

Content Insider #71

Content Battles...Galadriel Holds Middle Earth

“So I imagine this is just a ...ceremonial possession? I mean they don't actually expect me to do any fighting...Do they?” – Pippin, The Lord of the Rings: The Return of the King (2003)

The hardware, software, content creators and deliverers could learn a lot by studying **The Lord of the Rings** trilogy.

As Legolas said, “The horses are restless, and the men are quiet.”

If we stretch the literal portions of the Fellowship of the Ring there are three “layers” of Earth – Upper, Middle, Lower.

The content Earth?

- Upper - professional – Tellywood, videographers, prosumers – serious dollars
- Middle - home/personal – family and personal consumer -- memories
- Lower - teens/tweens – disposable, impulse, casual – Yoohh! Shakin !!

Upper Earth is dominated by people who make a living from content or are very serious about their hobby.

Here we have very serious camcorders from Panasonic, JVC and others. We have complex software from Avid, Sonic, Adobe.

Thanks to hardware/software improvements and affordability, there are new dwarfs in town. They are prosumers and serious hobbyists who can produce pretty darned good movies, knock out a bunch of DVDs and sell them on eBay or even stream them in lower quality on the Internet. They can put a

serious dent in Tellywood’s rule over Upper Earth.

Sure digital camcorder sales have been flat at around 15 million units for the past few years. But that just means indie filmmakers hone their craft with better quality gear from Sony, Hitachi and others. They are using cheaper, more powerful software from Ulead, Adobe and others to produce better and better entertainment.

Now we have to see how the power and control will shift.

Middle Earth entertainment is where the major skirmishes will take place. It is here that many warlords will stumble.

The industry has to have a better understanding of the real video consumer in Middle Earth.



Figure 1 – The focus for the new advances and growth has historically been on the tech geek (profiled as male). But tomorrow’s expansion, especially in video and still photography sales will be the CMO -- chief memory officer – in the home who isn’t influenced by tech advances, glitzy features, acronyms. They want memories and rewards. Source – InStat

He has been the major target for CE growth buying the PCs, large flat screens, game consoles, AV receivers and camcorders.

Surprise!!! The new he is **she**...

Galadriel and her tribe have historically allowed Gandalf and the boys to buy the PC/CE toys. When it comes to capturing, sharing, saving family and relationship moments and memories they have taken control of the landscape.

- the aspects of photography she is involved in
- what she looks for in her creative endeavors
- how she interacts with her photos/videos
- how she wants to share her friends/family memories – prints, disc, online, combination
- what she looks for in her photo/video tools
- **her!**

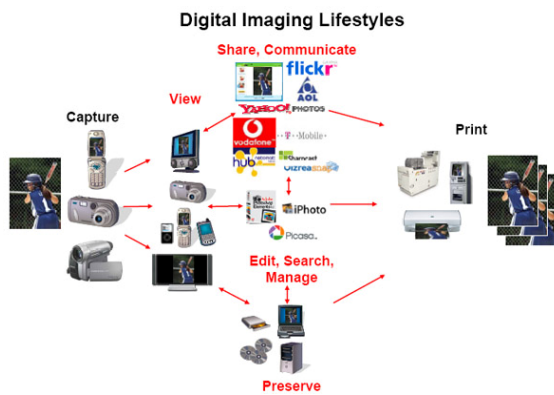


Figure 2 – In today’s photo/video content world it is all about capturing moments and memories, storing them, sharing them and hearing the accolades. Everything else is secondary, way secondary. Source – InfoTrends

Even HP, Kodak and other executives (mostly male) at a recent InfoTrends conference reluctantly agreed that we had to get past the idea of a testosterone, techie video warrior. Instead they needed to reach the CMO (chief memory officer) to stimulate photo/video sales growth.

To do this, manufacturers – hardware and software – have to follow Gandalf’s rules of engagement...”Not at the towers! Aim for the trolls!”

All the industry has to do is the impossible! Understand:

The CMO will be the driving force behind digital camera sales in the years ahead.

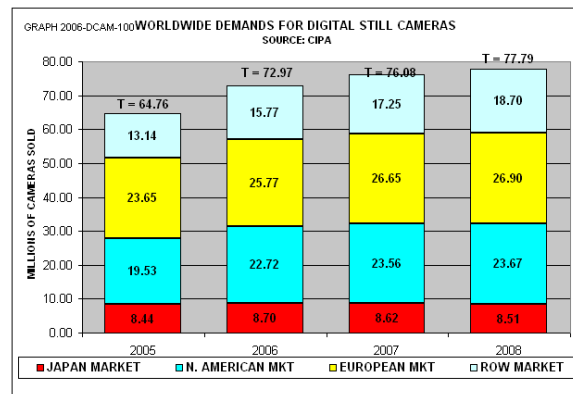


Figure 3 – While digital camcorder sales will remain strong, major growth will come with newer, better, more versatile digital still cameras which also have video capabilities. Source – MMIS (Magnetic Media Information Services)

Many are on their second or third camera upgrade.

They are taking more photos/videos.

According to InfoTrends about a quarter of them (men included) still store their content on memory cards (this makes the folks at SanDisk, Verbatim, Lexar, Panasonic and other manufacturers very happy).

Good for them...bad for the rest of us.

According to InfoTrends more than 50% still show their images on their camera.

But increasingly more are moving their content (photos and video) to their hard drives.

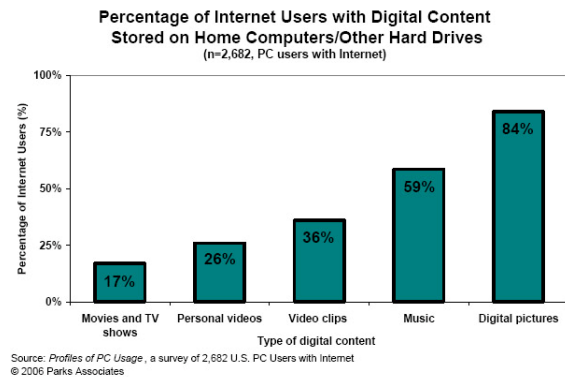


Figure 4 – Contrary to what Tellywood says, families are not ripping and storing their best movies or for that matter even timeshifting TV shows. Most of the content is friends, family moments and memories...photos and video. Source – Parks Assoc

There it sits!

What Middle Earth needs is:

- fast, easy-to-use, fun-to-use video and photo post production software that does more than one task like NTIUS's 9:1 Titanium
- simplified means of moving the content from the PC to the TV
- guidance on moving the content from the HD to CD/DVD for safe keeping and sharing
- understanding that beyond MySpace and YouTube, online storage is available somewhere in the cloud for family, friend sharing...not the world
- showing that sharing content is the real thrill of capturing memories, moments

Don't get your pants in a bunch and feel we are typecasting and implying men can be geeks and women can't...don't go there !

We know a lot of females who **really** understand what a megapixel is...can tell the **difference** between 24 and 30 fps...can reset their system clock and defrag their hard drives...can troubleshoot their own wireless network...and more.

We're not the dimmest bulb in the package!

But their wants, their needs, their priorities, their decision processes are ...different.

We know. We've been married...well, forever !

But adding more features, more technically cool stuff, more software layers, more drill down capabilities, all at a lower cost won't help us gain more of Middle Earth...that dog won't hunt.

Mount Doom will stand.

Lower Earth, the land of tweens and teens, is the space every hardware, software, service provider is trying to figure out.

A lot of marketers including a recent report from eMarketer proclaim that they control billions in purchasing power.

Someone should tell Middle Earth!

It's true that they have been instrumental in pushing mobile phone sales past the billion unit sales mark this year.

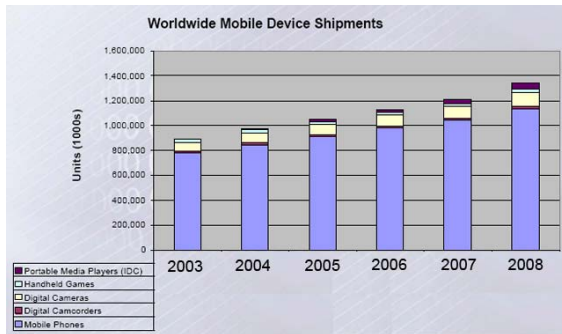


Figure 5 – This year cellphones – most with cameras – topped one billion unit sales. Now that camphones have caught on in North America (along with video websites), some schools have even launched camphone video courses. The phones are the learning ground for future indie filmmakers and videographers. Source – iSuppli

They have been the driving force behind mobile entertainment devices – audio and video.

- But quality content? Memorable content?
- MP3 and iTunes downloads are “near” CD quality
 - Cellphone video is “near” VHS quality

That’s backward...not forward.

At an IPTV conference a speaker said proudly that a friend of hers had sent her a video of her wedding that had been shot using a camphone.

Well laa dee firkin da!

Camphone video is so “in” that Boston U offers a class in cellphone videography.

Doubt if we’ll rush to the theater to watch one of the films on the big screen.

Won’t waste our time getting a copy to view on our LCD flat panel or even our notebook PC.

They can post it on MySpace...oopsss, that’s so yesterday!

But Inner Earth is the training ground for Middle Earth and beyond. As the move up quality video and audio content will be produced, shared, enjoyed and saved.

Middle Earth will then be the launching pad for Upper Earth videographers and indies.

Technology is advancing.

Costs are coming down.

The stumbling amateur videos are the training grounds for the new breed of movie producers.

This will put a lot of pressure on Tellywood to rethink the value and return on big-budget movies and stars.

Mega movies won’t disappear.

But with the low cost of high-quality, feature-rich hardware and software; amateur video content production is more readily available.

It will get better!

The best of will evolve from sophomoric videos to quality movies.

Suddenly the horses are restless and the men are quiet.



Rings Photo #2 – The men are silent, the horses are restless. The battle for Middle Earth videography is about to begin. Source – New Line Cinema

Certainty of death. Small chance of success.
What are we waiting for?

Andy Marken

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Andy Marken is president of Marken Communications and has been involved in the marketing of storage technology for more than 15 years. His experience includes work with Panasonic, Verbatim, Matsushita, Plasmon, Nikon, Mitsubishi Chemical and a number of hard drive manufacturers. Andy can be reached at andy@markencom.com.