



Global back-office transformation outlook in media and entertainment

An Executive Summary to Oracle

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Global Executive summary

Operational, and technology challenges are core pain points for 74% of media enterprises with on-premise systems today

64% of media enterprises highlighted that initial investment into back-office systems was to drive market agility, and operational excellence business priorities.

Results from this research show a conservative, but incremental cloud investment approach with 56% of media enterprises with on-premise systems having no intention to migrate to the cloud today.

Leadership challenges, and cloud vendor not meeting business requirements are believed to be the leading barriers and challenges for 67% of media enterprises.

Cost transparency, standardized quicker deployment cycle, real-time access to innovative technology enhancements, and strong regional & local governance will push over half (53%) of on-premise media enterprises unwilling to embrace cloud today on the transformation journey within the next 12-24 months.

66% face minor, and major challenges with performance monitoring, personalized employee experience, DIY self-service application, and real-time data sharing and collaboration functions today.

Media enterprises in Asia-Pacific to earmark 1.6-2.5x higher back-office transformation budget as compared to North America, and EMEA counterparts.



Global Cloud Back-office Executive summary



By 2021, 44% global media enterprises will have moved their back-office systems on the cloud

60% surveyed revealed that enhancing operational excellence, and productivity is the core objective when embarking on a cloud back-office transformation project.

100% of those who have implemented cloud back-office systems are satisfied with the benefits achieved. Comparatively, 20% of those who have not implemented a cloud back-offices system are dissatisfied with their existing on-premise deployments.

Asia-Pacific, and North America are at the forefront of cloud back-office system adoption with 54% of media enterprises planning to embark on the journey by 2021.

41% of final purchasing decision makers of cloud back-office systems revealed that Oracle is their leading preferred vendor for the transformation journey.

83% revealed that cloud back-office transformation immensely enhanced personalized employee experience and real-time data sharing functionalities.

60% of respondents highlighted that robust vendor technology road-map remains the core influencer in selection process.

40% believe that lack of clear vision, and ownership among top management is a vital hinderance for cloud adoption.

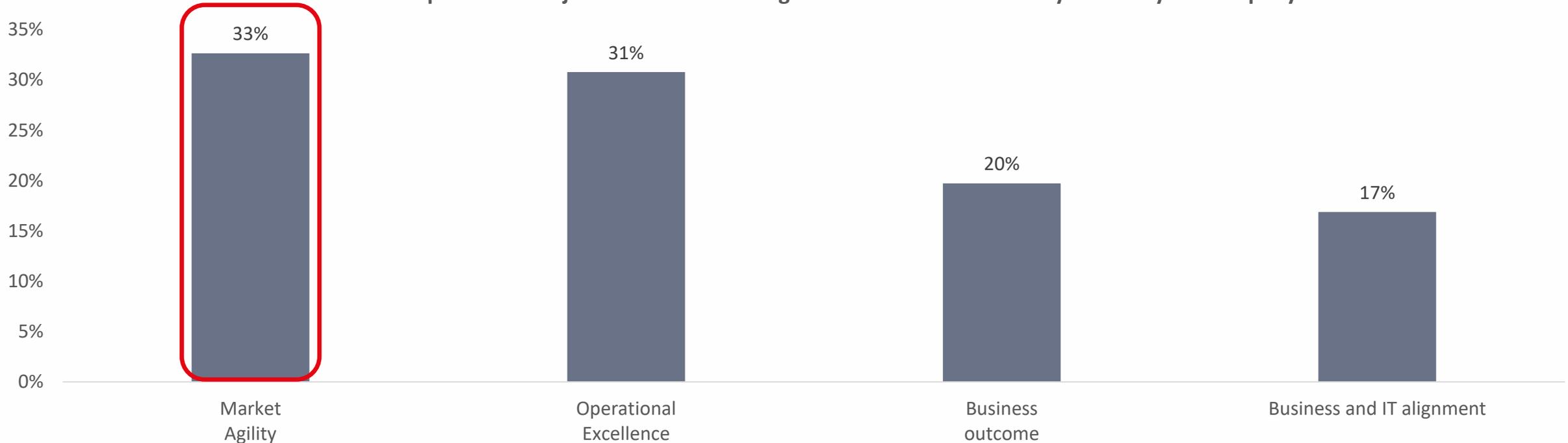
In the next 12-24 months, 51% are likely to embed mobile, and digital assistants with their agile back-office systems to accelerate operational excellence.



Global business priorities: Market agility remains the core driver to invest in a back-office system

- The key business objective in back-office system investment is to accelerate market agility. Enterprises are looking to accelerate time to market to meet changing business requirements, thereby securing competitive edge and market share with improved customer engagement.
- At 31%, operational excellence is also listed as a key factor in back-office system decision making.

What are the top business objectives when deciding to invest in a back-office system for your company?



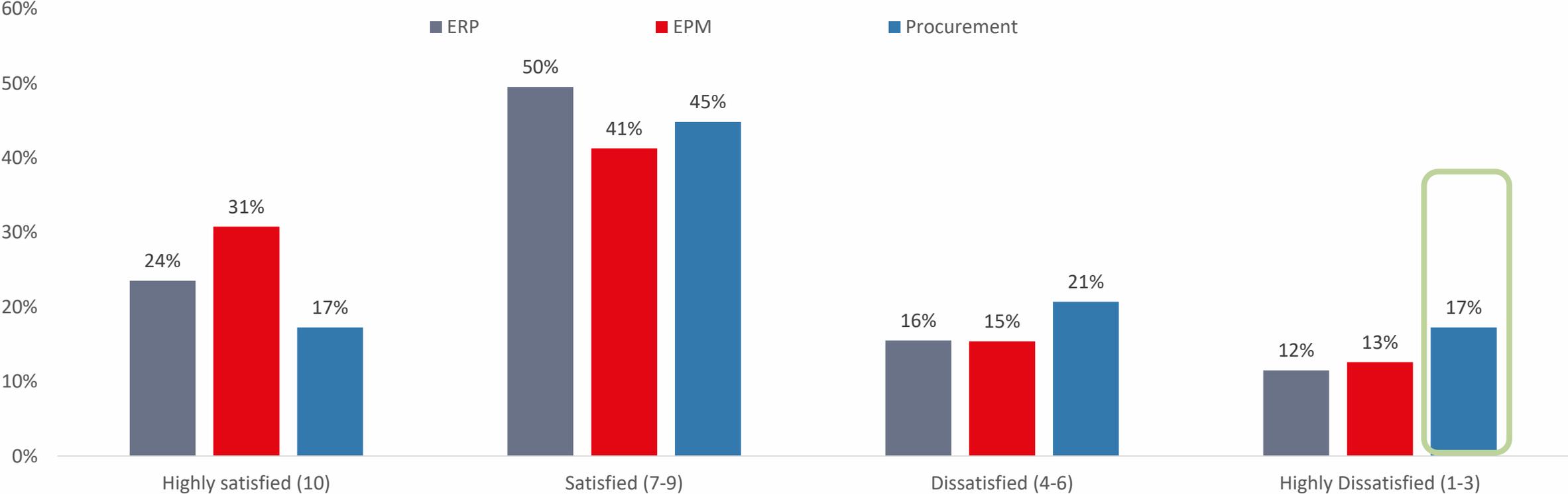
Source: Ovum. N=200 (March 2019)



Global Current ERP, EPM, and Procurement system satisfaction: 31% enterprises are dissatisfied in 2019

- 17% are highly dissatisfied with their existing procurement system. Slightly less are highly dissatisfied (12%) with their ERP systems. 20% of enterprises with on-premise systems are dissatisfied as compared to 100% satisfaction across businesses those have embraced cloud in the past 5 years.

How satisfied are you with your current ERP, EPM, and procurement systems supporting your business goals?



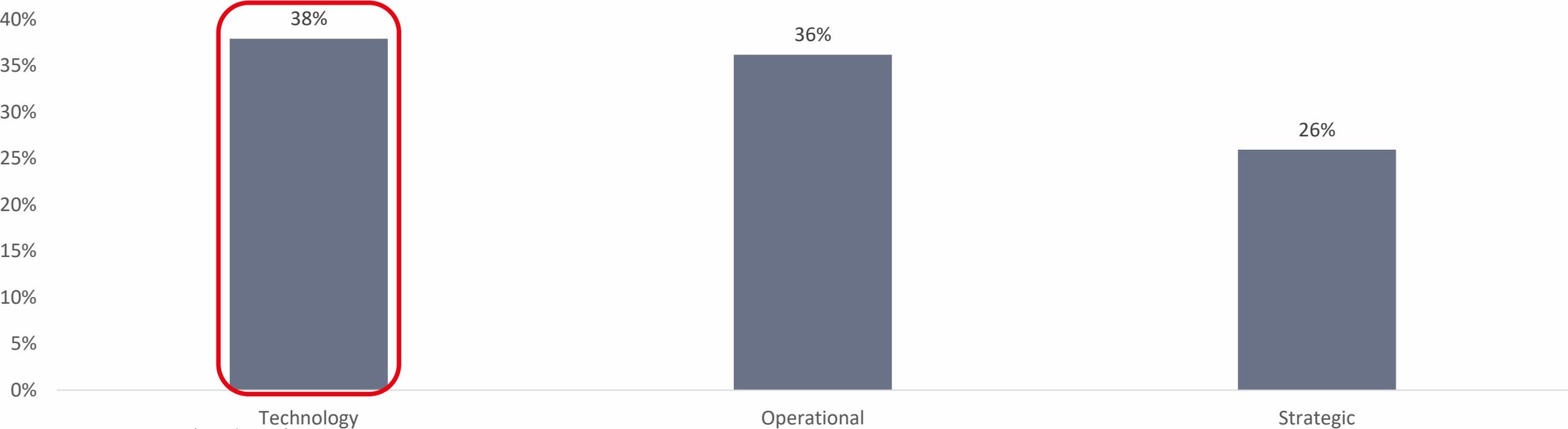
Source: Ovum. N=200 (March 2019)



Global Current system pain points: Technology issues stands out

- 74% of dissatisfied respondents highlight technology (slower upgrade cycle, costly infrastructure, outdated platform) and operational (inefficient resource utilization, fragmented analytics and financial data, poor local, and regional support services) as the core pain points.
- Obsolete systems (increasing revenue leakages, not meeting business objectives, and inability to support newer business) is a tertiary pain point for 26% of respondents.

What are some of the leading pain points which contribute to lower satisfaction?



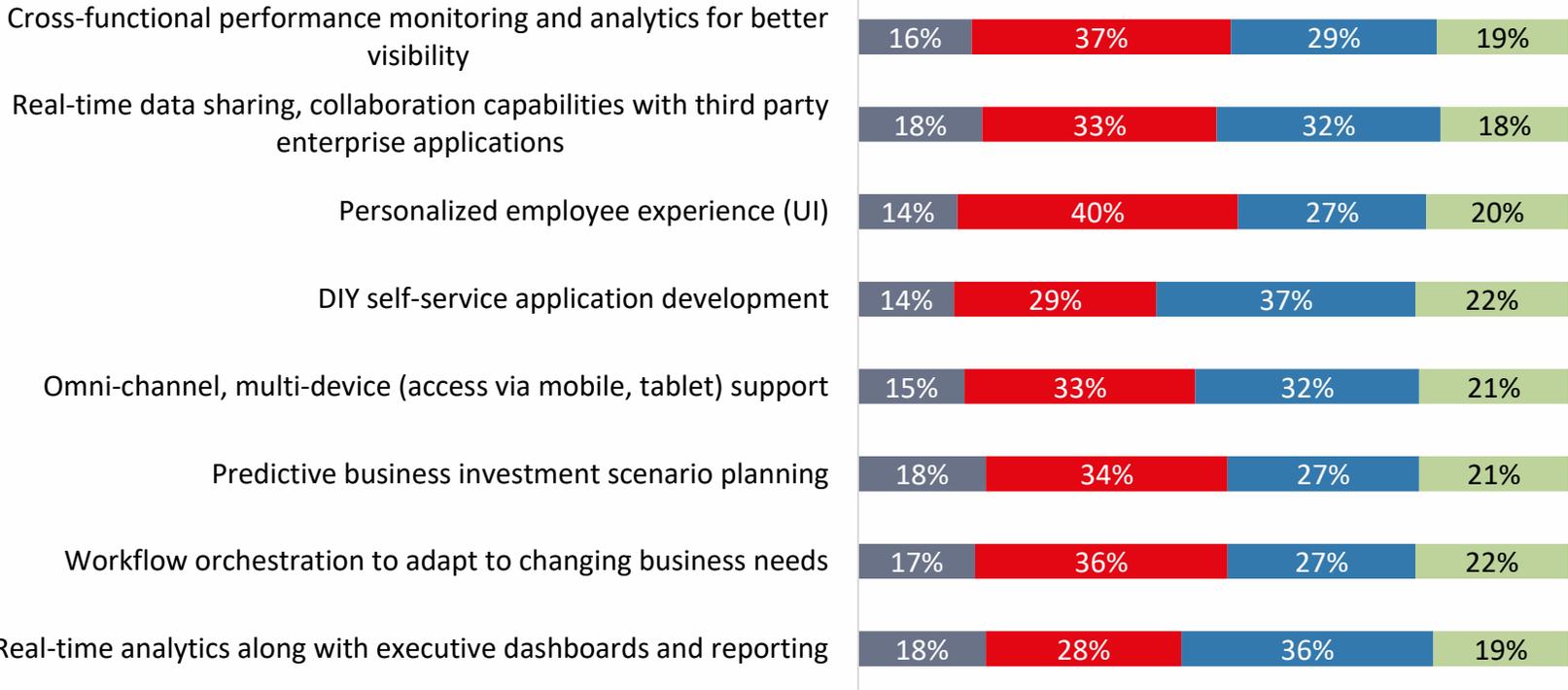
Source: Ovum. N=200 (March 2019)



Global Current system functionality challenges: personalized employee (UI), and cross-functional performance monitoring are core issues

Thinking about technology capabilities, which of these are easy/challenging with your current back-office system?

■ Very easy
 ■ Some effort required
 ■ Major effort required
 ■ Not possible



- 66% face minor, and major challenges with performance monitoring, personalized employee experience, DIY self-service application, and real-time data sharing and collaboration functions.
- About a fifth of respondents revealed that their current system cannot offer performance monitoring capabilities, real-time data sharing, or predictive investment scenario planning.

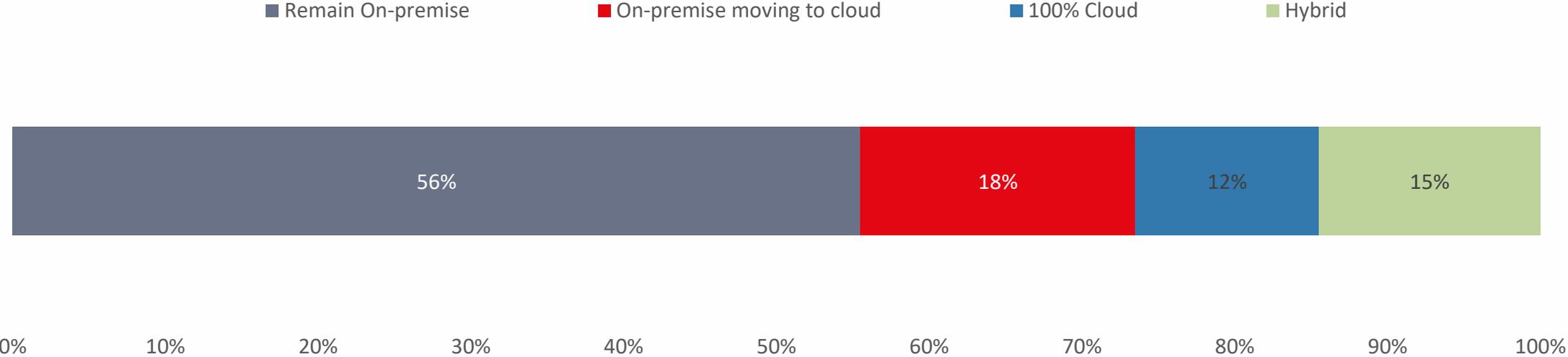
Source: Ovum. N=200 (March 2019)



Global cloud back-office transformation road-map: 44% of respondents say they will be in the cloud within the next two years

- 18% of current on-premise deployments will be moving to cloud in the next 12-24 months
- Media enterprises are still in the nascent stage of back-office transformation with only 12% reporting cloud deployment.

What has been the current deployment mode?



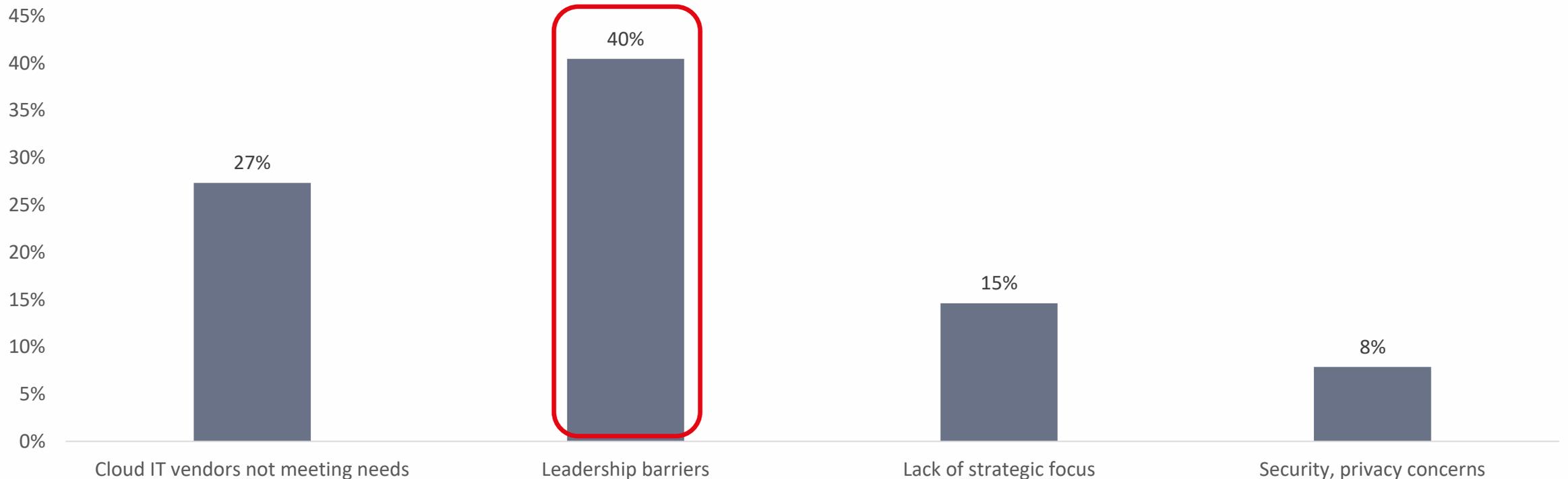
Source: Ovum. N=200 (March 2019)



Global cloud back-office transformation pain points: Lack of clear vision, and ownership among top management

- Leadership barriers including CXO/CIO conservative procurement approach, poor executive leadership, incomplete and continuously changing transformation framework are leading pain points highlighted by 40% of respondents.

What were the most significant barriers to moving to the cloud?

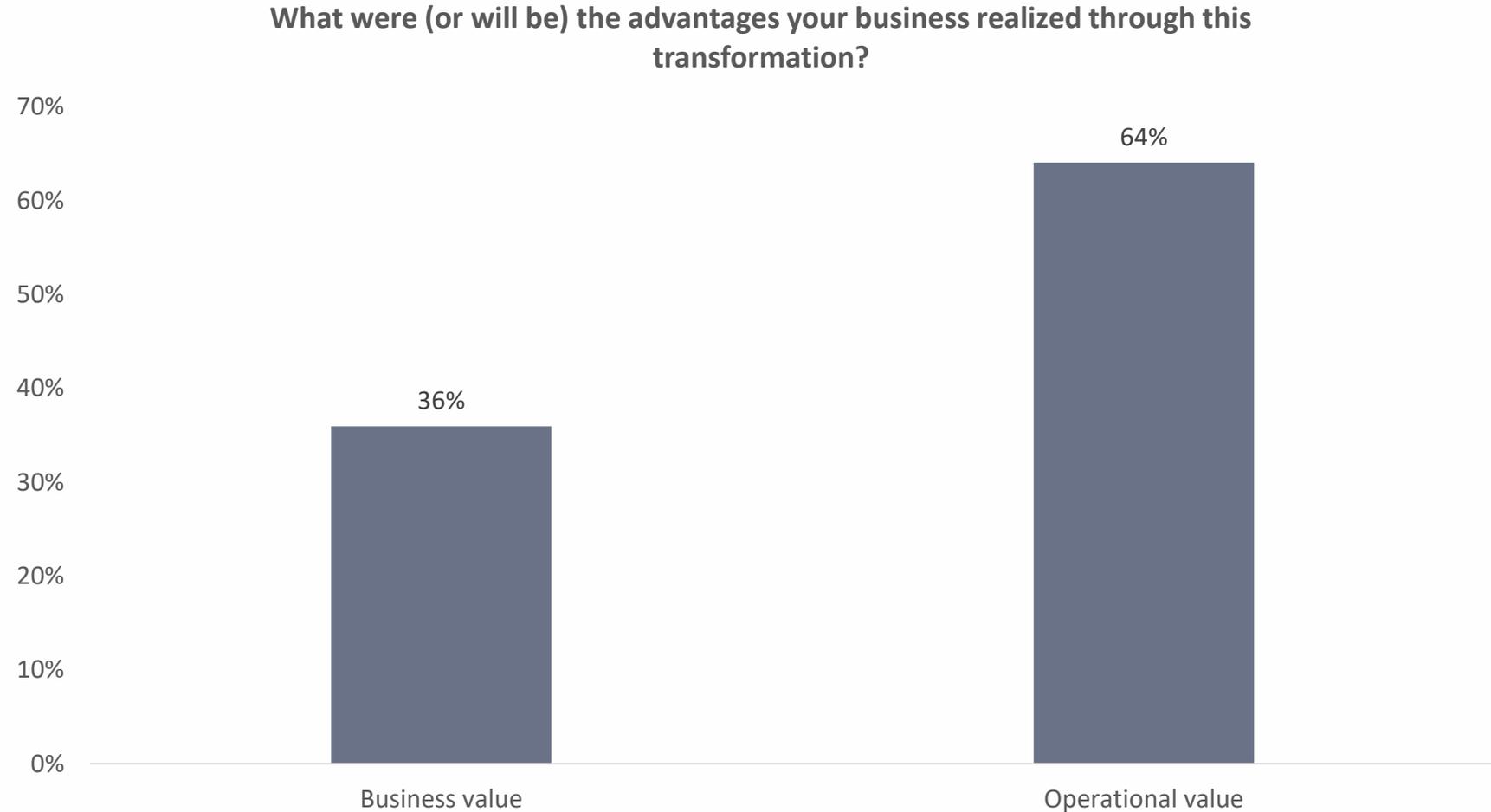


Source: Ovum. N=200 (March 2019)



Global cloud transformation benefits: Operational excellence, and productivity are key advantages

- 24% of respondents believed that cloud migration enabled them to accelerate expansion into newer markets and improve resource utilization rates.
- Among the 64% who noted an operational advantage, 12% said back-office transformation improved compliance and security across their business units.

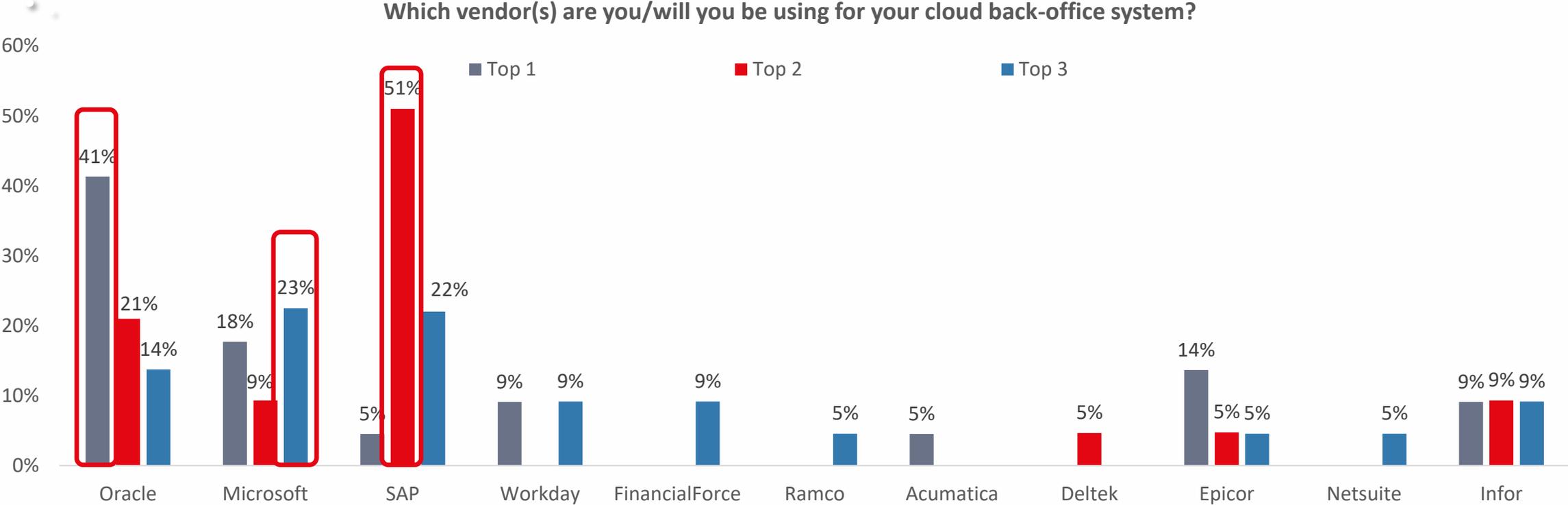


Source: Ovum. N=200 (March 2019)



Global cloud vendor ranking: Oracle the leading preference for back-office transformation

- 41% of respondents with final purchasing authority highlight Oracle as their preferred vendor in back-office transformation.
- 51% of respondents revealed that SAP is the 2nd most prominent vendor in the cloud back-office space. Almost a quarter (23%) of respondents select Microsoft as the third vendor.

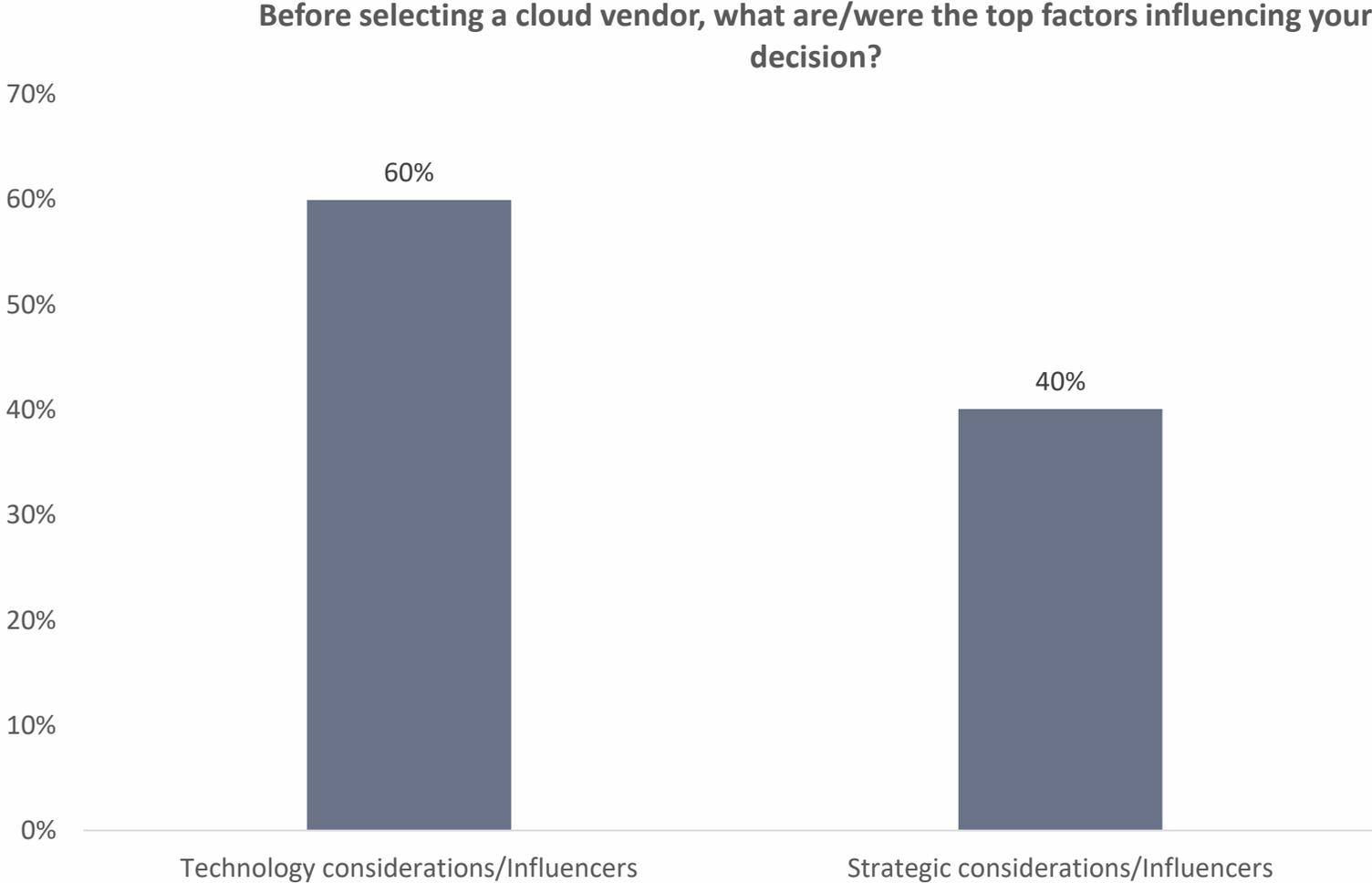


Source: Ovum. N=200 (March 2019)



Global cloud vendor competencies: industry-focus capabilities and cloud subscription pricing at the center of customer acquisition strategy

- Vendors' technology road-map remain the core influencer in selection process, as highlighted by 60% of respondents.
- Market positioning and a highly diversified partner ecosystem are crucial factors when selecting a cloud vendor in the media space.



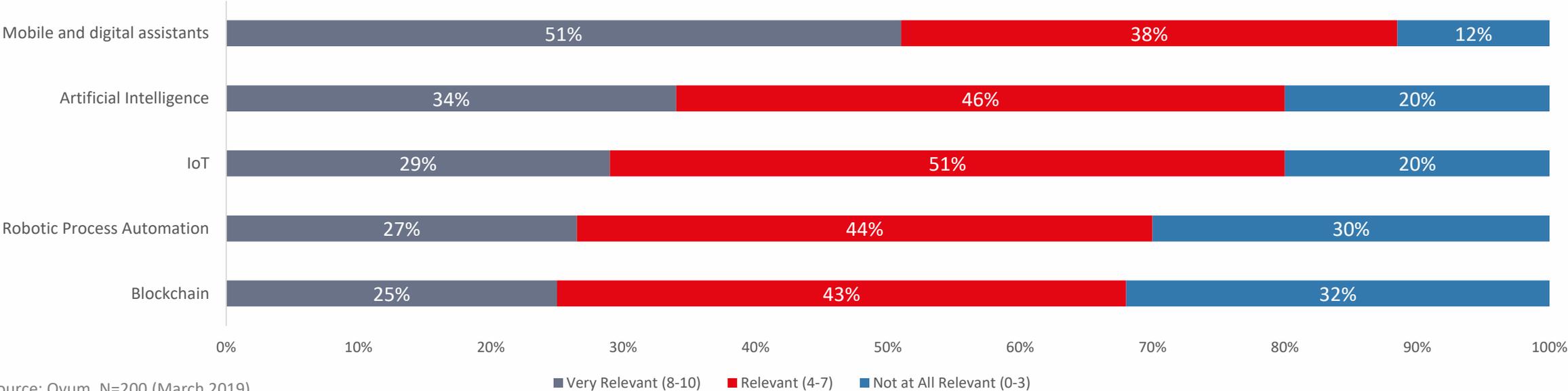
Source: Ovum. N=200 (March 2019)



Global future functionality roadmap (1): Mobile and digital assistants and AI will lead emerging technology investments

- Mobile and digital assistants, followed by AI, are noted as the most relevant technologies to assist media enterprises in improving monetization and operational productivity. 23% are not at all interested in any of the emerging technologies.
- Respondents have a strong inclination towards pre-embedded emerging technologies, resulting into significant adoption in coming years.

Which of the following emerging technologies are most relevant to you and what are some of the use cases around them?



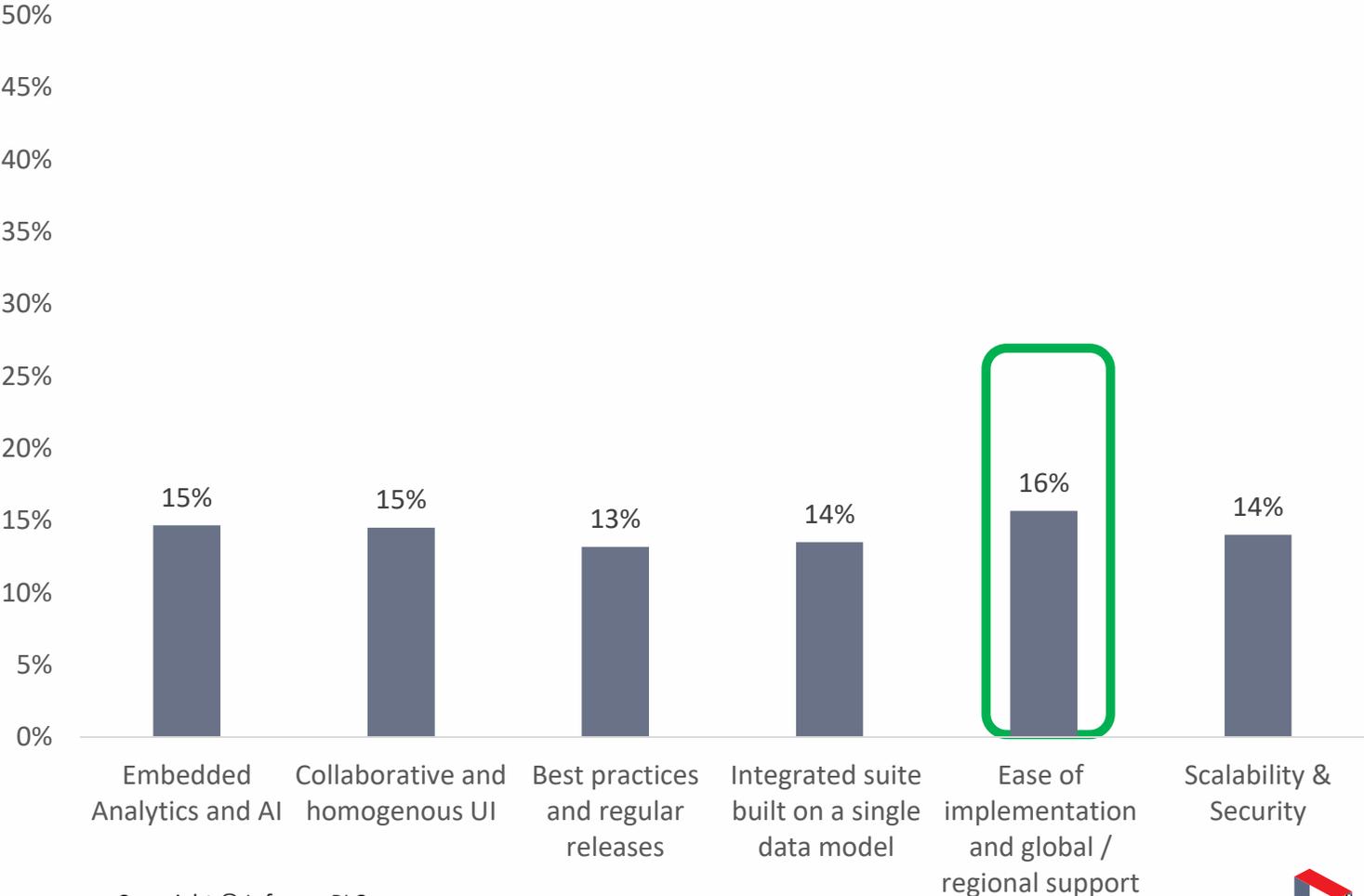
Source: Ovum. N=200 (March 2019)



Global future functionality roadmap (2): Ease of implementation, and regional/local support vital differentiation capabilities

- Functionalities such as analytics & AI, and collaborative UI enabling media enterprises enhancing operational efficiencies are crucial in the next 2-3 years, as stated by 31% of respondents
- Ease of implementation, and global support encompassing flexible deployment, a robust local/regional partner ecosystem, along with support services remain an important characteristics of future ERP/EPM/Procurement systems as highlighted by 16% of respondents.

Which of the following would you consider important characteristics of your future ERP/EPM/Procurement systems?

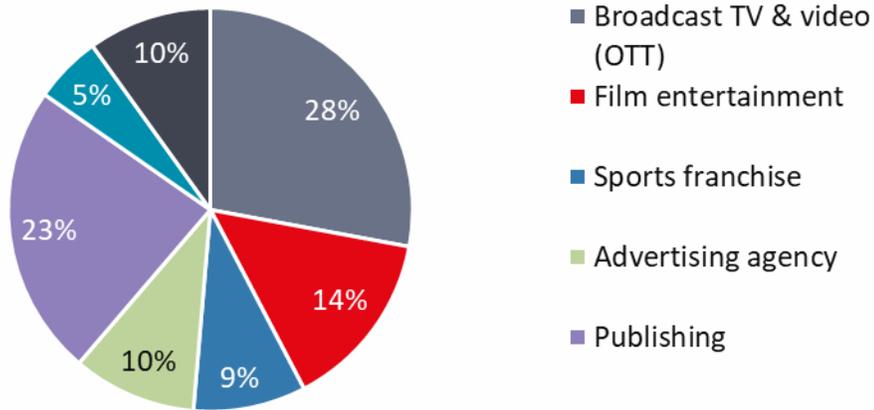


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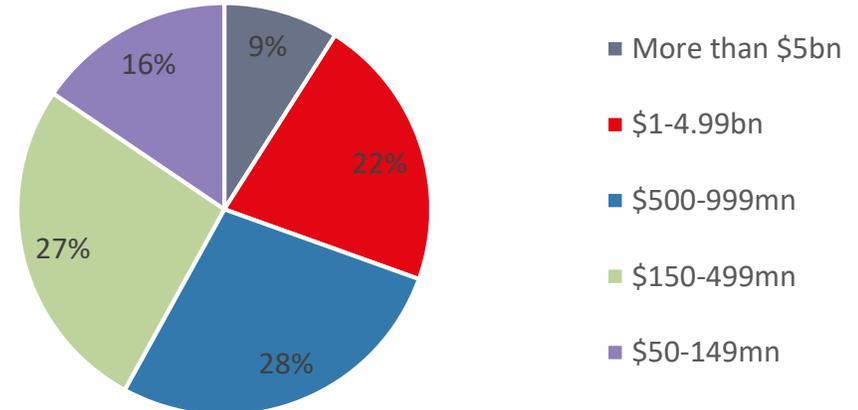


Demographics

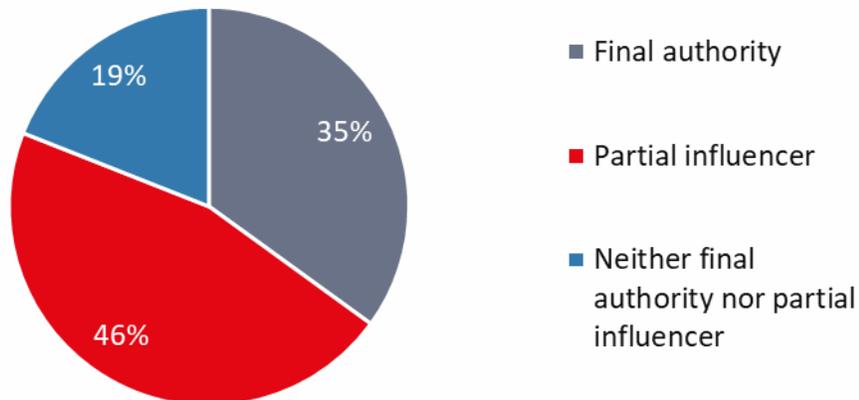
Respondents by segment



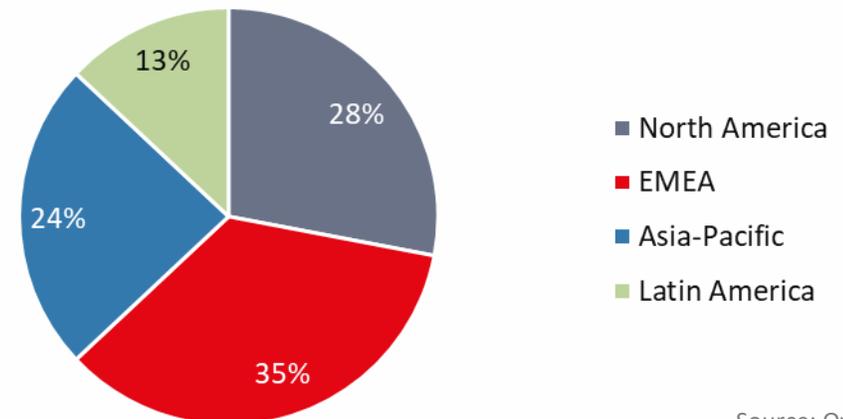
Respondents by organization type



Respondents by technology influence



Respondents by geography



Appendix

Methodology

The back-office transformation survey carried out across seven media segments in four regions using CATI research methodology is the primary source of the insights detailed in this presentation.

Further reading

"Five key trends to watch from NAB Show Las Vegas 2019," SPT004-000039 (May 2019)

Enterprise Case Study: Using ERP to streamline business processes, INT004-000025 (December 2018)

SWOT Assessment: NetSuite Release 2018.1, INT001-000083 (July 2018)

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