

Harvey Nash/KPMG CIO Survey 2017

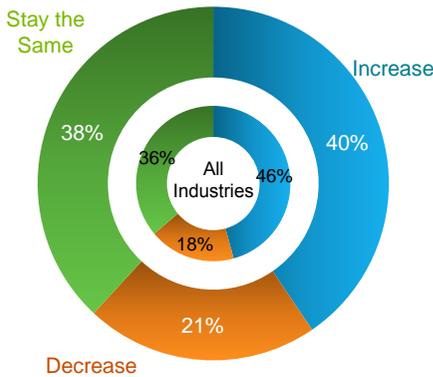
Broadcast/Media Sector Findings

The Harvey Nash/KPMG CIO Survey is the largest IT leadership study in the world, with almost 4,500 respondents across 86 countries, representing over US\$300bn of IT budget spend.

This broadcast/media sector snapshot provides survey responses from 100 companies on some of the key topics, and highlights several areas where this sector's responses differed significantly from those from across all industries.

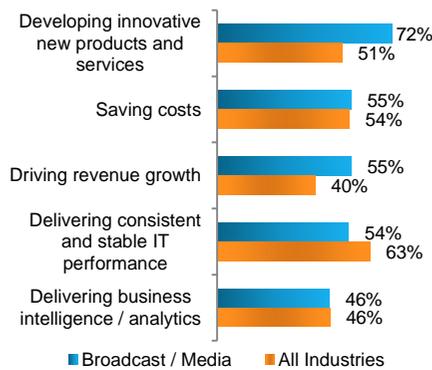
Key Topics

Looking forward, over the next 12 months, do you expect your IT budget to?



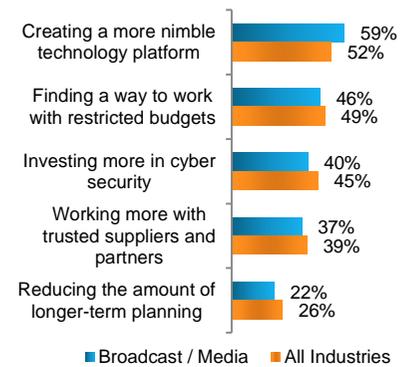
Broadcast/media companies are **more pessimistic about their IT budgets for next year** than those in other industries, with fewer expecting a budget increase (40% vs 46% for all industries), and more expecting a decrease (21% vs. 18%).

What are the key business issues that your management Board is looking for IT to address? (top 5)



Broadcast/media company Boards **place a greater emphasis on new products and services** (72% vs. 51% for all industries), and **revenue growth** (55% vs. 40%), and **less emphasis on consistent and stable IT** (54% vs. 63%).

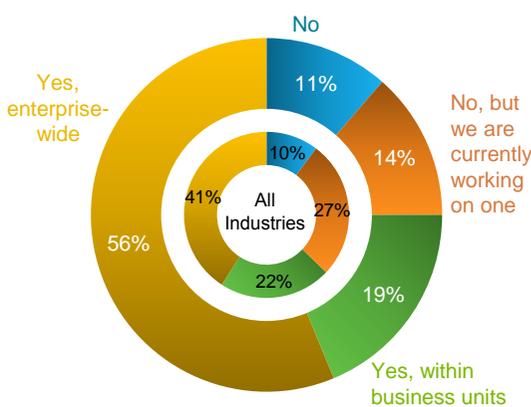
How have you adapted your technology plans to deal with uncertainty? (top 5)



To adapt to uncertainty, broadcast/media companies **largely use the same methods as other industries**. However, they are **much more likely to focus on creating a more nimble technology platform** (59% vs. 52% for all industries).

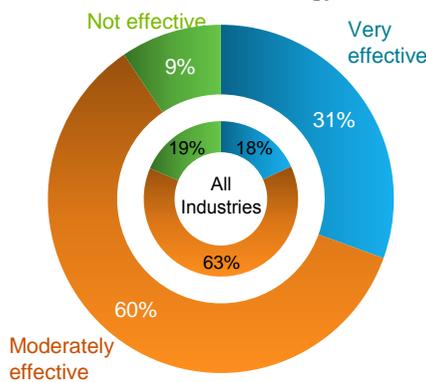
Digital Strategy

Does your organization have a clear digital business vision and strategy?



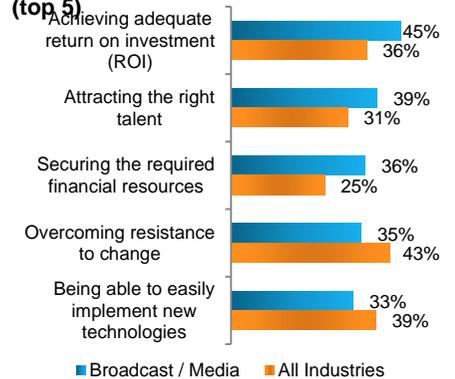
Broadcast/media companies are **much more likely to maintain an enterprise-wide digital business strategy** than those in other industries (56% vs. 41% for all industries).

How effective has your organization been in using digital technologies to advance its business strategy?



Broadcast/media companies **report low overall effectiveness levels in their digital strategies**, with just 31% describing their digital strategies as very effective, but **significantly outperform the all-industries average of 18%**.

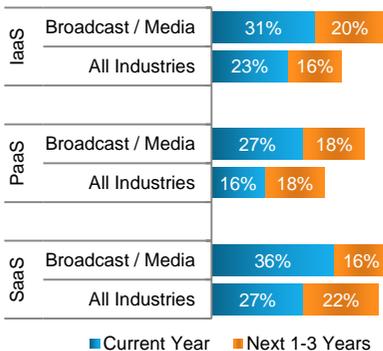
Which of the following represent the greatest challenges to your organization's successful implementation of digital capabilities? (top 5)



When implementing digital capabilities, broadcast/media companies report **greater challenges around achieving adequate ROI, attracting the right talent and securing the required financial resources**.

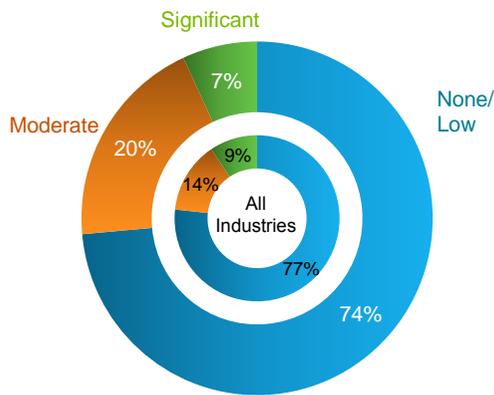
Technology & Innovation

How would you characterize your current investment in the following cloud services and how do you expect that to change over time? (Significant Investment)



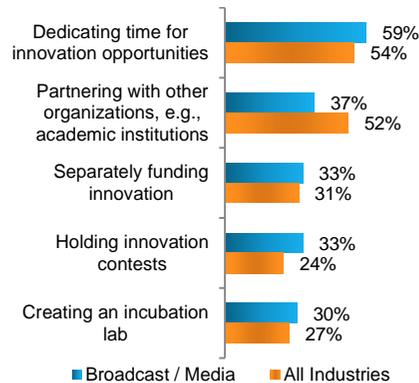
Compared to other industries, broadcast/media companies are **more likely to invest significantly in all types of cloud services**, both now and in the future.

How would you characterize your current investment in digital labor?



Fewer broadcast/media companies **have made significant investments in digital labor** than other industries (7% vs. 9% for all industries), but more have made moderate investments (20% vs. 14%).

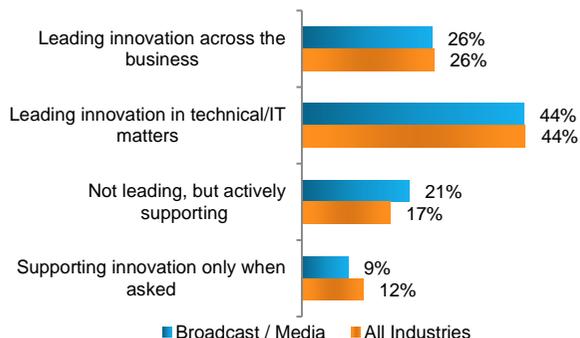
In which of the following ways is your organization fostering innovation?



To foster innovation, broadcast/media companies are **much more likely to hold innovation contests** (33% vs. 24% for all industries), and **much less likely to partner with other organizations** (37% vs. 52%).

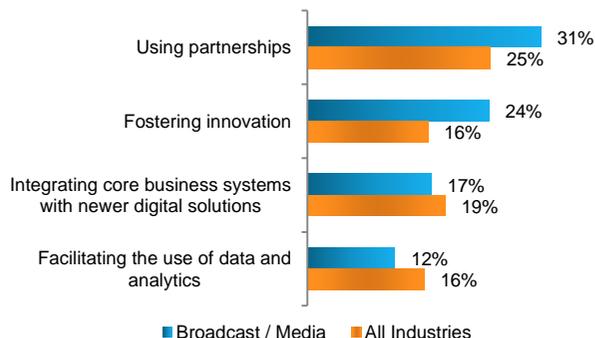
Significant Differences

Which of the following do you think best describes the role your organization's CIO is currently playing in promoting innovation?



The role that broadcast/media CIOs play in innovation at their companies **largely mirrors the all-industries average**, with 26% leading innovation across the business, and 44% leading innovation only in technical/IT matters.

How effective is your IT organization in each of the following capabilities? (Very Effective)



Compared to their peers in other industries, broadcast/media companies **excel at using partnerships** (31% vs. 25% for all industries) and **fostering innovation** (24% vs. 16%), but **lag in facilitating the use of data and analytics** (12% vs. 16%).

Conclusions

Innovation remains a key issue within media: consumer consumption patterns are constantly shifting with the introduction of new mediums and platforms, which is borne out in the finding that media boards place a greater emphasis on new products and services than boards in other industries. Media companies are driven to innovate continuously in order to remain competitive and identify new revenue streams in a dynamic industry. Similarly, media companies are adapting to uncertainty by creating more nimble technology platforms, reflecting the accelerated pace of change and a desire to be agile in terms of their product and content offerings. However, CIOs said they are concerned around achieving ROI on digital capabilities, and revenue growth remains a key challenge. This reflects wider industry challenges around pressure for margin improvement.

CIOs are more pessimistic than peers in some other sectors about IT budgets for next year. It is therefore important that media companies ensure they have buy-in from senior stakeholders and financial decision-makers in order to continue investing in IT which will support their goals and strategies for enterprise-wide digitization and operational improvement.

Further information

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