



4 TRENDS TRANSFORMING ADVERTISING, MEDIA, AND ENTERTAINMENT



CHAMPION
GUIDES

EBOOK

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INTRODUCTION

The advertising, media, and entertainment industry relies on a wealth of consumer data to understand how to best personalize each consumer's experience. However, that data is spread across the different tools, teams, and technologies used by these companies. And businesses are reluctant to share data with each other due to increasing consumer privacy concerns and regulations. Organizations also lack the infrastructure for new technologies that would help them better share and collaborate on their data with other departments and partner organizations. As a result, media companies and publishers are unable to maximize their advertising revenue, and their advertisers are unable to optimize their ad spend and track attribution.

Read on to learn about the four trends transforming advertising, media, and entertainment, and how organizations can prepare for and leverage these trends to enable better customer experiences and drive revenue.

TREND #1: DATA COLLABORATION IS A BUSINESS NECESSITY, WITH ORGANIZATIONS INCREASINGLY ADOPTING DATA CLEAN ROOMS

Tough competition, market pressures, and consumer demand for personalization is forcing media and entertainment companies to collaborate on and analyze data from a wide range of sources more effectively to create a subscriber 360, improve advertising effectiveness, and optimize business decision-making. To achieve this, industry leaders are securely collaborating on their data in near real-time in the cloud, bringing together data sources from websites, CRM systems, online streaming, advertisements, social media, and more. These organizations are also increasingly turning to data clean rooms when strict privacy, governance, and query controls are required.



TREND #2: INCREASED ADOPTION OF DATA-FUELED TECHNOLOGIES

Consumer behavior continues to evolve, in response to and driven by new innovations in technology. These innovations are creating massive volumes of fast-moving data and fueling business efficiencies and improved customer experiences. Examples of new data-fueled technologies include:

- Data Clean Room: This is a framework that enables two or more organizations to securely analyze and collaborate on data across clouds and regions without exposing the raw data to one another. It's becoming an invaluable tool for customer analysis because it allows user-defined rules for querying data and maintains the highest level of data governance.
- Artificial intelligence (AI): Leveraging a wide range of data types, companies are increasingly using AI to inform content, personalization, subscription, channel, pricing, and marketing strategies with new capabilities.
- Cloud-native apps: Flexible, scalable, cost efficient, and easily managed cloud-native apps make them a great option for this fast-paced, highly competitive industry. Increasingly, advertising, media, and entertainment companies will leverage cloud-native apps to provide subscribers with new, enticing, and improved experiences, power data analytics faster, and more.
- Cloud gaming driven by growing 5G adoption: 5G supports increased power, speed, and connectivity across devices, improving the customer experience and providing the ability for media and entertainment businesses to translate data into near real-time ad and media insights and actionable intelligence. This also positions the gaming industry to drive the development of more cloud gaming—something that's been a challenge for the industry to achieve so far. According to a recent [Forbes article](#), many predict “cloud gaming will become the ‘killer app’ for 5G in the same way that streaming video was for 4G ... 2023 could be the year when we start to see [cloud gaming] fall into place.”

Leading ad, media, and entertainment companies are using these new technologies to develop better and more personalized content, acquire and retain customers, and even discover new streams of revenue through data monetization. Organizations need a modern data infrastructure to leverage these innovations.

A recent [Ericsson study](#) concludes that 5G is now on its way to mainstream adoption, with penetration rates moving beyond 15%.

TREND #3: INCREASED FOCUS ON DATA PRIVACY AND GOVERNANCE

Trust is key for consumers. They continue to want greater privacy and to have their data protected by strict standards of governance. The sheer volume and velocity of data created by ad, media, and entertainment companies requires a more agile, comprehensive approach to managing data. Here are some priority areas:

- Data privacy regulations: Consumers and governments are increasingly becoming more savvy about how personal data is being used, and consequently, are demanding more privacy for that data; for example, through GDPR, CCPA, and CPRA regulations. In response, lawmakers are imposing tougher regulations on companies that handle consumer data, with more regulations slated for 2023.
- Data security: Customers face increasing threats of identity theft and unauthorized use of their data, making security a top priority for companies that handle it.
- Deprecation of third-party cookies and other common identifiers: Traditionally a valuable source of customer data, regulatory pressures and shifts in how media and technology companies are doing business is threatening the existence of third-party cookies and other common identifiers, like mobile ad IDs and IP addresses.

Essential to the success of advertising, media, and entertainment companies will be applying stringent governance, privacy, and security measures while ensuring the ongoing ability to share and collaborate on data. As a result, companies will need to invest in an infrastructure and tools that allow them to share and collaborate on data securely and efficiently.



TREND #4: ADVERTISERS EMBRACE ADVANCED ANALYTICS, DATA SCIENCE, AND THIRD-PARTY DATA

Ad spending in the U.S. is down. November 2022 marked the seventh consecutive month of advertising spend decline as a result of inflation pressures, budget cuts, and business strategy pivots. To succeed in this market, companies must prove the value of their investments and attain data-driven insights on where to spend for optimal return on ad spend (ROAS).

As a result, companies will look to glean deeper insights through advanced analytics such as AI and machine learning that can be applied to the data and drive smarter advertising decisions. They will also leverage data science, bringing together large amounts of data to optimize customer engagement and identify opportunities to increase the customer lifetime value. To further improve insights and the customer experience, advertisers will look to enrich their customer profiles with third-party data, such as weather, geospatial, and demographic data, to create enhanced customer 360 views and power better business decision-making.

“76% of consumers are more likely to consider purchasing from brands that personalize.”

—Next in Personalization 2021 Report, McKinsey

LEARN MORE

Visit [Snowflake for Advertising, Media, and Entertainment](#) to learn how you can harness the power of data and deliver highly personalized content and experiences to your consumers.





ABOUT SNOWFLAKE

Snowflake enables every organization to mobilize their data with Snowflake's Data Cloud. Customers use the Data Cloud to unite siloed data, discover and securely share data, and execute diverse analytic workloads. Wherever data or users live, Snowflake delivers a single data experience that spans multiple clouds and geographies. Thousands of customers across many industries, including 510 of the 2022 Forbes Global 2000 (G2K) as of July 31, 2022, use Snowflake Data Cloud to power their businesses. Learn more at snowflake.com.

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