



How media companies monetize insight and drive revenue with research

This comprehensive guide will reveal what is required to monetize insight and drive revenue with research in media and technology

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Introduction

The race for media companies to innovate, differentiate and attract advertisers through their proprietary knowledge, consumer insights, customer experience and intelligence is more important than ever. According to a recent study from McKinsey, leaders in the media and technology industry described the potential to fuel growth through data monetization as significant or fundamental to their future success. Whether a digital-native media business or a more traditional incumbent, the fact remains:

In the highly competitive media space, companies need to demonstrate a strong understanding of “WHO” their audiences are to be able to optimize platform design and demonstrate value to their brand and advertising partners.

The rapidly changing landscape of advertising driven by Google and Facebook has made the ability for media companies to differentiate themselves through their knowledge, consumer insights, customer experience and intelligence a strategic imperative.

A primer on insight monetizing opportunities in media



With two primary customers – the core audience and advertising partners – the ability to deliver innovative, high-value partnership programs to agencies and the brands they represent requires new types of insights and the ability to get those insights quickly and cost effectively. This kind of agile insight enhances traditional methods, augments ratings and, in many cases, can replace syndicated research.

For example, a media company will know how much content a given viewer consumes, when and where, but it will not reveal contextual insight like demographic data, brand loyalty, consumer preferences and intent to purchase. Together, those data sets represent a powerful combination of insight that provides an authentic 360-degree view of the viewer. Moreover, these methods are flexible, agile and customizable enough to meet the specific needs of these partners.

Imagine the impact of offering your advertising partners access to 1000s of millennials within minutes.

As with any business, the ultimate goal of monetizing data is to add more value to the organization through enhanced, data-enriched partnership programs that offer greater value and ROI. The opportunity to provide a perspective on audience attitudes, emotion and intent that cannot be uncovered in any other way enables media companies to differentiate their offers, add value to their programs and build robust, long-term mutually beneficial partnerships.

There are 3 common ways that media companies look at monetization and ROI

Value-add partnership programs

In this model, media companies differentiate their offers with a variety of data-enriched partnership programs based on the potential value of the advertiser's programs. If the partner reaches a certain tier, they may be given access to focus groups, propriety data, niche customer segments or private online communities of highly engaged, carefully segmented viewers who have opted in to participate in ongoing activities.

Pre-sale insight

In this model, customer insights teams work hand in hand with their sales teams to provide agile, in-the-moment intelligence specific to the opportunity at hand. This approach allows insights teams to equate their value to revenue deal by deal.

Selling intelligence and access

Media companies often have access to well-qualified lists of viewers and proprietary customer profiles that uniquely positions them to develop a deep understanding of carefully segmented audiences. Agencies that are considering third-party lists and research services may find it more expedient and economical to either purchase the lists outright or pay media companies for access. Some especially progressive media companies provide their partners with access to intelligence hubs or dashboards that are updated in near real time, so they are always working with the freshest insight while securing ongoing access to previous studies and results rather than relying on presentations and reports.

It's important to note that just as media companies often have blended revenue streams, the opportunity to monetize insight and drive revenue with research can also be hybridized.

Quantifying the opportunity

Ultimately, generating revenue from research requires a new mindset and a willingness to move beyond the traditional role of market research. For the strategic insights data manager, that means looking for creative ways to use both new and existing data and insight for mutually beneficial market opportunities. That encompasses but is not limited to adopting new technologies and an overall approach that engages customers in ongoing two-way activities that reveal new market opportunities that are relevant to both internal stakeholders and their partners.

Companies that do it well are winning big.

A major American cinema advertising company locked in a **\$45 million** commitment from one of their agency partners leveraging its insight community and data assets.

A multi-media education and entertainment organization enhanced its sales materials and drove **14 percent** greater revenue year over year in travel advertising by offering a perspective on an affluent, high-value audience that nobody else could. Moreover, findings from their insight community were showcased in at least **50 percent** of their pitches.

An American digital media and entertainment company focused on young women increased membership year over year by **34 percent** and executed **70 percent** more brand studies.

A global women's magazine increased revenue by **10 percent** in a single issue alone by sharing insight about a super-niche, high-value reader group that traditional research would have overlooked.

An American Internet media and news company evolved a niche video series into a revenue-generating kitchen product line and collaboration with a national retailer by leveraging a deep understanding of how to engage with millennials.

Track your wins

To ensure a clear and consistent story about the value her team delivers, a researcher at a multi-faceted education and entertainment organization recommends tracking your wins. It does not have to be complicated; simply record the basic details of each activity – what it was about, who it was for, etc. Obviously, it is important to keep it current so if someone in senior management asks for an update the answers are readily available. It is also advisable to track project management details – goals, sample size, when results are shared, what members and stakeholders were promised, who was invited and who participated. Remember, small, consistent wins can have a big impact.

How did these companies do it?

They are generating revenue from research by leveraging their ability to generate and distribute high-value insight that was highly relevant and extremely valuable to both their internal stakeholders and partners by:

- Establishing credibility and awareness
- Deepening an understanding of the partner's business
- Mapping the path to ROI
- Thinking about end-to-end solutions
- Building out robust audience profiles
- Scaling insight across the business

Establishing credibility and awareness

Establishing a level of expertise or deep proprietary knowledge about a unique, high-value customer segment is fundamental to monetizing insight. An example specific to media is from a senior manager of research at a live-streaming video platform. The team worked with its agency to develop a series of whitepapers that identified an entirely new segment of the millennial audience. Those whitepapers helped the agency win new businesses and helped the company cement its reputation as the premier source of information and insight about millennial gamers.

Similarly, a pay television news channel completed extensive bespoke research using its insight community to highlight the characteristics of its most influential audience members. The study explored audience perceptions that shape corporate reputation and effective advertising. The purpose of the study was to demonstrate a deep understanding of a high-value audience segment. Not only would the insight from these studies be extremely expensive and time consuming for advertising partners to source, it uniquely positions the broadcaster as an expert in brand reputation, familiarity and likelihood to recommend.

Deepening an understanding of partner businesses

Thinking of ways to increase ROI for your partners requires a deeper understanding of their core business challenges and market opportunities. Put another way, it requires an understanding of the insight and the need to be more successful.

Vice president of analytics and insights at an auto-racing sanctioning and operating company works with his team to ensure they understand the business objectives of their partners. Sponsorships are a big business in the sports entertainment world. One industry study estimates that sponsorships will reach **\$16.37 billion** this year in North America alone. With that much money going into sponsorships, teams need to ensure they can help brands confirm their investments are paying off.

The goal is to make it easier for them to justify the spend and improve their sponsorship every step of the way. It is important to communicate that it is not a one-size-fits-all solution, but all good measurement plans should be directly tied to the goals and objectives of the partnership.

In a campaign-planning environment, the team from the auto-sports business takes several years' worth of fan conversations about a brand and uses that information to help its partners maximize their activation through channels like Facebook Live and Instagram Stories or through compelling calls to action designed to drive digital conversion.

The business uses its insight community to learn about fan engagement and understand fan affinities and other attitudinal and behavioral characteristics that help them craft campaigns that resonate. The same tools help media companies develop an optimal distribution strategy that puts the right content on the right platform at the right time.

To reduce friction and accelerate these types of programs, insights teams can encourage sponsors to get involved or simply ask for permission to run activities on their behalf. The goal is to make it easier for them to justify the spend and improve their sponsorship every step of the way. It is important to communicate that it is not a one-size-fits-all solution, but all good measurement plans should be directly tied to

the goals and objectives of the partnership. A robust measurement can be used as a guide to justify the expense and prove ROI.

The senior director of research from a digital media holding company suggests that identifying opportunities to add value is not always about formal research and study. The director advises being aware of the cost-saving opportunities and being able to quickly communicate the value of working with internal teams and communicating opportunistic cost savings. It is not just about generating revenue but also seeing how research can reduce costs by making a campaign more effective.

Ask yourself: “Can I augment this conversation with existing research? Can I dive deeper?”

A potent example of this kind of awareness is a global media company's partnership with a massive American retailer. The retailer had identified its intent to court the millennial consumer with more unique products and an enhanced digital experience.

Head of market and brand research from the media company helped identify opportunities to diversify its revenue stream and cement a retail partnership. The process began by looking for viewer “signals” on social media, video content and written content and then creating pages that specific brands could use to leverage the swell in interest. For example, when the media company saw strong signals that suggested its audience was experimenting with recipes from its comfort-food video channel, the company saw an opportunity to take the brand beyond the digital space. The result? Branded kitchenware that was created in partnership with the major American retailer.

Mapping the path to ROI

Like any partnership, clear communication is vital to success. It is imperative that both parties understand what ROI looks like and agree, in concept, how to meet those metrics. All parties involved must understand the road to ROI can be simple and affordable, but it can also be very complex and expensive. In some cases, it might just be a matter of simply building a post-event survey after hosting clients or building a methodology to track awareness around a program. There are many easy, affordable things you can do to measure how well sponsorships are performing.

It is imperative that both parties understand what ROI looks like and agree, in concept, on how those metrics are going to be met.

There are, of course, very sophisticated methods like digital tracking or live polling that can be used. In some cases, media companies can independently engage third-party companies to assist with digital tracking and partner with companies that use artificial intelligence to generate insight from live polling results. The size and scope of the efforts have to be agreeable and beneficial to both parties. Here's a specific example from a motorsports entertainment business.

In a study run during a national event, the business was able to show that fans who followed the race were 60 percent more likely to rate official partners more positively than those who did not follow the race. They also noticed a significant increase in brand ratings from fans and a higher likelihood to purchase.

The data proved that the more integrated a partner was in its activity around the race, the more those numbers improved. The sophisticated plan allowed the business to convince its partners to invest in a larger, more integrated program that spanned digital, on-premise and social. Ultimately, the investment paid off for the business and its partners.

Thinking about end-to-end solutions

Similar to the way great research can be used by multiple stakeholders and business partners, it is critical to think about how the insights can be used at multiple touch points from early validation to recall. A pay television sports channel in South America does exactly that. Its community is agile enough to help advertisers build, test, launch and conduct post-launch analyses.

That process can be broken down into three steps:

1. Using data and analytics beforehand to help craft and value asset packages
2. Using data during negotiations to help reinforce the narrative and close the deal
3. Using data after the deal to continually analyze and present optimization suggestions to its partners in an effort to maximize ROI

Immediate ROI: Media companies have been able to drop some syndicated research services because their insight communities give them the ability to field their own ad recall surveys for requesting advertisers, resulting in immediate cost savings.

The added value of this process is the opportunity to eliminate the need to work with third parties. Anytime a third-party research or analytics function can be eliminated or scaled back, the ROI is immediate. For example, a media company has been able to drop some syndicated research because its insight community gives the company the ability to field its own ad recall surveys for requesting advertisers, resulting in immediate cost savings.

Another example is from a leading radio and TV distributor in Australia. The chief sales officer says that the company supports advertising spend by testing all stages of the campaign process within its insight communities – from conducting market, industry and consumer studies to creative testing, brand tracking and campaign effectiveness studies. According to the company, the single biggest driver of success is around insight-led ideation – the insight it gathers from its communities allows the company to present advertisers with genuine customer solutions.

In one example, the company undertook a perceptual study for an insurance client to understand path-to-purchase, as well as the barriers to the brand. Data from its insight communities highlighted a mismatch between brand awareness and brand understanding, which encouraged the insurance brand to tweak its messaging and strategy to create a better brand connection. As soon as the campaign went live, the company iterated market perception in real time, tracking community responses to the campaign and measuring corresponding shifts in audience sentiment.

A significant driver of success for media companies is around insight-led ideation – the insight they gather from their communities allows them to present advertisers with genuine customer solutions.

Building out robust audience profiles

To monetize your insight, you need to build a pool of knowledge and customer understanding that is deeper than what your partners have or can create on their own. While most media and technology companies have reams of viewer data, they struggle to contextualize that behavioral data with insight about the attitudes, emotions and intent of the audience.

A live-streaming video platform accomplishes this by engaging its audience in ongoing activities that reveal insight into the broader audience experience. For example, the researchers ask questions about what gamers like to eat and drink while they play. While this information is peripheral to the company's core offering, it is still within the bounds of reasonable inquiry. How do you define those boundaries? Ask yourself how you can make research as personal and authentic as possible while at the same time driving quality insight and revenue.

Are you making research as personal and authentic as possible while at the same time driving quality insight and revenue?

Scaling insight across the business

While often necessary, one-off, ad-hoc research projects are expensive, slow and can result in learning silos that cannot be shared or leveraged for other purposes. When taking requests for research, challenge your stakeholders to describe why they need this insight and what they are going to do with it, and then set expectations around opportunities to share back the results with respondents. Holding stakeholders accountable for their requests will force them to be more strategic and considered in their requests. Consequently, the body of work that results from more strategic research requests can be applied in a variety of ways and add value across the business and ultimately to third parties and advertising partners.

For example, the sales team for a Latin American pay-TV network uses its insight community to help assess the success of strategic partnerships and tailor its offerings. The sales teams also share insight community feedback with partners to promote a mutually beneficial business arrangement. In many cases, the insight community is used to replace its advertisers' internal studies, which is a significant cost-saving opportunity for partners and a powerful selling proposition for the company's sales team.

Conclusion

For today's media companies, data monetization offers promising new revenue streams. Not only does it represent a chance to create totally new products, the more immediate opportunity is to derive the maximum value from the data that has been collected and support sales teams developing highly targeted, data-enriched partner programs.

In the simplest of terms, data monetization is the ability to put data to work. However, it is important to remember that monetization is neither a project nor a siloed activity. It is an ongoing, multi-faceted strategy that requires clear goals and guidelines, a new approach to insight gathering and the adoption of new technologies and capabilities that allow teams to find, validate and support new market opportunities with the voice of opted-in, carefully segmented audiences and user groups in near real time.

Today more than ever, every media company is effectively a data company, and those that begin to monetize the data they collect and drive revenue through research will be at a distinct advantage. While early efforts will be focused on supporting existing products and services, as data monetization evolves into a core competency the potential to create new products and services becomes very real.

The medium is still the message

Keeping audiences engaged is more important than ever. Media companies can use their insight communities to engage with carefully segmented, opted-in audience members to uncover exciting new market opportunities from brand extensions to partnership programs.

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