

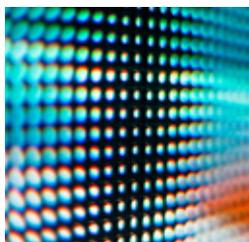


Changing Channels: The Role of the Chief Content Officer

Rethinking content leadership at today's media companies and beyond

Digital disruption is dramatically changing the way content is consumed, providing more choice than ever before. Long-form content is evolving with the rise of on-demand, “over-the-top” services such as Amazon Prime, HBO Go, Hulu and Netflix. Increased mobile consumption has broken the conventional boundaries governing length, format and even authorship, as platforms including YouTube, Facebook and Snapchat have further challenged classic models. Social media has given rise to viral marketing while arming companies with immediate data on how their content is consumed and is performing. Content is becoming less about planning and programming under traditional paradigms and more about holistic strategies deployed across multiple channels. And with lowered barriers to distribution, a broader array of companies — from traditional media businesses to retailers of lifestyle consumer products — are elevating content as a central part of their business strategies.

These changes have led to rising demand for strategic content leadership and, for some companies, have spurred the establishment of a new C-level role: the chief content officer (CCO). There is not a one-size-fits-all approach to content leadership, but even for organizations without a CCO, content is at the top of the senior management agenda more than ever. Traditional media companies and other consumer-focused players alike are realizing they need an increasingly broader collection of skills and capabilities to succeed in today's landscape.



An onslaught of new content styles, channels and creators

The very nature of content is being redefined. Consider television: Episodes were once predominantly viewed during an initial broadcast aimed at the mass market, with limited opportunity for reruns and long tail (i.e., the more targeted, niche offerings now enabled by unlimited virtual space). Today, cable and Internet work in symbiosis, with audiences consuming content across devices seamlessly. Many consumers view long-form content via an Internet connection to on-demand services, delivering vast swaths of content from past and present to their fingertips. The implications are great: Content has the potential to hold its value for decades. Now that shows are viewed over time, content needs to be created with that long shelf life in mind. Some experts also say that the plethora and accessibility of viewing choices have resulted in better quality content — raising the bar for today’s content creators.

“Television was once mostly disposable,” said John Landgraf, chief executive officer of FX Networks. “The good news is that we get to make better, more enduring stories because their value has increased in ways that weren’t necessarily the case before,” he said. “Consumers are also sending really clear messages that they want ease of use. They want fewer barriers and restrictions.”

Additionally, on-demand access to content allows consumers to “binge watch” entire seasons in one sitting. As a result, today’s most successful shows are less likely to be single-episode stories; instead, they’re 10- or 13-hour stories broken into episodes, demanding different ways of approaching content creation. As the sheer volume of available content grows, competition for consumers’ attention has become even fiercer. Kevin Reilly, president of TBS and TNT and chief creative officer of Turner Entertainment, observed that “having the content be good simply gives you the ability to play the game — it’s no longer game, set, match.” Compelling content delivered in innovative ways has

quickly become a differentiator, requiring leaders who understand when and how to break the rules that govern traditional media.

Courtney Holt, executive vice president of Maker Studios — a Walt Disney Company subsidiary that has the largest content network on YouTube and nets more than 12 billion views per month — said that the freedom of the Internet affords vast benefits to content creators. “We’re not locked into a show length,” he said. “We’re not locked into a format or into the traditional nature of a season.” Landgraf echoed the sentiment: “It’s a golden age from the standpoint of the variety, volume and creative freedom that are being enjoyed by content creators and that’s a great thing.” This freedom has also come to the attention of many non-media companies, many of whom are taking advantage of new content forms and lower barriers to distribution as a means of providing new value and connecting more deeply with their consumer audiences.

With more players entering an increasingly complex landscape, what leadership skills are needed to maximize the strategic opportunity of content?

Classic content development with next-generation technology

Leaders agree that storytelling and production remain the backbone of good content, spurring continued demand, even among newer media companies, for senior executives with traditional media experience and training in classic content development. Werner Brell, managing director of Red Bull Media House North America and a recognized pioneer in the multimedia, multichannel world, noted that the core of content has stayed constant: “A good story is always a good story. From that point of view, nothing has changed.” Thus, as his business began to scale, he increasingly staffed his team with content development professionals who have backgrounds in traditional media. “They really help us understand, ‘What’s the story that has legs?’” he said.

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COURTNEY HOLT
EXECUTIVE VICE PRESIDENT
MAKER STUDIOS

The understanding of what makes a quality story helps organizations identify the right content opportunities amid constantly emerging trends. “What can be the next great thing?” said Reilly. “Who can be the next great star? That is still the business that we’re in.” He also cited cultural savvy as an indispensable skill for a CCO: “Content leadership requires people with an eye for culture and a feel for trends or ideas that are timely and relevant.”

At the same time, content leaders need to be at the forefront of how stories are being told today. To create a strategic plan geared toward audiences consuming information across multiple channels and devices, digital experience has become a must-have. Does the organization know how to reach the 60 percent of millennials who check social media every day and whose medium of choice on these platforms is video? Social media and online distribution call for a new set of skills. “How you get something to go viral in scale requires a whole different set of thinking than putting it on television,” Reilly said. Additionally, content leaders should be comfortable testing new models and a range of monetization opportunities, including varying formats and distribution channels.

Experimentation and learning have become vital components of content creation in a landscape marked by the near-constant emergence of new trends, creators and channels.

“As an independent producer of original content, we are fortunate to be able to create for a vast array of amazing networks, publishers and platforms,” said Vivi Zigler, president of digital, brand and audience development

at Endemol Shine North America. “This includes producing for ourselves when it comes to our premium digital content network, Endemol Beyond. This vantage point gives us learnings from so many different directions and experiences. This is important and valued as we have to be good students, keeping up with both technologies and consumer behaviors from a creator perspective. Education is the key to making decisions about the right content for the right audience on the right channel at the right time.”

Ability to harness content’s relationship-building power

Companies outside of traditional media are making content a core part of efforts to build long-term relationships with customers, sometimes even giving it priority over their primary products or services. Brell explained that Red Bull’s brand philosophy is not built around the product, but content: “We build an emotional connection between our brand and the consumer by creating experiences the consumer can easily connect with.” That connection extends across borders — the energy drink is available in more than 164 countries and Red Bull content is available globally.

Joyus, an online shopping experience company, uses robust video and other editorial content to drive shopping behavior, increase brand awareness and develop relationships that keep customers coming back. “Content is about creating a relationship with the consumer,” said Sukhinder Singh Cassidy, Joyus’ founder and CEO. “It’s about capturing their attention in the hopes of bringing them through your customer journey.” Recognizing the tangible impact of strong

content on sales and brand-building, the company expanded its top leadership team to include a full-fledged chief content officer, who came with a 20-year career developing television programming.

Balance between the creative and the business

When content plays such a significant role in the strategy, it is not enough for leaders to tell a compelling story — they must be able to extract value from content and build franchises and brands. According to Cassidy, content strategy leaders must have knowledge of both the business and creative worlds. “In our search for a CCO, we definitely prioritized creative, but hired somebody with an understanding of business models and budgets who’s been in a startup before,” she said.

According to Zigler, whether a leader’s dominant gene should be creativity or business acumen depends on the specific company and its needs. For example, large companies with vast functional resources such as financial and legal counsel to draw upon, creativity can take primacy. At organizations where the cost of creative failure is high, it may be beneficial to have a more traditional business leader to protect the creative function.

Entrepreneurial spirit is vital in a space where budgets often cannot keep pace with the volume of content required for a strong market presence. Focusing on talent with a track record of operating in scrappier, budget-constrained environments, can present opportunities for growth without the level of investment required by traditional distribution paradigms. “We still have ambitions to make it a great television-like experience, but we don’t have access to the same budgets because online video monetization is still pretty poor,” said Cassidy. “There’s a whole new generation of talent discovered on YouTube, Instagram and Facebook who

bring as much, if not more opportunity for loyalty than traditional celebrities, so this definition of talent is definitely something that needs to be accommodated.”

In order to maximize content’s reach and ROI, today’s content leaders are also required to increasingly work across — and influence — other functions. In particular, CCOs and senior content executives must partner more than ever with heads of product, technology, commercial and legal. Landgraf has witnessed the increasing need for functional leaders to understand one another’s businesses: “You used to be able to run a business with a highly siloed staff, who might know a lot about a particular area of expertise, but probably knew very little about the other areas of expertise. You

can no longer readily divorce the distribution of content from the creation of content from a business perspective. It’s become a very complicated equation of how to satisfy the financial needs of creators, distributors and profit participants.”

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JOHN LANDGRAF
CEO OF FX NETWORKS

Use of data to inform, not stifle creativity

Content has always been both art and science — the

creation of something that affects the audience viscerally but, at the same time, communicates a calculated message to drive revenue generation and brand loyalty. In a world with more “science” available in the form of data and analytics, does data begin to take center stage? According to Cassidy, data analysis plays a massive role in content leadership at Joyus. “These tools give us real-time understanding of who’s watching and exactly what actions they’re taking,” she said. Similarly, Holt noted, “I would never say that we make all of our decisions informed entirely by data, but data is a big part of the mix.”

While data enables more focused creativity and plays a significant role in content decisions, many believe that art is still king when developing quality content.

Content leaders cannot become so entrenched in the commercial aspect of content that innovation and creativity suffer. Holt values a balance, but believes that creative skills should still dominate: “Companies need to have a good balance of creative and commercial, but I think the content has to be led by creative,” he said. “What drives audience is not advertising. It’s the creative engine, so leaders need to be able to have the creative conversation.” Many executives also believe that they ultimately must rely on their own intuition — and their creative staff’s. “We can look at trends and we can react to them, but when it comes to programming, some of it is still based on gut,” added Holt.

For others, the issue of art versus science is not an either-or proposition. “The situation before was that you had your creative right-brain thinkers over here and your left-brain business thinkers over there,” said Landgraf. “Left-brain thinkers tolerated the chaos of the right-brain thinkers and right-brain thinkers thought the left-brain thinkers were just bean counters. You can’t do that anymore. You need the full range of intellectual capabilities, from very detailed-oriented, linear, structural organizing ideas to very innovative, broad, chaotic and creative ideas. And you need a profound level of respect in an organization between those two modalities.”

The sheer volume of data also requires a balance. “Data can be overwhelming,” said Zigler. “Data isn’t the same as knowledge. A pattern gleaned from limited data can send you down the wrong path. In order for data to be valuable, we must dig deep to find the embedded truths. We also need to work at the 30,000-foot level and be strategic — creating unique content that someone wants to watch. It can be easy to get lost in the weeds or lost in the clouds. You need to be comfortable moving back and forth.”

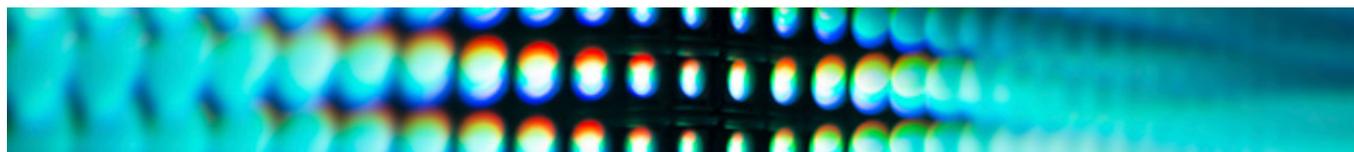
Navigating ambiguity with courage

In a rapidly evolving world, content leadership must be adaptable and comfortable designing and executing

strategy amid uncertainty. “It’s so hard to predict where everything is going, so leaders have to be nimble and agile, and be able to react faster,” said Brell. “They cannot put their heads in the sand and hope everything blows over. Courage has to be part of the company culture.” Leaders who have demonstrated comfort operating without a safety net are often best prepared to succeed in this environment. At the same time, organizations can fail when they indiscriminately chase the latest trends. “The key miss of some companies is that they’re all over the place,” he said. “You have to be laser-focused in terms of what you want to be guided by and your development filters and then stick to them ruthlessly.” While not losing sight of the strategy, content leaders must be unafraid to test new models and concepts or consider a range of monetization opportunities with different formats and distribution channels. And ultimately, they must be willing to change course in how they construct and package content based on new information and insights.

An eye for talent

Media business leaders must recognize that broadly disciplined and vastly experienced senior content leaders are still elusive finds, so there is a need to recruit a team of talent with a balanced set of skills to drive and execute content strategy — inclusive of rising stars with the potential to step into greater leadership roles over time. Companies will need bench strength in key areas spanning programming, integrated marketing, branded entertainment, development and talent acquisition. Organizations can bring on additional specialized skills as they grow and as their models crystallize. CCOs need to assess for intangibles and “soft” skills as well: Are leaders able to align with the organization’s focus, voice and culture? Are they intellectually curious problem-solvers? “What I’m mostly interested in is people’s curiosity,” said Landgraf. “I’m interested in people who have a curious approach to complicated questions.”



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SUKHINDER SINGH CASSIDY
FOUNDER AND CEO
JOYUS

Senior content leaders also need to understand how to motivate and draw the best out of the growing number of millennials on their teams, advised Zigler. She has found that millennials are natural multitaskers with an ability to quickly filter information as a result of growing up amid an abundance of content and marketing messages. “Millennials are not motivated by the same things as previous generations,” she said. “Instead of the corner office and big title, they want to do meaningful work, contribute, be heard and have their expertise recognized.” She has found subtle techniques, such as citing a team member’s specific contributions in a group meeting and then asking for his or her input, to be effective. At the same time, leaders cannot solely focus on one cohort, but must balance a mix of generations and maximize their respective strengths. For example, the cautious calculation of Baby Boomers can complement the fearless experimentation of millennials. “With multiple generations on teams, how are you being fair?” Zigler said. “How are you helping everyone feel fulfilled and get the business what it needs? As senior leaders, we have to listen more. I can’t impose my career value system on my employees. I have to customize my approach.”

‘Love content as much as anything else’

As technology and consumer preferences evolve, demand will continue to grow for senior content executives who are adaptable, digitally savvy, classically trained in creative development, and can bridge the gap between the creative and the business. Also, with an increasing number of organizations across industries grasping the vital importance of content in consumer engagement, combined with a new ease of distribution, there is a danger that demand for this talent will outpace supply. Organizations will need to determine how to compete for limited talent and become comfortable exploring unconventional sources or risk becoming obsolete. Ultimately, the ability to create strong content not only requires the right talent, but an entire organization that understands and values the power of content — even as much as the core products or services. “When content is great, the appreciation for it is held at the highest levels of the organization,” noted Landgraf. “If an organization wants to be great at content, they have to love content as much as they love anything else.”

AUTHOR

Fran Helms is a member of Spencer Stuart's Technology, Media & Telecommunications Practice and focuses on recruiting executives to deliver consumer-oriented offerings that range from traditional entertainment to new digital media platforms and supporting devices.

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