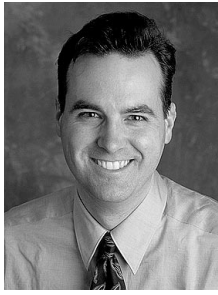


January 2003

**Don't Go Broke  
Managing Digital  
Assets**

FORRESTER®



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JANUARY 2003

## Don't Go Broke Managing Digital Assets

Enterprisewide digital asset management (DAM) is a myth for media companies. Publishers and networks should attack specific workflows with open, cheap, modular tools -- not with galactic DAM deployments.

### 2 INTERVIEWS

- 70% of media companies want small-scale DAM solutions.
- Cutting cost and improving workflow drive DAM today.

### 6 ANALYSIS

- On-demand delivery breaks the linear content workflow.
- A single DAM infrastructure is a fantasy.
- Media execs should start small by addressing one of three DAM domains: source, production, or channel collaboration.

### 15 ACTION

- Vendors: Embrace open standards and platform players.
- RFP writers: Solicit bids for domain-level DAM activities.

### 16 WHAT IT MEANS

- Archives get left behind -- for the Library of Congress.
- Distribution players like Comcast lead the metadata crusade.

### 17 RELATED MATERIAL

- Online spreadsheet outlining the pros and cons of media-focused DAM vendors.

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## INTERVIEWS

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### **DAM Today: Vendors Talk, Media Execs Balk**

Media companies aren't buying soup-to-nuts digital asset management. Our interviewees cite high cost, excessive customization, and immature technologies as reasons they shy away from large DAM projects.

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### **ONE-SIZE-FITS-ALL DAM DOESN'T CUT IT**

Cost pressures and demands for multichannel distribution are forcing media companies to rethink the way they manage content assets. To see how they are responding, Forrester spoke with senior technology executives from 25 television networks (broadcast and cable) and publishers (magazine and newspapers). They shared with us their business pains and future plans for digital asset management (DAM) technologies.

Most DAM activity today centers around the start of the content life cycle -- digitizing assets and moving them to other channels (see Figure 1-1). Consumer-facing issues -- like managing subscriptions and protecting digital rights -- draw less interest.

### **Enterprisewide DAM: Too Much For Too Little**

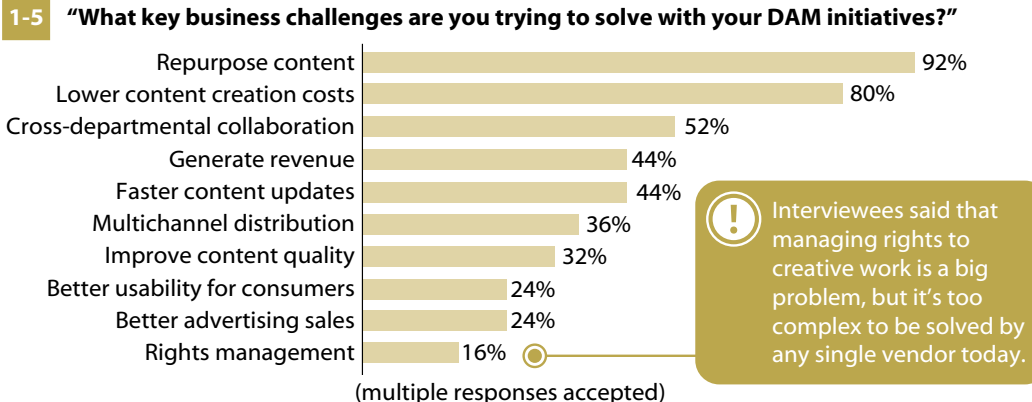
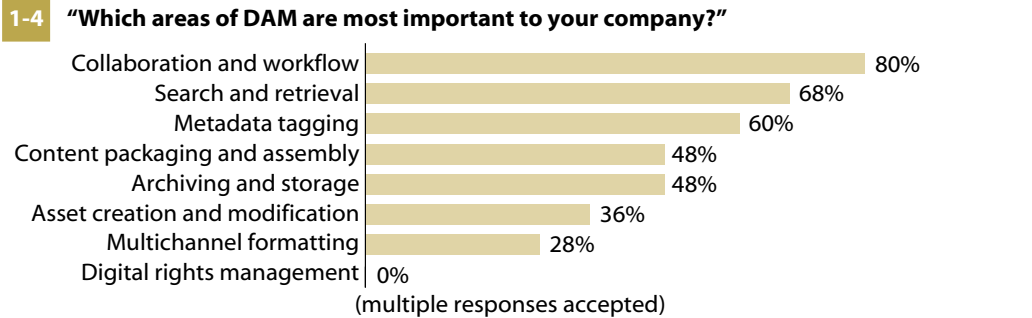
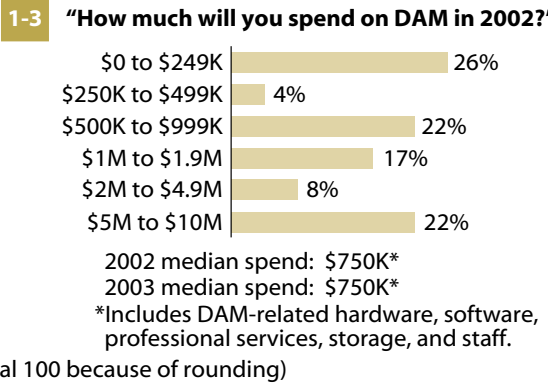
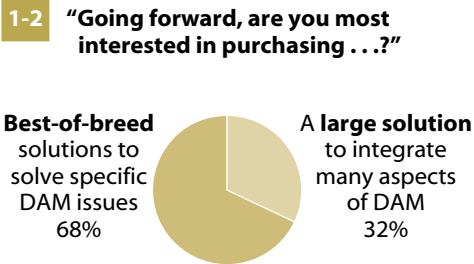
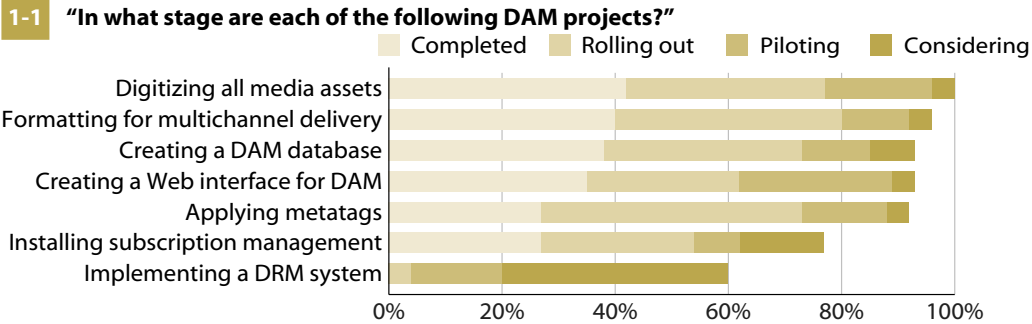
Few interviewees want to invest in a full-featured DAM solution (see Figure 1-2). Nor will they spend big bucks on DAM this year or next (see Figure 1-3).<sup>1</sup> High price points, costly customization requirements, and vendors' lack of understanding of unique business needs are key reasons why respondents steer clear of large-scale deployments.

"These guys -- Artesia, Vignette, Documentum -- have hallucinations of what they bring to the table. DAM solutions should be priced like word processing. MS Word, plus an Access Database, gives me a coherent DAM scheme at a fraction of the price. They are changing car prices for the tires." (Publisher)

"I've looked at 50 different asset management vendors. I haven't found one that meets 90% of our requirements. The customization and professional services required to get what we want -- a usable, browser-based interface, integration with Quark, and a proper security model -- is disappointing." (Publisher)

"It took us two years to build a low-resolution digital archive for licensing. Vendors didn't understand our business. The customization work ended up being double the software licensing cost. And this was only half the cost of the entire project. The other half was hosting." (Network)

**Figure 1** Collaboration And Content Repurposing Drive DAM Initiatives Today



Base: 26 senior technology executives from TV networks and publishing companies

Source: Forrester Research, Inc.

### Media Companies Use A Patchwork Of Point Solutions

To manage their assets, our respondents use a motley array of third-party and homegrown tools.

“We use Avid’s Media Manager, Telestream Flip Factory, and ClipMail Pro for traffic management, Canto Cumulus to manage images, Pinnacle to manage advertising playout services, Virage for video-logging, Radio-Assist to manage audio files, and ScheduALL to manage traditional video assets.” (Network)

“We are an Oracle shop but use Leach and Grass Valley to manage video assets. We have homegrown tools for rights management and cataloging, mostly in XML formats. We have also written a metadata layer for managing assets.” (Network)

“Digital Technologies ties together our advertising, graphics, and story databases. But we still use separate Web-facing tools -- Interwoven and WebLogic -- for their personalization and targeting strengths.” (Publisher)

### COST-CUTTING DRIVES DAM DEPLOYMENTS TODAY

Improved collaboration, search, and metadata tagging top the list of the most important DAM needs today (see Figure 1-4). What do they hope to achieve with their efforts? Interviewees cite repurposing content and cutting content creation costs as top priorities (see Figure 1-5). Beyond these strategic objectives, publishers and television networks each face asset management challenges unique to their own markets.

### Publishers Seek To Reuse Assets And Ignite Ad Sales

As the Web cannibalizes print, publishers struggle on several fronts. Magazines want to streamline rights approvals for image reuse. Newspapers seek to share content with sister properties. Both complain about stodgy, proprietary systems, and both want to spur ad sales by linking content and advertising assets with metadata.

“We have a lot of wonderful material that we could be reusing, but the only way to see our huge photo library is to go look at film. The biggest problem is deciding how many images we can afford to make searchable.” (Publisher)

“By setting up a wide-area network to manage content feeds for all of the newspapers in our group, we saved 50% on wire feeds.” (Publisher)

“Quark is the elephant in the bedroom. You have to figure out how to interoperate with it, because no general solution can match what Quark does for color reproduction. Vertical-specific, monolithic solutions can’t connect.” (Publisher)

“By using metatags to place job ads next to certain articles, we added seven figures to our recruitment ad revenue. We were able to upsell advertisers on better context for the ad by intelligently linking tags of different asset types.” (Publisher)

### Networks Seek To Decentralize Content Creation And Assembly

Digital asset management for broadcast and cable networks focuses on migrating content and systems from tape-to-tape to digital. They struggle over rights management, file formatting, and high storage costs. Tight budgets have forced them to concentrate on decentralizing content creation and improving workflows.

“Our top challenges: rights management, rapidly disseminating new and archived assets to multiple channels, and storing assets in multiple formats.” (Network)

“One of our major projects next year is to bring video to the desktop for a small group of creative producers. We want to enable browsing and detailed screening at the desktop, shipping to editing, and ability to do audio jogs.” (Network)

“For TV networks investing in DAM, there are great gains on the production side -- allowing folks to get access to and manipulate assets. What doesn't work is investing in Internet distribution or looking at DAM as a way to preserve assets. We'll still have to recode or reformat assets as technologies improve.” (Network)

“Between new workflows, server implementations, and our DAM system, we've cut speed-to-air and are four times more efficient in media production -- people who edit audio and video. That means fewer people producing more content.” (Network)

### SUMMARY

Based on our interviews with 25 media technology executives about their DAM needs:

- **Media executives aim for cost reduction.** Most DAM projects center around reusing images, program segments, and news feeds to cut program costs.
- **They can't spend much.** Networks spend much more than publishers, but the median DAM spend this year will be only \$750,000 -- that includes software, hardware, storage, professional services, and staff related to DAM projects.
- **Proprietary tools and multiple content formats are a big headache.** Closed systems make it difficult to manage numerous content types across channels.

## ANALYSIS

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### A New DAM Mantra: Start Small, Think Open

Consumer demand for flexible content means that media companies have to take DAM seriously. But no single-vendor solution solves the problem. Media shops should attack DAM in bite-sized chunks by: 1) focusing on current content workflows; 2) limiting deployments to discrete domains of activity; and 3) choosing open, cheap tools.

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### THE LINEAR CONTENT WORKFLOW BREAKS DOWN

Media used to be so simple. Assign a story, write or film it, edit it, and then publish it. But digital consumers are straining this linear process of content creation. As users adopt nonlinear ways of consuming content -- via multitasking, channel switching, and the use of on-demand devices like PVRs -- media companies have to manage (see the September 25, 2002 Forrester Brief “Are You Ready For On-Demand Media?”):<sup>2</sup>

- **More distribution outlets.** ABC News delivers clips on its own Web site, Real Networks, PDAs, Internet phones, and Pocket PCs. An expansion of distribution partnerships brought on by media consolidation -- like “Law & Order” episodes on TNT, or *People Magazine* clips on MovieLink -- puts even more pressure on companies to deliver on-demand content across multiple channels.
- **More content and formats.** Their appetites whetted by content derivatives like movie trailers, news headlines, pictures, and story graphics, consumers can't seem to get enough content. Satisfying this demand requires managing multiple formats -- like Windows Media, QuickTime, PDF, HTML, MPEG4, and DVD.
- **More custom packages.** Customized news packages -- like *USA TODAY's* NewsTracker or Desktop Weather by The Weather Channel -- require advanced levels of metadata tagging and personalization engines.
- **Less time and resources.** An advertising recession and stingy consumers leave media companies with thin staffs and lean technology budgets. In the past two months alone, AOL Time Warner, *BusinessWeek*, Dow Jones, *Playboy*, TechTV, and *The Orange County Register* have laid off employees.

**Figure 2** The DAM Vendor Landscape, 1999 And 2003

1999		2003	
Company	Where are they today?	Type of company	Examples
Artesia	Expanded focus into enterprise DAM market	<b>Infrastructure vendors</b> Full-feature DAM solutions that serve a range of basic needs (repository, workflow, production, metatagging)	• Artesia • Blue Order • Documentum • IBM • North Plains • Venacá • WebWare
Bulldog	Documentum bought it for \$11 million, after Sony pulled out.		
Media 360	Spun off and closed down after it couldn't find any buyers.		
eMotion	Collapsed from 225 employees to 20. Recently reorganized and funded.		
		<b>Middleware vendors</b> Solutions that link or aggregate DAM tools or databases	• Agari • Context Media • Venetica
		<b>Tools vendors</b> Traditional apps that try to extend their role to DAM around their core function -- image management, editing, production	• Adobe • Avid • Canto • CCI • Telestream • Quark • Virage

Source: Forrester Research, Inc.

**No DAM Vendor Solves All Of The Problems**

A content industry in the midst of transition should have spelled gold for DAM vendors. Instead, it's been a death march. Many full-service DAM vendors of the late 1990s have either gone out of business or gone on to other pastures. Today, the DAM market is comprised of a diverse collection of infrastructure, middleware, and tool vendors (see Figure 2). These vendors have found out the hard way that media companies have:

- **Unique workflows.** Even within a “homogenous” category like newspapers, editorial practices, production workflows, rights management issues, archiving demands, and work cultures differ dramatically from one firm to another. The distributed workflow, concurrent usage, and archive demands of *The New York Times* vary greatly from those of the *New York Post*.
- **Entrenched, closed tools.** Each media company -- and often each media property -- has its own preferred set of content creation tools, video servers, traffic systems, editing suites, video-logging software, and encoding and delivery systems. As a result, selling into this market is like pulling teeth. As far as we know, there are no examples of an Avid Composer pulling content off of a larger DAM system.

- **Wildly varied content.** Long-form, evergreen content from The History Channel requires a very different DAM solution than perishable, short-form news stories from Fox News. Amounts of programming and frequency of delivery also vary. CNN has to log and manage 150 hours of content per day -- versus only 26 shows per year for a production shop like Sesame Street.
- **Hardware complexity.** Hardware, not software, has been the big winner in the television business. But that creates a big problem. Inside the firewall, any DAM solution has to deal with a myriad of editing workstations, video recorders, tape storage devices, and play-out systems. Integration with these legacy hardware systems -- and changing their associated workflows -- is a challenge.

### THE FUTURE OF DAM: CHEAP, OPEN, AND FOCUSED

There are efficiencies to be gained, costs to be saved, and revenues to be made with DAM. But capturing those returns requires that media execs give up on the fantasy of an enterprisewide asset database, a single asset management UI, and a uniform metadata schema. Bottom line: Trying to manage digital assets as a cross-enterprise effort is a recipe for disaster -- financially, organizationally, and technically.

Our advice: Start small. Media execs should scope their asset management priorities by answering three basic questions:

1. Which content, if managed better, will provide the best return?
2. What workgroups will benefit most from DAM investments?
3. What tools are cheap, open, and appropriate?

### Start Small: With Current Production Assets Before Archived Content

*National Geographic Magazine* has 10 million image assets. eNetworks has 300,000 video assets. With so many assets “waiting to be monetized,” the DAM possibilities are tantalizing. Where should a TV network or publisher start when thinking about digital asset management initiatives? Our advice is to:

- **Start with current production assets.** Beginning with current programs for DAM improvements offers the advantages of: 1) cutting real, not hypothetical, operating costs; 2) working on assets with proven revenue appeal in the current market; and 3) testing new workflows in a live, but controlled, environment. Using Pinnacle Liquid and other systems -- and adapting workflows to minimize manual labor -- CNN quadrupled its video media production with several programs.

**Figure 3 Which Archived Content Is Worth Managing?**

	Content type		Consumer appeal		Revenue potential		
	Assets	Short form	Ever-green	Broadband users	Mouse Potatoes*	On Internet	On ODTV
High priority ↑	Adult entertainment	✓	✓	✓	✓	✓	✓
	Entertainment news	✓	✓	✓	✓	✓	
	Music content	✓	✓	✓		✓	✓
	Celebrity interviews	✓	✓	✓	✓		
	Concert events		✓	✓	✓		✓
	Dating/personals	✓		✓	✓	✓	
	Syndicated programs		✓	✓	✓		✓
	Children's shows	✓	✓				✓
	Health information	✓	✓				✓
	Sports events			✓	✓		✓
	Financial information	✓				✓	
	Product reviews	✓				✓	
	Travel programs		✓				✓
	Sports highlights	✓		✓			
	General news	✓					
Low priority ↓	Weather	✓					

\* Mouse Potatoes -- a Forrester Technographics® segment of high-income, entertainment-oriented technology optimists -- will be among the first to embrace on-demand TV technologies.

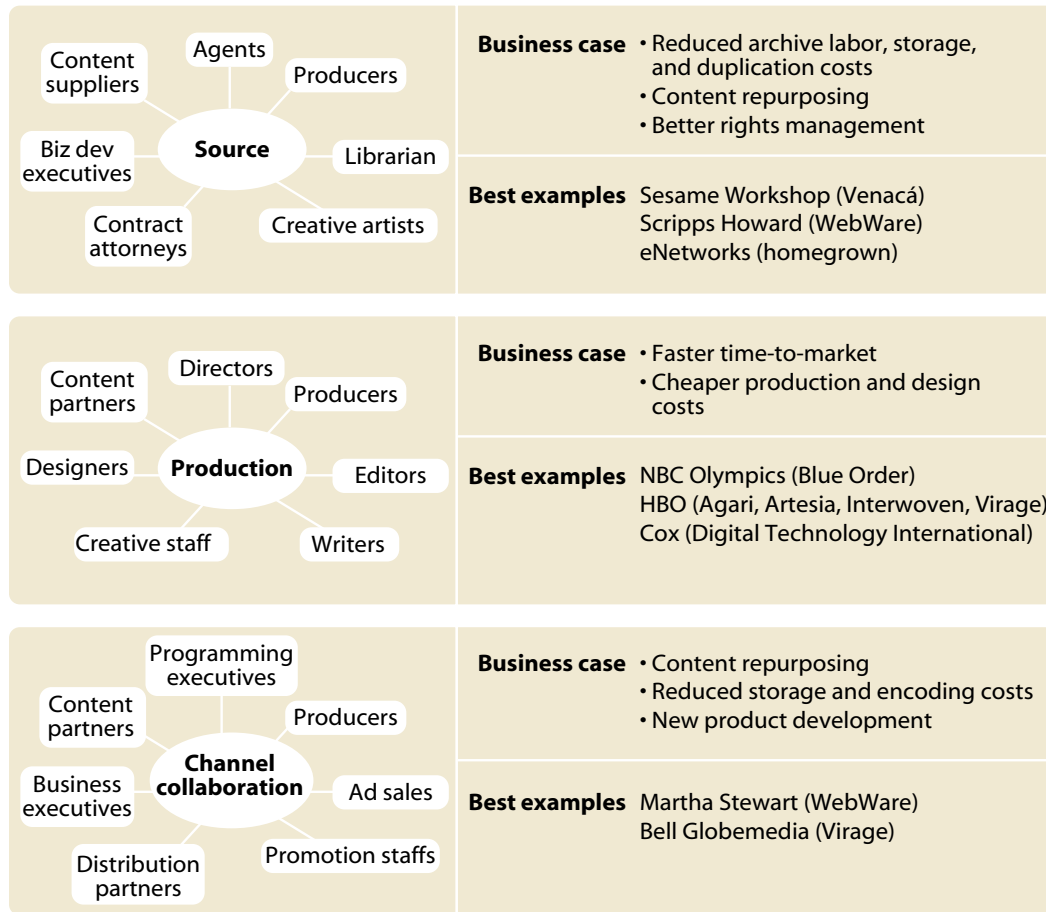
Source: Forrester Research, Inc.

- **Next, pull the most-requested archive assets.** After addressing current workflows, media companies should turn to the archive. Tracking requests from external, internal, and consumer constituencies, such as call center logs and surveys, ensures no wasted motion. After striking a distribution deal with Noggin, Sesame Workshop began repurposing segments on letters and numbers.
- **Finally, revive only those archive assets with revenue potential.** The best bets for repurposing content in the near future lie in select forms of Internet distribution and embedding programs in basic VOD tiers for television.<sup>3</sup> Media execs should focus on content types and consumers well-suited to these new distribution models (see Figure 3). Evergreen content, popular in today's syndication market with young audiences, is a good rule of thumb.

### Start Small: By Focusing On Bite-Sized Workgroups

Media companies have to face the truth: DAM is a workgroup, not a company problem. Team efforts coalesce in three domains along the content life cycle: sourcing, production, and channel collaboration (see Figure 4). To maximize ROI, firms should:

**Figure 4** Focus On Three Principal DAM Domains



Source: Forrester Research, Inc.

- **Enhance efficiency with a source repository.** Digitizing assets, assigning metadata, and identifying rights at the ingest stage not only lays the foundation for future DAM projects, it also cuts real costs today -- like theft and loss of physical media, duplication and storage costs, and archive maintenance. By video-logging camera masters that come in from shoots, attaching time codes, and letting people view them online, eNetworks has dramatically improved inventory control.
- **Streamline production with third-party tools.** Firms should pick systems that support tight integration with robust third-party tools for functions like content creation and editing. Artesia, for example, has tight integration with Vignette and Quark, allowing users to easily move, search, and drag and drop assets across environments. Blue Order's Media Archive -- with strong video manipulation -- served as a work support tool for NBC's Olympic coverage.

- **Spur new products and revenues with channel collaboration.** Peeling off a select group of daily content with known cross-channel appeal, formatting it, and inserting ads is another controlled way to implement DAM, open up new revenue streams, and foster learning. Bell Globemedia takes 300 clips a day from media sources like CTV and Report on Business Television -- and uses Virage to encode, capture, and distribute the clips via the Web and WAP.

### Start Small: By Choosing Cheap And Open Technologies

With business requirements and technologies churning constantly, firms should avoid betting the farm on proprietary products that pack lots of features into a single, inflexible package. Instead, buyers should look for standards-compliant products that support deep customization and the ability to integrate with a portfolio of preferred tools (see Figure 5). To hedge against excessive risk, firms should:

- **Choose repositories with robust content and metadata flexibility.** On the TV side, the ability to support, store, and transform multiple content formats -- especially video, as allowed by tools like Blue Order and WebWare -- is a must. Buyers should also evaluate products' advanced metadata management capabilities. Artesia is particularly strong here -- with four patents pending on metadata alone. Entry-level price points for these basic repository solutions begin at \$150,000.
- **Select production tools that support distributed authoring environments.** DAM tools in the production domain fall into two camps: components and backbones. Component tools need to embrace open production standards like XMP, WebDAV, AAF, and MXF, and be cheap enough to use in a distributed production environment.<sup>4</sup> Backbone tools have to support database interface standards like ODBC and JDBC, handle content modification and versioning (as CCI does with newspapers), and offer affordable storage of multiple asset types. This complex functionality and deep integration from vendors like Blue Order and North Plains begins at a cost of \$250,000 -- a bit more than a repository system.
- **Buy distribution systems with workflow and usability strengths.** Workflow reporting, notification, automated management of events, and a tool's basic ability to support collaborative content creation and approval processing across platforms and tools determine the success of an app in the distribution domain. Web-based tools from WebWare and Context Media -- whose Intershare product offers application-specific content handling and retrieval -- are good bets. Systems that support a select number of channels and users will run \$500,000 and up.

**Figure 5** Cheap And Open Applications Are The Building Blocks For DAM

1 A spreadsheet is available by clicking the online "Get Data" button above this figure.

Source	Production	Channel collaboration
<ul style="list-style-type: none"> <li>• Does the app support multiple content formats?</li> <li>• Does the product have a SOAP client that enables it to aggregate content via Web services?</li> <li>• How many operating systems does the product support?</li> <li>• What is the product's standard method for storing content?</li> </ul>	<ul style="list-style-type: none"> <li>• Does the app support standards like XMP, WebDAV, and AAF?</li> <li>• Has anyone connected this app using vendor-supplied APIs or third-party adaptors?</li> <li>• Does the application have a proprietary file system?</li> </ul>	<ul style="list-style-type: none"> <li>• How well does the product integrate with common desktop authoring tools?</li> <li>• How easily can the UI be customized for power users?</li> <li>• How much hand-coding is needed to write the business logic to make this app work?</li> </ul>
<p><b>Best bets</b></p> <ul style="list-style-type: none"> <li>• Artesia \$100K</li> <li>• Blue Order \$250K</li> <li>• WebWare \$125K</li> <li>• Venacá \$75K</li> </ul>	<p><b>Best bets</b></p> <p>Backbones</p> <ul style="list-style-type: none"> <li>• CCI \$ millions (newspapers)</li> <li>• Blue Order \$250K</li> </ul> <p>Components</p> <ul style="list-style-type: none"> <li>• Adobe Varies</li> <li>• Virage \$100K</li> <li>• Canto \$10K</li> <li>• Pinnacle Varies Systems</li> </ul>	<p><b>Best bets</b></p> <ul style="list-style-type: none"> <li>• Virage \$100K</li> <li>• WebWare \$125K</li> <li>• Blue Order \$250K</li> </ul>

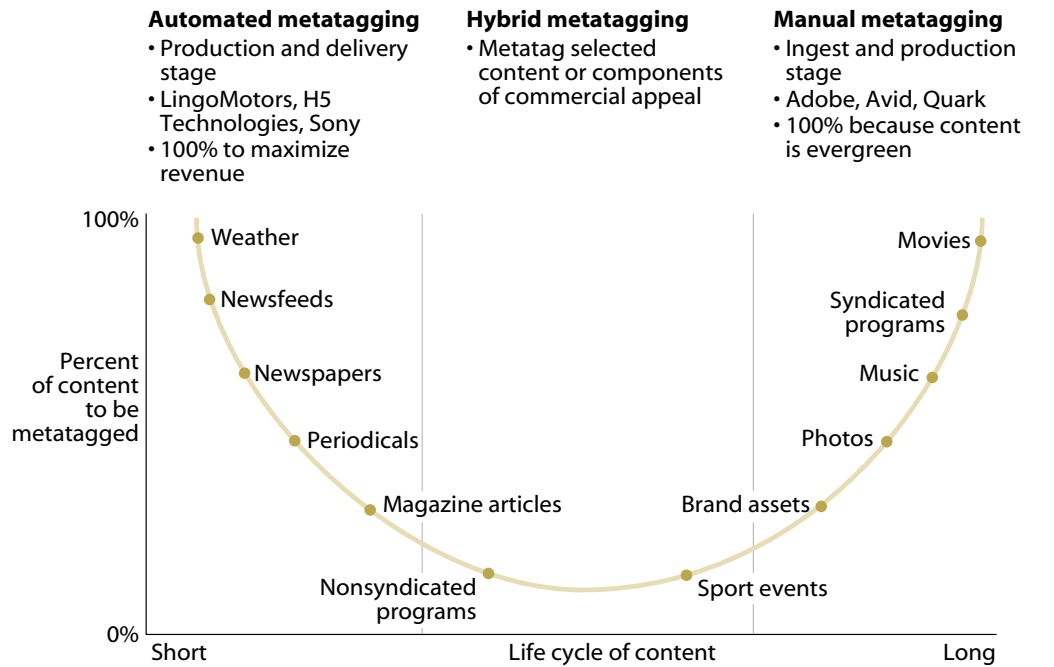
Source: Forrester Research, Inc.

- **Stay away from homegrown solutions.** Built-in-house DAM apps only make sense if: 1) a media shop has deep expertise in Java and object-based models, and 2) off-the-shelf solutions do not accommodate specialized workflows and content assets. For most media companies, these conditions don't apply. eNetworks -- which built an archive solution with WebLogic 6.1, Oracle9i, and an open source search engine called SWISH -- is a successful example. But falling software prices and a wide availability of middleware and component tools -- like transcoding specialist Telestream -- argue against the homegrown approach.

**METADATA TIES IT ALL TOGETHER**

Once media companies have converged on the right content, workflows, and tools, they must establish sound metadata management practices. Efficient multichannel publishing, robust search, and profitable content customization services will fail without structured assets. This requires four steps:

- **Find the right metadata to focus on.** Rather than boil the ocean, asset managers should prioritize content tagging based on the value these tags create. In television, metatagging is heavy on the engineering side and lighter on the content side. Focusing

**Figure 6** Metadata Approaches Depend On Media Type And Life Cycle

Source: Forrester Research, Inc.

on content elements like genre, subject matter, and style will better position these assets for basic VOD tiers. Newspapers can lighten up on their heavy indexing of stories and focus on tags that describe the content -- to maximize distribution and help sell more contextual advertising.

- **Leverage existing best practices.** Before tagging a single asset, managers should first conduct a metadata audit to uncover existing dictionaries and taxonomies currently in use. Teams should give priority to practices that have already achieved some success -- like functional product information catalogs -- and build out from there. Some products can help. North Plains' Metadata Import Wizard creates metadata assignments from existing fields in other databases.
- **Choose your weapon.** Highly perishable, uniform content types like newspapers need automated metatagging strategies to maximize their appeal during a short distribution window (see Figure 6). Highly complex, perennial content forms like music and movies require more manual metatagging during the production phase. Content forms that fall in between require a hybrid approach -- but for only a small subsegment of content with some lasting appeal.

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- **Establish feedback mechanisms for continuous improvement.** Vocabularies and tagging schemes must change as product lines, merchandising strategies, and end users evolve. WebWare, for example, records asset values upon check-in, allowing the ROI of certain assets to be tracked. By correlating the most common metadata with high-value assets, companies can refine metadata tagging schemes to maximize the value of other assets.

## ACTION

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### **Infrastructure vendors: Find platform vendors now.**

As the enterprise content management (ECM) market plateaus, firms like Vignette and Interwoven will look to DAM vendors for help in managing clients' non-Web assets. ECM-DAM alliances will be essential; mergers will be tantalizing. Our advice for DAM vendors: Look past ECM, to creating tighter relationships with platform players. Sun and Artesia's close work at WGBH, and Documentum's work with IBM WebSphere make these alliances natural.



### **Tools vendors: Get on the standards bandwagon.**

Standby media tools like Avid, CCI, DTI, Portfolio, and Quark have to focus on modularizing and opening their products so that they play well with others. If not, they will slowly but surely be run over by tools that do. Any doubt? Look at BroadVision's history. Although it helped create the eCommerce market with its rich feature set, its slow adoption of open standards gave early Java-based systems a huge window of opportunity that they were able to exploit.



### **Middleware vendors: Sell to IBM and Redmond, while you can.**

Content BUS middleware vendor Agari and aggregator Context Media have technologies that are perfect for a world of nonconversant legacy systems. But as large-scale DAM products expand their capabilities and tools vendors develop more robust adaptors, their value proposition will sink. Before it's too late, these middleware folks should court Microsoft or IBM.



### **DAM sales forces: Sell products at the domain level.**

Budget, customization, and workflow obstacles mean that buyers won't respond to the big-bang DAM pitch. DAM sales folks need to modularize their product offerings around domain workflows -- and adjust price points accordingly. North Plains has created user interfaces for three user classes -- content creators, editors, and consumers -- to customize its offering for each workflow.



### **DAM project managers: Structure RFPs around domains.**

Trotting out general DAM goals, legacy systems, and content types isn't enough for a DAM RFP. For *each* domain, buyers should detail key workflows, content types, power users, activities, UI preferences, and expected hard and soft returns. Doing so will force buyers to do valuable needs assessment and minimize mismatches with over-featured, overpriced products.

## WHAT IT MEANS



### **Metadata standards get a boost -- from Comcast.**

From MPEG7 content descriptors to standards proposed by TV-Anytime and OpenCable, metadata standards for digital media have gotten limited traction. What will break the logjam? Big distributors like Comcast that will demand consistent, detailed descriptions of assets from the oncoming tidal wave of on-demand television. Sellers always have a way of forcing an industry to get its act together. ISBN, the book standard, only came about when booksellers demanded better ways to classify and control 50,000 new books each year.



### **The Media Preservation Act rescues archives.**

As media companies deploy DAM for assets with a clear ROI, most archives will get left behind. Media leaders will appeal to Uncle Sam for help in preserving 20th-century American history. Congress will assent in the form of the Media Preservation Act -- empowering the Library of Congress to lead a long-term program of archival preservation. WGBH -- PBS' largest supplier of video and developer of the first end-to-end architecture for DAM of video -- will lead the effort to digitize and preserve video assets to assure continued availability for education and research, "monetizing its assets" in public service terms.



### **Local media properties shrink in size.**

As DAM systems allow more repurposing of content, local media empires like Belo, Cox Communications, Knight Ridder, and Tribune will begin migrating news production to the national level. Production costs will shrink; speed-to-air will improve. But it won't be pretty at the local level. Local writers, editors, and graphic designers will lose jobs. Consumers will have to settle for more homogenized news, only made palatable by more colorful anchor personalities -- à la Bill O'Reilly and Chris Matthews -- for a twist of local flavor and opinion.



### **Apple, Sony, and Roxio propel DAM for the home.**

Consumers -- looking to create, edit, share, and store photos, MP3 files, home video, and digital movies at reasonable price points -- will flock to the same companies that develop cheap, open tools and devices for media properties. Apple -- whose \$1,000 FinalCutPro straddles the consumer and professional markets -- and Sony's broad line of digital cameras will benefit. On the software side, Roxio's broad range of products will make it a force for the home media management dashboard -- far ahead of trailing Microsoft and AOL.

## RELATED MATERIAL

### Online Resources

The underlying spreadsheet detailing the interview responses in Figure 1 is available by clicking the online “Get Data” button above the figure.

As additional detail for Figure 5, an online spreadsheet detailing the pros, cons, media reference accounts, and entry price points of DAM providers is available by clicking the online “Get Data” button above the figure.

### Media Company Interviews

The data presented in the Interview section is a result of discussions with 25 senior technology executives at television networks, newspapers, and magazine companies.

### Vendors Interviewed For This Report

Accenture  
[www.accenture.com](http://www.accenture.com)

Adobe Systems  
[www.adobe.com](http://www.adobe.com)

AdWare  
[www.adware.com](http://www.adware.com)

Agari Mediaware  
[www.agari.com](http://www.agari.com)

Arbortext  
[www.arbortext.com](http://www.arbortext.com)

Artesia Technologies  
[www.artesia.com](http://www.artesia.com)

Avid Technology  
[www.avid.com](http://www.avid.com)

Blue Order  
[www.blueorder.com](http://www.blueorder.com)

Canto Software  
[www.canto.com](http://www.canto.com)

Context Media  
[www.contextmedia.com](http://www.contextmedia.com)

Digital Technology  
International  
[www.dtint.com](http://www.dtint.com)

Documentum  
[www.documentum.com](http://www.documentum.com)

eMeta  
[www.emeta.com](http://www.emeta.com)

eMotion  
[www.emotion.com](http://www.emotion.com)

IBM  
[www.ibm.com](http://www.ibm.com)

Kontiki  
[www.kontiki.com](http://www.kontiki.com)

LingoMotors  
[www.lingomotors.com](http://www.lingomotors.com)

MediaBin  
[www.mediabin.com](http://www.mediabin.com)

North Plains Systems  
[www.northplains.com](http://www.northplains.com)

Perspective Media Group

Pinnacle Systems  
[www.pinnaclesys.com](http://www.pinnaclesys.com)

RightsLine  
[www.rightsline.com](http://www.rightsline.com)

Sandlot  
[www.sandlot.com](http://www.sandlot.com)

Sony  
[www.sony.com](http://www.sony.com)

Sun Microsystems  
[www.sun.com](http://www.sun.com)

Tata Consultancy Services  
[www.tcs.com](http://www.tcs.com)

Telestream  
[www.telestream.net](http://www.telestream.net)

Venacá  
[www.venaca.com](http://www.venaca.com)

Virage  
[www.virage.com](http://www.virage.com)

WebWare  
[www.webwarecorp.com](http://www.webwarecorp.com)

### Related Research

September 25, 2002 Forrester Brief “Are You Ready For On-Demand Media?”

June 2002 Forrester Report “Enterprise Content Management Delusions”

## G R A P E V I N E

### **Now that's asset management.**

Sometimes when dreams come true, they aren't pretty. Forrester received an email this week reminding us of one of our press quotes back in the year 2000 predicting the inevitable emergence of virtual news anchors. Lo and behold, the email told us, they have finally arrived. Newsknife.com has created "Mike Saunders" and "Jennifer Nash" -- anchors who, the site boasts half seriously, are "more animated than the average news anchor." Despite the outrageous costs of news talent, these replacement anchors aren't quite ready for prime time. The demo on the site gave us the best belly laughs we've had in a long time -- given their cartoon likenesses, bad lip synching, witless virtual banter, and even a big warning that read "Demo only. Fake news." Mike and Jennifer aren't ready for CNN. But they might give "The Simpsons" a run for the money . . .

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### **Complain and ye shall receive.**

Before AOL announced its re-energized broadband strategy, Forrester wrote that AOL would have to entice consumers with lower price points for its bring-your-own-access (BYOA) service (see the October 25, 2002 Forrester Brief "MSN 8 And SBC Yahoo! Will Dent AOL" and see the October 2002 Forrester Report "Three Tiers For Broadband").<sup>5</sup> At its announcement, AOL touted the \$14.95 BYOA price point but admitted that many consumers had not yet heard about it. It turns out that consumers are in the dark about a bit more. BYOA prices as low as \$7.95 can be had if consumers complain -- as we did -- that they will drop AOL. AOL claims that it is just testing the waters with these "unadvertised specials." Reminds us of the old credit card companies that, after getting your phone call to quit, would magically waive the annual fee.

## E N D N O T E S

- 1 Spending figures include money spent on hardware, software, storage, professional services, and staff for DAM-related projects.
- 2 In a world of on-demand media, media companies will need to provide consumers with content when, where, and how they want it. This world will require that media companies become more adept at content repurposing, aggregation, and customization.
- 3 In the coming years, video on-demand (VOD) will expand from transaction-based pay-per-view and subscription-based VOD to something Forrester calls basic VOD. Basic VOD is a collection of on-demand programs from a variety of suppliers, supported by advertising, available bundled or for a single monthly price to consumers.
- 4 XMP and WebDAV are publishing standards. XMP (eXtensible Metadata Platform) allows metadata to be read within the content file itself, rather than in a separate tag file or other proprietary mode. Doing so improves metadata modification and management. WebDAV (Web-based Distributed Authoring and Versioning) allows users to collaboratively edit and manage content files from a remote server. AAF (Advanced Authoring Format) is a file format that allows the interchange of content and metadata within the TV post production and authoring environment. MXF (Material Exchange Format) is an SMPTE standard that allows the interchange of audio and video -- with its associated metadata -- between servers, workstations, and content creation devices.
- 5 Nearly half of dial-up users say that high prices keep them from switching to broadband. To succeed in this price-sensitive environment and fend off lower-price options from MSN, AOL needs to lower prices in order to retain users.

**Forrester's WholeView™ Research** provides clients with unified guidance on customer trends, business strategy, and technology investments through Technographics®, TechStrategy™, and TechRankings™. WholeView Research drills down into the most important details of an issue while maintaining a holistic perspective of the impact of technology change on business.

Forrester also offers Events and Strategic Services that further enhance the WholeView. Each Event provides new ideas, clear direction, and innovative strategies with a WholeView perspective. Strategic Services deliver custom guidance for the complex business decisions that drive your company's success.

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**Forrester Events**

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Between Push And Pull: The New Demand-Driven Auto Industry

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Organic IT: The Next Computing Revolution

Scottsdale, Ariz.  
February 23-25, 2003

Web Site Review Boot Camp  
How To Evaluate And Fix Your Web Site  
Cambridge, Mass.  
March 5-6, 2003