Predictive Analytics Applications in the Media and Entertainment Industry

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Over the top video (OTT) has revolutionized the way in which consumers access content, thanks to services like Netflix, Hulu, and Amazon Prime. Over the top video (OTT) means that content is delivered over the internet. The move to provide content online has allowed content providers to collect a higher quality of data than traditional forms. The following are typical applications in predictive analytics in the industry.

Content providers now have direct access to data directly from the consumer/subscriber. This helping them in analyzing the engagements on different, channels, program types, and other variables allowing them to segment customers. Business areas such as customer relationship management strategies rely on these segmentations to help recruit and maintain customers.

Content recommendation is an area of predictive analytics that have been implemented by many OTT providers. There is a vast amount of content that can be consumed, which can be overwhelming for consumers. Two algorithms are most commonly leveraged for this application: content-based filtering and collaborative filtering. Amazon Web Services defines content-based filtering and collaborative filtering as “based on how similar a particular item is to other items, based on usage and rating” and “based on making predictions to find a specific item or user, based on similarity with other items or users”. Content recommendation allows for a personalized experience.

Another application is churn prediction. This application helps companies identify current customers who are at risk to leave. The data typically used for this type of analysis is user activity, be it from utilizing specific services or different content and linear regression is then applied to categorize the users.

Predictive analytics has helped the media and entertainment industry evolve to become more personalized. Whether its allowing better insight into what consumers are watching, or if they are even watching anything at all, Predictive analytics will continue to be a driver of change and evolution within the industry.

Works Cited

D1.awsstatic.com. (2016). Building Media & Entertainment Predictive Analytics Solutions on AWS. [online] Available at: https://d1.awsstatic.com/whitepapers/Analytics/ME%20Advanced%20Analytics%20on%20AWS.pdf [Accessed 19 May 2019].