The Entertainment Business Landscape During COVID-19

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COVID-19 has affected some industries more than others, and while the negative exposure to the pandemic has taken over the news side of the media business, the entertainment industry has nevertheless experienced some resiliency and creativity during this unprecedented time. In the paragraphs that follow, I discuss how the entertainment industry, in particular, film/television, music, professional sports and social media advertising have adjusted.

In the film and television industry, there is no substitute for filming. When productions begin principal photography, their success is attributed to the hundreds of cast and crew members that are performing their respective roles on set. This cannot be done remotely, and as a result, essentially all productions have been halted in Canada. On the positive side, there has been a significant demand from traditional broadcasters, distributors and subscription video-on-demand (SVOD) platforms such as Netflix, Amazon Prime Video, AppleTV+, Disney+, and Hulu for more content. The results from over a month of self-quarantining are evident: consumers are watching more content than ever before. This has created a pressing need to enter into acquisition and licence agreements with production companies sooner rather than later. This is extremely positive for independent producers, not just because of their ability to enter into lucrative deals during a financial crisis, but because it exposes them to such larger players in the industry. This might not have occurred pre-pandemic. It also marks the beginning of potential long term relationships between independent producers and large buyers, which may lead to pre-sales on future projects.

The demand for digital content has seen a significant increase as well. Facebook Live, Instagram TV, Snapchat, TikTok, and Quibi are just some of the buyers that are entering into production deals for “at-home” content to convert into quick and accessible entertainment for fans and viewers.

The music business has witnessed an interesting adaptation over the last several weeks. The notion of forcing musicians and artists to remain in their homes has not only resulted in a surge in song writing, but in production and recording as well. Most artists either have access to a studio or can record in the comfort of their homes, and many have found inspiration to create

new tracks. Further, the distribution of music is easier than ever before. CD Baby and TuneCore have become the key players for online/digital distribution of music. Consumers spending more time at home has led to a higher demand for musical content. Overall the time spent by consumers listening to music has increased and now includes more times during the day than just their commute to work.

In the sports world, the National Football League (NFL) is carrying on their offseason as scheduled while the majority of professional leagues are anxiously awaiting the right circumstances to resume. The NFL Draft is set to commence on April 23 2020, and will be conducted virtually. The NFL Commissioner, Head Coaches and General Managers will be using Microsoft Teams as its central platform, and various notable players will have camera equipment set up in their homes to capture their authentic reaction of hearing their names called on draft night. The NFL pivoted almost immediately after the pandemic announcement, converting all pre-draft interviews and pro days to FaceTime sessions between athletes and potential teams.

The exposure and relevance of social media advertising has also increased due to the pandemic. Exposure through influencers has been through posts and videos on social media platforms such as Instagram, Snapchat, Twitter, TikTok or Facebook, or through live streaming on Twitch. More content and increased viewership because people have more time at home leads to more advertising revenues. While some endorsement deals and digital marketing campaigns have been halted (specifically, the travel and hotel industries), others have soared, particularly in food delivery and online retail. Brands are trying to convince consumers to buy their products with exciting sales, and consumers are actively searching for additional promotion codes to further justify a purchase during these difficult times. Those codes can be found (and promoted) on influencers' social media posts.

While there is no denying the negative impact of COVID-19 on the entertainment industry, it is truly fascinating and inspiring to see the way various individuals and companies have been proactively pivoting to survive (and even thrive) amidst the global pandemic.

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