DIGITAL TECHNOLOGIES ARE FOREVER CHANGING THE WAY MEDIA AND ENTERTAINMENT COMPANIES—INCLUDING NEW MEADOWLANDS STADIUM, PUBLISHER MANSUETO VENTURES AND THE NEW JERSEY NETS—MANAGE THEIR WORKLOADS AND ENHANCE THEIR CUSTOMERS’ EXPERIENCE.

By Samuel Greengard

These days, it takes more than a winning football team to fill a stadium. So, when Peter Brickman, chief technology officer at New Meadowlands Stadium, began exploring ways to make the venue more enticing for New York Giants’ and New York Jets’ fans—as well as individuals attending other sporting and entertainment events—he decided to take stadium technology to a new level. “The idea was to offer the ultimate fan experience,” he says.

New Meadowlands Stadium has scored a touchdown. Today, the 82,566-seat facility is equipped with four massive high-definition video display scoreboards and more than 2,200 HD video displays—all designed to provide fans with access to the game virtually anywhere in the venue. Each screen has its own IP address, and it’s possible to send content and messages to groups of screens and even to an individual monitor.

Officials can add or delete elements—everything from a birthday greeting to a menu selection—in real time. What’s more, every point-of-sale terminal is equipped with a scanner and, as a result, it’s possible to preload offers and incentives with tickets. The system also allows stadium executives to monitor lines and track everything from gate flow to food quality in real time.

John Mayer, president of the New York Giants, says,
“It’s the most advanced stadium ever built. Fans feel like they have stepped into the future.”

It is the future—the future of live entertainment. As networks become more sophisticated and the need to interact in real-time with customers grows, a growing number of organizations are turning to more sophisticated systems and tools to ratchet up performance and manage costs.

“It is an industry in transformation,” says Blake White, director of the Entertainment, Media and Communications Practice at PricewaterhouseCoopers (PwC). “Huge opportunities exist, and it’s up to organizations to tap into them.”

KICKING OFF A NEW ERA

It’s no surprise that the Internet and mobile technology have disrupted—and forever changed—distribution models, advertising, marketing and merchandising. However, few industries have felt the impact more than media and entertainment, in which business models are undergoing radical change. Yet, at the same time, better networking, database and analytics capabilities have made it possible to understand customer behavior and create more powerful ways to distribute and sell products and services.

“It is absolutely essential for entertainment and media companies to know as much as possible about customers and develop processes and strategies that connect to them effectively,” White explains. Analytics is frequently at the center of an IT focus, but other technologies that enter the picture include cloud computing, social networking, content management, mobile applications and digital distribution. Many of these capabilities are ultimately driven by more powerful hardware and server virtualization.

It’s a concept that Brickman at New Meadowlands understands. Over the last three years, working with both the Giants and Jets, he and team executives have assembled a state-of-the-art environment that redefines sports entertainment and marketing. Cisco Stadium Vision technology presents live game footage, team trivia, news and weather information. It also allows stadium operators to change the venue’s color scheme, content and team branding—from Giants blue to Jets green—with the push of a few buttons.

Meanwhile, a Verizon and Cisco partnership delivers 34 channels of customized HD content to the stadium. This allows fans to simultaneously view multiple games and other content in select areas of the facility.

Verizon also installed a wireless network throughout the stadium, providing fans with access to relevant sports and entertainment content. Finally, luxury suites are equipped with digital technologies that allow patrons to use touchscreens to order concession items, as well as control broadcast channels and other digital content.

Assembling the infrastructure was a complex task. The stadium includes 10,000 access points for ubiquitous WiFi coverage and more than 1,000 point-of-sale devices. Operators use advanced analytics to track buying patterns and generate instant promotions to reduce food and merchandise inventory.

These systems, along with the 2,200 screens and a 70-channel Verizon FiOS HD video system, are tied into an IP network running on Cisco 6500 switches. More than 125 Dell servers control the infrastructure, which provides “obsolescence proofing.” Altogether, New Meadowlands invested more than $100 million in technology; the overall cost of the stadium exceeded $1.6 billion.

PwC’s White believes that entertainment and media companies are becoming savvier about how they approach technology. In the past, organizations typically handled media production, distribution and consumer-oriented tasks from distinct departments that weren’t part of IT—often relying on operations or engineering executives to make decisions. However, over the last few years, companies have begun to merge IT operations and build a single infrastructure. “There is a major push to bring these two worlds together,” he says.

“"The need for a converged IT infrastructure is rooted in efficiency and costs, White says. As digital distribution takes hold, a growing number of organizations are looking for ways to manage the process in a more streamlined way—while gleaning data about buying and consumption patterns.

“The reality is that consumers view products in an entirely different way [now], and media and entertainment companies are being forced to adapt,” he points out. “The repercussions are rippling through the supply chain and forcing everyone to take a more integrated approach.”

SITE SEEN

Not surprisingly, other media and entertainment companies are focusing heavily on their Websites. They’re attempting to make them more consumer-friendly and use analytics and other tools to present buying options in a more useful and relevant way. They’re also tying in social networking (see “Net Gains” on page 29) and looking for ways to maximize exposure and drive greater traffic.

For example, Mansueto Ventures, parent of Fast Company
and Inc. magazines, recognized the need to boost the presence of FastCompany.com in February 2008. By September of that year, the company began exploring ways to increase traffic and boost the number of site visitors.

It turned to marketing firm Volacci.com to analyze its clickstream and better understand how subscribers and visitors used the site. The idea was to develop more relevant content—including blogs, forums, wikis and more—and then deploy more advanced search engine optimization (SEO) capabilities.

After conducting a comprehensive analysis of the site, Mansueto embarked on a number of technical changes, including the way the site was coded. It added new tags, adjusted existing ones and updated links with keyword attributes. In addition, it added a link checker to find and repair broken links and address other glitches.

In the end, Volacci wound up boosting search engine referrals by 200 percent. “As an advertising-supported business, our page views are hugely important to what we do, so this project had a direct and significant effect on our bottom line,” notes CTO Paul Maiorana.

PwC’s White says that as digital products become more prominent, organizations must optimize their Websites and put more efficient distributions systems in place. Media companies are especially vulnerable to rapid changes in the way people purchase and consume music, videos and printed content. In fact, PwC predicts that 78 percent of the revenue growth within the entertainment and media field between 2009 and 2013 will come from digital products.

But this doesn’t mean that companies in these industries should jump ship from the physical world. Despite enormous growth in digital technology, only about 31 percent of consumer spending will focus on digital products by 2013.

“The reality is that companies must become much better at handling digital distribution, while at the same time managing traditional products and assets,” White explains. “They must have their fingers in both worlds and do a good job handling each.”

**PROCESSING CHANGE**

As companies transition to digital products and distribution systems, the demand for computing resources rises. Though there’s certainly a greater need for sheer computing power, there’s also a necessity to address data center and energy costs.

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**Agora Gets the Message**

Nowhere is the world changing faster than in the publishing industry. As articles, books and other content go online—and into archives—managing content efficiently becomes an enormous challenge.

At Agora Publishing, an international publisher and marketer of financial, travel and health-related content, putting more than 160 publications online presented both opportunity and risk. The company required an infrastructure that could handle conversions from unpaid to paid online subscriptions and deliver content effectively.

Agora turned to a message-management platform from Message Systems and—through a series of upgrades and updates that began in June 2009—built a sophisticated system. In the end, the company resolved its business challenges, generated new revenue opportunities and increased its growth. Agora more than doubled the number of subscribers to its most popular e-Newsletter, pushed up overall growth by 15 percent and trimmed overall operating costs by 40 percent.

“The system has enabled us to target information better and reach the right person with the right information,” says Getty Sarno, the company’s vice president of digital communications. “It also allowed Agora to deliver content fast enough to make sure that the reader was getting the best information.”—S.G.
Net Gains

As in many other industries, media and entertainment companies are turning to social media to change their relationships with customers. The National Basketball Association’s New Jersey Nets are among the many forward-looking organizations embracing these tools.

Over the last two seasons, the team has established a presence on Facebook and Twitter, and it uses these sites for promotions, including handing out free tickets to fans.

“We are heavily focusing our marketing efforts on the digital side of things,” explains Laura Lefton, senior director of marketing.

For instance, the team uses social networking to interact with fans during games and offer ticket and merchandise promotions. It also holds contests and sweepstakes, and uses social media as a way for fans to gain access to players and address their questions. In addition, a blog keeps fans informed about various events and promotions.

In fact, the Nets were the first NBA team to use Gowalla, a geolocation social marketing application, to distribute free and discounted virtual tickets at targeted locations—including sports bars, outdoor parks and gyms. The promotions are designed to increase brand exposure while capturing information about fans.

The team has also turned to analytics software from Adobe’s online marketing business, Omniture, to monitor visits to sites and analyze social networking trends. “We are interested in knowing what links people are clicking on and what elements they are interested in,” Lefton says.

The Nets have learned that fans who interact through Facebook and Twitter are generally more loyal and engaged than other fans are. As a result, the team is planning additional promotions and is figuring out new ways and innovative ways to interact with its fans. These include dedicated game nights and post-game meet-and-greet sessions with players.

Says Lefton: “It’s a different era, and it’s necessary to interact with fans in new, creative ways. Social media opens the door to new opportunities.”—S.G.