MEDIA & ENTERTAINMENT

2025 CX IMPERATIVES

Industry Insights for the Experience Economy

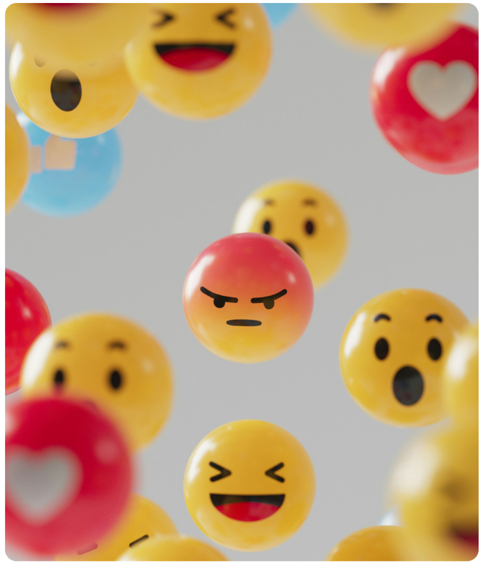
MERKLE

a dentsu company

Successful brands recognize that it's no longer a matter of knowing everything about your customers – it's about knowing the right things, including their preferences and expectations for interacting with your company.

Last year, we reported on what consumers want and how brands rise to the occasion to deliver. Now, we've compiled those insights through an industry lens.

This report addresses the unique challenges and opportunities media and entertainment companies face with data-driven strategies to enhance customer engagement, personalization, and loyalty. See how you stack up against your industry peers and learn how to stay ahead of evolving customer expectations for long-term business growth.



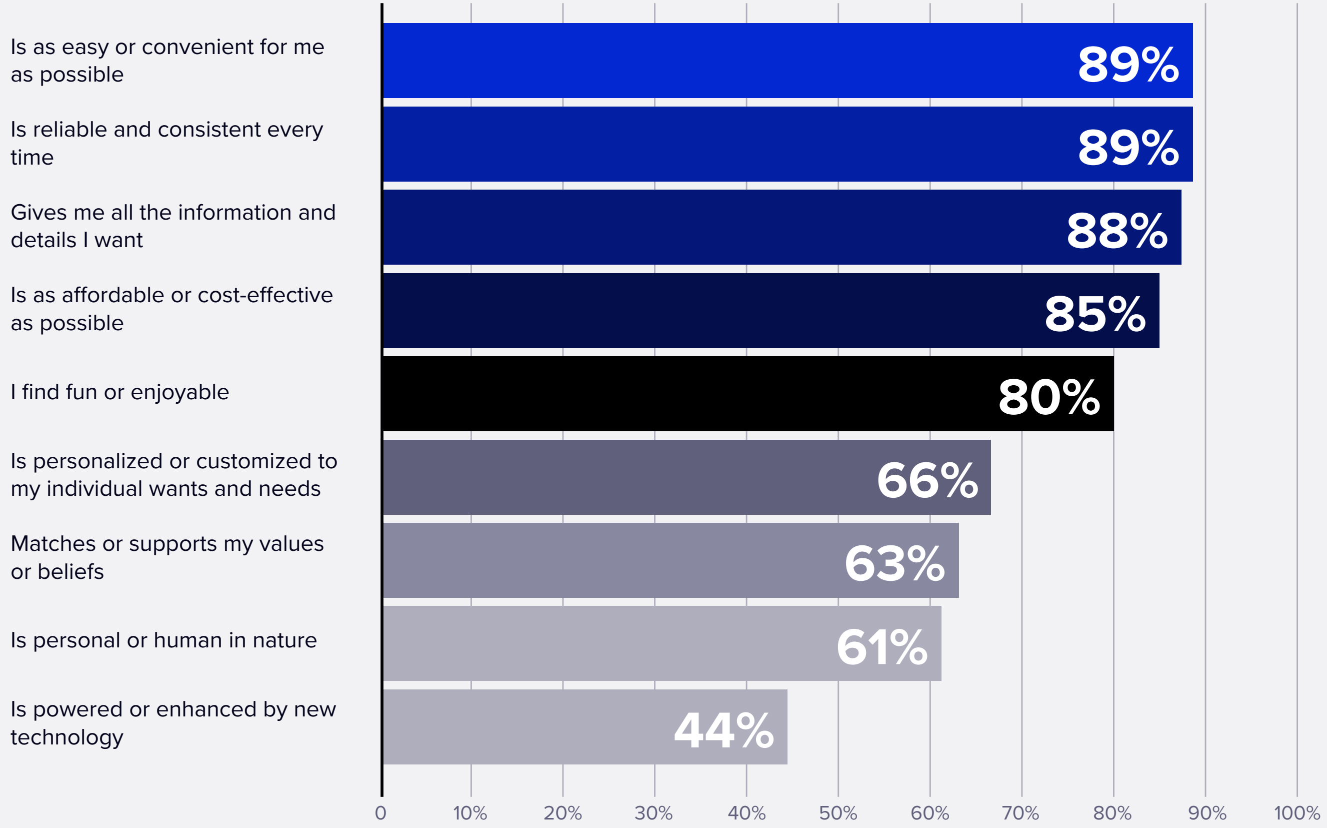
CONSUMER SURVEY

Media and entertainment customers value **convenience, reliability**, and **details** in their brand experiences above all else.

Our consumer survey found that reliability, consistency, ease, and convenience are the most important attributes for brand experiences in the media and entertainment industry. Consumers also value getting all the information and details they want throughout their journey, whether they're creating an amusement park itinerary or learning about a new movie release.

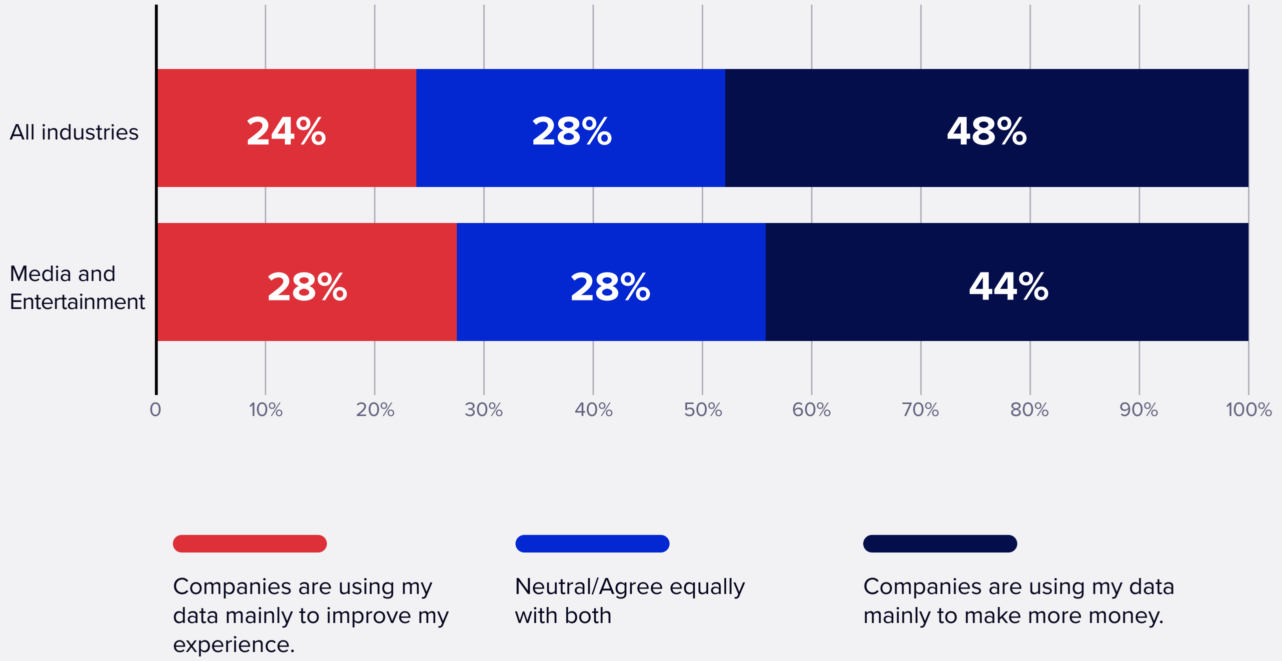
It's worth noting that affordability and cost-effectiveness scored highly across industries, despite it being a less-flexible component of CX for many brands.

Q: Thinking about all of the times you have engaged with or purchased from this media and entertainment brand over the past 2-3 years, how important are each of the following aspects when you are engaging with a brand or company in this category? – % very or extremely important



CONSUMER SURVEY

Q: Thinking about all the times you've engaged with, purchased from and/or donated to [brand], which one of the following pairs of statements do you agree with more?



44% of customers feel that media and entertainment brands are using their data more for financial gain than improved CX.

Just 28% of customers believe that media and entertainment brands use their data to improve experience more than their own bottom line. While that's better than the average from our survey, it still leaves a lot of room for improvement.

Data and personalization can make purchasing journeys much easier and consistent – two attributes customers in this space heavily value for their brand experiences. As we highlighted in our consumer report, using data for the customer's benefit is imperative to CX success.

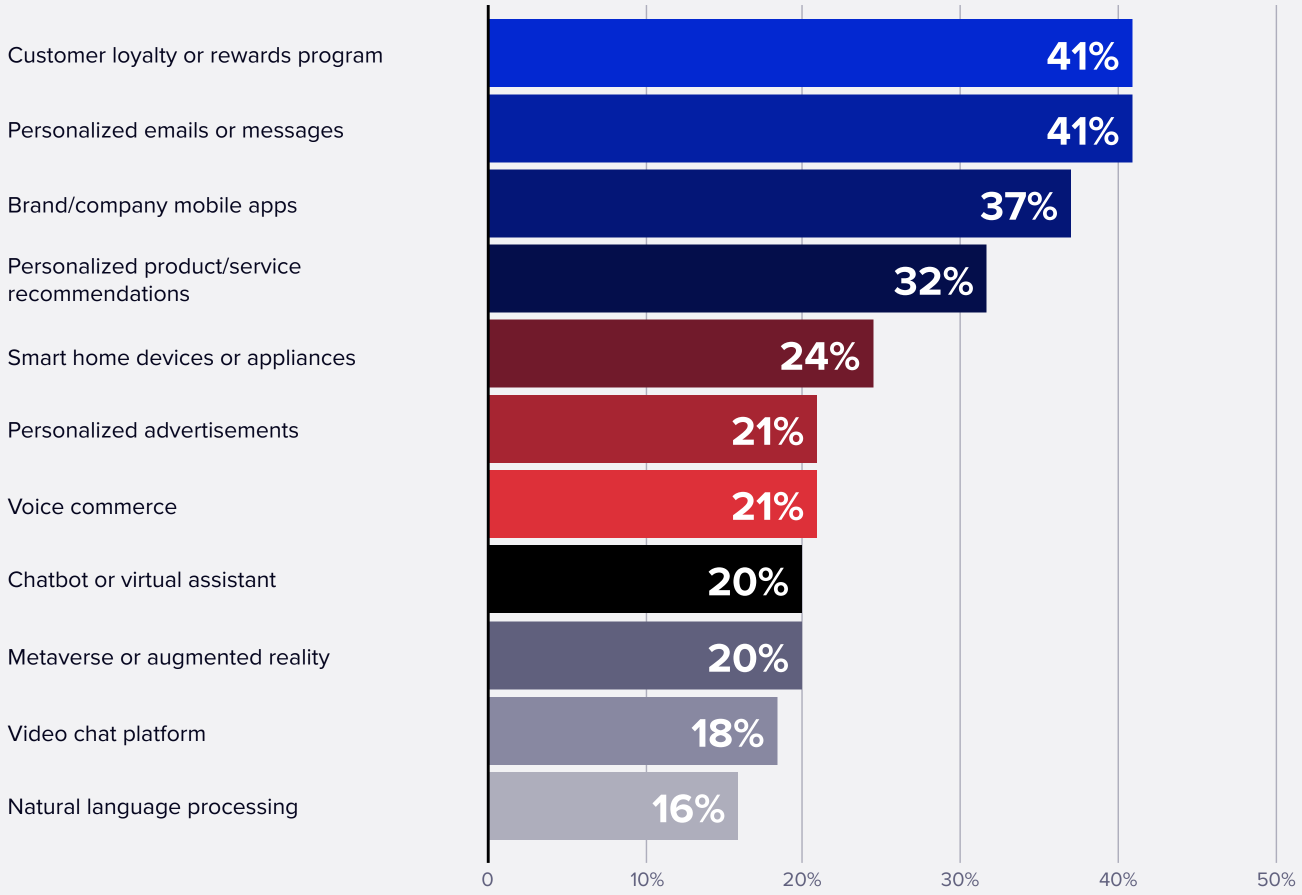
CONSUMER SURVEY

Consumers are excited by **customer loyalty** and **rewards programs,** and **personalized emails** more than any other CX technology.

Our consumer report noted the importance of the post-purchase experience, which includes loyalty and rewards programs. Companies can lean into this area of CX tech their consumers are most excited to use.

The data collected through these programs can inform personalized messaging and emails – another area that excites media and entertainment consumers – to help shift the perception that brands are using data for financial gain over CX improvement.

Q: Which of the following customer experience technologies would you be excited to use or interact with in the future, when you are engaging with media and entertainment companies?



Human interaction still matters, especially when requesting support.

Consumers reported favoring digital over human experiences across every step of the media and entertainment journey, except for requesting support. However, companies aren't relying on human over digital in any stage.

In today's connected environment, you must remember that experiences don't need to be all human or all digital - when used effectively, technology can enhance the human experience.

Consumer respondents

Q: When interacting with media and entertainment brands, what kind of experience would you most prefer?

Researching	Evaluating/Selecting	Purchasing	Paying	Requesting Support
More digital (+21%)	More digital (+12%)	Equal split (+/- 5%)	**More digital (+31%)**	**More human (+32%)**

Professional respondents

Q: What "kind" of experience does your organization typically deliver to customers right now?

Researching	Evaluating/Selecting	Purchasing
More digital (+36%)	Equal split (+/- 10%)	Equal split (+/- 10%)

Requesting Support	Renewing a contract/service	Adding or switching services/solutions
Equal split (+/- 10%)	Equal split (+/- 10%)	More digital (+12%)

Digital experiences strongly preferred (+20% or more net)

Human experiences strongly preferred (+20% or more net)

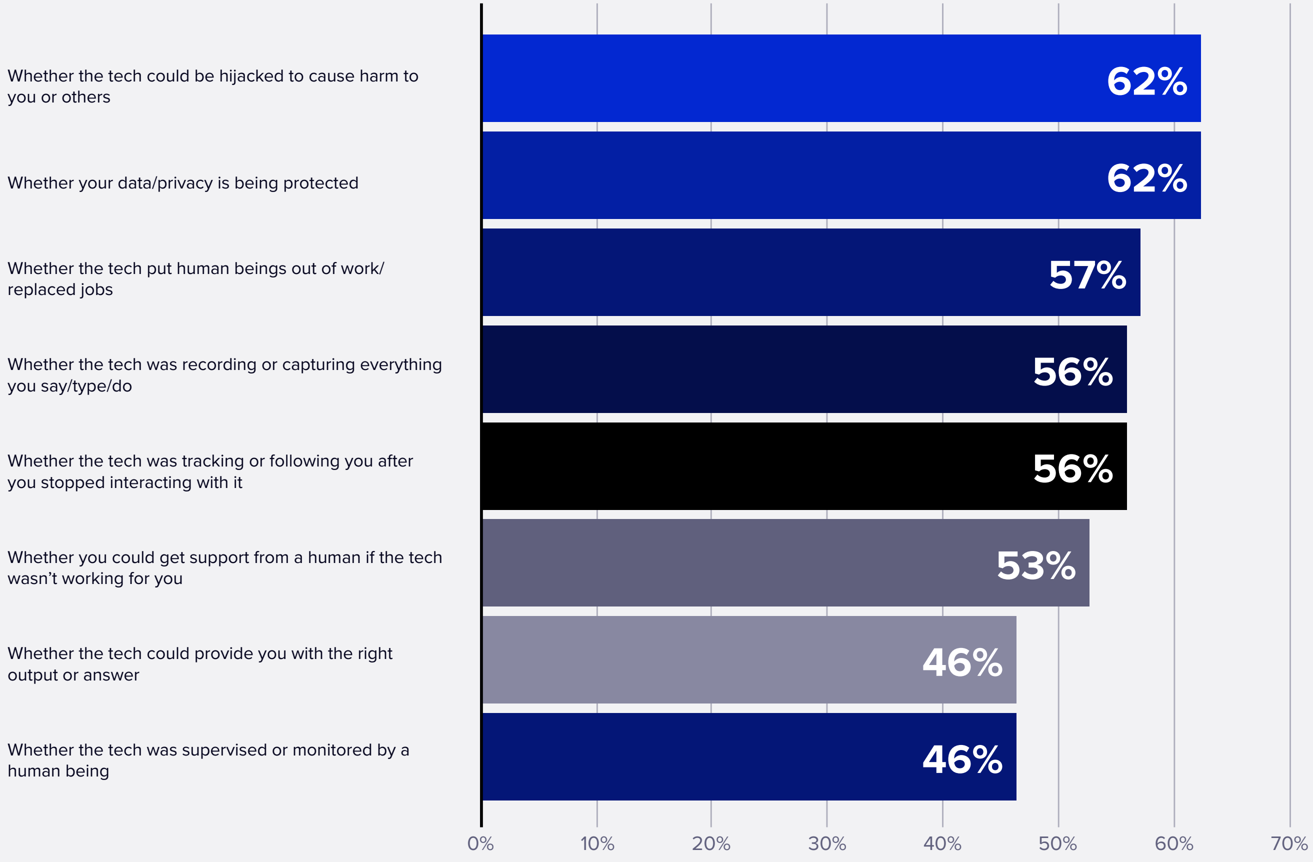
CONSUMER SURVEY

Consumers' greatest concerns with AI focus on safety and potential harm.

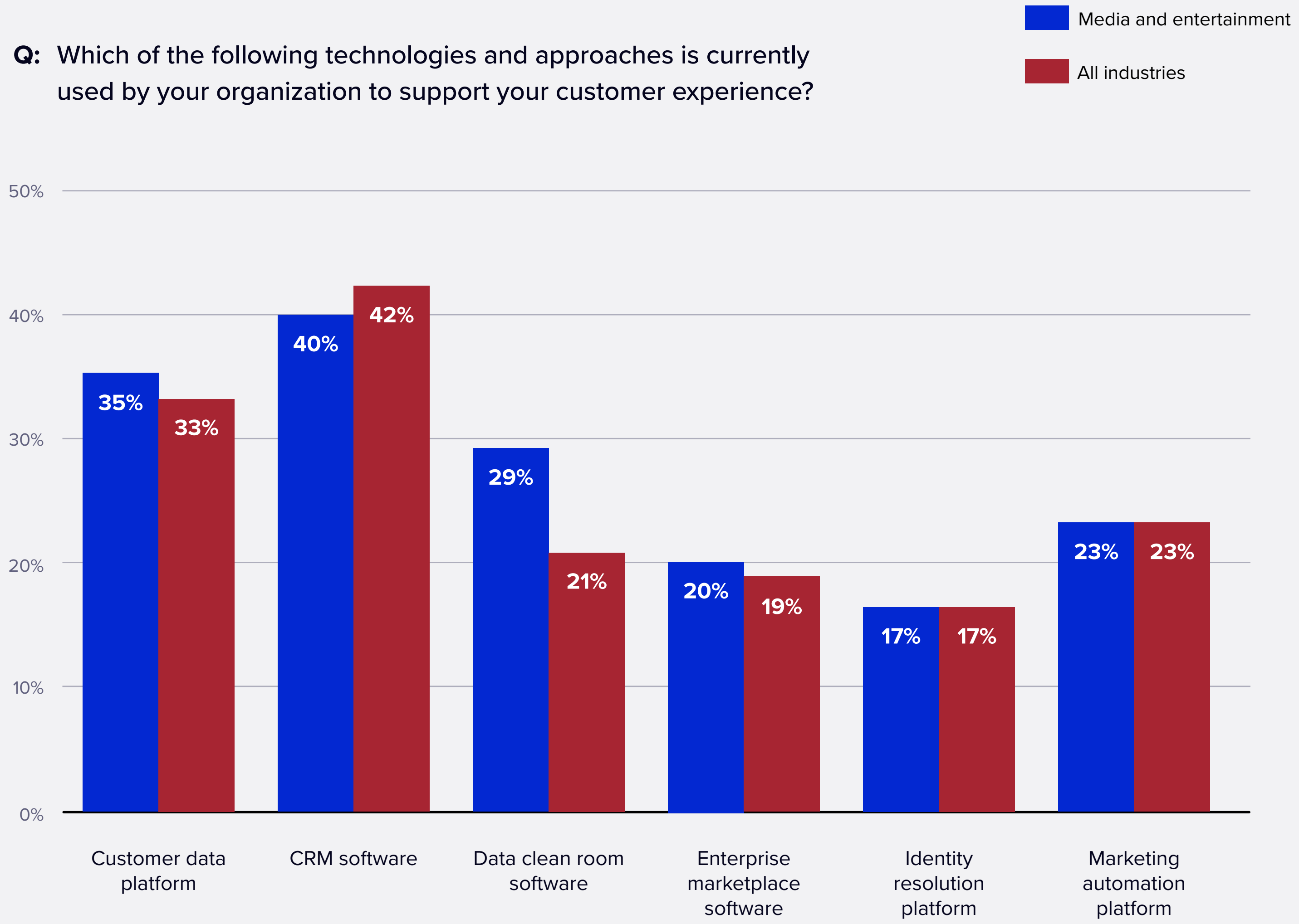
When it comes to AI-powered technology, media and entertainment consumers are most concerned about **whether it could be hijacked, data privacy, and its potential to replace human jobs**. Though cited less often, there's also some concern about whether AI can effectively solve the consumers' challenge.

Q: If you found yourself interacting with AI-powered technologies when engaging with media and entertainment companies, how concerned would you be about each of the following (if at all)?

A: % of customers who are very concerned or extremely concerned



PROFESSIONAL SURVEY



Fewer than 1 in 5 media and entertainment respondents use an identity resolution platform.

This is on par with other industries we surveyed, but concerningly low for an industry where organizations often have vertical integration and engage with customers through multiple mediums. The main technology where media and entertainment differs from the overall sample is data clean rooms, lagging companies across all industries by 8 points.

PROFESSIONAL SURVEY

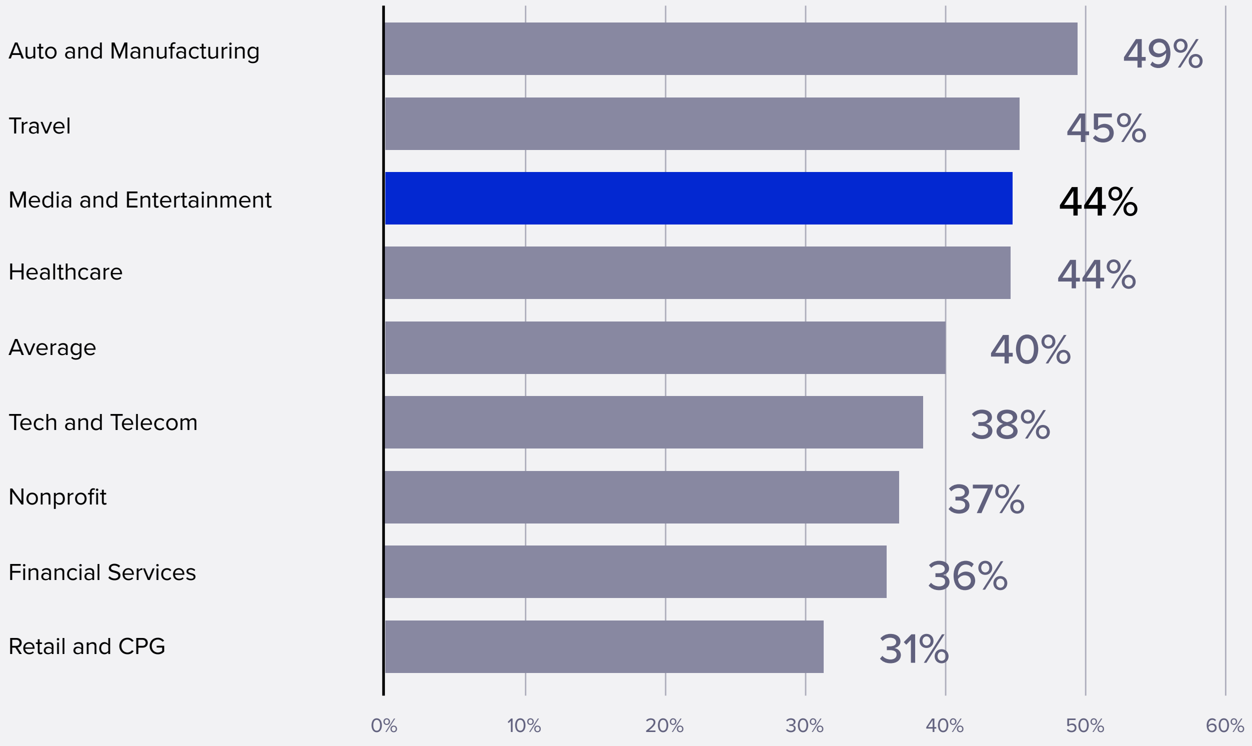
44% of media and entertainment respondents strongly agree that their **marketing technology is well integrated.**

As highlighted in our business leaders' report, well-integrated marketing technology lays the groundwork for introducing emerging technologies quickly and successfully.

Why? Because this integration allows for the consolidation of data from disparate sources (e.g., digital channels, call centers, offline channels, etc.). While media and entertainment outperformed the average, technology integration remains an area of improvement for organizations in this space to optimize their CX efforts.

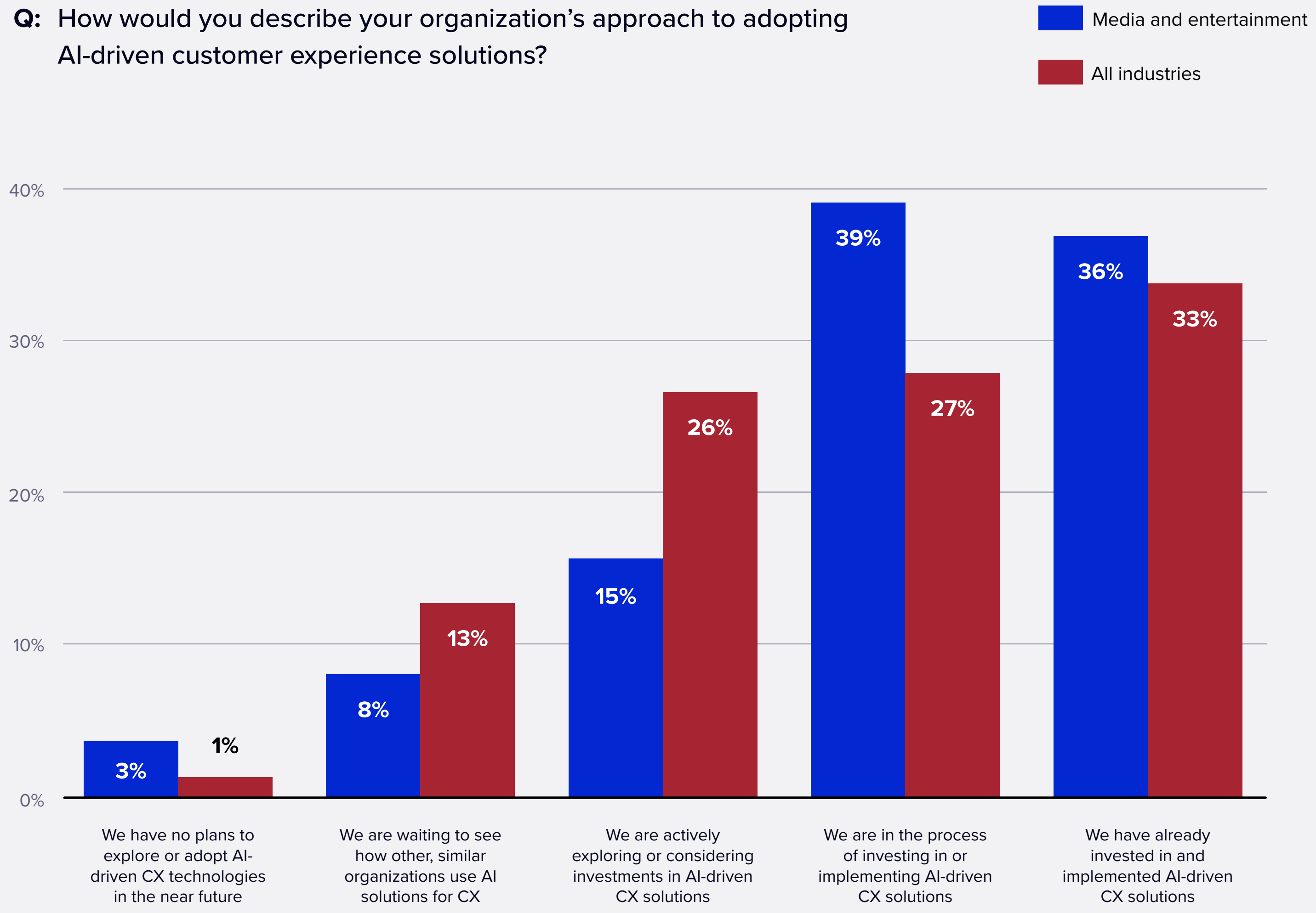
Q: How well do you think each of the following statements describes your organization?

A: % strongly agree with "Our marketing technology platforms are very well-integrated (versus disjointed or siloed)"



PROFESSIONAL SURVEY

Q: How would you describe your organization's approach to adopting AI-driven customer experience solutions?



Media and entertainment organizations are **more advanced in their AI journeys** than other industries.

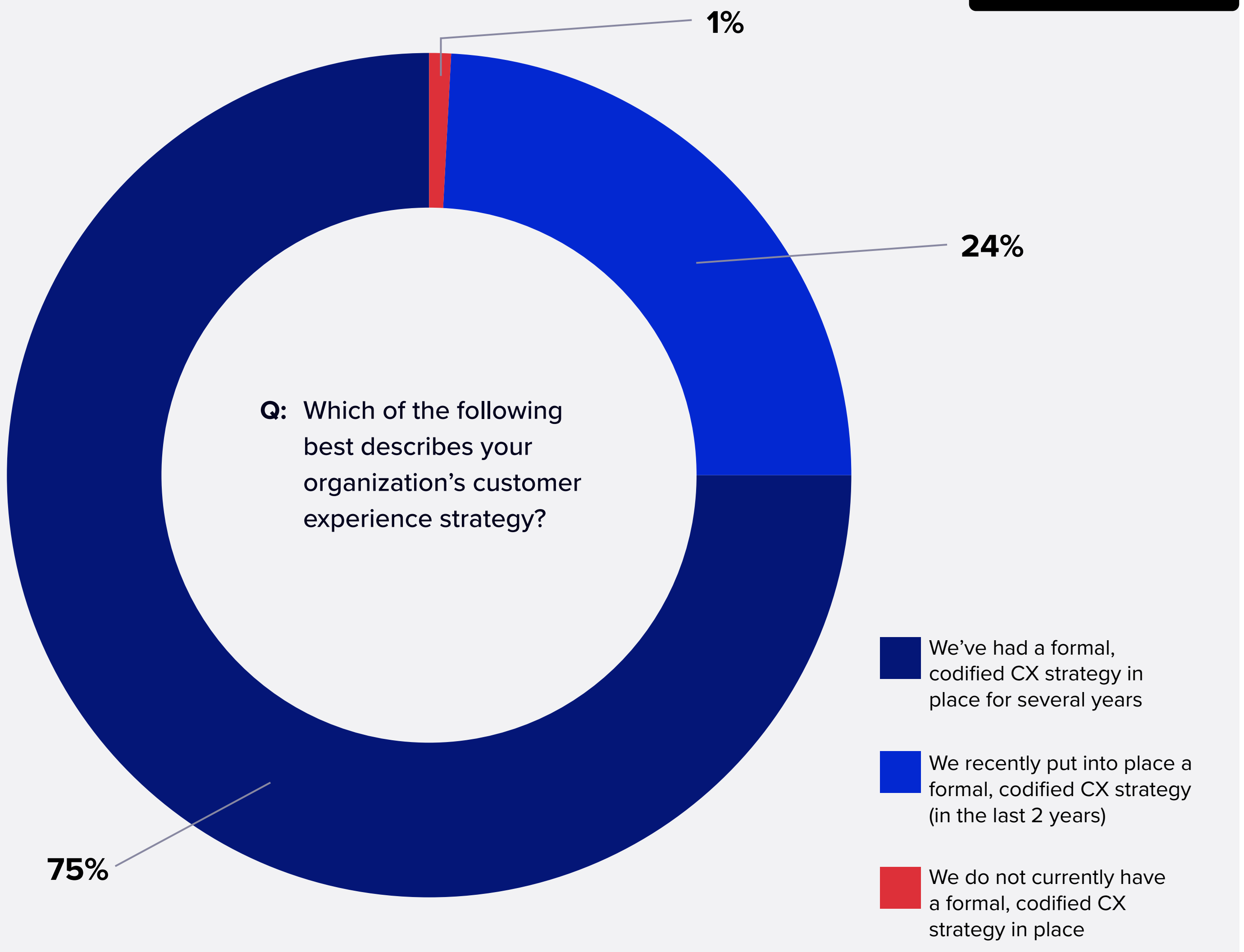
While they're still working on marketing technology integration, media and entertainment organizations are moving forward with AI adoption at a faster pace than other industries. Compared to all respondents, media and entertainment is more likely to be in the process of investing in or implementing AI-driven CX solutions, or to have already invested in and implemented AI-driven CX solutions.

As early adopters, media and entertainment organizations should create a strong evaluation and optimization plan to ensure their AI solutions deliver the expected outcomes.

PROFESSIONAL SURVEY

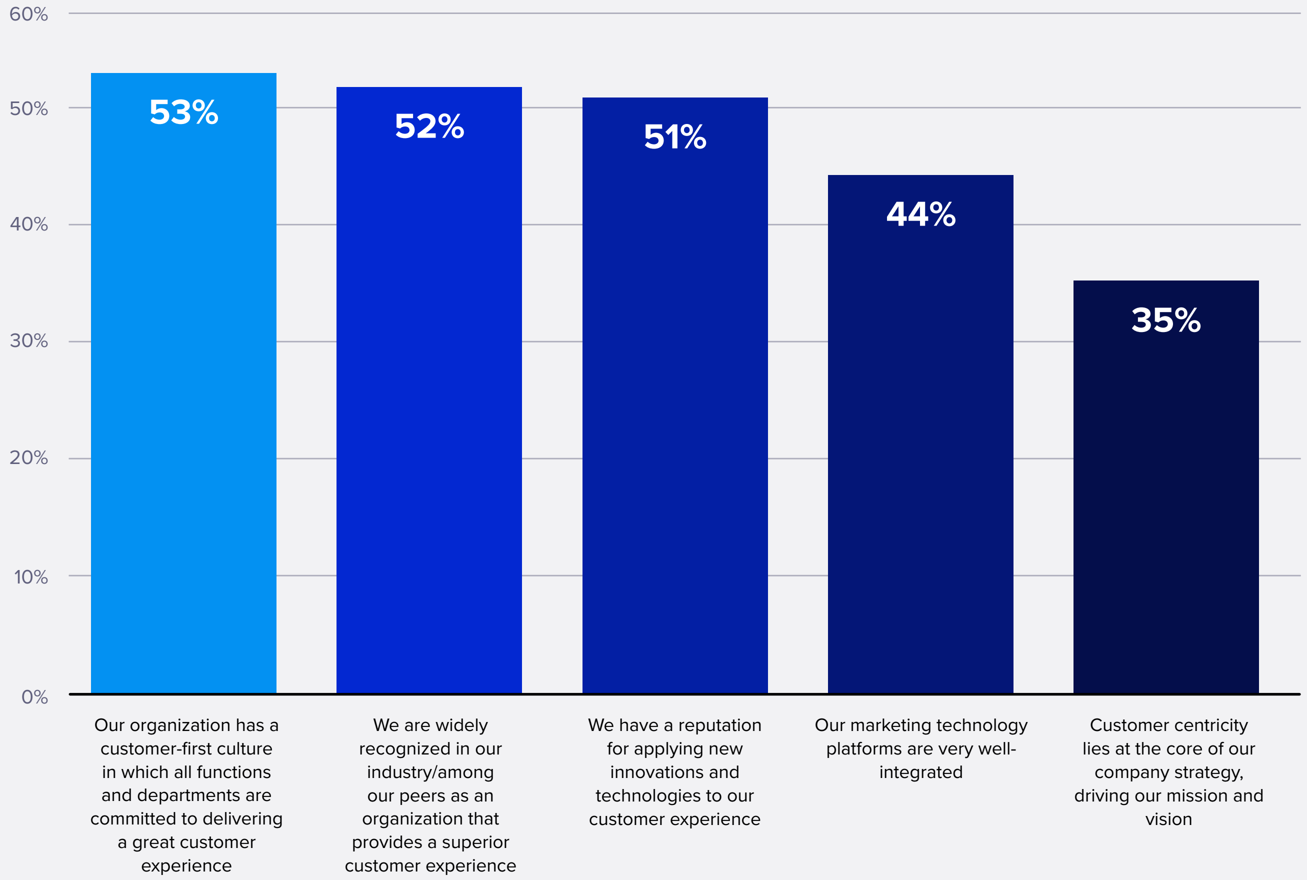
Nearly all media and entertainment companies surveyed **have formal, codified CX strategies** in place.

Seventy-five percent of media and entertainment organizations in our survey have had formal CX strategies in place for several years, which exceeds the average across industries. Despite this claim, there is a disconnect when it comes to having customer-centric practices throughout the organization.



PROFESSIONAL SURVEY

Q: How well do you think each of the following statements describes your organization? – % Strongly Agree



Just over 50% of media and entertainment respondents strongly agree that their organization has a customer-first culture.

Ninety-nine percent of media and entertainment respondents reported having formal, codified CX strategies, but that's not always translating to customer centricity. This is an interesting disconnect and highlights the importance of digging beyond codified policies into company culture and practices to understand how well organizations truly follow a customer-first approach.

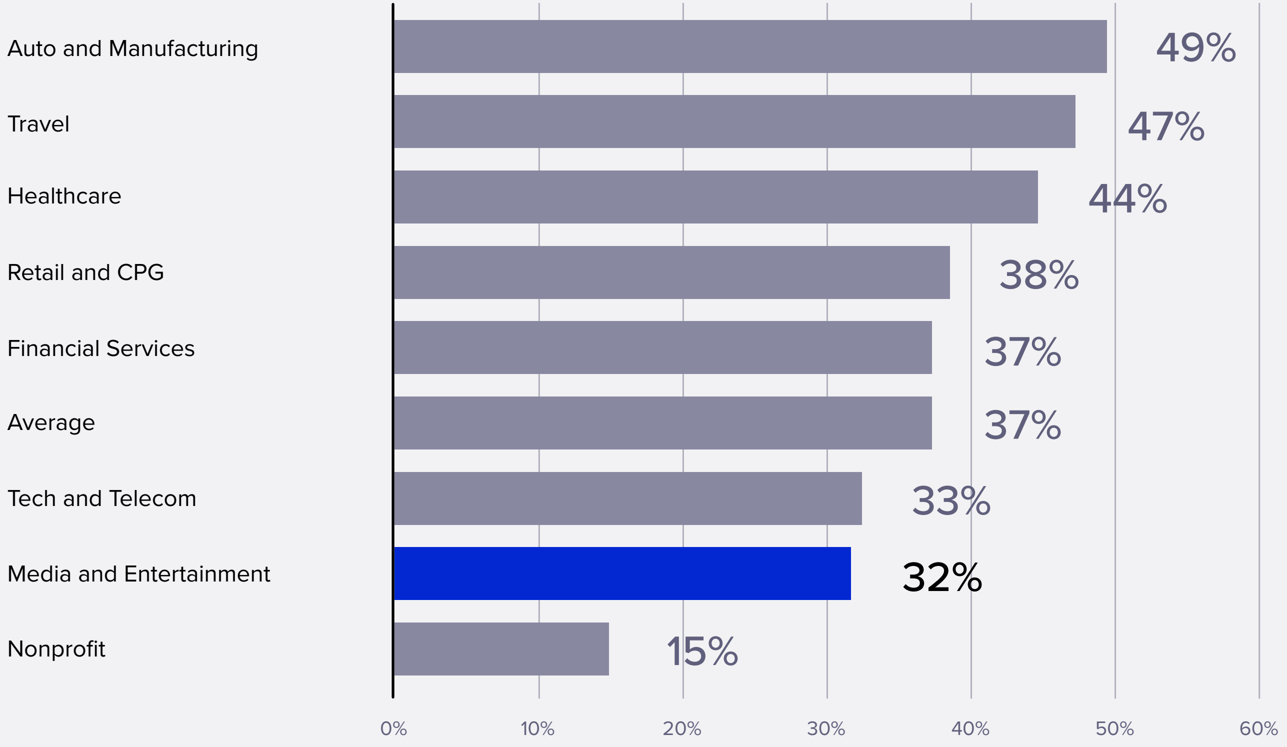
Media and entertainment companies **base their decisions more on finances and competitors** than customer feedback.

Another marker of customer centricity is how much a company prioritizes consumer feedback over other factors when making CX investments. Only 32% of media and entertainment respondents reported customer feedback as a top-three driver of their CX investments – a common trend across industries, all of which had less than 50% of respondents indicate that customer feedback was a top driver of CX investment decisions.

As highlighted in our business leaders' study, **CX leaders are more likely to prioritize customer feedback** than competitor activity.

Q: What are the biggest drivers or factors that influence your organization's customer experience investments?

A: % chose "Customer feedback/demands"



Key considerations

Nail the basics.

The most important aspects of brand experiences for your consumers are convenience, ease, and reliability. That means using data to improve their interactions with your brand and offering human options where customers need it most: for support. It also means making technology investments that can help you connect messaging and interactions across touchpoints.

Media and entertainment organizations face unique challenges (and opportunities) to engage the customer across many formats, thanks to vertical integration. Start cross-department conversations to figure out how your brand can interact seamlessly with the customer across those touchpoints.

Dedicate resources to enhancing the post-purchase experience.

Media and entertainment customers are excited about loyalty programs, but for most organizations, those offerings are still in their early stages. Look beyond “a free popcorn with 5 movie tickets” to add value that’s not just transactional.

Additionally, take advantage of the built-in waiting period inherent to most media and entertainment purchases, whether that’s counting down the days to a new movie release or waiting for the start of an amusement park trip. How can you generate excitement or give your customers more information that will enhance their overall experience during that time?

Engrain customer centricity in your organization to deliver CX excellence.

Nearly all media and entertainment respondents reported having codified, formal CX strategies, but after peeling back the layers, there’s still work to do when it comes to being a customer-first brand.

One of the first steps is to prioritize customer feedback when it comes to CX investments – only 32% currently do so. Remember, feedback isn’t just surveys: customers give you feedback every time they interact with your brand to complete a purchase, abandon their cart, or engage (or delete) an email.

Create the right marketing tech foundation to use data for good.

A well-integrated marketing technology stack forms the foundation for all other CX efforts. It is a must-have if you want data that’s connected, clean, and accessible – in other words, data that can enhance your CX. Without a well-integrated marketing technology stack, it will be hard to deliver the personalized communications or loyalty programs that your customers want.

Use AI to solve real customer or business problems and be thorough when evaluating success.

Media and entertainment is ahead of the pack when it comes to implementing AI. Companies that have already invested should pay close attention to their evaluation framework and align KPIs to the challenges they expect AI to solve. Those that haven’t jumped in yet should focus on real customer or business needs instead of what seems easiest or most innovative: for example, when customers prefer human interaction for support, a support chatbot may not be the next-best project.

For further reading

Methodology

Primary research comprised online surveys of N=820 CX professionals with decision-making influence on customer experience at their organizations and N=2,100 consumers who had a qualifying consumer interaction with one or more brand categories in the past 3 months. Surveys were administered in six languages to professionals and consumers based in 18 countries across North America, Europe, and the Asia Pacific region. Survey fieldwork conducted October-November 2023.

Representation of categories by CX professionals: 18% retail & CPG; 17% tech & telecom; 16% financial services & insurance; 15% automotive and manufacturing; 12% healthcare; 9% media and entertainment; 9% nonprofit; and 9% travel.

Representation of categories by consumers: 73% retailer; 64% restaurant or food service; 60% healthcare provider; 55% financial services; 48% packaged goods; 44% clothing or textile; 44% technology or telecoms; 43% travel or transportation; 43% hospitality; 34% insurance provider; 33% entertainment; 33% electronics or technology; 31% household goods; 31% media brand; 26% nonprofit organization; 21% vehicle manufacturer; 21% software company; 15% outdoor equipment.

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