The Data Explosion: Tracking Customers Across Movies, Games, eSports, Streaming and More

Entertainment giants can put information to work, build detailed pictures of individual customers and even anticipate their behavior — if they can seize the opportunity

Entertainment companies are leaving money on the table. A lot of money.

Film studios, television networks, video game companies and an ever-increasing number of new industry players compete constantly for people's attention. While it's common for the same parent company to have units in several of those fields, too many companies fail to coordinate those units and extract the most value from their customers.

Put another way: An entertainment company that has, say, film, television and gaming units has three distinct sets of customers and understands each differently. Larger publishers can extend that even further, with merchandise tie-ins combining online and offline sales and, quite possibly, incorporating the "internet of things" (depending on the item sold). Beyond that, there's also the rise of community engagement and activities like eSports to consider.

The end result is entertainment companies have more sources and opportunities for fan enjoyment than ever before. And if companies use those to create 360-degree profiles of fans, (a complete view of customers built by aggregating data from the various types of media they consume), they can begin to understand them at scale, resulting in better targeted marketing efforts and the cross-sale of additional IPs that are likely to be of interest.

There's already a race among studios, publishers and others to get that better understanding of their customers' habits and preferences. To get to the finish line, though, they must complete three steps with their data: acquisition, unification and insight.

Data acquisition. Companies must set up their data-capturing systems to know what their customers are doing in real time. This is an area where digital-first companies have an advantage, but not an insurmountable one. Technologies are evolving fast in this space, so all sectors will explore new territory in the months and years to come.

Data unification. Companies with branching divisions need to share each branch's data internally, and merge it so each individual fan's data includes information from all branches. Acquiring and incorporating data on that user from an even wider variety of sources and platforms can help entertainment companies build new business models, optimize their marketing efforts and make the most of purchasing opportunities, both in the real and virtual worlds.

Data insight. Figuring out what to do with that data and putting it to work. This step answers the question "How can all of this disparate information best serve the company's business goals and bottom line?"

Data, Data Everywhere, But...

Data mining opportunities come in a variety of forms in the entertainment world. In 2016, the six major studios — Warner Bros., Disney, Fox, Paramount, Sony and Universal — released 93 films. Other studios put out another 43 features. (Collectively, the year's domestic box office receipts topped $11 billion.) That's a lot of potential data to gather, from ticket sales (which can be broken down in many ways), to most popular showtimes, to the types of films that do best in certain areas, to whether customers are willing to pay a premium for tickets in certain circumstances.

Things were even busier in the electronic entertainment industry. Game developers and publishers put out more than 700 titles last year collectively, resulting in a total consumer spend on video games in the United States of $30.6 billion. Data mining is notably easier in the video game industry, since many titles are played online. That lets publishers track how players progress through levels, see how far they get in games before moving on to something else, and where they're playing from geographically.

There's plenty of growth in other areas, too. Netflix, earlier this year, boosted its subscriber base above