The (making of the) Future of Digital Media

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The Commercial Lens

- Repertoire
- Marketing
- Distribution
- Business Development
The Creative Process

- New tools provoke creative innovation
- Decrease in the cost of production
- Increase in consumer expectations
- Retooling ROI equations
- The creativity debate
- New licensing models
The Digital Transformation of Media Marketing

- The customer ...
  - As marketer
  - As co-curator
  - As co-creator
- Control freaks beware
- Multi-platform marketing
- Increased visibility and accountability
Share of Wallet & Multi-Tasking Challenges
Consumer Proximity & Insight
Distribution: 20+ Million (Music) Sellers
Piracy vs. The Margin War

- music consumption at an all time high
Music Top 50 in Sales (x,000,000s) by Decade

- Challenges to funding creativity, especially for emerging talent
A Premium on Business Development
SKU Proliferation

- New demands on the creative process
The “Traditional” Media Supply Chain

“professional grade”, rigid

Supply → Design → Develop → Launch

invitation-only, lengthy & linear processes

Supply → Produce → Distribute → Sell → Consume

scale-driven, high barriers to entry, capital intensive
Digital Changes (almost) Everything

- Supply
- Design
- Develop
- Launch

consumer & tech-driven, accessible
fast, responsive cycle times

low(er) barriers to entry, global, venture-backed innovation
Here comes the cloud ...
Transformations in Media Experiences

**Physical Packages**
- Vinyl, Tape, CD, DVD, BluRay

**Broadcast**
- TV, Radio, CATV

**Digital Packages**
- MP3s, Ringtones, HDTV, Streaming, Lockers, etc.

**Physical Access**
- Concerts, Theaters

**Digital Access**
- HDTV, Streaming, Lockers, etc.

- Greeks
- 1890
- 1940
- 1995
- 2007
The Future of Media ... in Hindsight?

Time

Virtual Access

Physical Access
Access-Driven Platforms
<table>
<thead>
<tr>
<th>Rank</th>
<th>Game</th>
<th>Monthly Actives</th>
<th>Developer</th>
<th>MAU Change</th>
<th>(Last Month)</th>
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<tbody>
<tr>
<td>1</td>
<td>FarmVille</td>
<td>51,454,512</td>
<td>Zynga</td>
<td>18,015,305</td>
<td>33,439,207</td>
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<td>Mafia Wars</td>
<td>25,708,764</td>
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<td>Farm Town</td>
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<td>Zynga</td>
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<td>MindJolt Games</td>
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<td>FARKLE</td>
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<td>Viral</td>
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<td>PopCap Games</td>
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<td>2,935,611</td>
<td>Rekoo</td>
<td>N/A</td>
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Virtual Economies
The Future of Media