Building on a trusted platform

How communications and media businesses can navigate what comes next

July 2020

OUTMANEUVER UNCERTAINTY

As the health and humanitarian impacts of the COVID-19 pandemic evolve, so do the business and economic challenges. Organizations looking to balance their immediate needs with longer-term opportunities will see the trade-offs play out across three waves of impact: **the Now, the Next and the Never Normal.**

The Now includes an emphasis on supporting people, customers and suppliers. The Next will feature refocusing the business to withstand new threats and seize new opportunities. And the Never Normal will require navigating rapid shifts in cultural norms, values and behaviors.

This is the moment to reinvent business models and reintegrate the value organizations provide into a new societal landscape. The time to shape a mindset of bold business transformation powered by new approaches to technology and responsible leadership is underway.

Consumers lives have changed

What do communications and media companies need to do differently to adapt?

Working and living REMOTELY

Consumers are actively shaping their lives around a new, home-based reality.

36% of consumers expect to work at home more in the future than they have in the past.

1 in 5 consumers expect to purchase home electronics as a result of COVID-19.

Socializing VIRTUALLY

Consumers content consumption has skyrocketed and they are looking for new ways to connect with each other virtually.

More than 50% of consumers expect to maintain increased content consumption post-COVID and 74% expect to continue to connect with friends and family virtually.

New ECONOMIC REALITY

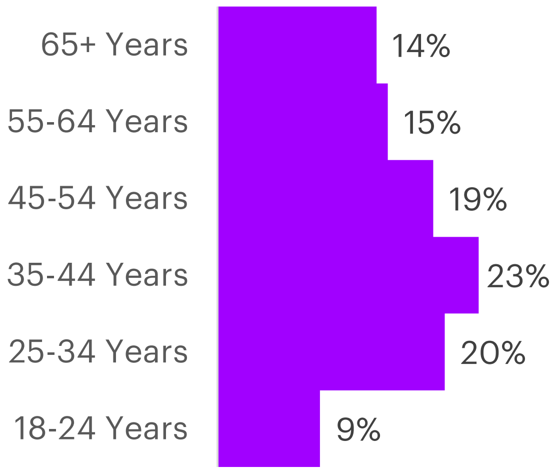
Whether they have been impacted already or not, consumers see a significant threat to their livelihood from the crisis. 73% are afraid of the impact on their economy and their job.

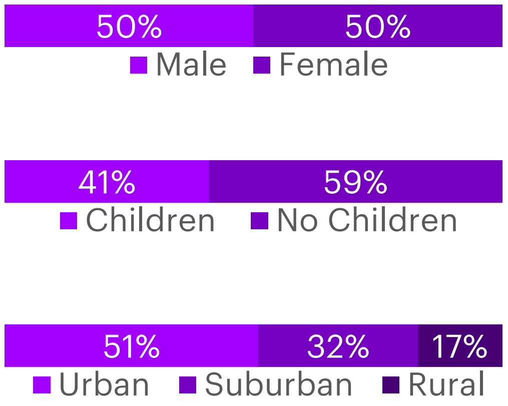
Source: Accenture COVID-19 Consumer Research, conducted 20th-25th May.

COVID-19 consumer study

Accenture's COVID-19 consumer study looks at communications and media consumers during the COVID-19 crisis. The goal was to understand how these consumers have engaged with their communications and media services during the crisis, and identify the long-term, structural changes in consumers' attitudes and behaviors that will impact new product opportunities, demand for digital customer interactions and clarify what truly matters in core connectivity and entertainment services.

The survey was conducted during May 2020 and includes 4431 consumers in 12 markets. This was complemented by a multi-country Small and Medium Business.





Index

Communications

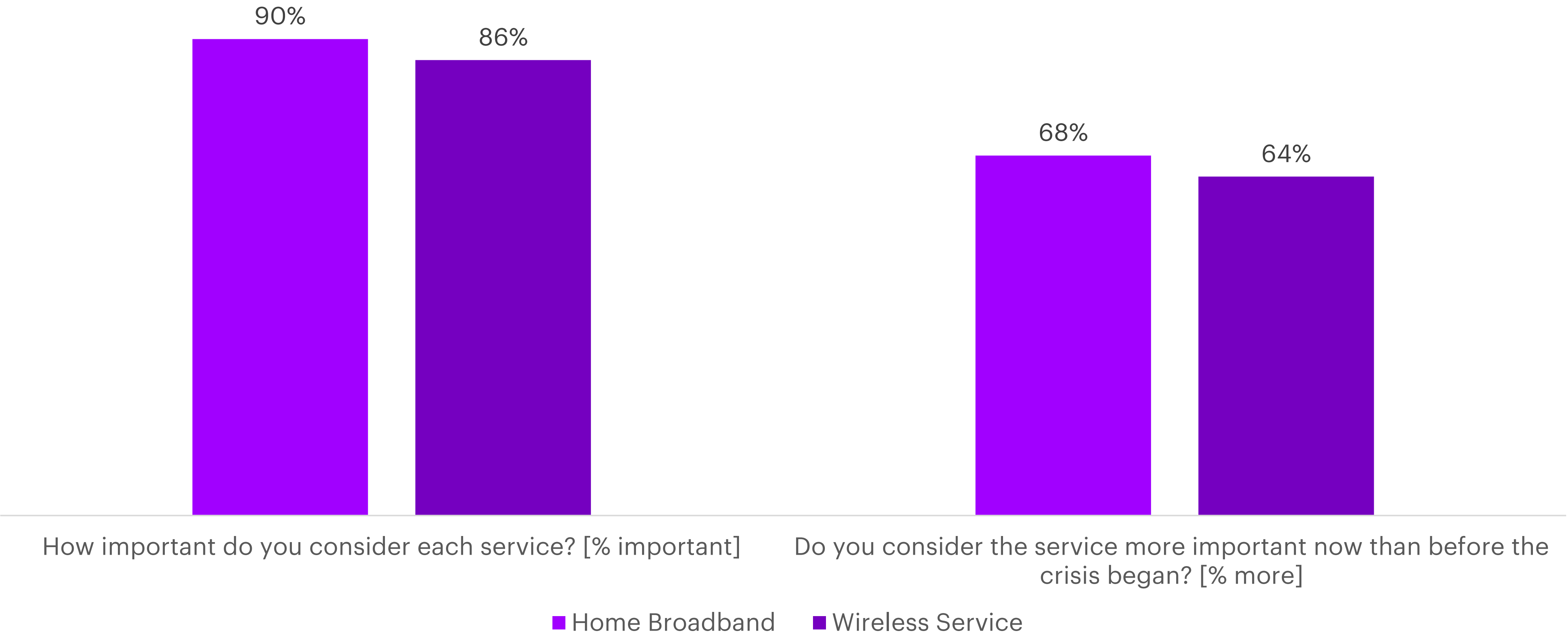
- Response to the crisis
- New consumer needs
- Consumer connectivity requirements
- Sales and service
- Takeaways and implications

Media

- Response to the crisis
- Evolution of streaming
- New media needs
- Takeaways and implications

Communication service providers (CSPs) have enhanced their reputations during the COVID-19 crisis

Connectivity services are no longer optional

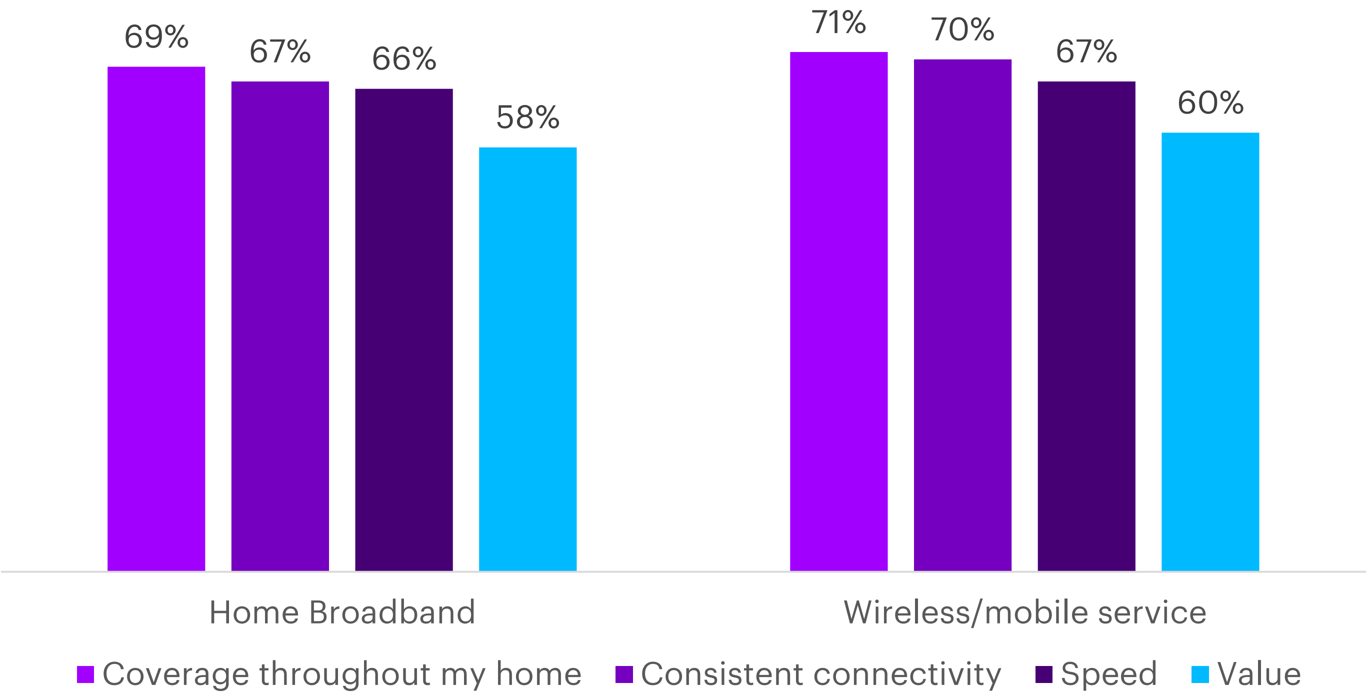


Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base differs per provider

CSPs have delivered on their core promises during the crisis

% of consumers satisfied with performance during the crisis



76% of consumers have been satisfied with their home broadband service during the crisis.

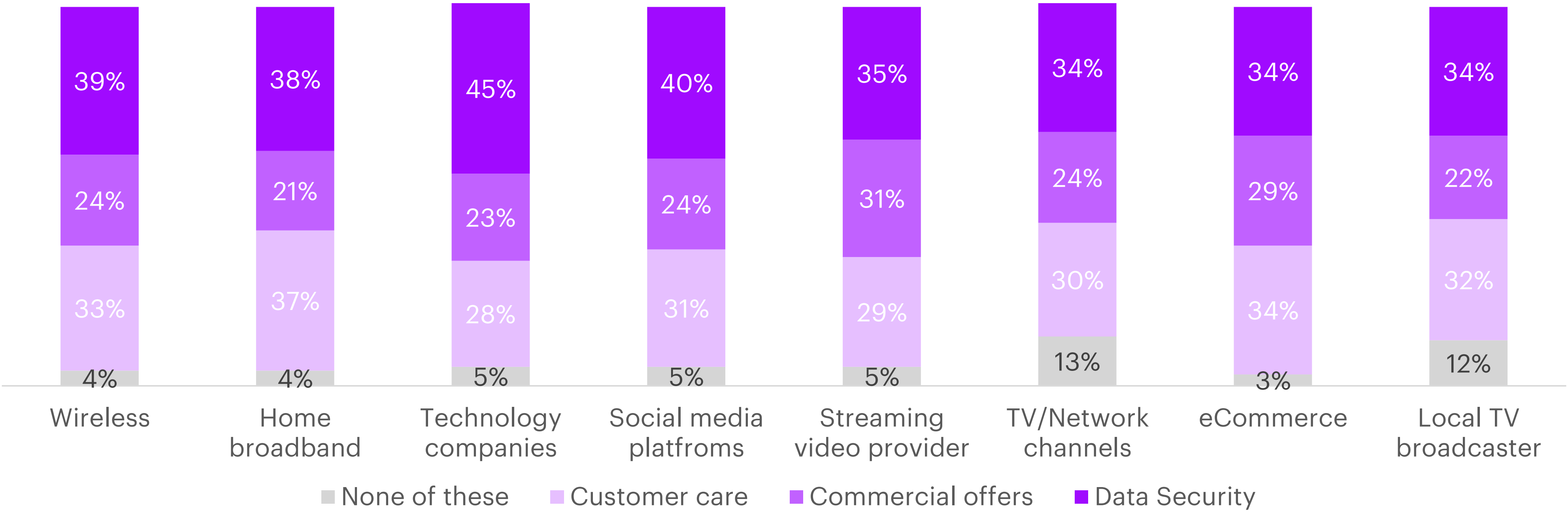
76% of consumers have been satisfied with their wireless/mobile service during the crisis.

Base: Wireless/mobile service provider (n=3869)
Base: Home broadband internet (n=3852)

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Data security was the most important driver of trust during the crisis

Which of the following impacted your views on finding the companies less trustworthy during the crisis? — % of consumers choosing this option first.

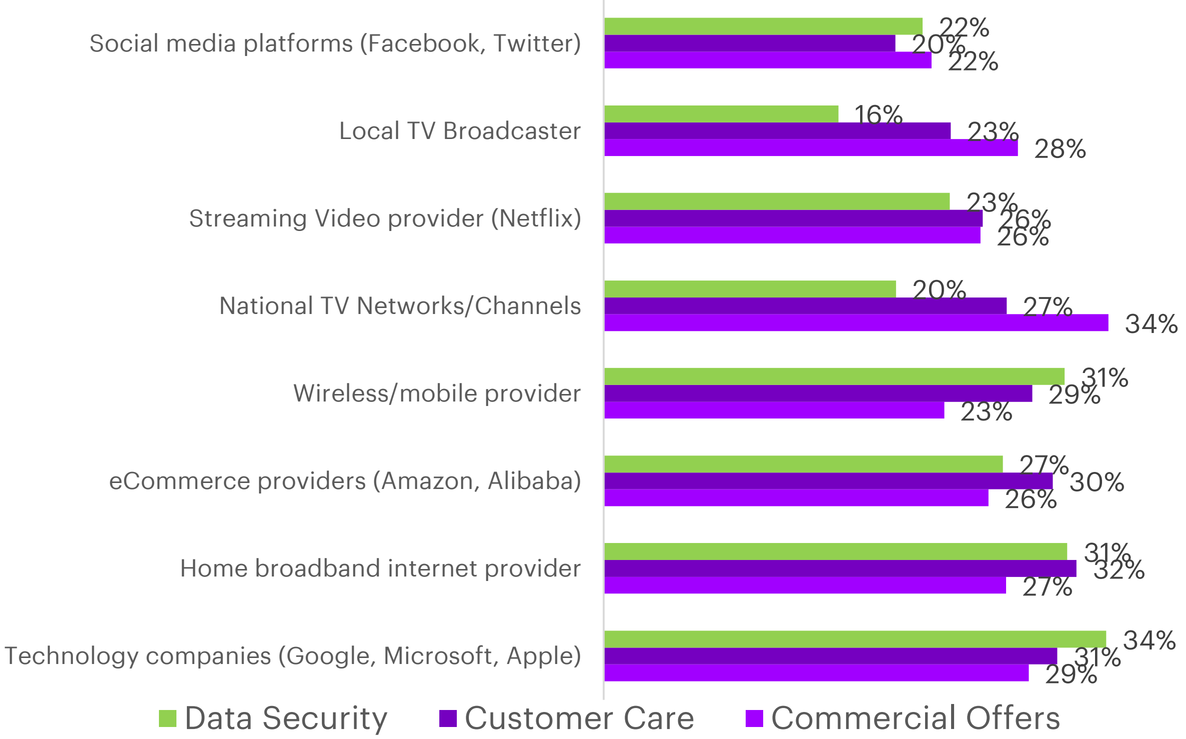


Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Consumer who selected more trustworthy in QC11

CSPs and technology companies are most trusted for data security

Which of the following companies do you trust to act responsibly in their _____? — Top 3 ranked



Base: Global (n=4431)

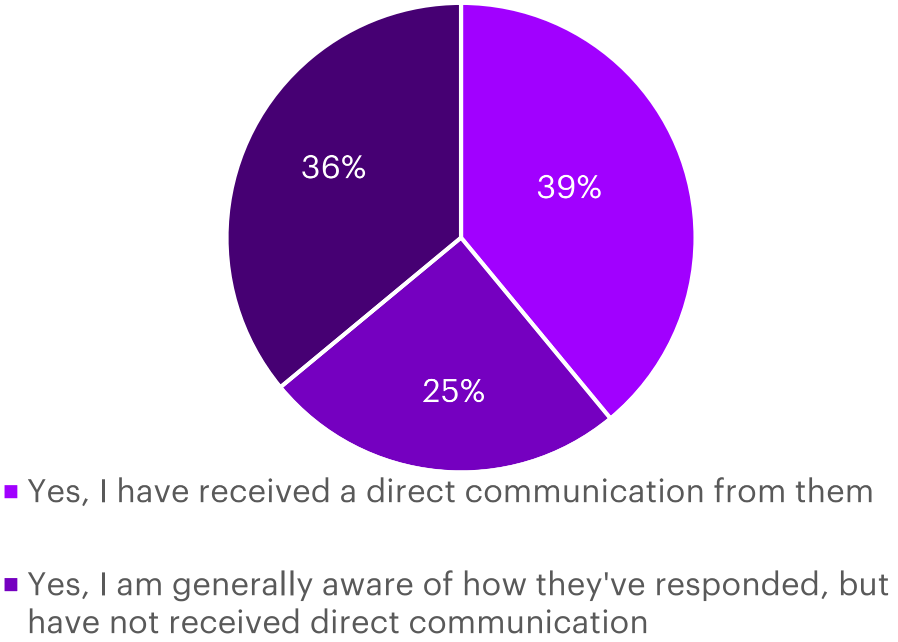
Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Lack of data security was the #1 driver of distrust for both technology and social media companies during the crisis.

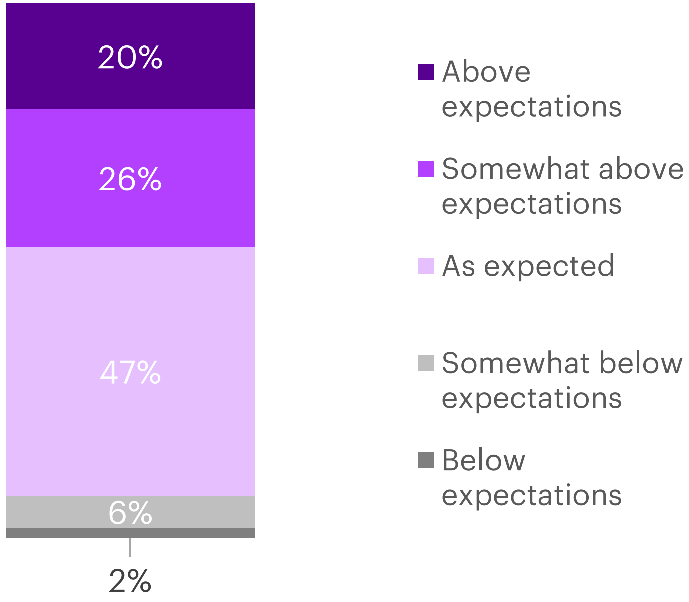
For CSPs, the #1 driver of distrust was customer care.

Direct communication with consumers has been an effective tool for CSPs

Are you aware of how your CSP has responded to the COVID-19 crisis?



How would you rate your CSP's response during this crisis?



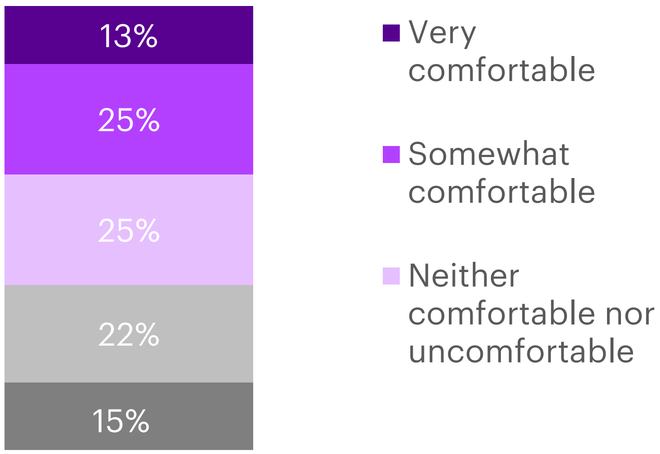
Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

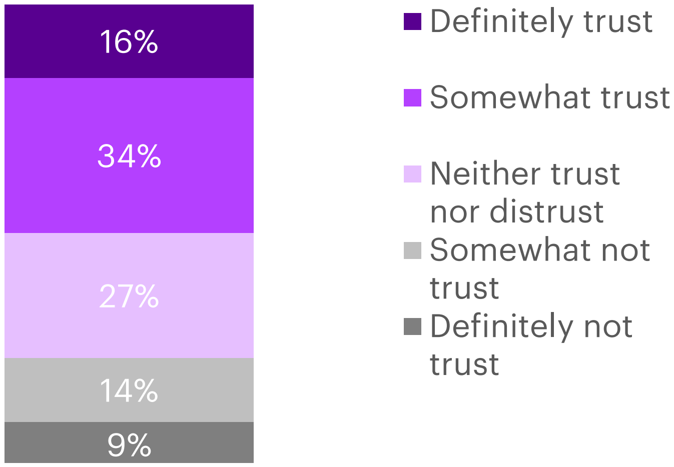
Base: Global (n=2857)

CSP customer relationships are generating trust and permission

Some countries have used mobile device tracking data to help in the fight against COVID-19. Are you comfortable with anonymized consumer data being used in this way?



Would you trust your provider to use anonymized customer data in the fight against COVID-19?



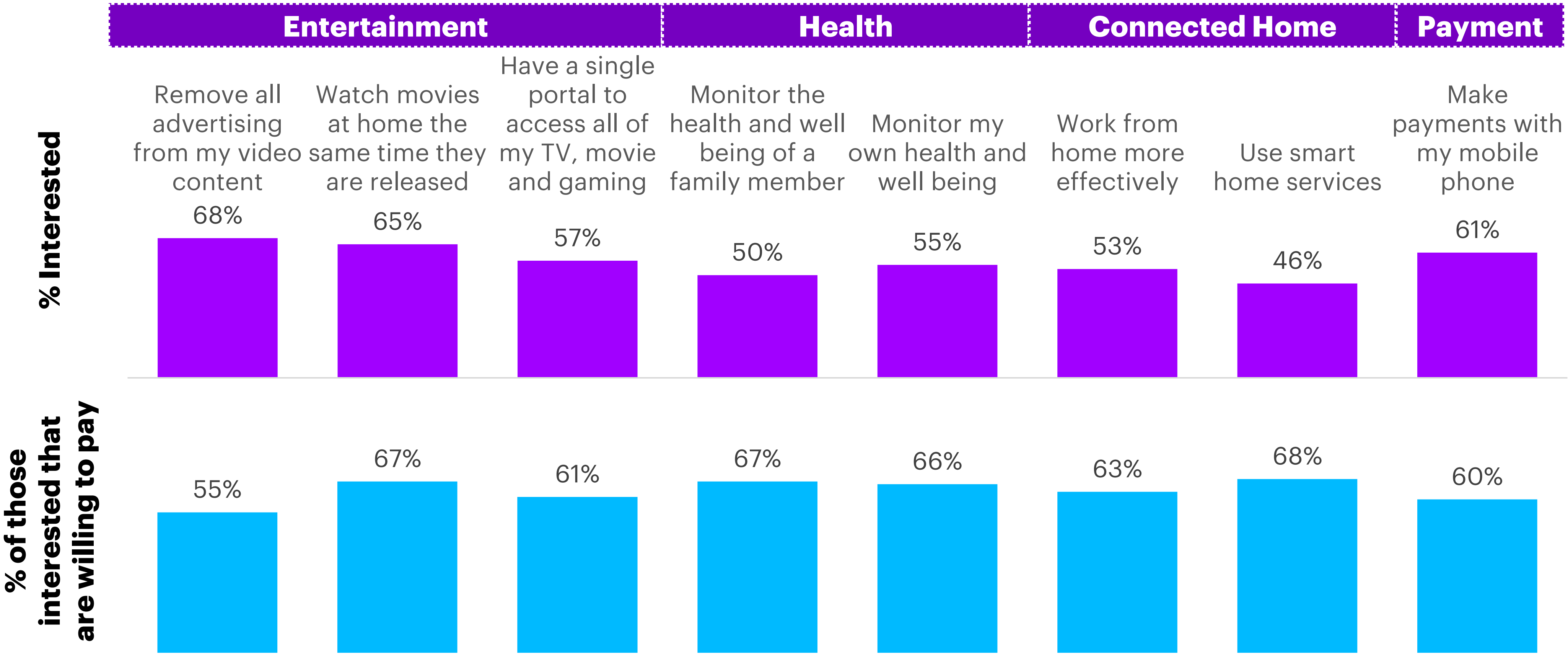
Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

Base: Global (n=3862)

Never normal: Emerging customer needs in a COVID-19 world

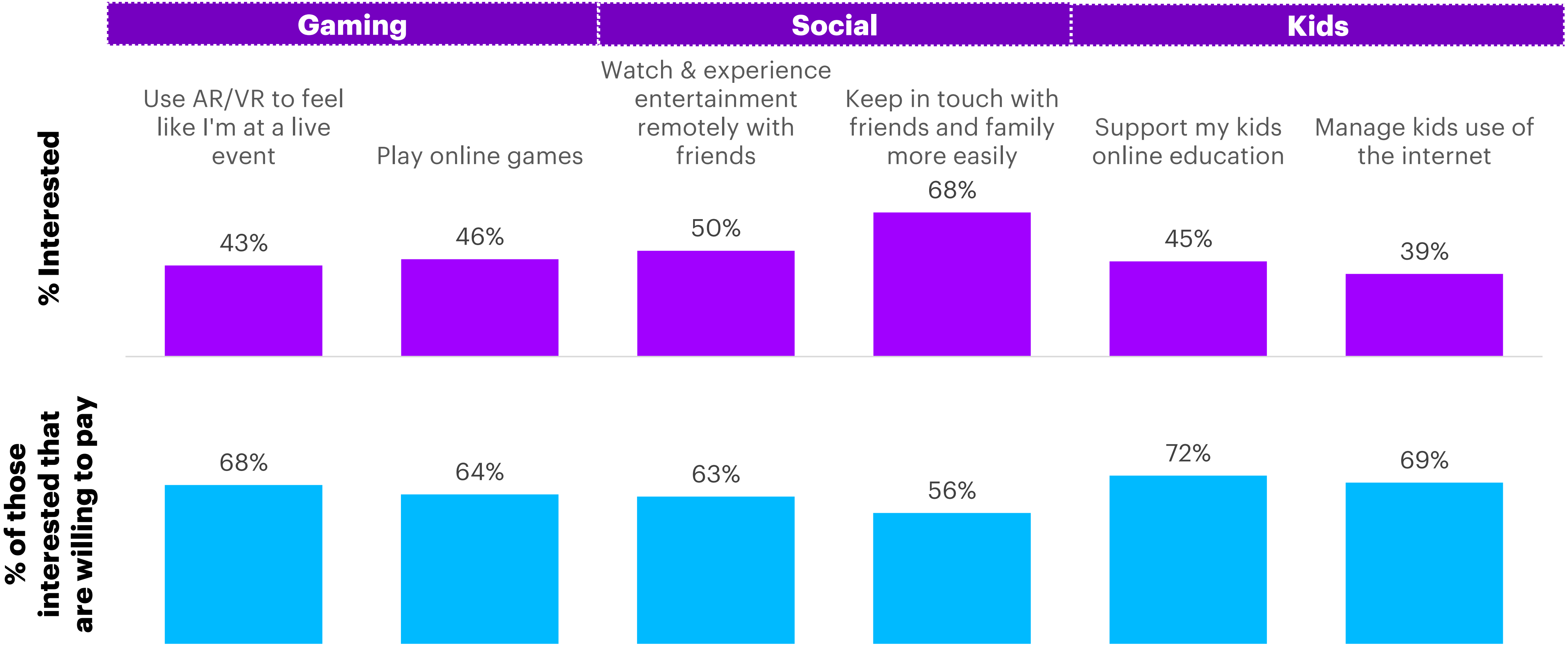
Consumer needs are changing to reflect their lives, and there is strong demand for paid solution (1/2)



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

Consumer needs are changing to reflect their lives, and there is strong demand for paid solution (2/2)



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

CSPs have permission to build or partner across a wide range of new services

Who would be your preferred provider to ______ ? (% first choice)

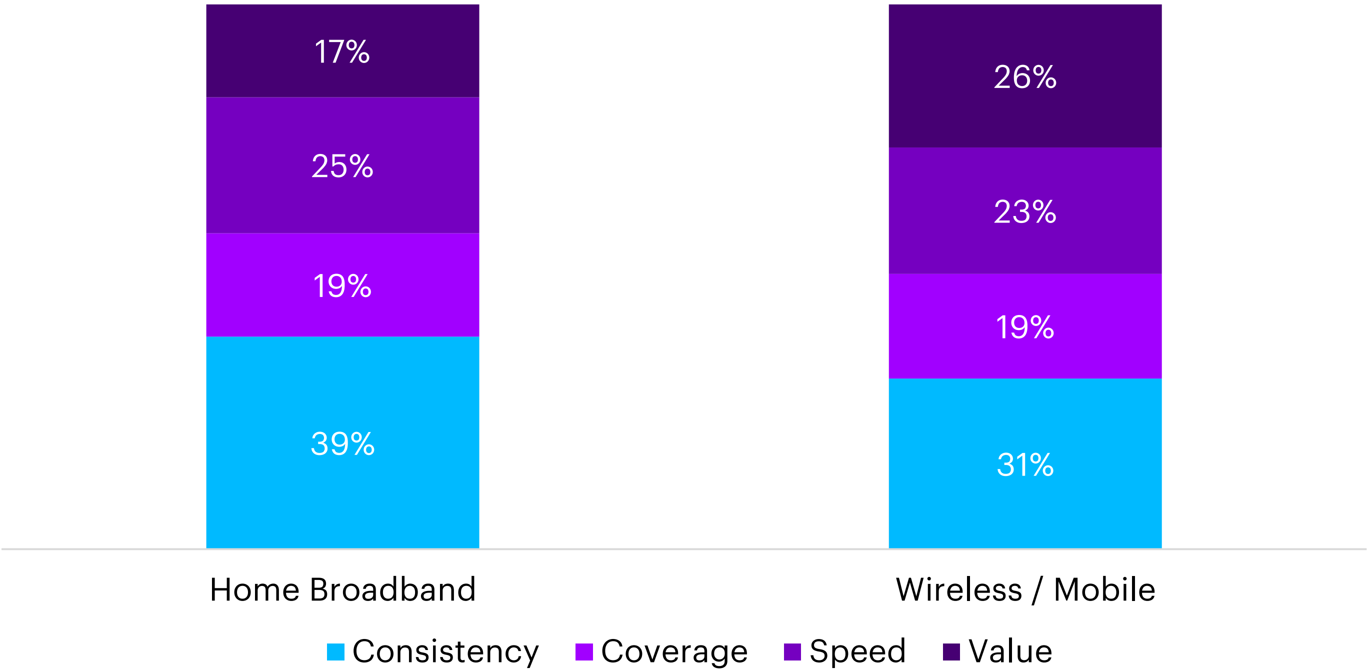
	Smart Home services	Work from home more effectively	Make secure payments using your mobile phone	Have a single portal to access all of my content	Watch movies at home when released	Remove all advertising from my content	Use augmented or virtual reality	Play online games and be entertained	Monitor the health and wellbeing of someone else	Monitor my own health and wellbeing	Support my kids online education	Manage kids use of the Internet	Watch with family and friends remotely at the same time	Keep in touch with friends and family more easily
	Connected Home / Payment			Entertainment			Gaming		Health		Kids		Social	
Wireless/mobile	19%	15%	27%	11%	7%	10%	11%	15%	24%	20%	10%	18%	13%	23%
Home broadband	24%	37%	26%	20%	17%	19%	15%	20%	22%	23%	21%	33%	16%	22%
Technology	33%	31%	26%	23%	8%	19%	23%	26%	33%	38%	29%	27%	16%	19%
eCommerce	14%	8%	14%	6%	7%	6%	8%	8%	9%	10%	8%	10%	7%	4%
Social media	10%	10%	7%	6%	5%	8%	9%	12%	12%	9%	8%	11%	14%	18%
Streaming video				18%	41%	20%	16%	9%			9%		21%	

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Under the microscope: What matters most for core connectivity services?

What really matters: Consistency is the most important network attribute

% of product satisfaction explained by:



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Home broadband internet (n=3852)
Base: Wireless/mobile service provider (n=3869)

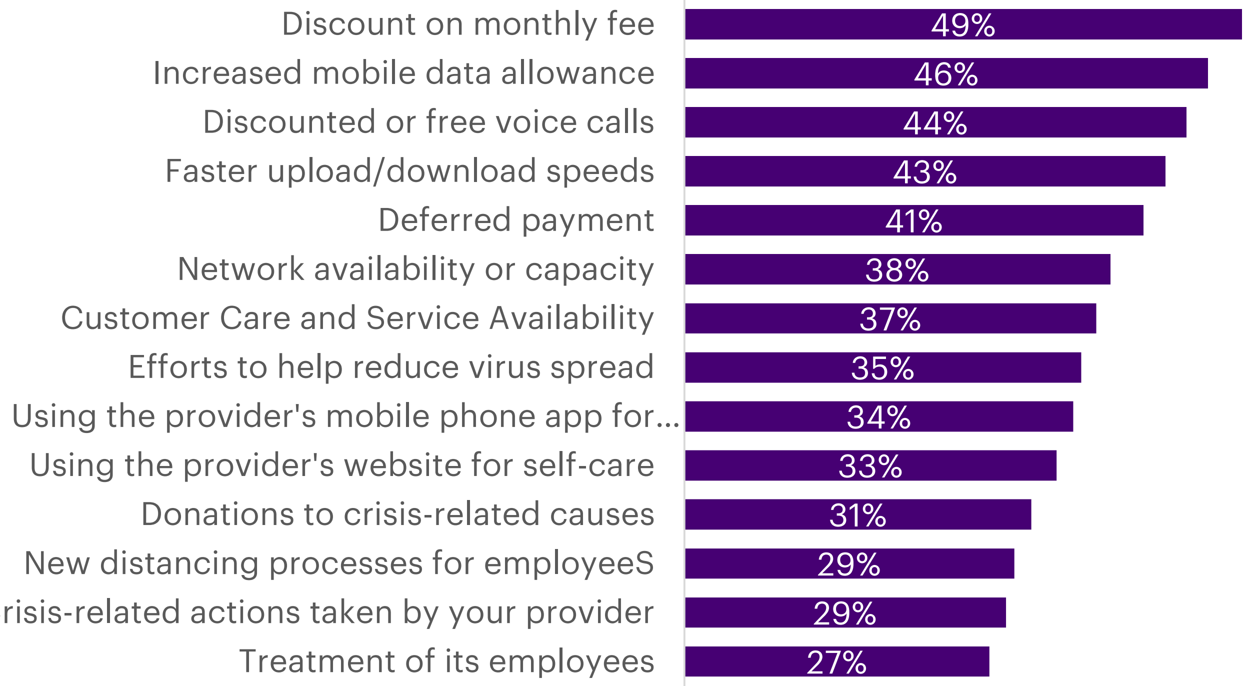
Is speed the primary driver for consumer adoption?

Consumers were MOST satisfied with network consistency during the crisis.

This was also a finding of our small- and medium-sized business (SMB) COVID-19 Study.

Economic concerns are top of mind for most consumers

How useful would information on the following have been from your connectivity provider? (% Very Useful)



Base: Home broadband internet (n=3852)

Base: Wireless/mobile service provider (n=3869)

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

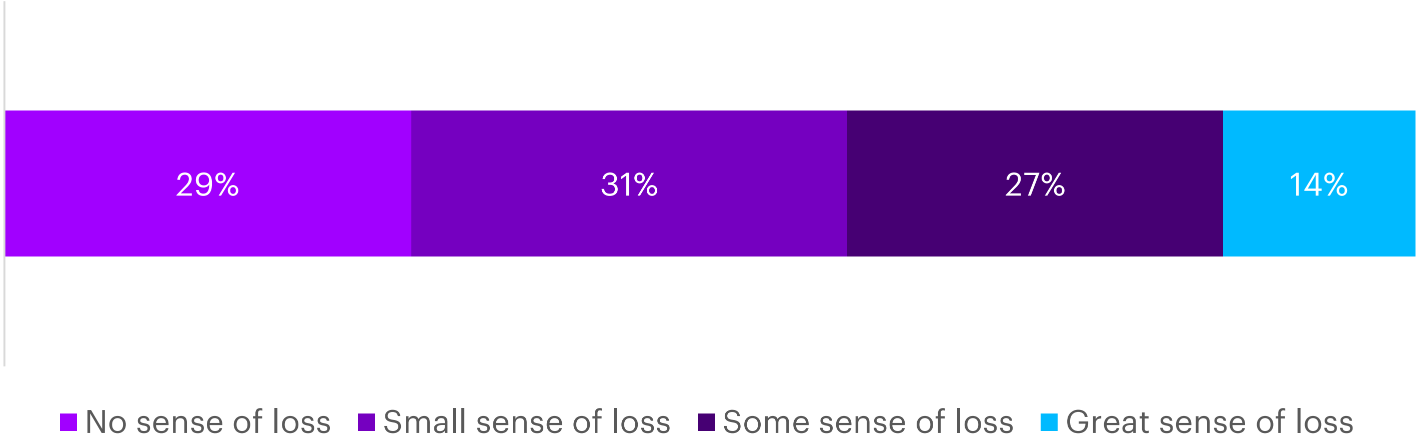
Did CSPs address these concerns during the crisis?

The biggest gaps between what CSPs communicated and what consumers expected were on discounted fees and deferred payments.

Digital sales and service: The point of no return?

What role do retail stores play in customer experience strategy for CSPs?

If your connectivity provider's physical retail locations were not available once the COVID-19 crisis ends. What sense of loss would it bring to your customer experience?



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Overall (n=4431)

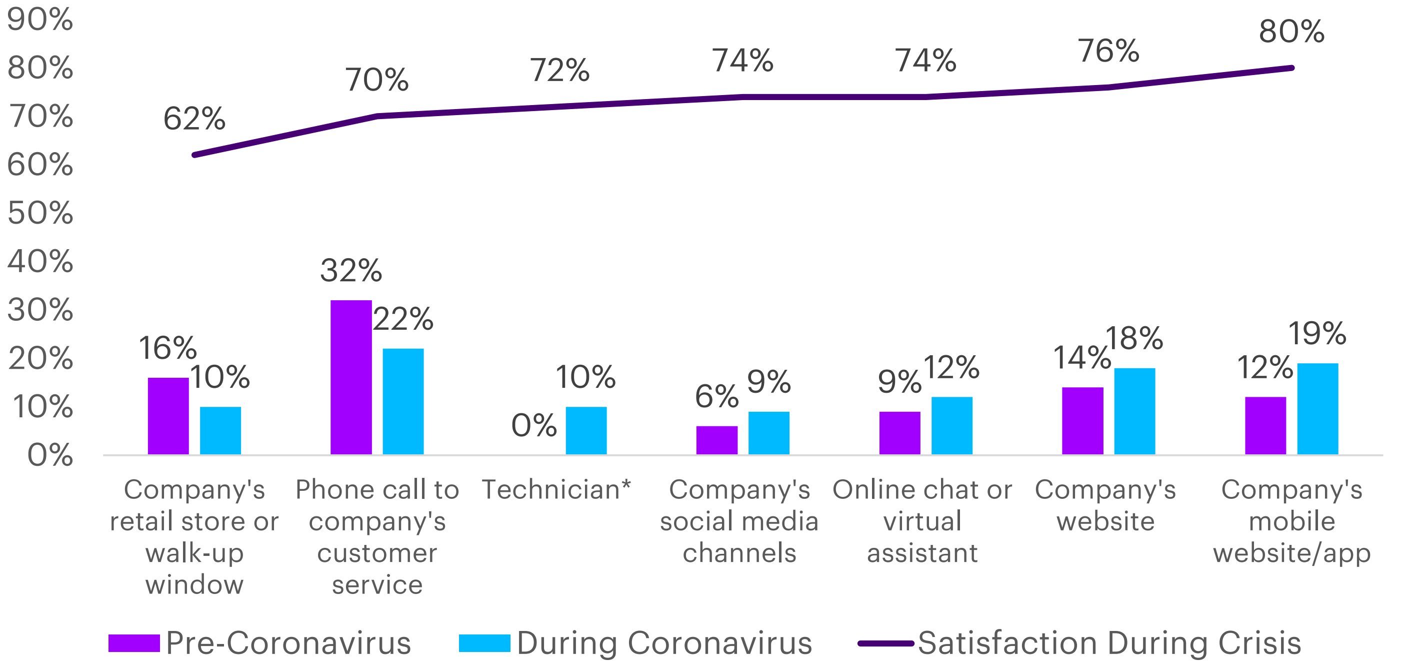
Local environment matters for retail experience.

71% of consumers in the UK would feel no/small sense of loss.

66% of consumers in India would feel some/great sense of loss.

Digital sales channels are ready for increased traffic

% of customers that chose a particular sales channel FIRST and their satisfaction with that channel.



*No data for pre-coronavirus

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Differs

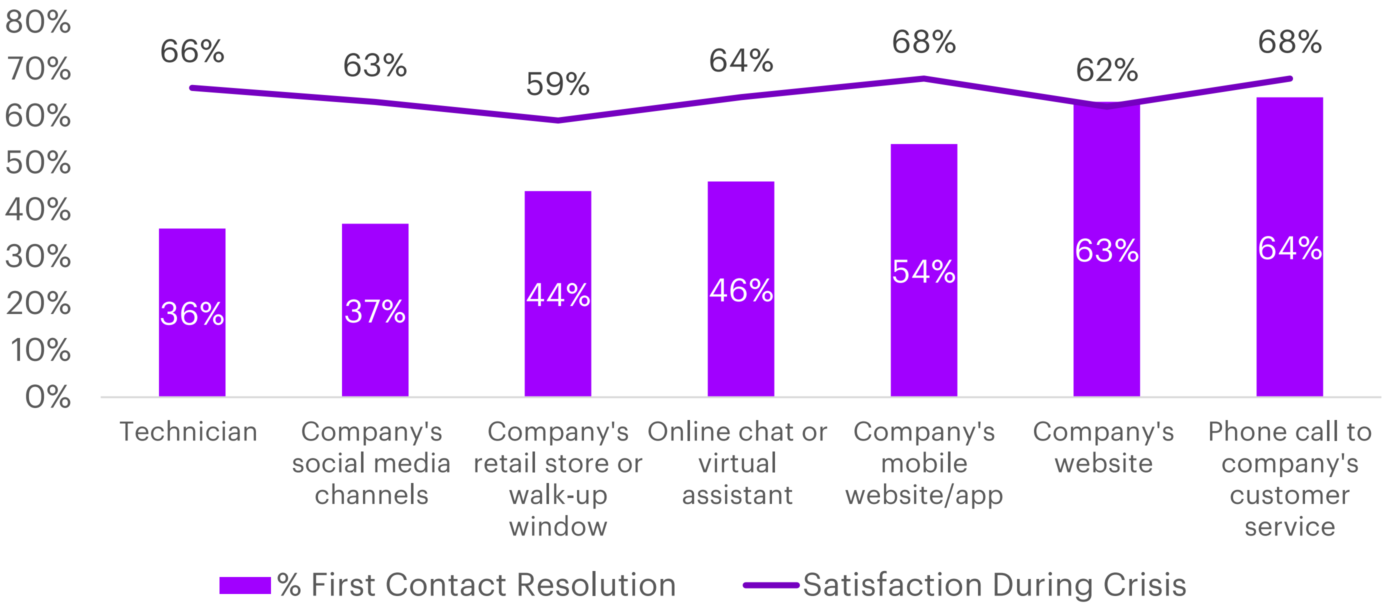
76% of consumers using a digital channel for the first time during the COVID-19 crisis were satisfied.

85% were interested in using a digital channel again post-COVID-19.

89% thought digital interactions were equal or better than previous in-person experiences.

Digital service channels show promise for handling service transactions, but need more sophistication

% of customers who satisfied their goals through their first contact channel and % satisfied during the crisis.



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Differs

Customers were most interested in using online chat (85%) again for service interactions following the crisis.

First time users of a service channel were most satisfied with phone call (72%).

Key takeaways and implications for CSPs

COVID-19 will have a lasting impact on communications consumers

Connectivity is not optional

68% of consumers think home broadband is more important now than before the crisis.

Working and living from home is becoming a way of life, and the most critical component of that lifestyle is connectivity.

New products and services are needed

34% of consumers are willing to pay for solutions that help them work from home more effectively.

Identifying the right product and service mix for these consumers is the next challenge.

Omnichannel experience is critical

60% of consumers would feel either no or a small sense of loss if retail stores did not return.

Retail may never look the same, and CSPs can take this moment to consider how retail differentiates from other channels.

Data security drives trust

62% of consumers trust their CSPs for their data security.

While many digital companies have developed a reputation for playing fast and loose with their customers data, CSPs remain trusted stewards of their consumers lives.

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

How should CSPs respond?

Re-establish the value of connectivity

Build on the importance of connectivity to new, never normal lifestyles by creating differentiated service offerings and working to enhance national infrastructure.

Build on their trusted role in the data ecosystem

CSPs are uniquely positioned in the data economy with strong D2C relationships and established trust with data handling. This provides them permission to expand into new products and partnerships.

Differentiate on customer experience

Rethink the omnichannel experience, considering the value of digital sales channels and the role of existing phone service channels. Build a holistic experience that meets the current consumers where they are.

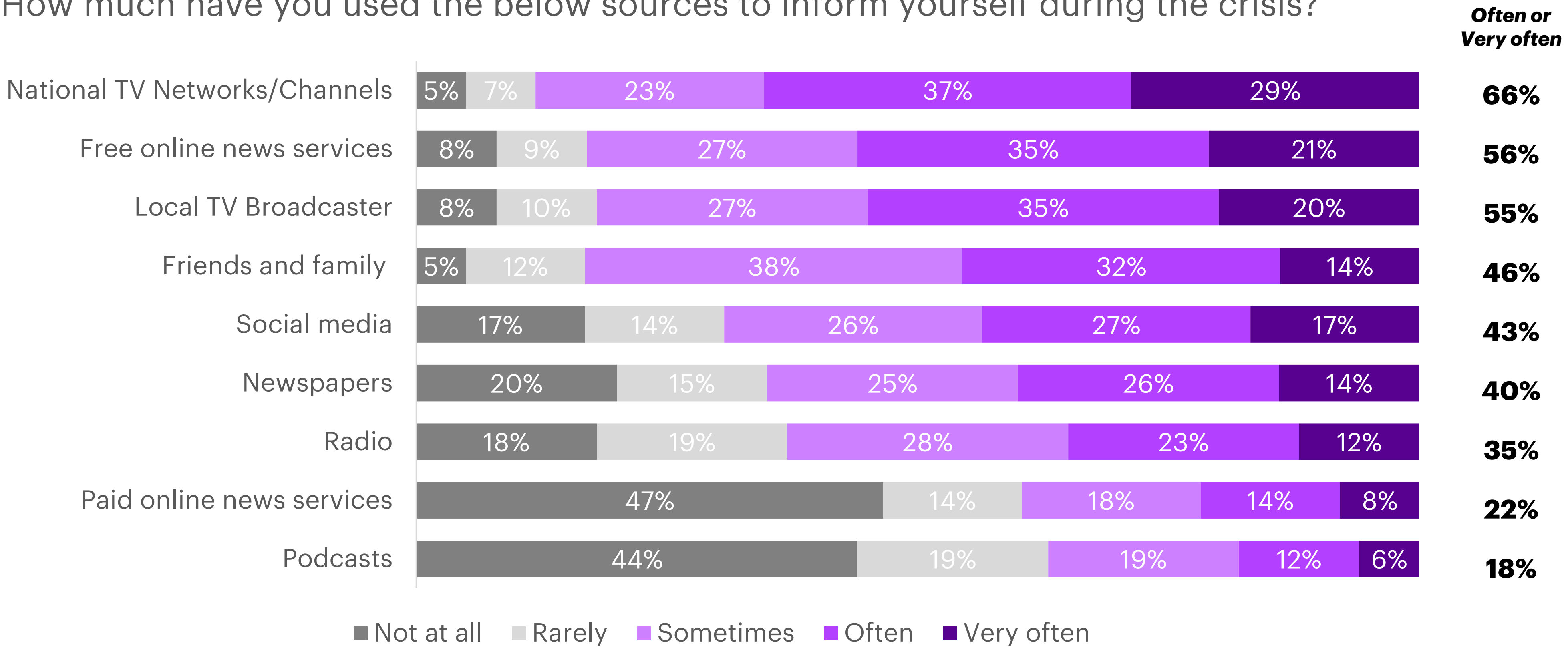
Expand the portfolio of products and services

Thoughtfully consider the role of the CSP across a wide range of new consumer needs, looking for places to develop unique offerings and partner ecosystems.

Media: What can we learn from TV during the crisis?

TV remains the most influential news platform in the world. What can competitors learn from it?

How much have you used the below sources to inform yourself during the crisis?

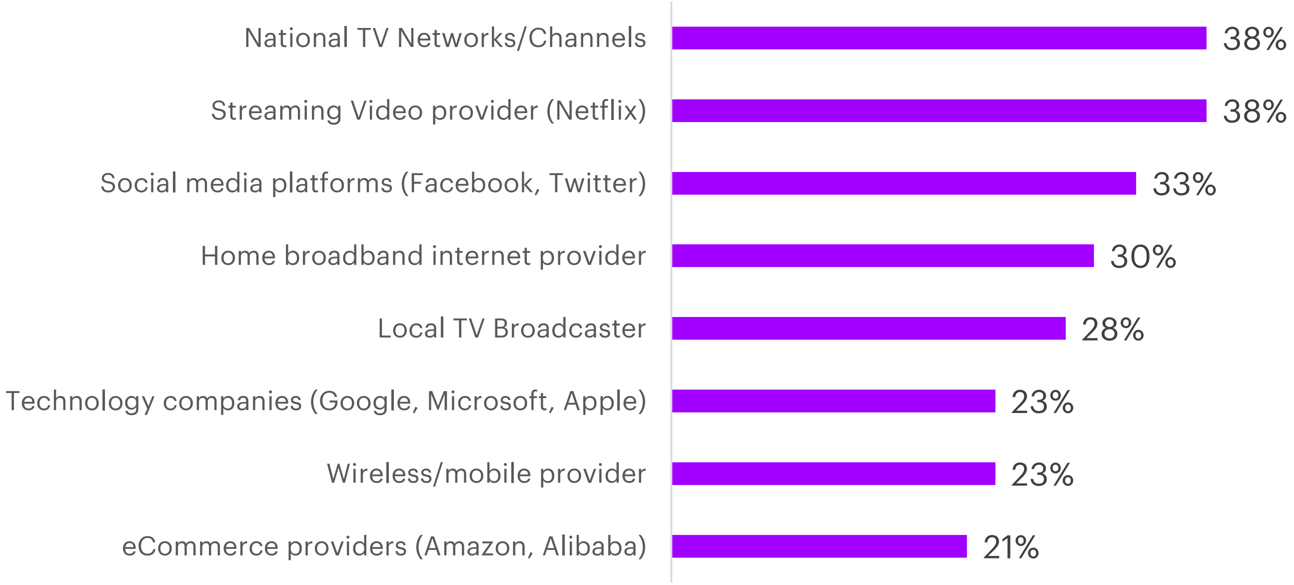


Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

News and entertainment play a special role in consumers' lives

Based on your experience during the crisis, which of the following types of companies has helped you during the crisis?—Top 3 Ranked



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

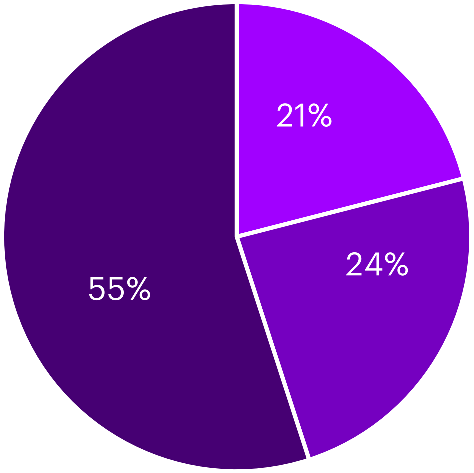
Base: Overall (n=420)

18% of consumers—the most for any company—thought of National Networks FIRST for helpfulness.

More than 30% of consumers trust their media providers MORE NOW than before the crisis.

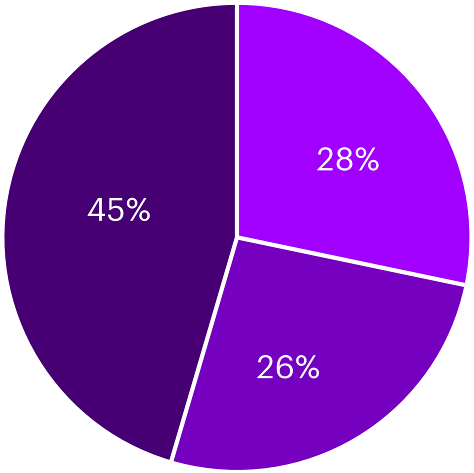
PayTV has more effectively communicated to its customers than streaming during the crisis

Are you aware of how your **streaming video** provider has responded to the COVID-19 crisis?



- Yes, I have received a direct communication from them
- Yes, I am generally aware of how they've responded, but have not received direct communication
- No

Are you aware of how your **PayTV** provider has responded to the COVID-19 crisis?



- Yes, I have received a direct communication from them
- Yes, I am generally aware of how they've responded, but have not received direct communication
- No

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

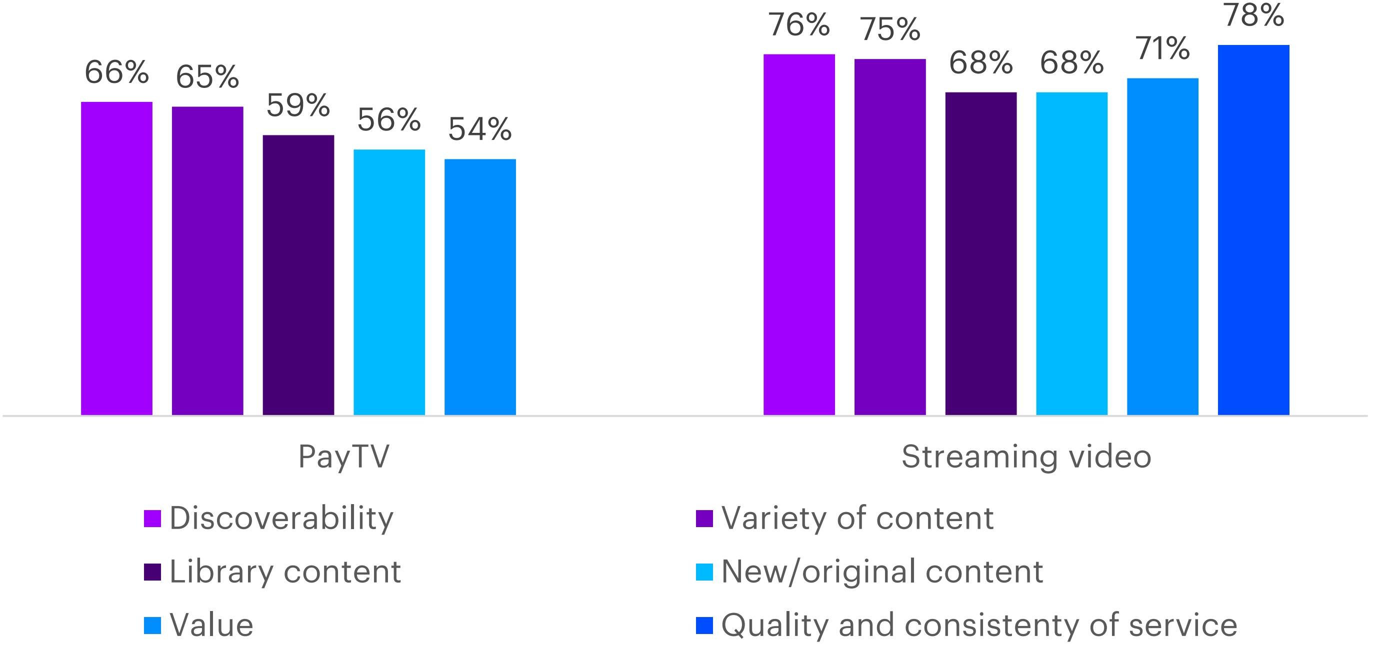
Base: Global (n=3024)

Base: Global (n=1538)

The evolution of video services

Streaming video is a better video delivery system than PayTV

% satisfied with performance during the crisis.



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

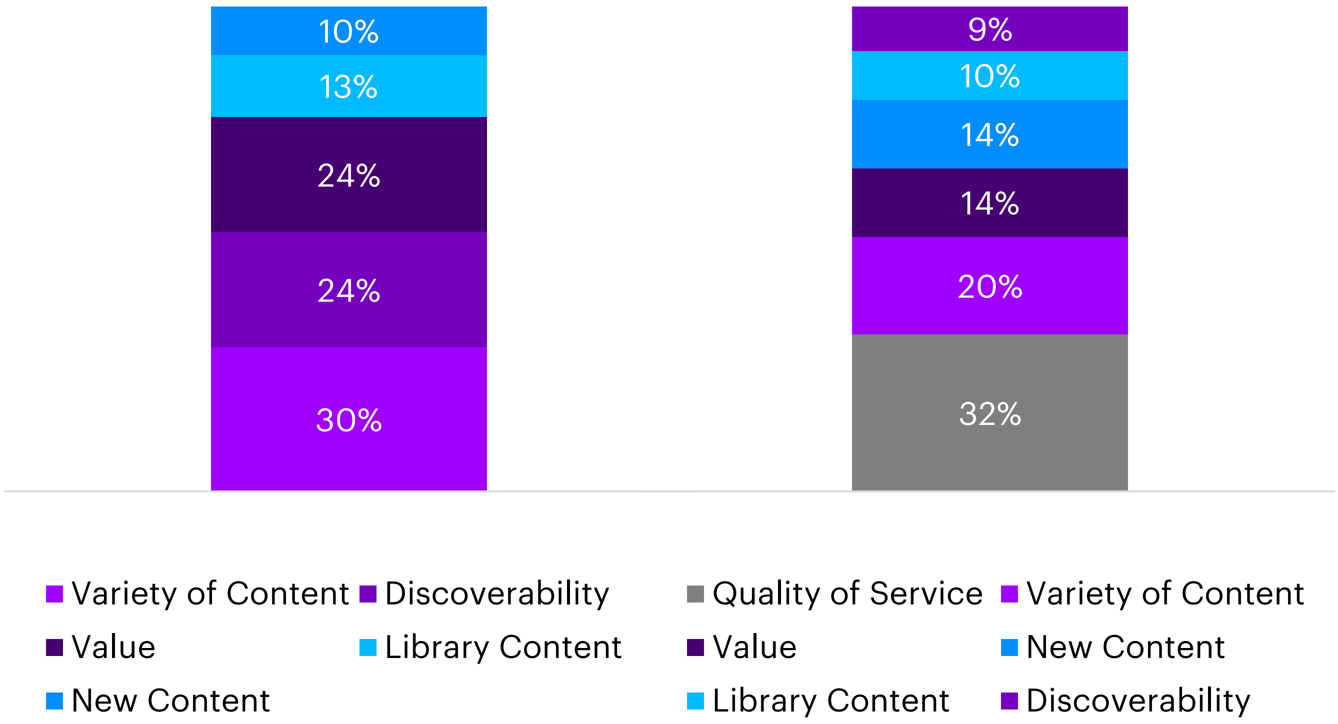
Base differs per provider

30% of consumers globally considered Netflix or Amazon Prime their PRIMARY video provider.

77% of consumers have been satisfied with their streaming video service during the crisis.

Variety of content is critical for video providers, but streaming video must deliver consistency

% of product satisfaction explained by:



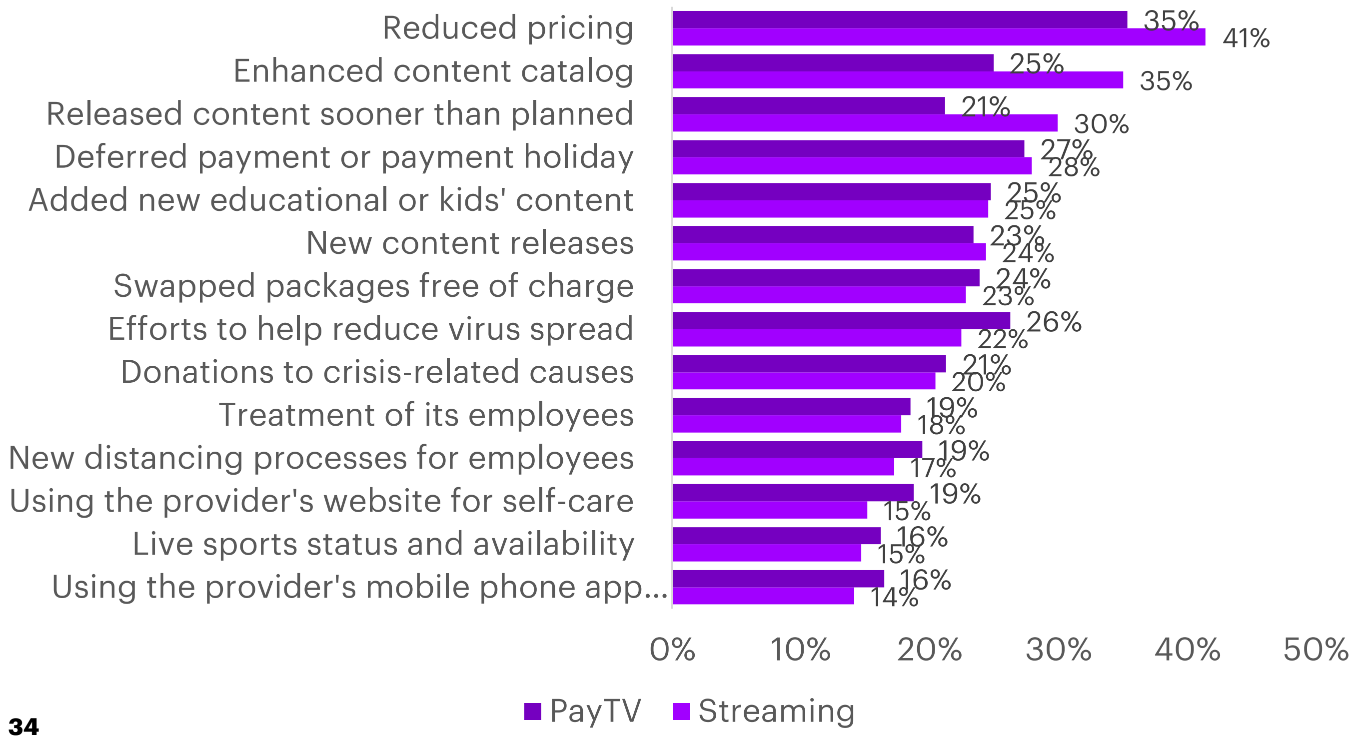
Has streaming video solved the discoverability equation?

Value is a more important concern for PayTV customers.

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Consumers don't expect PayTV to deliver on key abilities like enhanced content catalog or early content release

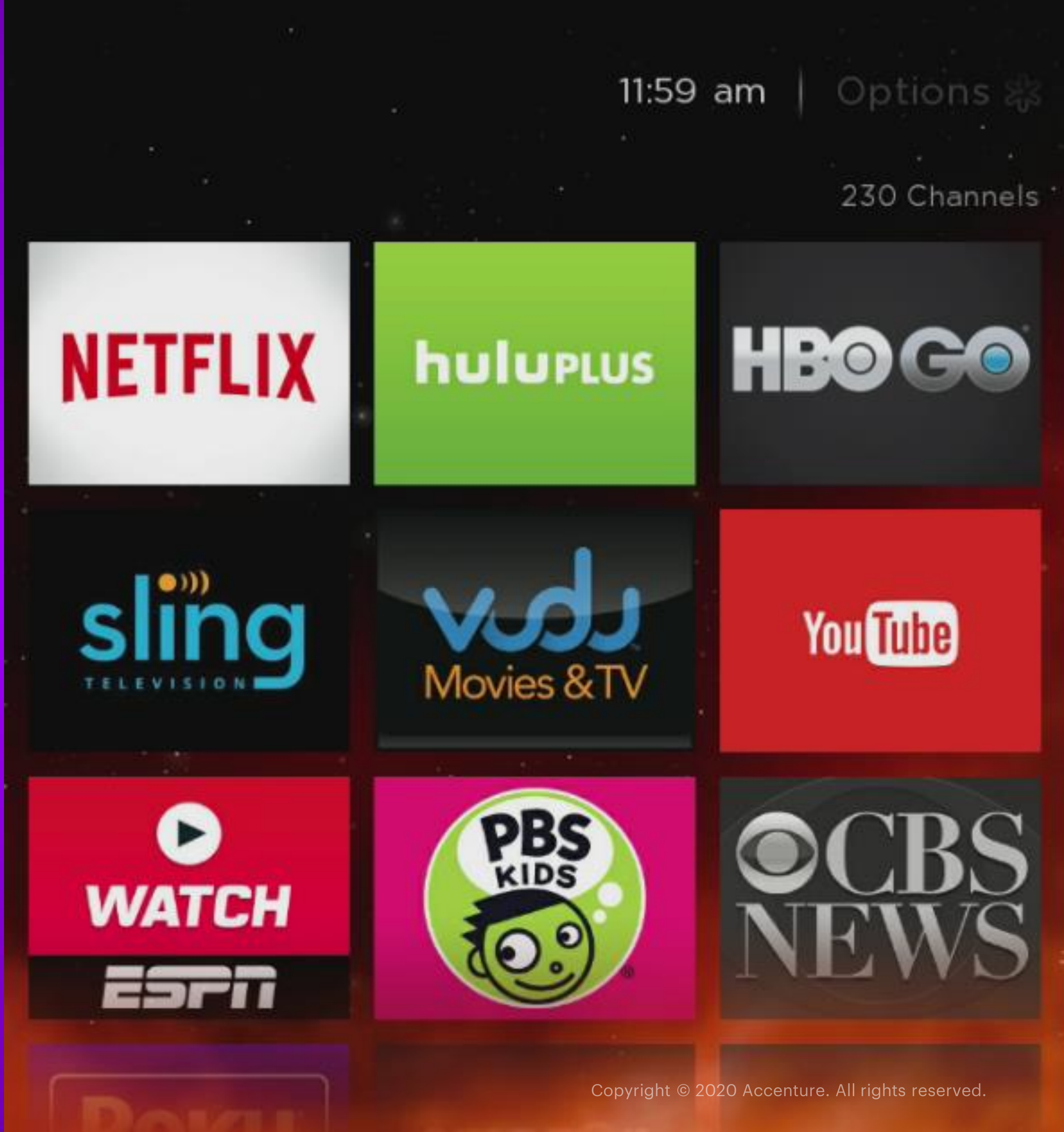
% of consumers that expected information on the following from their provider during the crisis.



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

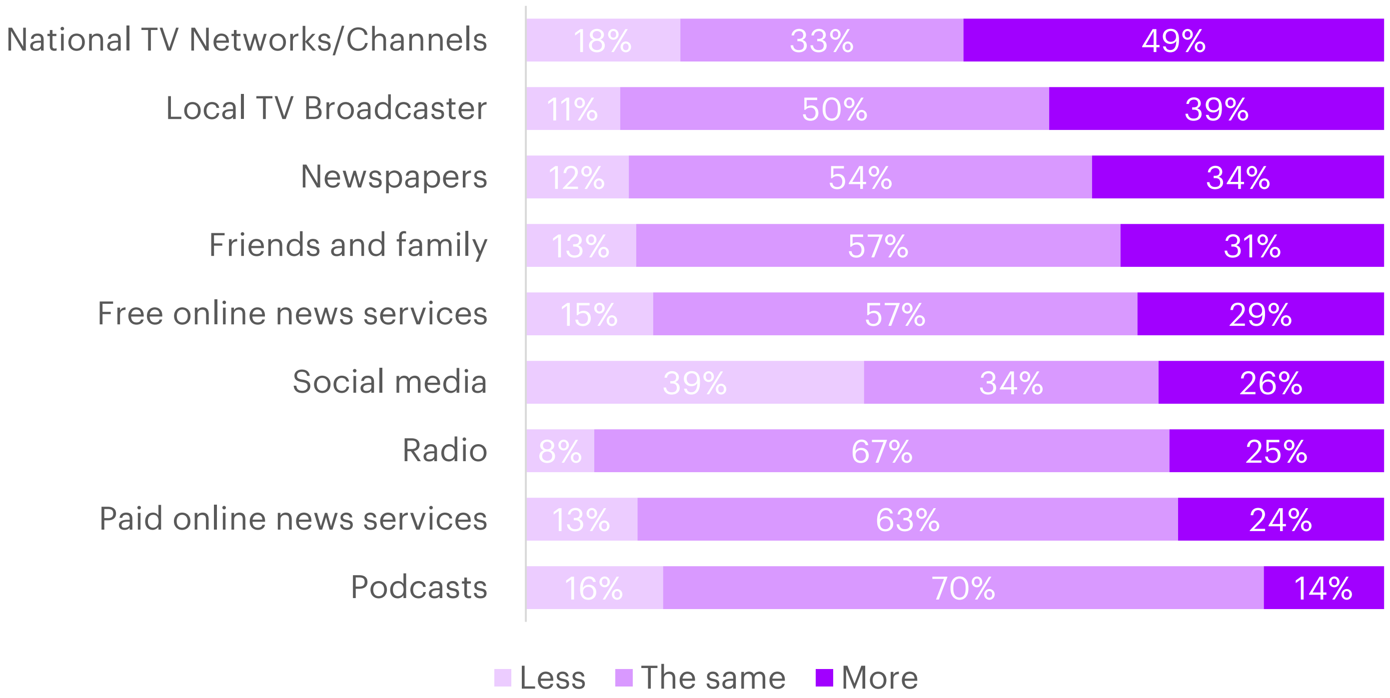
There was a 22% gap between customers expecting information on reduced pricing and those receiving it.

Never normal: Emerging media consumer needs in a COVID-19 world



Delivering news and information on TV platforms is a differentiated asset

Which of the following sources of information do you trust more/less now based on your experience during the crisis?

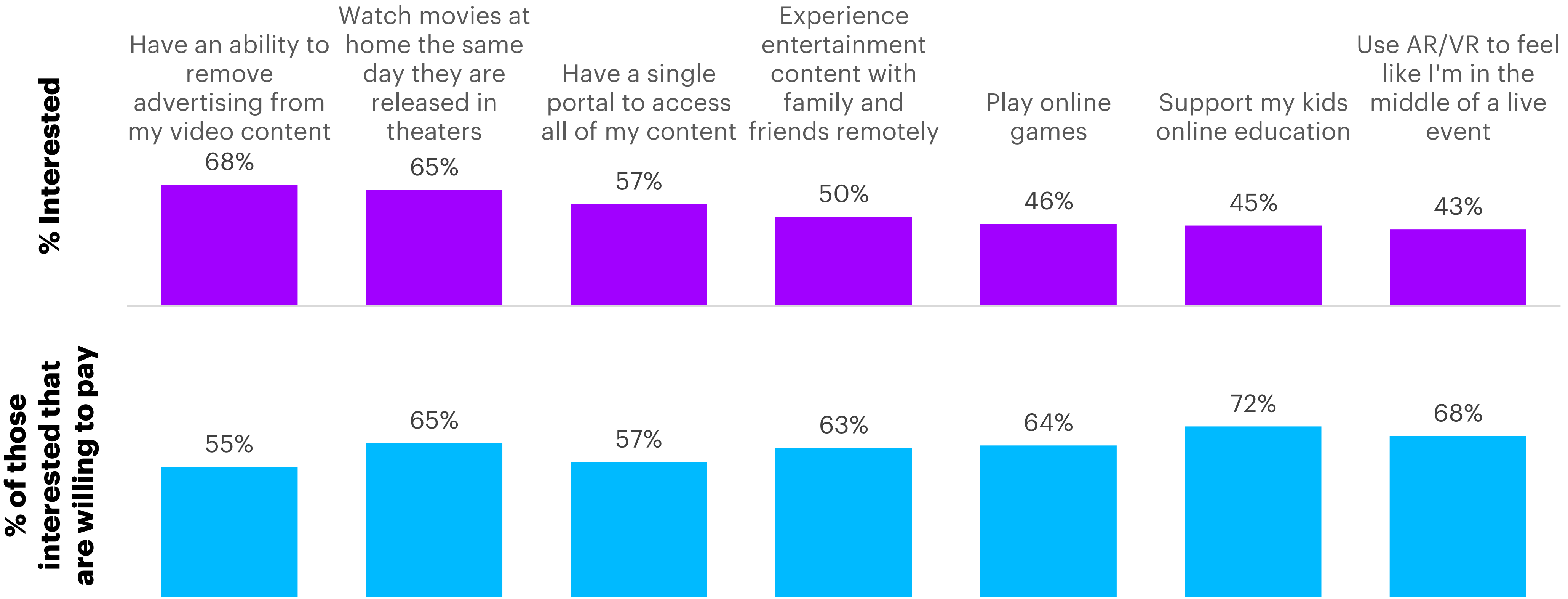


Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

What role does news and information have in the future of streaming video platforms?

Simplicity and efficiency when delivering content are opportunities for media companies

How interested are you in a service that helps you do the following?

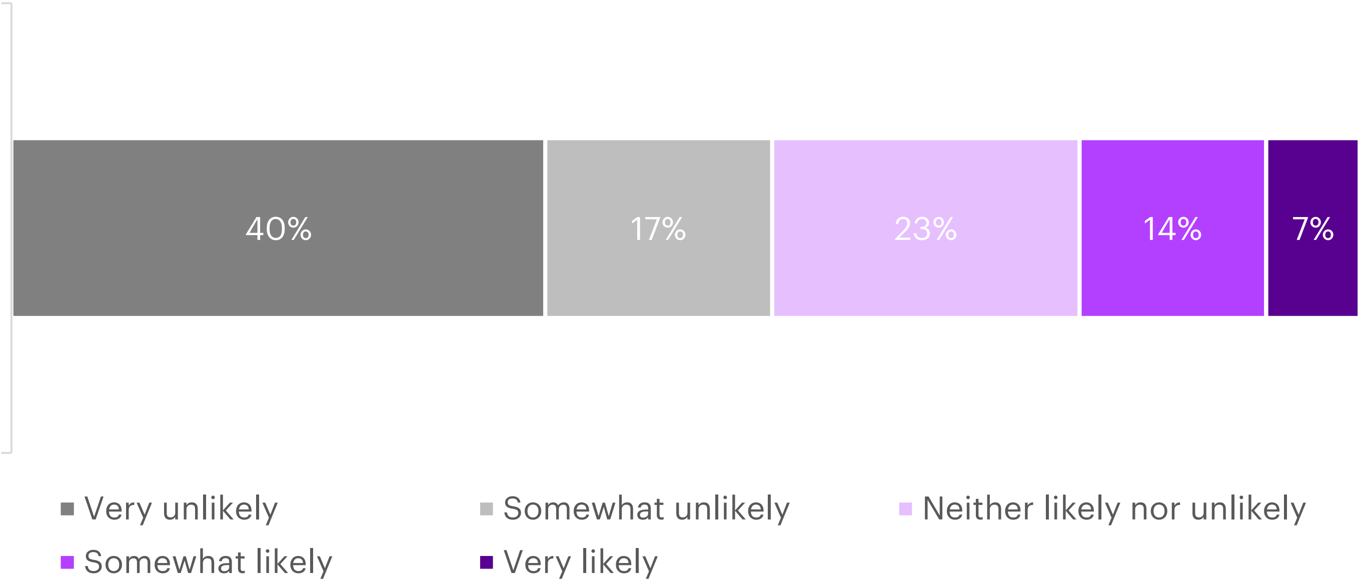


Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

Paid news is an opportunity, especially in emerging economies

Based on your experience during the crisis, please indicate if you're likely to increase how much you pay for news services? Specifically, how likely are you to pay more for news services during the next three months?



Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Base: Global (n=4431)

40% of consumers in APAC expect to spend more on news in the next three months.

72% in India and 57% in China.

Streaming video platforms have permission to deliver streamlined access to content and better social experiences

Who would be your preferred provider for the following:

	Wireless/mobile provider	Home broadband internet provider	Technology companies (e.g. Apple)	eCommerce providers (e.g. Amazon)	Social media platforms (e.g. Facebook)	Streaming Video provider (e.g. Netflix)	National TV Networks/Channels	Local TV Broadcaster
Use augmented or virtual reality to feel like I'm in the middle of a live event like a sports game or singing competition	10.9%	14.9%	23.4%	7.7%	8.5%	16.4%	10.1%	8.1%
Support my kids online education or remote adult learning	9.9%	21.4%	28.9%	8.2%	7.9%	8.7%	9.3%	5.8%
Play online games and be entertained	14.9%	19.7%	26.3%	7.7%	11.7%	9.0%	5.4%	5.5%
Watch & experience entertainment content with family and friends remotely at the same time	12.6%	16.2%	15.7%	6.7%	14.2%	★ 20.7%	7.6%	6.1%
Have a single portal to access all of my TV, movie, gaming and educational content rather than multiple apps	11.0%	20.0%	22.6%	6.4%	6.4%	★ 18.0%	9.3%	6.4%
Watch movies at home at the same time they are released in theaters/cinemas	6.6%	16.7%	7.8%	6.9%	4.7%	★ 40.5%	10.4%	6.3%
Have an ability to remove all advertising from my video content	9.6%	18.9%	18.9%	6.2%	8.3%	★ 20.4%	10.5%	7.1%

Source: Accenture Comms and Media COVID-19 Consumer Study May 2020

Key takeaways and implications for media organizations

COVID-19 will have a lasting impact on media consumers

TV remains the most influential news platform in the world

66% of consumers relied on national TV networks most for news and information during the crisis.

TV's role has never been more obvious—a ubiquitous live feed of the news and information that matters most.

Streaming video is no longer secondary

30% of consumers considered Netflix or Amazon Prime their PRIMARY video provider.

With skyrocketing usage of streaming services any doubt about its place in consumers lives has been settled. However, consumers EXPECT innovation from streaming services leading to an important question: **what's next?**

Consumers want simplicity and efficiency in media

44% of consumers are willing to pay for new movies at home.

Consumers look to their streaming video providers first for improving their viewing experience. Building the business network to deliver these capabilities will win new fans.

Source: Accenture Comms and Media COVID-19 Consumer Study, May 2020

How should media companies respond?

Build on the value of news and information

Traditional networks must find new ways to emphasize and monetize the critical role they play in peoples lives especially in light of the strength of streaming delivery.

Concentrate on quality of service in streaming

Although streaming providers have mostly delivered on quality of service, continuing to evolve their delivery mechanism is a critical investment area.

Continue to innovate the streaming experience

Consumers expect innovation and new ideas from their streaming platforms. Highlighting topical content and bolstering catalogues in the crisis is exactly what consumers expected, but what comes next?

Source: Accenture Comms and Media Covid-19 SMB Study, May 2020

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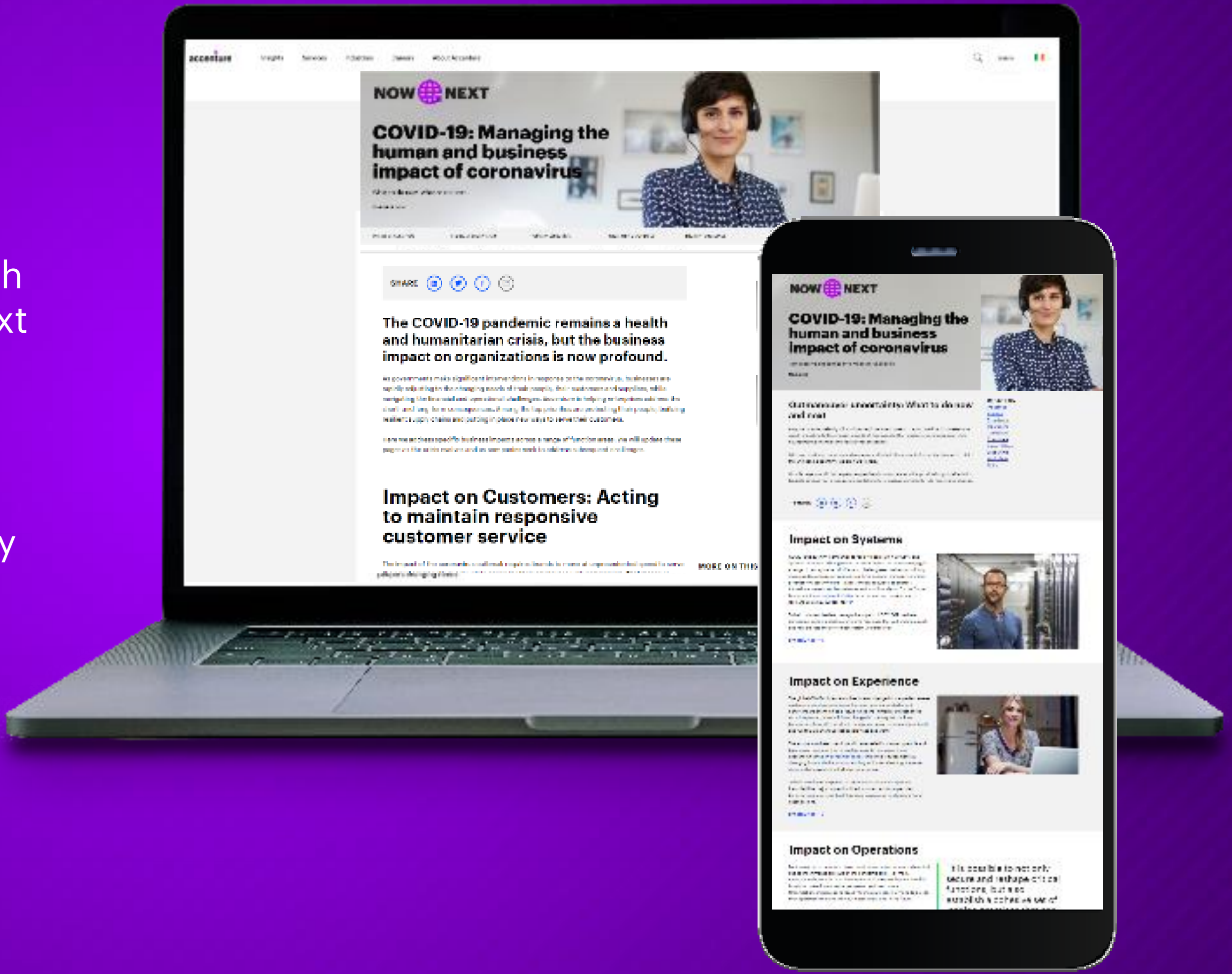
To help our clients navigate both the human and business impact of COVID-19, we’ve created a hub of all of our latest thinking on a variety of topics.

Each topic highlights specific actions which can be taken now and what to consider next as industries move towards a new normal.

From leadership essentials to ensuring productivity for your employees and customer service groups to building supply chain resilience and much more, our hub will be constantly updated. Check back regularly for more insights.



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