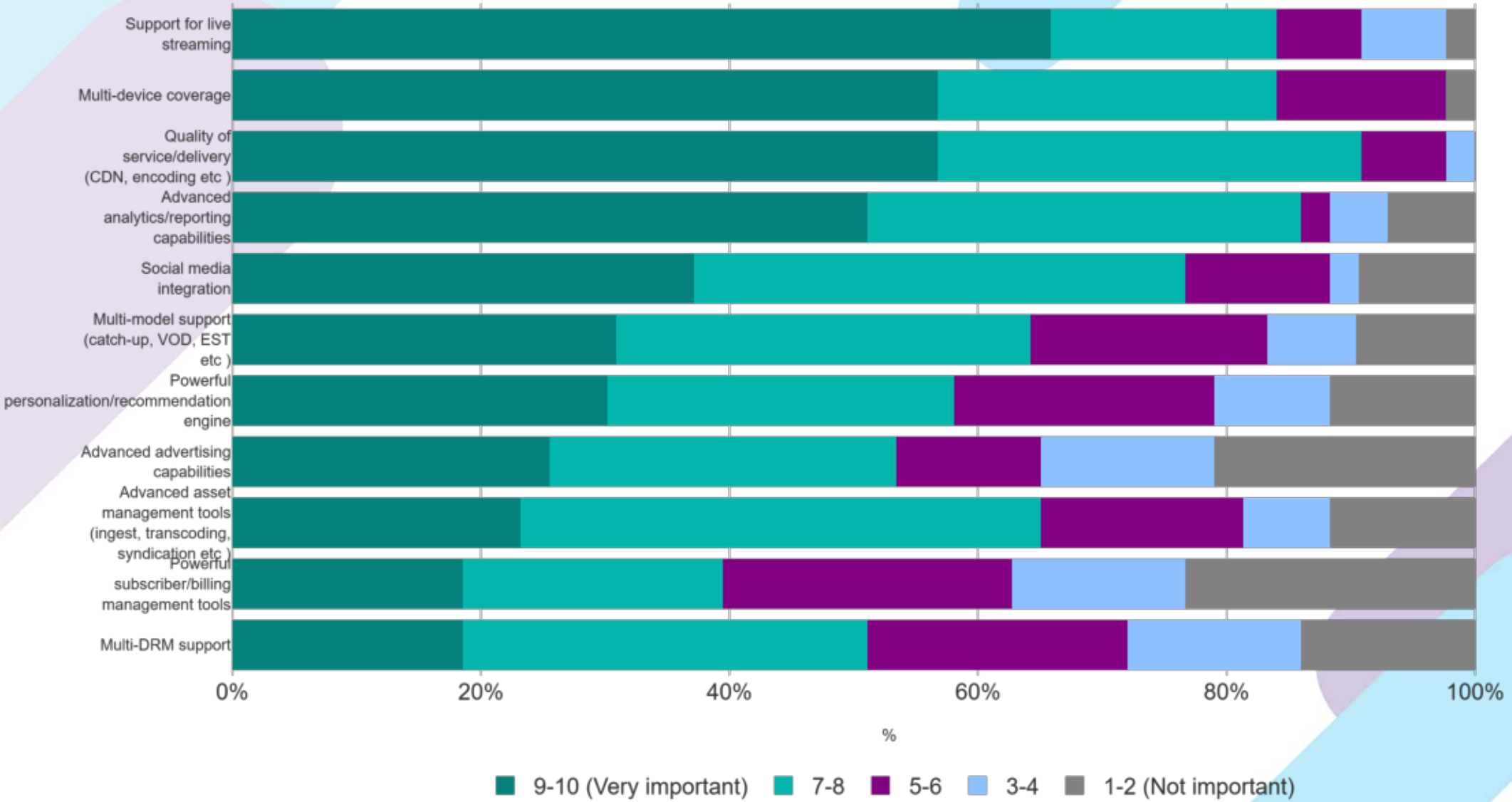
OTT Adoption

OTT Offerings - Build vs Buy



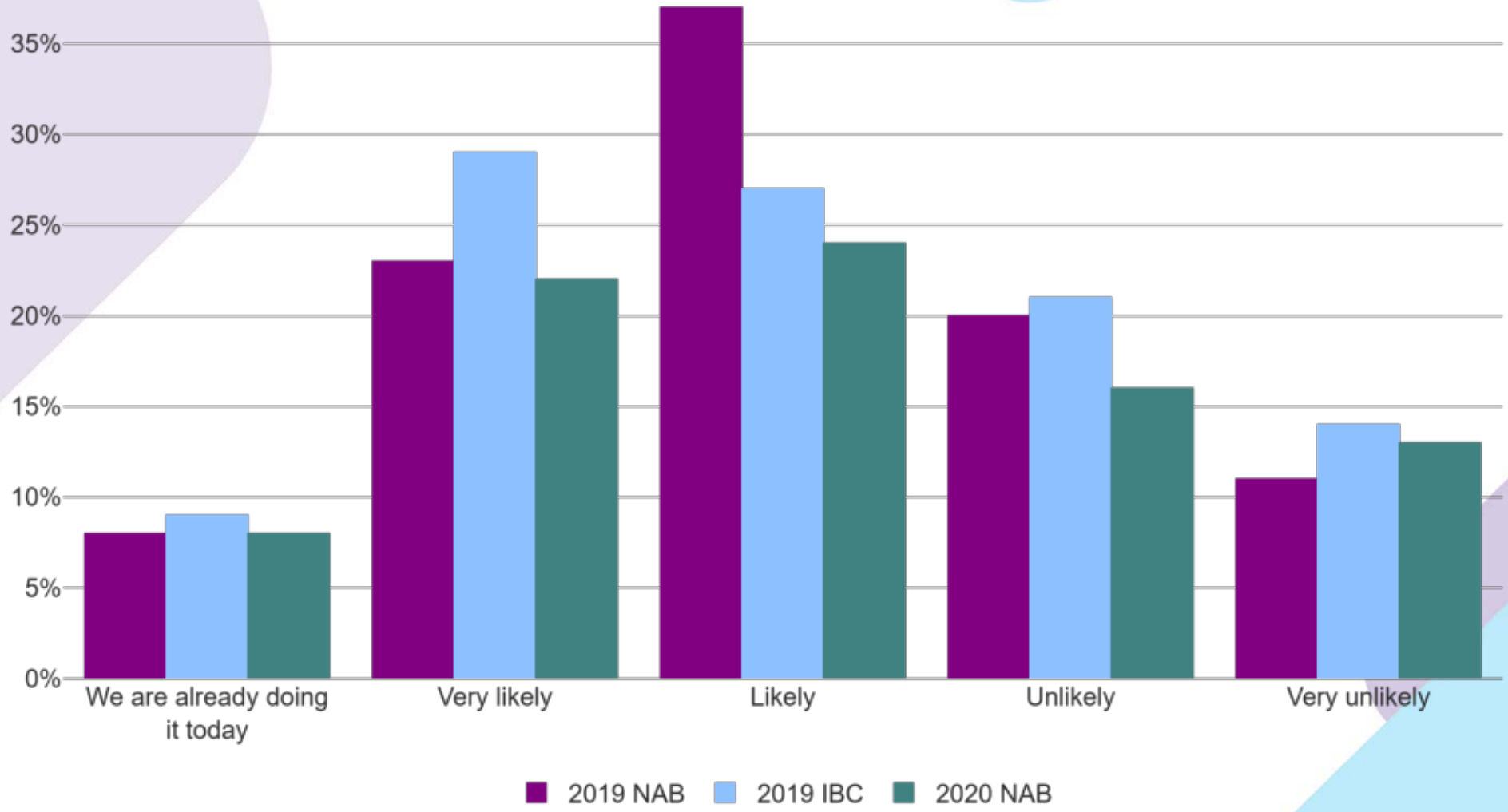
OTT Adoption

Most Important OTT Features



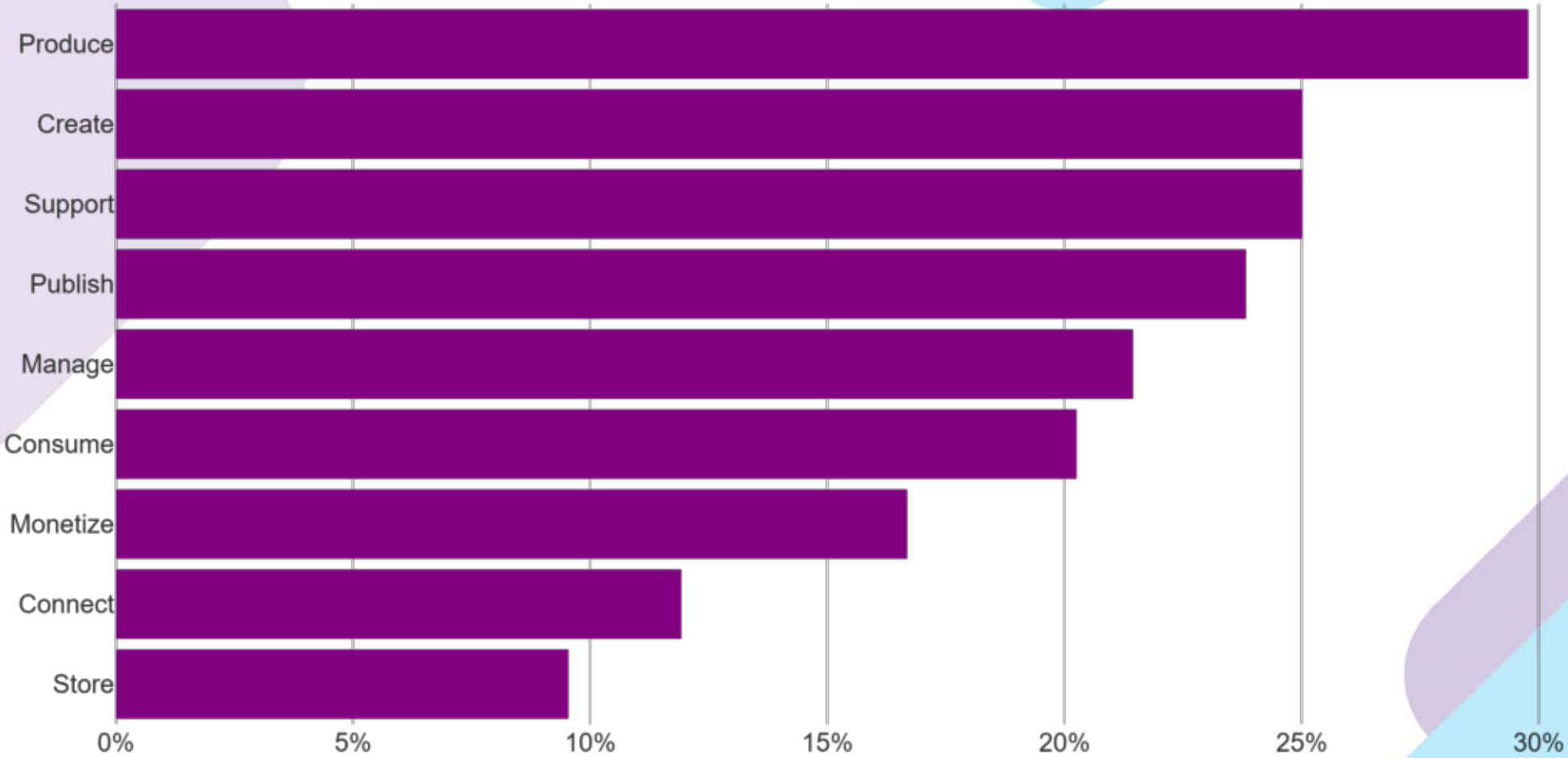
IoT Adoption

IoT Adoption Tracker

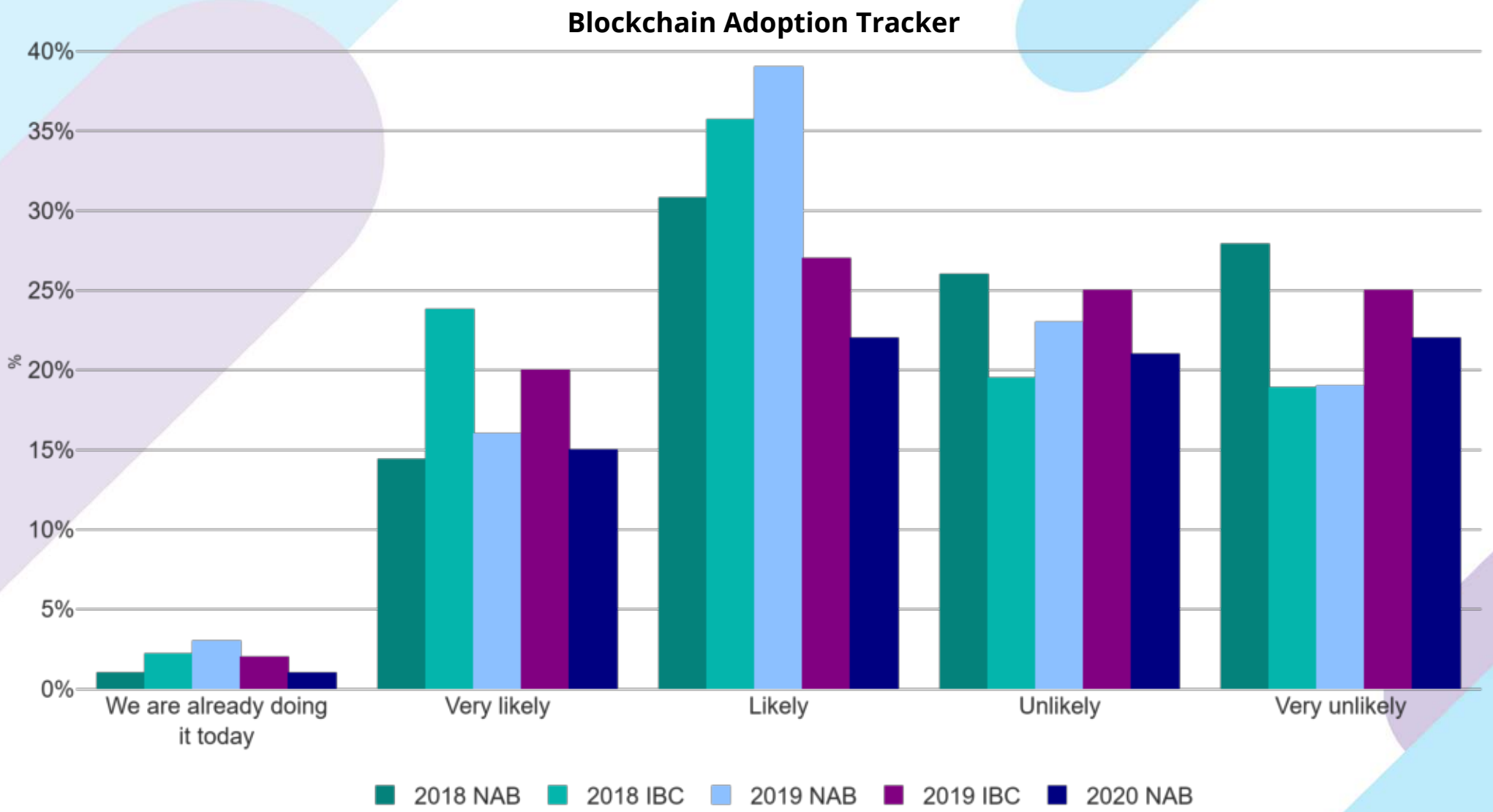


IoT Adoption

Preferred Area of IoT Application

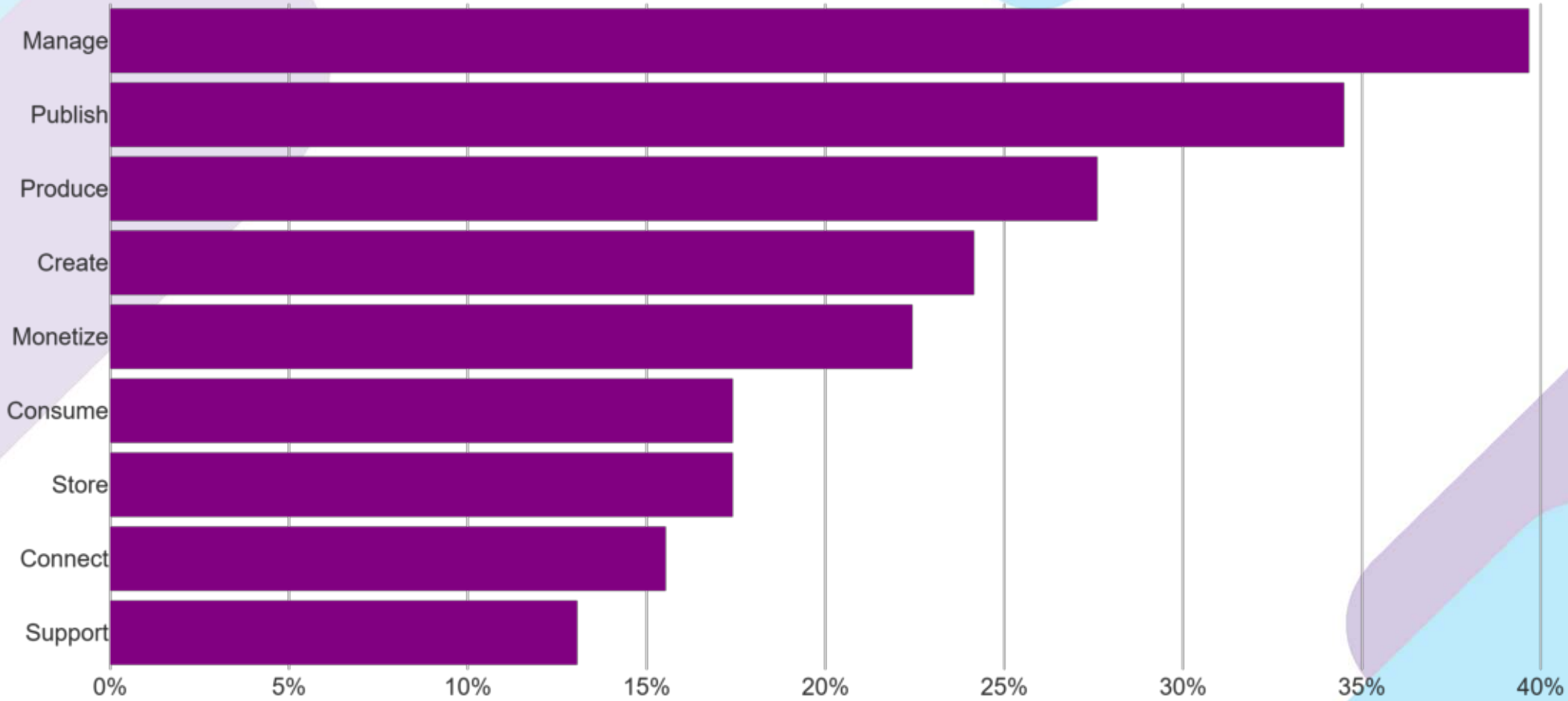


Blockchain Adoption



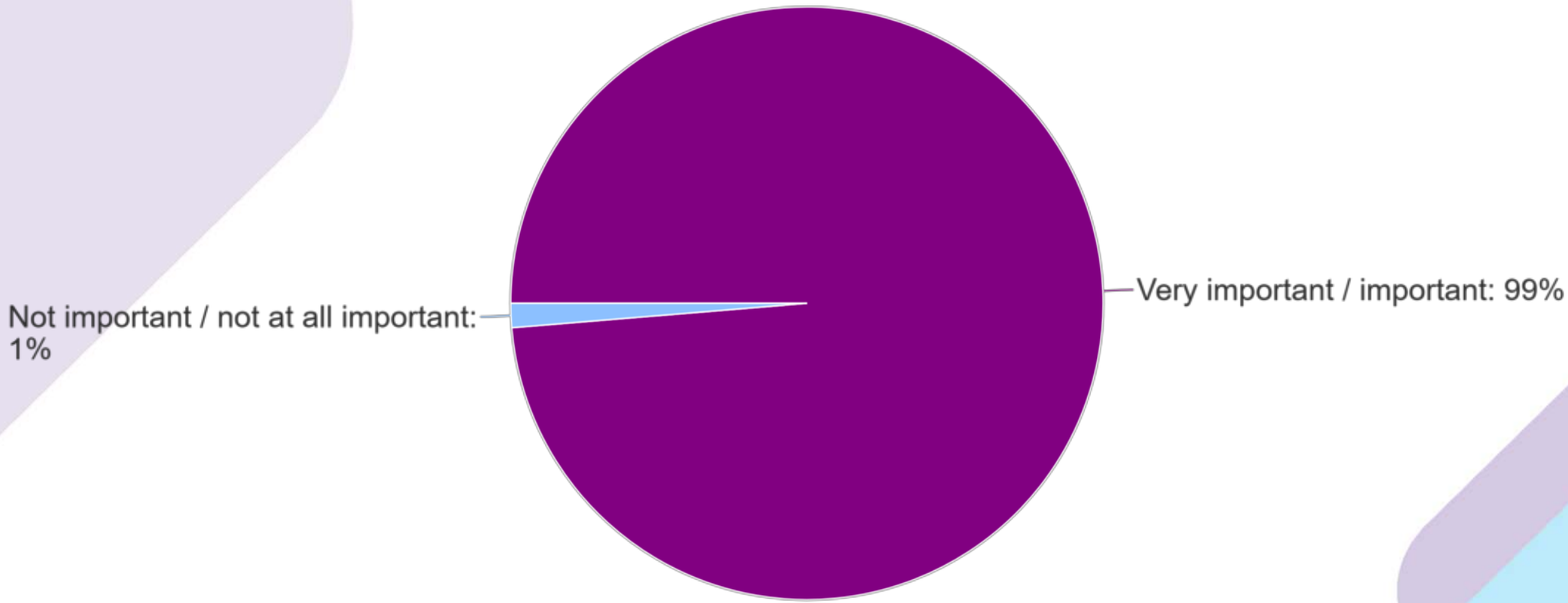
Blockchain Adoption

Preferred Area of Blockchain Adoption



Collaboration

Importance of Interoperability



Analysis

Sentiment

The analysis of business sentiment shows that confidence is at a high level throughout the industry despite all the change affecting the media technology sector, including the implications of the COVID-19 outbreak. A great majority (nearly 70%) of technology end-users see the business environment as positive, whereas less than 10% report negative confidence. However, the number of technology buyers feeling neutral about the market continued to increase - about one fifth has neither positive or negative sentiment about the business outlook.

Confidence remains high, while many end-users also feel rather neutral than positive about the market. This change likely stems from the increasingly intensifying competition from new media making more traditional end-users less confident about their market prospects. Moreover, due to the fast pace of change in the industry, media technology buyers find it increasingly difficult to forecast their own positioning in the continuously transforming market context. Many broadcasters and media companies are also in the midst of adopting and/or implementing new technologies like IP and Cloud, which may make these stakeholders more neutral about their business outlook, when the new technologies have not yet translated into concrete output.

"We plan further diversification of our business and plan more active access to related markets."

"Industry transformation will require a lot of agile companies to rely on consultancy and external experts."

"Lots of uncertainties mean the outlook is neutral and hesitant."

Sentiment

Historically, North American end-users have tended to be more positive about the overall business environment over the next 2-3 years compared to their European peers, who in turn are more neutral about their business outlook. The difference can partly be explained by North America's advertising market enjoying massive economies of scale - translating into a more positive business sentiment. In Europe, the advertising market is more fragmented and based on a wide range of national broadcast systems and language territories. However, as a result of the COVID-19 outbreak, advertising revenues - being highly correlated with the performance of the economy - are under pressure globally. The cancellation of live and sporting events - accounting for a large share of ad revenues - will have a long-term impact on buyers' business outlook.

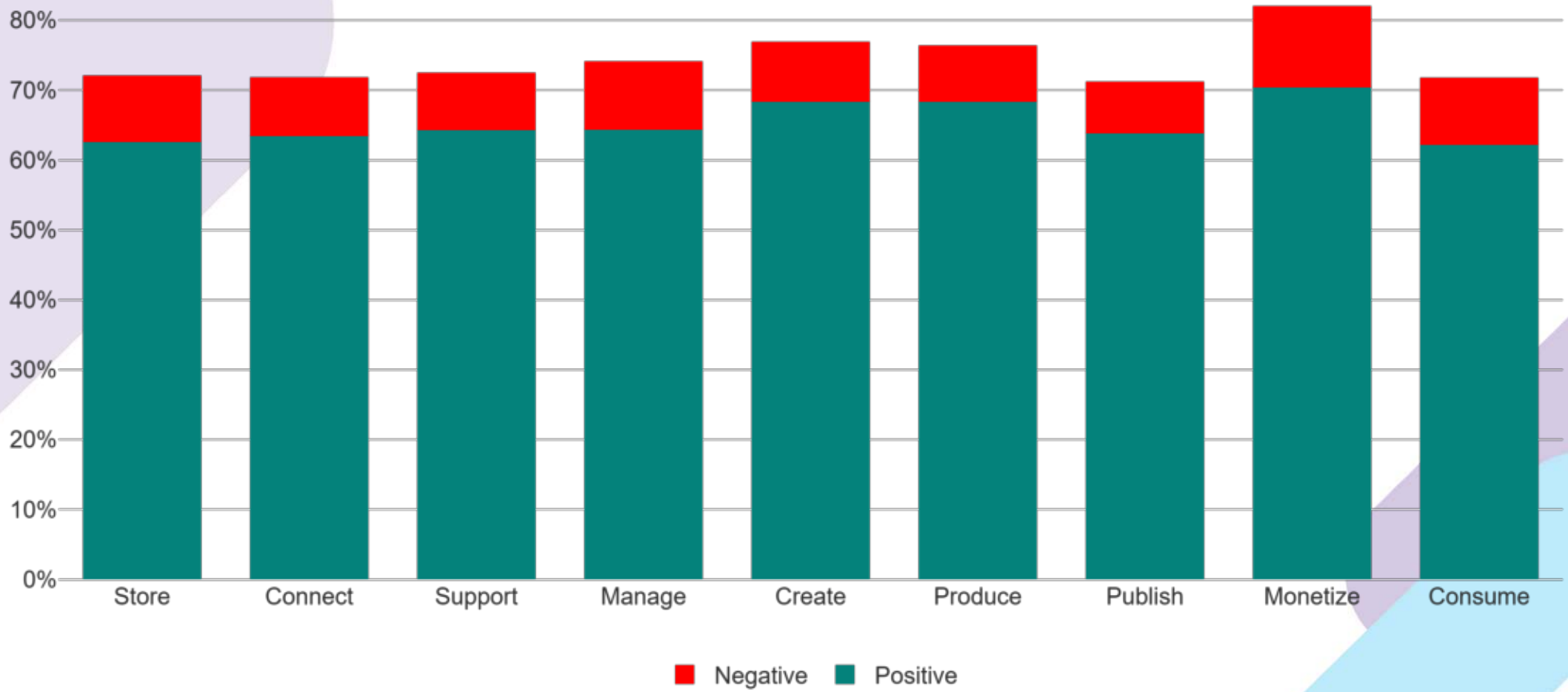
When it comes to organization types, broadcasters and post/production companies remain the most confident about their business outlook, whereas service providers and system integrators have a very negative outlook. This is in line with our previous surveys over the past few years, when system integrators and service providers have been clearly less confident. This can be partly explained by the fact that broadcasters and media companies are increasingly building their own solutions (i.e. "Build-It-Yourself"). At the same time, end-users continue to adopt a microservices approach and have deepened their collaboration not only with each other, but also with technology suppliers and public cloud service providers, which has had a negative impact on the demand for conventional system integration business. Hence, in this light,, these results are subject to significant changes, because our survey was conducted prior to the COVID-19 outbreak.

Overall, the optimist outlook reflects an industry-wide understanding of benefits related to more service-oriented business models - flexibility and agility. Moreover, the COVID-19 crisis is likely going to spur some creative innovation and accelerate the on-going technology transitions among end-user organizations. For example, spending on anything related to optimizing streaming delivery will significantly increase as a result of the pressure on connectivity resources, IABM data shows.

Sentiment

From a content chain perspective, Monetize, Produce and Create have the most optimistic outlook.

Business Sentiment by Supply Chain Block



Revenue Sources

Globally, new activities like multi-platform content delivery are already key revenue drivers for many types of end-users. While media companies' revenues from traditional broadcast operations continue to decline among all end-users, OTT and streaming services are becoming increasingly important new sources of revenue for more traditional media companies. During the COVID-19 outbreak, streaming consumption has skyrocketed globally, which has led several OTT providers to even cut the quality of their streaming.

Most end-users anticipate a shift in their revenue away from traditional broadcast operations in favor of monetizing content over alternative delivery platforms; nearly 40% of their revenues is currently derived from traditional broadcast operations, but this share is expected to decrease in the coming 2-3 years.

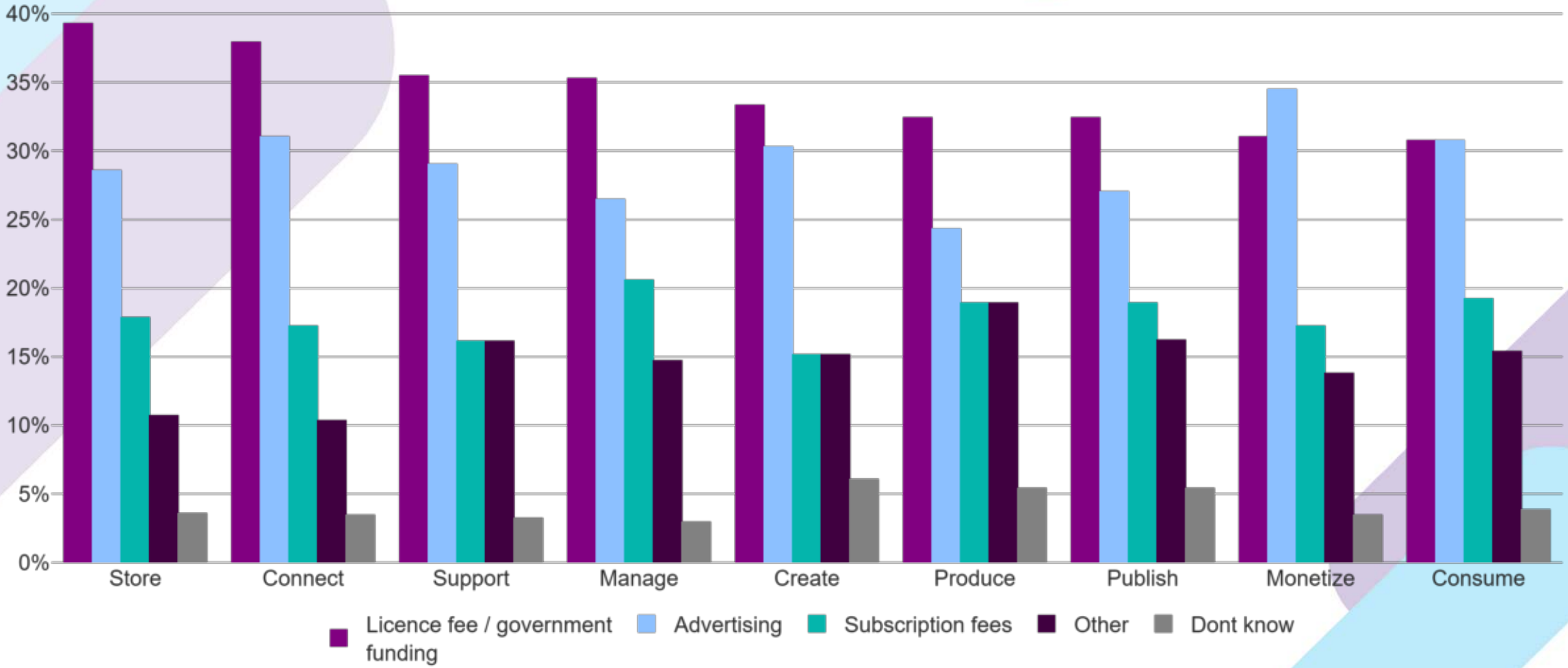
Advertising and licence fees/government funding remained the biggest primary revenue sources for most technology buyers, followed by subscriptions. The general sentiment about advertising is still relatively optimistic, but an increasing number of end-users relying on traditional TV advertising-based business models are feeling financial pressure, as advertisers shift toward digital advertising on OTT platforms. During the COVID-19 pandemic, advertising revenues have dropped significantly, according to several commercial broadcasters.

In turn, business sentiment about subscription revenues is also rather optimistic, because the COVID-19 outbreak has made consumers to drastically shift their consumption preferences and view entertainment products as necessities. However, those subscription-based services relying on sports content have been hit by the cancellation of events.

Looking at content chain segments - see next page - shows that most content chain blocks are still heavily reliant on licence fees/government funding aside from Monetize and Consume, which derive their primary revenue from advertising.

Revenue Sources

Revenue Sources by Supply Chain Block



Media Tech Investment

Media Technology Budgets

When looking at the proportion of annual revenues end-users spend on professional media technology, one fifth of end-users seem to spend 0-10% of their annual revenues on it - and over half of the respondents a maximum of 30%. This is in line with an overall trend that media companies tend to spend less on professional media technology as they increasingly move towards IP and cloud infrastructure - enabling them to spend more on an operational bases (i.e. pay-as-you-go).

In terms of the outlook of end-users' investment in different categories of products and services, software subscriptions are expected to grow the most, while the respondents see services, software permanent licences and software on-demand remaining the same. The fact that hardware products are anticipated to decline the most reflects the industry-wide trend away from hardware investment and capital expenditure (Capex) toward software and operational expenditure (Opex).

As media companies move toward direct to consumer business models, spending on an operational basis enables them to better respond to the changing market conditions and competition. Hence, it is possible that the share invested in service continues to increase over time, when the industry transitions to IP and cloud environment as a whole.

During the COVID-19 outbreak, hardware revenues have taken the largest hit from the crisis, according to our data. Cancellations of live events and scripted productions have caused a negative shock in hardware revenues. The crisis has also had a negative impact on permanent licences, whereas the demand for software subscriptions has increased.

Media Tech Investment

Strategic Drivers of Media Technology Purchase

When it comes to important factors driving the purchase of media technology, end-users find return on investment (ROI) and agility as the most important drivers of product purchase.

In terms of the most important priorities, which guide end-users' technology purchasing strategies, Multi-platform content delivery and 4K/UHD production/ delivery are on top of the list, followed by IP infrastructure and remote production. This demonstrates that the distribution and consumption of content are priorities for broadcasters, who need to be able to deliver high-quality content to as many platforms as possible.

IP infrastructure - ranking third - illustrates the successful finalization of SMPTE ST 2110. Thanks to the progress in adopting cloud among European end-users, remote production has increased its importance among technology buyers.

These findings are in line with other IABM studies that have highlighted how broadcasters and media companies are increasingly investing in ad technologies and acquiring ad tech firms to improve their capabilities in consumer-facing interfaces.

Media Tech Investment

Media Tech Demand

Most technology buyers plan to increase their media budget by up to 10% in the coming 12 months, indicating a continued general increase in demand for media technology.

From a content chain perspective, end-users anticipate that budget used for Manage, Consume and Create are most likely to increase.

In general, end-users are not diminishing their investment in broadcast and media technology, but rather shifting it to new products and services necessary to make their infrastructure more agile and efficient. Capex spent by end-users is decreasing as they increasingly invest in Opex - the move to the cloud and on-demand resource provisioning models is consistent with this.

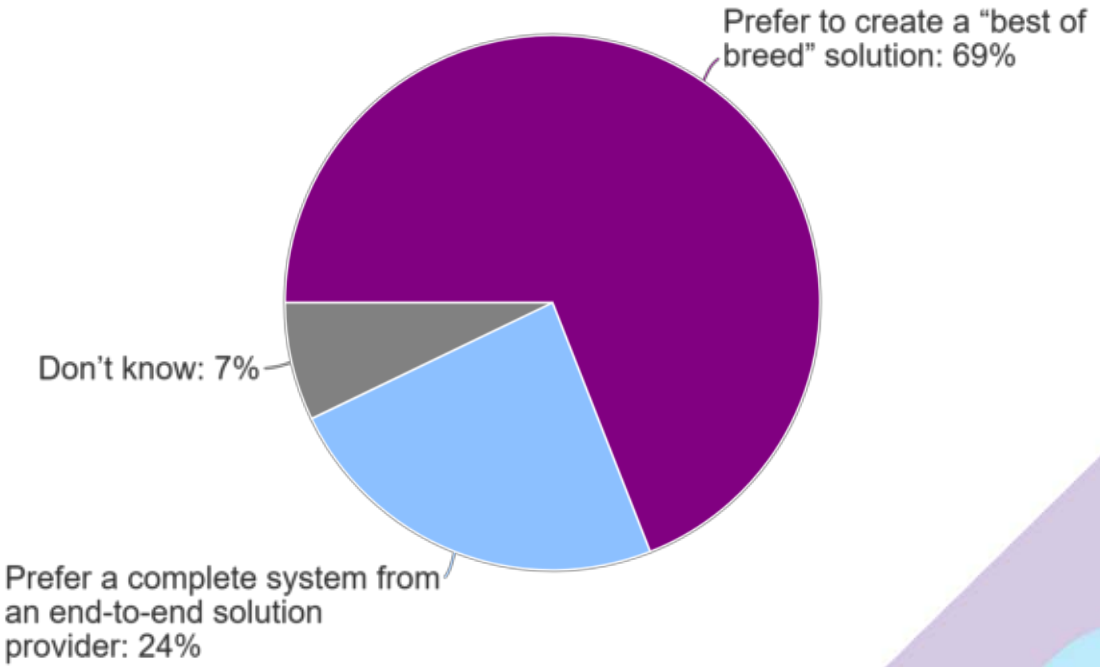
However, the COVID-19 outbreak has put significant pressure on end-users' budgets, which will translate into an overall decline in media technology investment, as most "nice-to-have" projects are being halted or slowed down to prioritize technologies that allow remote working and production of content. At the same time, some end-users may be forced to take a more digital approach to cope with the increased risk of physical contact, favoring investment in virtualization and remote production.

Media Tech Investment

Media Purchasing Preferences

Given the fact that there is a huge number of technology suppliers in the broadcast industry and their community is thus highly fragmented, some end-users prefer to buy from large integrated organizations, while others prefer small, specialized suppliers. In an era when supplier consolidation is on the rise, the majority of traditional broadcast technology buyers still prefer to evaluate and purchase so called "best-of-breed" solutions from multiple vendors.

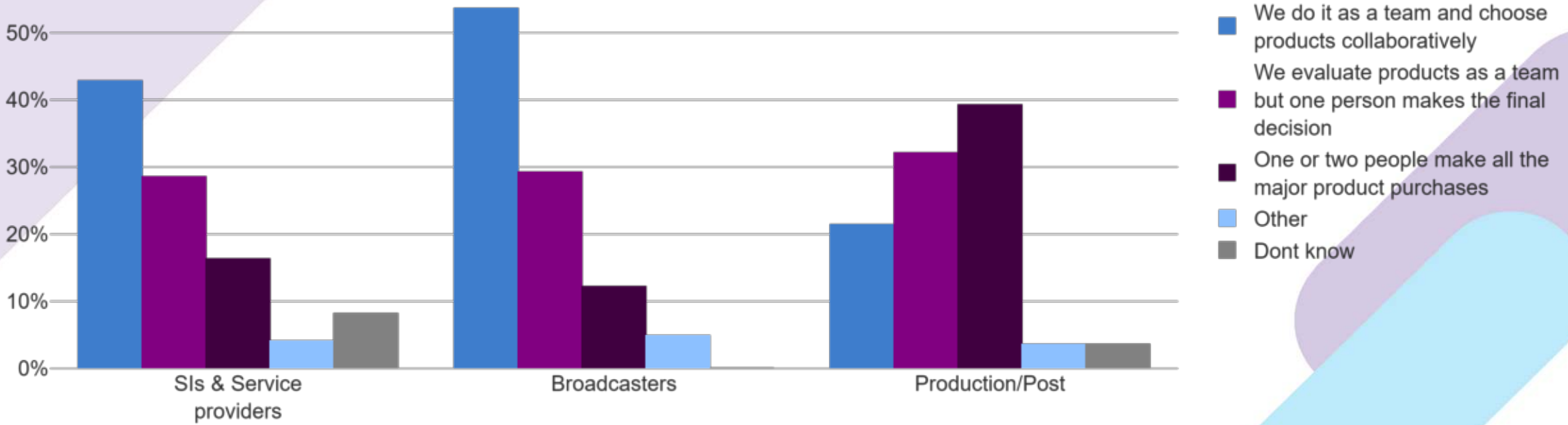
From a historical perspective, the share of buyers saying that they prefer "best-of-breed" has increased compared to previous editions of this survey. Buyers' preference over end-to-end solutions has remained stable at about one quarter.



Media Tech Investment

The majority of purchasing decisions are made collaboratively by a team, our latest study shows. This is in line with our other studies showing the increasing importance of collaboration between suppliers and end-users. One third of end-users report that even though they are committed to a collaborative evaluation, the final decision is made by one person. Less than one fifth say that 1-2 people are in charge of making all the purchases. Broadcasters seem to be the most eager to work as a team to choose new products collaboratively.

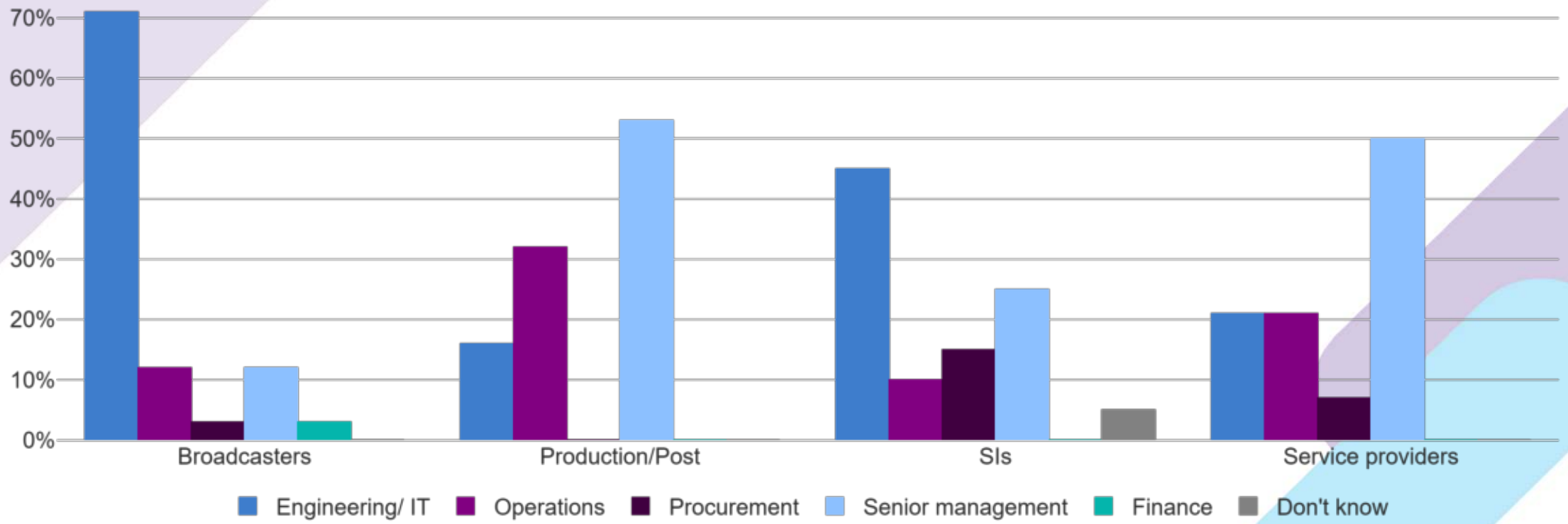
Approaches to Media Technology Purchasing



Media Tech Investment

When looking at which departments and people are the actual decision-makers in organizations in terms of purchasing media technology products, the two most important decision makers today are engineering/IT and senior management - many senior managers at broadcast and media technology customers are also engineers. Over the past few years, the role of engineering/IT and operations departments in purchasing have strengthened, as organizations are becoming more business-driven and as new technologies (e.g. IP and Cloud) are being implemented.

Key Decision Makers Today by Organization Type



IT Technology

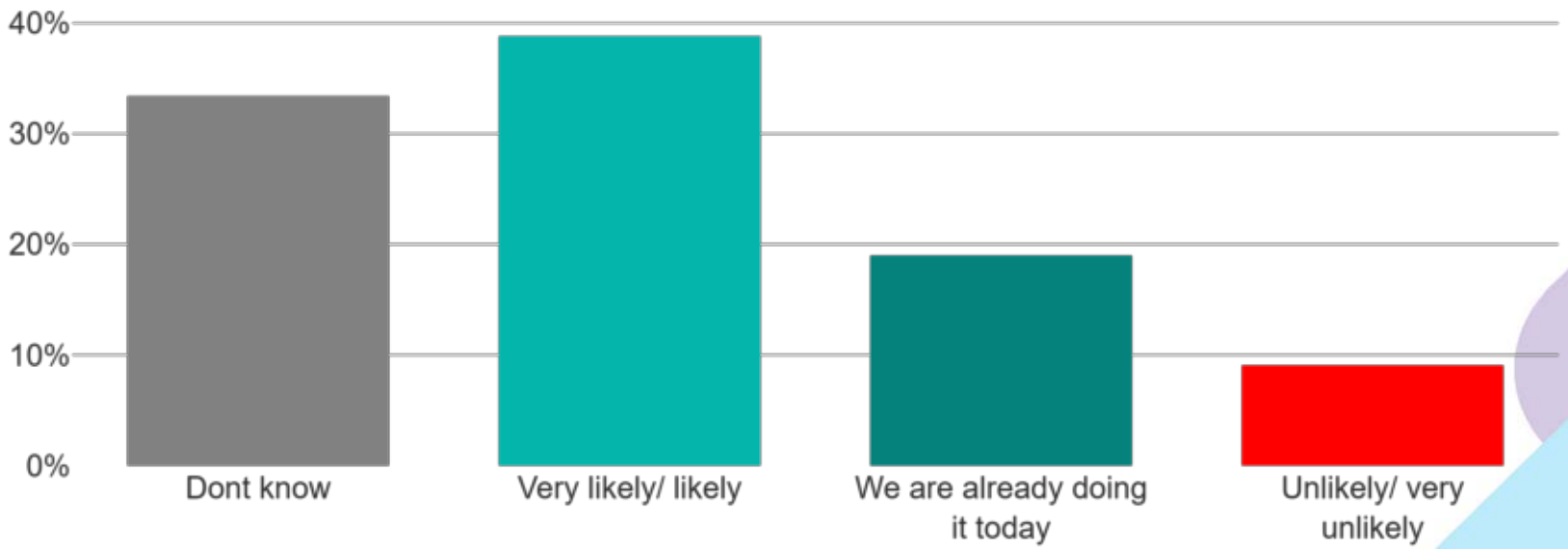
With an increasing amount of IT being deployed in the broadcast and media industry, end-users are moving their infrastructures from an SDI-centric to an IP-centric environment and hence they are buying an increasing amount of general-purpose (or COTS) equipment rather than the dedicated hardware that used to dominate broadcast operations.

When it comes to internal technology development, end-users are increasingly investing in building their own capabilities. They are doing this mainly to build custom solutions and to overcome interoperability issues with their technology infrastructures. According to our latest survey, on average 38% of their products and solutions are built by themselves using internal system integration resources. Over half of broadcasters and production/post-production companies plan to invest in internal software development in the next 2-3 years.

IT Technology

The rise of microservices, a method of developing software as a suite of separate, independent services, is associated with the BIY (Build It Yourself) trend. One possible use case of microservices is gluing together separate technology solutions to improve workflows. For example, ITV has achieved greater interoperability of operations with a microservices approach. However, our latest data shows that microservices are still an emerging trend in the media industry, with about one fifth of end-users having adopted this approach to software development. A great majority of technology buyers report that they are likely or very likely to adopt microservices. Some of the benefits of a microservices approach to developing technology solutions include increased resilience, flexibility and scale of operations compared to traditional monolithic and service-oriented architecture (SOA) approaches.

Adoption of Microservices



Media Tech Adoption

UHD - Market Developments

UHD technology is widely utilized in production and it is increasing in delivery. According to our latest survey, an increasing number of technology buyers have already launched or plan to launch UHD initiatives; nearly one third of respondents say that are already using UHD technology. Particularly, the upcoming, major sporting events such as 2021 Tokyo Summer Games (postponed due to the COVID-19 outbreak) as well as 2022 Beijing Winter Games provide an incentive for end-users to adopt UHD technology and other immersive formats. Moreover, given the fact that the biggest new media players like Netflix and Amazon only accept content produced in 4K/UHD, adopting this technology is crucial for broadcasters in order to compete with new media players.

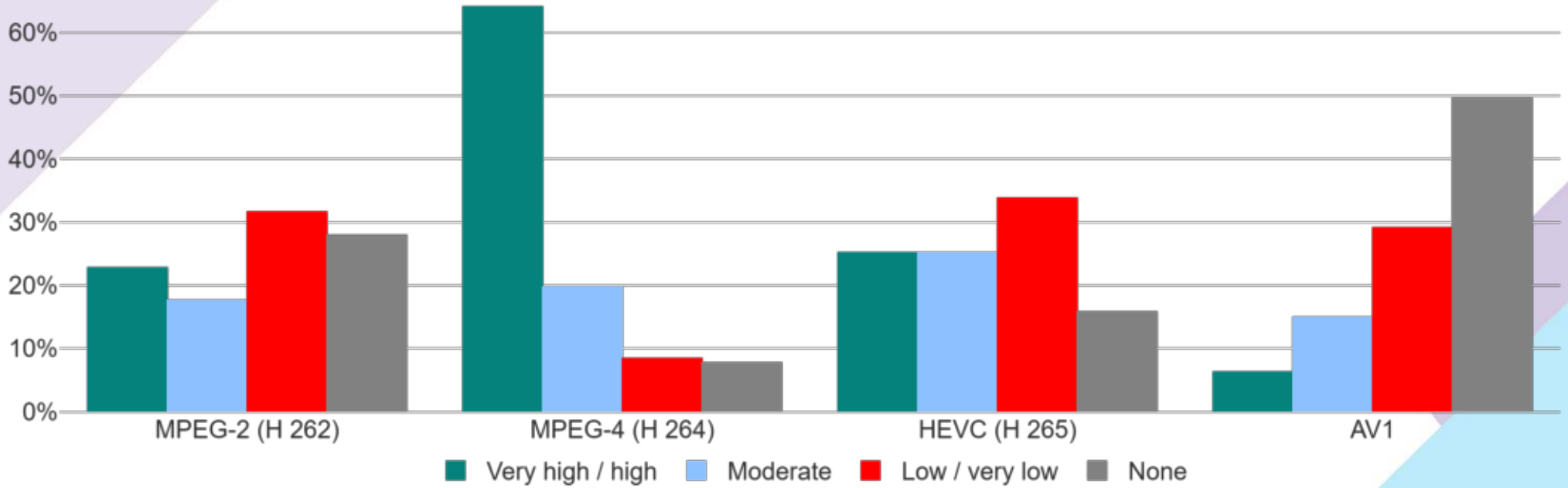
In terms of most preferred types of UHD formats, end-users seem to equally favor 4K+Enhancements and HD+Enhancements. Despite the increasing popularity of 4K, end-users still prefer to combine enhancements like HDR and HFR with 4K rather than launching 4K offerings only. This illustrates that better pixels may be more important than more pixels. The popularity of HD+Enhancements, in turn, likely stems from that it provides end-users with an economical way to augment the consumer experience. Overall, these developments reflect a shift in technology buyers' priorities in terms of budget allocation - driven by the increasingly intense competition from new media and OTT players.

When it comes to infrastructure deployed, end-users are more likely to adopt a hybrid-IP approach - followed by an all-IP approach - rather than upgrading to 12G SDI or Quad 3G SDI. Hybrid-IP is now the most preferred technology infrastructure to deploy for UHD content, because many broadcasters have only recently invested in SDI infrastructure and thus find a hybrid model more economical.

Media Tech Adoption

UHD - Compression

When it comes to compression, most end-users prefer MPEG-4 (H 264) as the most used compression standard for UHD delivery, while HEVC and MPEG-2 are also used by one quarter and one fifth, respectively. The AV1 standard launched in March 2018 has not yet taken off - about one third of respondents said that its is usage is low or very low. The main incentive related to AV1 adoptions resides in lower licensing costs; Netflix declared that the cost saving brought by AV1 is substantial.



Media Tech Adoption

Transition to IP

The transition to IP has accelerated among broadcasters and media companies over the past years. This transition entails the use of generic IT equipment and agreed interoperability standards for moving data in a packet switched environment. IP take-up started off slower than expected, largely due to the uncertainty over IP standards and reluctance to disrupt existing SDI operations. However, the publication of the new SMPTE family of standards - SMPTE ST 2110 - has improved consensus in the industry and the adoption of IP has accelerated.

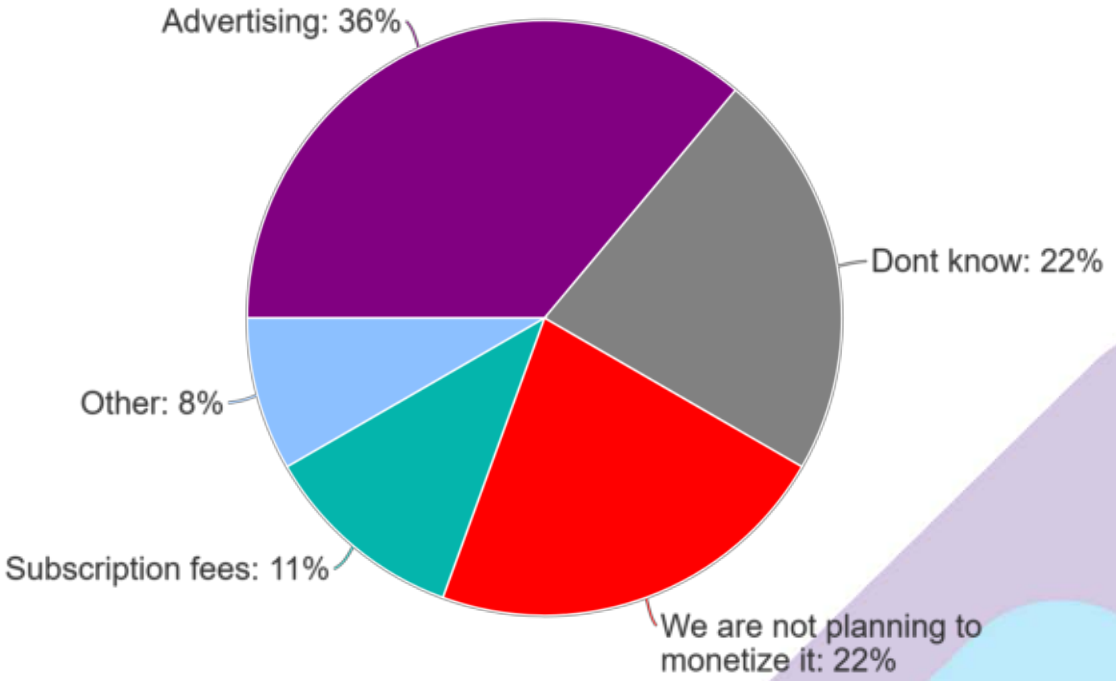
So far, the adoption of IP has mainly focused on less complex use cases like non-live production, but recently also live production related use cases have increased, particularly among larger broadcasters. Even though SMPTE ST 2110 provides end-users with more certainty, the complexity of the transition from SDI to IP remains relatively challenging - and costly. According to our historic data, one fifth of respondents are already using IP, with nearly 50% saying that they are likely to deploy the technology in the next 2-3 years.

Media Tech Adoption

VR Adoption and Monetization

VR is about creating an interactive virtual world (of 360 degrees) for its users having headsets. AR, in turn, refers to creating an interactive blending of virtual and real life for users by superimposing graphical content into the video, while it does not necessarily rely on any ad-hoc viewing equipment.

VR is still at an early stage of adoption in broadcasting, even though there have been an increasing number of VR initiatives particularly related to sports over the past few years. Today, less than one fifth of end-users say that they have already adopted the technology, whereas over 40% say they are unlikely or not at all likely to adopt VR. Hence, this technology is not yet a top priority for end-users, because they are finding difficulties in finding a suitable business model to monetize VR; over 40% of respondents say that they don't know how to monetize or plan to monetize VR. However, an increasing number of end-users is seeing that advertising is the best way to financially benefit from VR. This reflects that even though a potential lack of revenue potential for VR still exists, business models for content monetization are gradually becoming more established - thanks to the major sporting events acting as milestones for improved user experience.

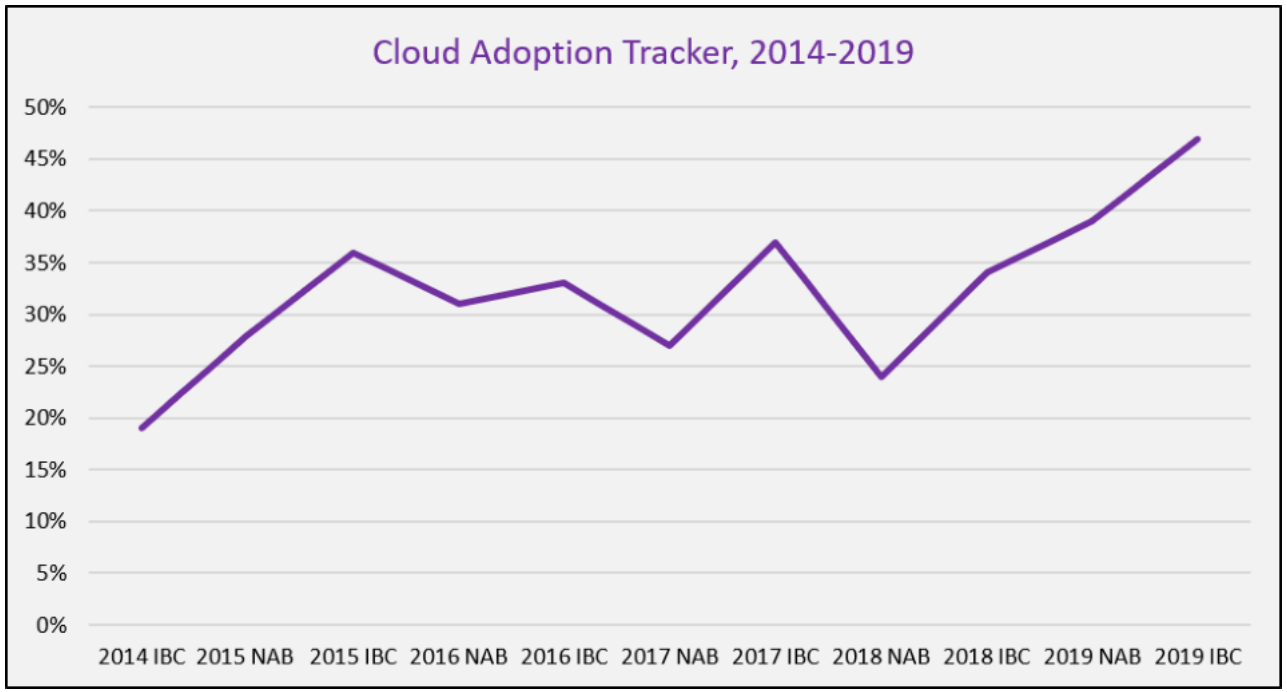


Media Tech Adoption

Cloud Adoption

Take-up of cloud technology in the media & entertainment industry in recent years has significantly increased. Cloud technology has the potential to provide immense savings as it allows end-users to flexibly calibrate capacity on the basis of demand. Also, the cloud is the optimal response to the requirement for increased flexibility - it gives end-users the possibility to launch new services “on the fly”.

Nearly half of respondents are already deploying some sort of cloud-based technology in their organizations. Among broadcasters, over 50% have already deployed cloud-based technology, with another 40% saying that they are likely or somewhat likely to adopt it. Historical analysis of the data shows an increase in the adoption of cloud-based technology from 19% in our IBC 2014 survey. Geographically, Europe has been showing a higher percentage of adoption compared to North America.

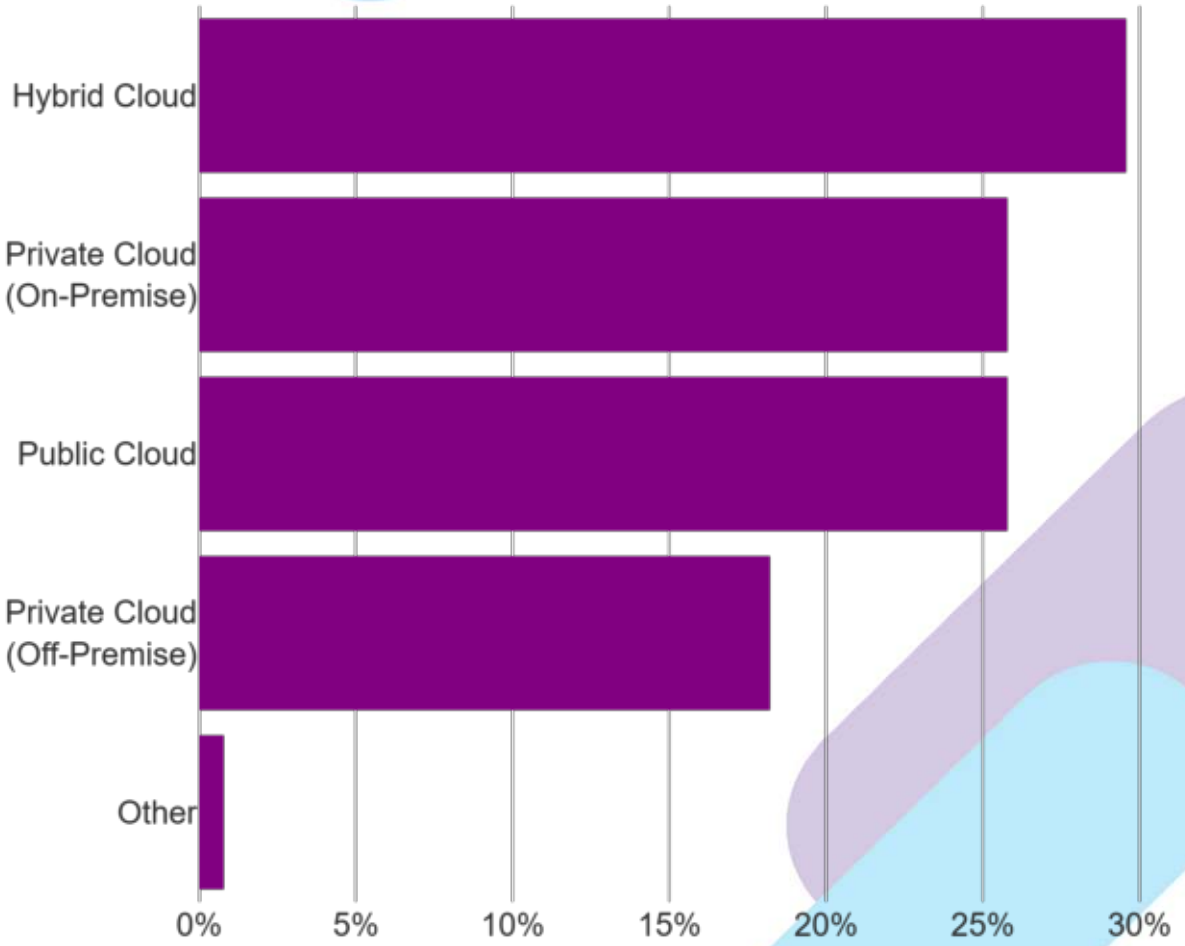


Media Tech Adoption

Cloud Adoption and Deployment

Even though the adoption of cloud is increasing according to our data, there is still a range of barriers and challenges that end-users need to overcome when moving to the cloud. In addition to security and privacy concerns, broadcasters seem to also be constrained by a conservative procurement approach and rising content storage costs. Production and post-production companies find security and the lack of long-term vision and context the most significant barriers when moving to the cloud. System integrators and service providers in turn show to be most concerned about security and privacy issues, followed by the lack of industry specific knowledge within implementation teams.

In terms of deployment preferences, nearly one third of respondents prefer hybrid cloud deployments, equally followed by private cloud (on-premise) and public cloud. Private cloud (off-premise) instead has continued to decrease over the past years. The popularity of a hybrid approach likely stems from the fact that end-users tend to find it an especially flexible and cost-efficient solution.



Media Tech Adoption

Cloud - Pain Points and Improvement Areas

From a Content Chain perspective, Manage and Publish are the most popular deployment of cloud-based technology, followed by Produce and Store. The least favored supply chain blocks to deploy cloud are Create, Consume and Monetize.

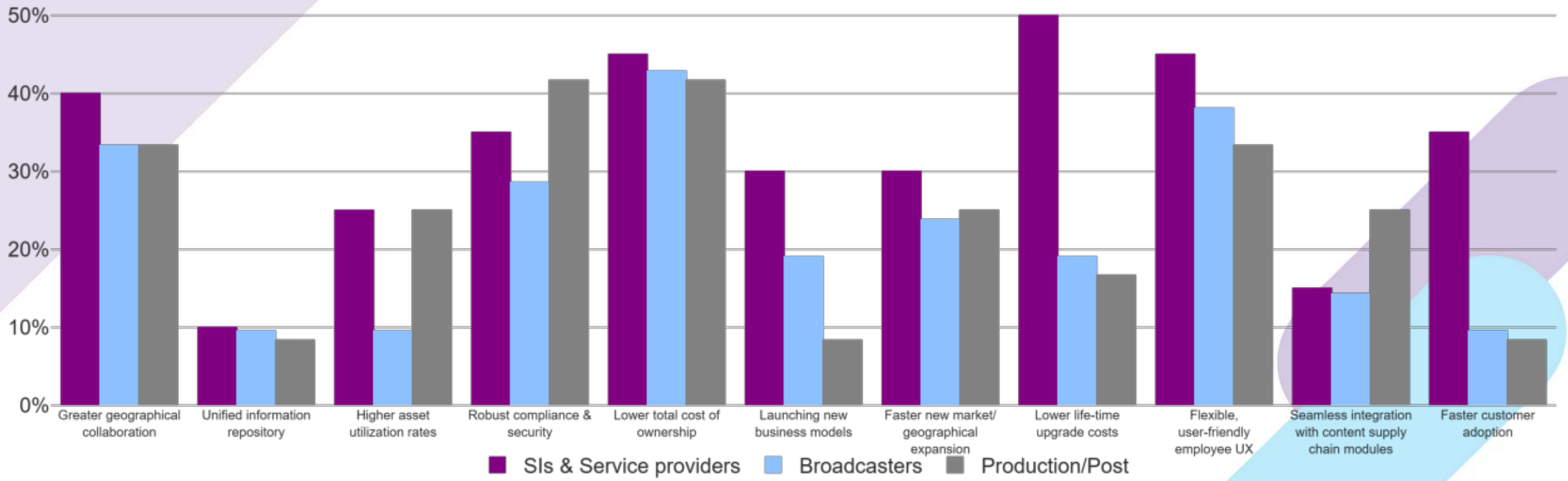
In terms of pain points contributing to lower satisfaction with on-premise solutions, over half of respondents see costly infrastructure as the biggest pain point, followed by outdated platform and inefficient resource utilization. Broadcasters continue to see costly infrastructure as their key obstacle, followed by outdated platform and inefficient resource utilization. Production and post-production companies were equally concerned about costly infrastructure and outdated platform, similar to system integrators and service providers, who also found costly infrastructure as their major pain point.

Key improvement areas technology buyers expect from the cloud vary from improved latency and network contingencies and pricing transparency to robust regional and local security and governance. For broadcasters, the key improvement areas seem to be pricing transparency, fully integrated solutions and improved latency and network contingencies, whereas production and post-production companies find strong customization and integration support as the key improvement area. Among system integrators and service providers, improved latency and network contingencies rank first. These results illustrate how end-users are increasingly expecting the cloud to improve their streaming capabilities as they continue to move to direct-to-consumer (DTC) offerings.

Media Tech Adoption

Cloud - Advantages

In terms of advantages enjoyed by respondents after having deployed the cloud instead of on-premise solutions, total cost of ownership ranks first, followed by flexible, homogeneous, user-friendly employee UX and greater geographical collaboration. These advantages are shared by both broadcasters and production and post-production companies ranking lower total cost of ownership as their top advantage. System integrators and service providers feel that lower life-time upgrade costs and flexible, homogenous, user-friendly employee UX provide them with greatest benefits.



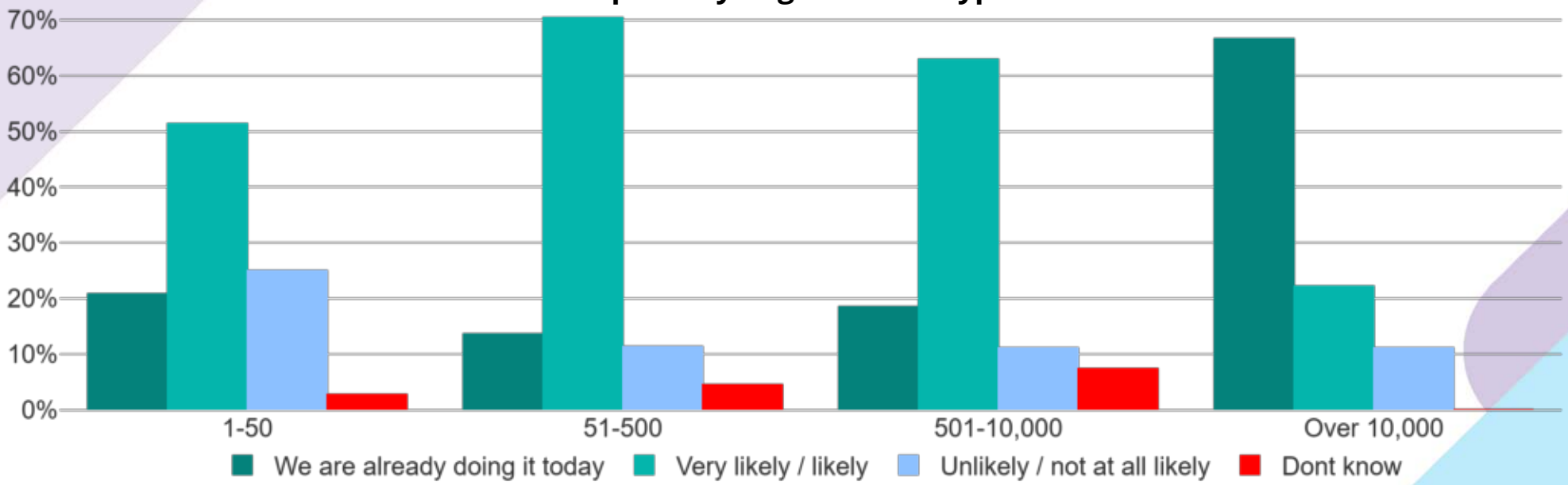
Media Tech Adoption

AI Adoption

Artificial Intelligence (AI) technology can be defined as intelligent technology capable of replicating human learning and problem-solving skills. One fifth of respondents say that they have already deployed some sort of AI technology, while over half of end-users are likely or very likely to deploy AI technology. Nearly one quarter of broadcasters say that they have already deployed AI, while over 60% of them are very likely or somewhat likely to deploy AI in the next 2-3 years.

In general, larger organizations are much more likely to adopt the technology; 67% of respondents representing organizations with over 10,000 employees have already adopted AI. AI has been a major interest for end-users as they increasingly recognize its benefits. This is particularly the case among European end-users, who seem to be more likely to deploy AI technology than America-based technology buyers.

AI Adoption by Organization Type



Media Tech Adoption

AI Deployments - Content Chain

From a Content Chain perspective, end-users are most likely to deploy AI in Manage-related workflows, followed Produce and Publish. Most use cases of AI are in content management systems to automate routine tasks such as metadata tagging, image recognition, action/video recognition and speech to text. Particularly with regard to metadata tagging, end-users view this as extremely important strategically to build up an increasingly granular database of their content. The adoption of AI goes along with the search for increased operational efficiency which has driven broadcast and media technology procurement in recent years. A natural consequence of AI adoption is the increased automation of routine tasks by media companies to eradicate internal inefficiencies and better monetize their viewership.

Moreover, AI can be effectively applied to production/post-production through the automation of routine/ repetitive tasks, while directing time and resources to more innovative, creative opportunities. In Produce, AI-based color correction is also gaining ground. Metadata can also be generated from production/ post-production workflows that can be later used throughout the content supply chain.

In terms of deployment methods, nearly half of respondents have or plan to leverage cloud service providers' AI capabilities, while almost one third has either built or plans to leverage specific AI functionalities in a vendor's solution. Over a quarter has or will acquire AI as an internal deployment/ recruitment. Broadcasters, production/post-production companies and system integrators register the highest percentage of deployment in leveraging cloud service providers' AI capabilities. Broadcasters are also interested in taking advantage of a specialist AI platform.

We expect AI adoption to grow further in 2020 as broadcasters continue to leverage the technology for a variety of use cases, when positioning themselves direct-to-consumer.

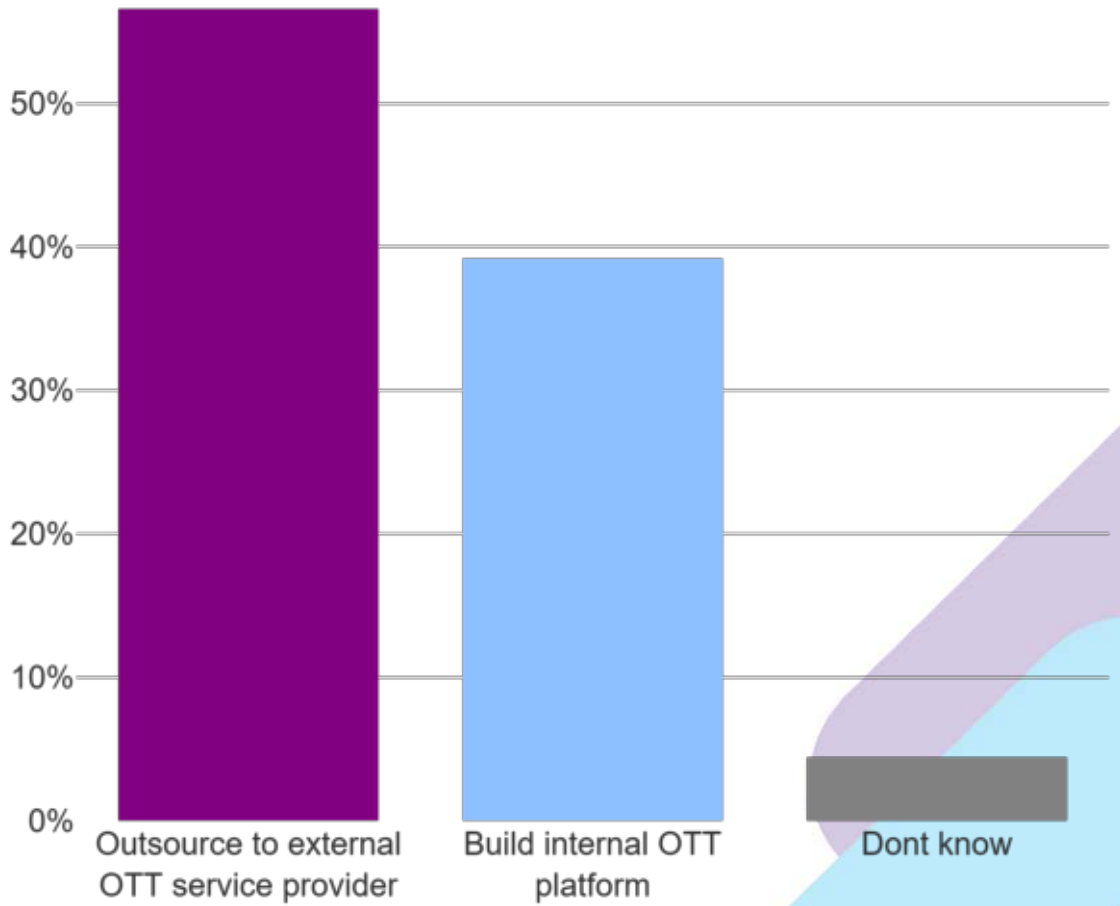
Media Tech Adoption

Over 60% of end-users already provide OTT offering/s to customers or plan to do so in the foreseeable future. This figure has remained relatively stable over the past two years. Media organizations have the option to either outsource the management and delivery of OTT offerings or build an internal OTT platform. An in-house OTT platform gives end-users control over the delivery of their content but also presents the challenge of integrating linear and not-linear workflows as well as the need to make substantial investments they may not be fully comfortable with.

According to our latest survey, over half of all end-users find that the optimal way is to outsource their OTT platform development to external OTT service providers.

Our results reflect rapidly increasing importance and rollouts of OTT deployments among broadcasters and other media technology end-users, who feel increasing pressure from new media players.

OTT Deployments



Media Tech Adoption

Blockchain Adoption

Blockchain, the technology behind cryptocurrencies, can be defined as a digital, immutable and decentralized ledger that chronologically records transactions in near real-time. Only 1% of respondents say that they have already deployed blockchain technology, while about one third of end-users report that they are very likely or somewhat likely to deploy blockhain technology.

From a Content Chain perspective, Monetize, Manage and Publish are the most common supply chain blocks to deploy blockchain with over one third of end-users being likely to do so.

Although some media organizations have already invested in the technology, blockchain can be considered as a truly emerging technology in this sector as end-users have just started to get familiar with it. So far, the investment has mostly focused on the potential applications of blockchain technology in advertising. Other popular use cases of blockchain include conditional access, rights management and content monetization.

Collaboration

Interoperability and Long-Term Partnerships

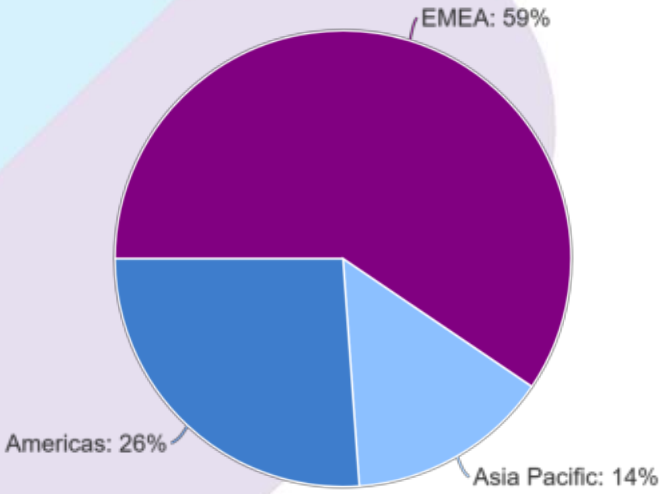
The results of this survey show that end-users continue to prefer evaluating multiple suppliers to create “best-of-breed” solutions. “Best-of-breed” solutions including equipment from multiple suppliers present the challenge of interoperability of different technologies. 99% of the respondents say that interoperability is important for their business, while only 1% see as not important.

According to our other studies (e.g. Adapt Report), end-users and technology suppliers have stated that the focus has moved to long-term partnerships built on continuous engagement and flexible financial arrangements. In these partnerships, all parties need to make concessions and focus both on what is working now and what is going to work in the future. According to most companies interviewed for our other studies, the focus of partnerships between buyers and suppliers has also shifted away from pure technology discussions towards the business outcomes of technology projects. Buyers are generally becoming more focused on use cases and what a new solution is going to enable rather than on technology specifications. Most buyers confirmed that business outcomes are becoming more important than technology in discussing deals. This is not always the case though and suppliers need to consider different segments of end-users.

Appendix

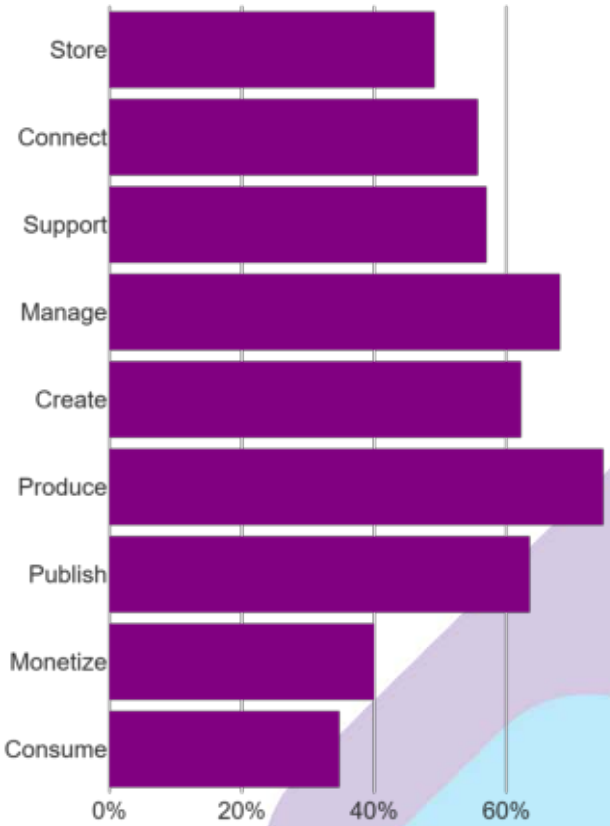
Buying Trends Survey Sample

Region

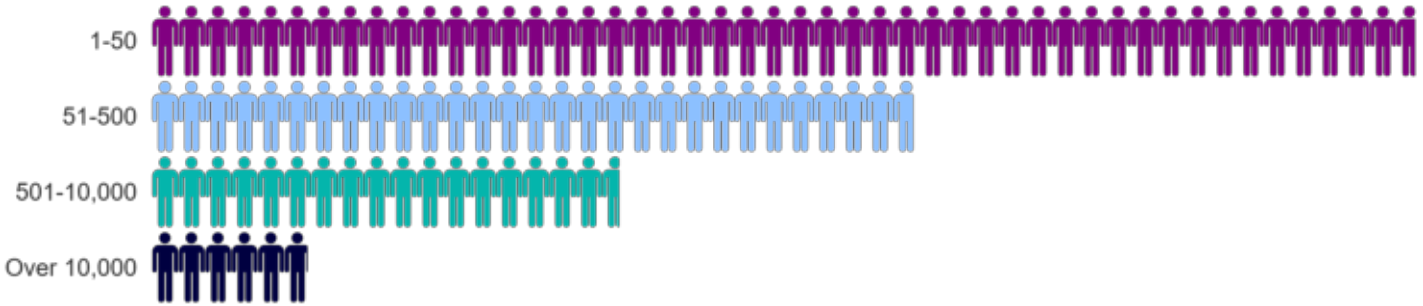


Organization Type

Content Chain Block



Organization Size



About IABM Business Intelligence Unit

Lorenzo Zanni,
Head of Insight & Analysis

Riikka Koponen,
Principal Analyst

Olga Nevinchana,
Senior Analyst

About IABM

IABM is the international trade association for broadcast and media technology suppliers. IABM facilitates the important networking and interaction between suppliers that shape and define the unique ecosystem of the broadcast and media technology industry.

IABM supports member companies with a comprehensive range of services across market intelligence, training, events, technology, exhibitions, business standards and best practices. We hold the interests of member companies as paramount, and strive to provide strong guidance and support at every level in all geographies.

We understand that in today's rapidly changing media landscape, our members have never had a greater need for timely, relevant and effective advice and support. IABM's mission is to be an ever more powerful beacon illuminating the way forward, highly responsive to all our members' needs and helping them to successfully navigate change and prosper.

Further information about IABM and its activities can be found at www.theiabm.org.