ProSiebenSat.1’s Digital Media Transformation
AWS Enterprise Summit 2015

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Who and where are we?
P7S1 Group – a leading media corporation in Europe

Broadcasting
German-speaking

Digital & Adjacent

Content Production &
Global Sales
A “New Normal”

Paradigm Shift

Analog World
1 : N mass consumption

Digital World
1 : 1 customer relation

Digital Customer Priorities

Let me Choose and Decide

I want to Share and Connect

Know Me Anywhere

Transform!
We face a technology & data challenge for high performance

**Product / Brand Portfolio Extension**

- Multi-Platform / -Device World

**Technology Component Additions**

- MAMS
- CMS
- API-Platform
- Reco Engine
- Single Sign On
- Subscriber Mgmt
- Rights Mgmt
- Ingest Platform
- Billing
- Payment
- DRM
- CDN
- Hosting
- DWH

**Performance Challenge**

- High speed dynamics
- Constantly new technology options
- Constantly new customer demands

**Technology and Data Challenge**

- Real-time Product Adaptation
- Complexity Mastery
- Platform Mastery
- Delivery Efficiency
- Big Data Readiness
- Open Architecture
- Elastic Infrastructure
How to overcome challenges?
Digital Transformation!
Our guiding principles

Challenge
- Manage S-curve transition for media and ecommerce

Top Line
- Innovativeness
- Customer focus
- Speed and agility

Bottom Line
- Scale on demand
- Execution excellence
- Cross-unit synergies

Key Technology Levers
- Real-time product adaptation
- Open architecture
- Data readiness
- Elastic infrastructure

Technology Benefits
- Fully digital
- Digitally enabled
- Transition
Core tech & data initiatives pushing P7S1 to the next level

- **Technology Basis**: Enable growth by fast Time-to-Market of new products / biz models
- **Big Data**: Foundation to build user-sharp high quality digital inventory for Ad sales
- **User Management**: Foundation to build propriety customer data asset
- **Payment**: Increase conversion rate by simple & unified easy-to-pay experience
What’s the role of cloud computing?
Technology Forecast: “Sunny with clouds”

Consumer Perspective

Clouds connect the crowd

Business Perspective

Application
Platform
Infrastructure

Cloud creates freedom to innovate in digital markets
Cloud: a key architectural component & transformation bridge

**Legacy stack**
- Monolithic
- Physical
- Stability focused

**Future stack**
- Decoupled, open
- 2 speed set-up
- Advanced, hybrid cloud plays

1980

- Millions of users
- Thousands of apps

2000+

- Hundreds of millions of users
- Tens of thousands of apps

2020+

- Billions of users
- Millions of apps
Our Cloud Vision

Users

Applications
- Customer Applications
- Internal Applications
- Mobile Applications

Services
- Big Data
- Identity Management
- Databases
- Build CI
- Mobile

Operations
- Platform Management
- Health Monitoring
- Scaling
- Logging & Metrics

Infrastructure

Time-to-Market
Agility
Automated Deployment
What are the cloud benefits?
Cloud advantages in transformations

Most Companies

- Elasticity: scale without knowing exact demand volume
- Price

Cloud benefits

P7S1

Cloud allow us to ...

- fail early
- fail often
- fail cheap
- scale

...compared to physical infrastructure
Generic cloud value levers

- **Top Line**
  - Business Agility
  - • Flexibility to use unexpected *windows of opportunity*
  - • Faster *time-to-market* for new products
  - • Easily test product / service innovation ideas

- **Bottom Line**
  - Technology Efficiency
  - • Faster and cheaper provisioning by automation
  - • Improved operational *effectiveness* and *risk management*
  - • Reduced *downtimes*
  - • Cost follows *demand* (and revenues)
  - • Better technology spend *transparency*
  - • Improved infrastructure *control*

  - Cost Reduction & Control
  - • No idle capacities
  - • Better capacity *control*
  - • Higher *productivity* - consistent and based on leading edge apps

- Utilization & Productivity

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*ProSiebenSat.1 Media AG | Page 16*
Successful transformation is a long climb to the top

We start here for new things (e.g. 7 Pass)

- Applications

Phase 1
- Logical Servers, Storage
- Virtualization
- OS
- Server Hardware
- Networking, Utilities, Physical

Phase 2
- Development & Runtime Kernels
- Databases
- Security, Management, Load Balancing & Integration

Phase 3
Critical success factors?
Cloud is great...

...if you need **elasticity**

...if you are able to adjust the way of engineering:
mindset, architecture, operation / fixed SLAs, move part of responsibility back to you

...if you are able to adjust how you run the company **financially**:
budget, Capex – Opex, charged by consumption

...if you are able to work closely with in-house **data protection, legal affairs** and Amazon’s **corresponding departments**

...if you care about responsibility of data protection and want to move data responsibility **back to your organization**
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