

# Hollywood dreaming

**T**he dream factory, they call it, and for good reason. When the media world hits the telecom industry, it triggers diverse reactions. Some get all starry-eyed and dream of high-value content from entertainment and advertising flowing through their networks. Some try instinctively to close the gaps, to stop competitors sneaking in, and to stay in control of the entire (albeit old) value chain. Others lack the necessary confidence and shun the media altogether. Reading on, you can learn why Telecom Italia does the opposite, going all out to build its own fully fledged media company.

**A GENERAL PROBLEM** is that the media, telecom and internet industries all seem to be racing for the same pile of money and this does not encourage the collaborative openness and experimentation that the era of networked media obviously needs.

There may also be new territory in between, yet to be defined and developed, where operators focus on delivering “smart pipes”, to use the words of Bill Sanders, the voice of Hollywood in this issue. Listening to what the media industry wish for, it seems that much needs to be done which falls within the natural telecom realm – but is still unclaimed territory.

As Sanders points out, the film industry tried to kill the

video recorder when it was introduced. There are plenty of other examples from history of established industries reacting defensively and out of fear when challenged by completely new media. Radio threatened newspapers; in turn, it was threatened by television. The record industry is still in shock after the rise of MP3, and the internet threatens to disrupt most of today’s traditional media channels. The lesson from the past is of course a basic one: the market grew and they all lived happily ever after. As a therapist would put it, once you accept the change and let go, you start seeing all the new opportunities that this change has brought.

Thinking in terms of ecosystems and “coopetition,” as described in “Swimming with the sharks,” might work as an antidote to fear of deep water. “Sweet dreams of ad revenues” and the account on CRM should make mobile marketers sleep much better knowing that the information they possess is, if used wisely, the envy of any ad agency.

**WE HOPE YOU** will enjoy this issue about media strategies.

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