

# Increase trust, transparency and control of digital transactions with IBM Blockchain

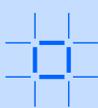
Enable fair commerce and create new business opportunities in media and entertainment



Blockchain is increasing transparency in digital transactions, removing complexity from the ecosystem by reducing the need for multiple stakeholders in advertising purchases and digital content management. With an immutable, shared ledger that records transactions as they occur, companies in media, advertising, entertainment and others can have complete visibility as content or data is purchased and used.

The IBM Blockchain Platform is designed to accelerate the creation of “built for business” global blockchain networks across industries and use cases — and the implications for media and entertainment could be profound.

## Current challenges in media and entertainment — how IBM Blockchain can help



### Royalty settlement



#### Challenges

Performing rights organizations that license music struggle to come to a shared understanding of content usage. Data duplication, poor data quality, manual reconciliation, and a complex global network of organizations and governments plague music ecosystem. Without proper tracking, royalty settlement can take up to a year.

#### Opportunity

Using smart contracts, blockchain solutions enable the owners of licensed content to adopt a shared, decentralized database of musical work metadata with real-time updates and tracking of content usage.

**The result:** The American Society for Composers, Authors and Publishers (ASCAP), the Society of Authors, Composers and Publishers of Music (SACEM), and PRS for Music are using IBM Blockchain to protect the copyrights of musical artists by tracking every song performance in real time. The system manages links between music recording and music work codes to improve royalty matching, speed up licensing, and reduce errors and costs.

### Advertising Settlement



#### Challenges

Nearly 50 percent of ads fail to reach their intended audience.<sup>1</sup> Antiquated ratings and measurement systems can make it impossible to know the precise number of audience impressions. Digital advertising fraud costs at least USD7 billion annually.<sup>2</sup> Meanwhile, intermediaries are profiting from 60 percent of ad spending. Discrepancies in systems of record lead to disputes, labor costs, leakage and poor cash flow.

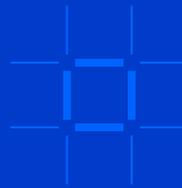
#### Opportunity

Using an immutable blockchain ledger can remove the need for intermediaries, reducing advertising costs. By digitally recording transactions across the advertising ecosystem, advertisers, intermediaries and advertising sellers can have a shared knowledge of impressions, using smart contracts to create a transparent system to prove that spending is based on actual impressions. Inventory management can be streamlined, and billing and invoicing can become more efficient for agencies creating ads.

**The result:** Unilever, one of the world’s largest advertisers,<sup>3</sup> partnered with IBM to build a blockchain solution to manage the advertising supply chain and create a trust-based and transparent solution that enables buyer verification, offering a way for all parties to visualize every part of the advertising process. The new transparency will make it easier for advertisers and advertising platforms to know how efficient campaigns are, justifying advertising expenses.

# USD 558 Billion

Projected 2018 global advertising spending.<sup>4</sup>



### Digital rights management



#### Challenges

From film studios to mass communications companies, entertainment content creators invest vast sums of money in the television programs, music and other digital content they produce — and struggle to limit access to paying customers. They’re also challenged to increase monetization and promotional opportunities from extra content like movie outtakes.

#### Opportunity

With blockchain, content owners can embed user constraints for content access, reinforcing authentication and enabling monetization of digital content. This can help content producers transform additional footage into promotional and long-tail monetization opportunities while improving tracking and transparency of royalties and residuals. A universal blockchain ledger can help make traditional multi-stakeholder distribution networks obsolete.

### Loyalty programs



#### Challenges

Loyalty programs span hospitality, finance, entertainment, airlines, retail and more. But segmented systems can make it impossible for consumers to exchange their loyalty points across entities including ones in the same industry, like banks. This limits cross-marketing and revenue growth opportunities.

#### Opportunity

Blockchain solutions make it possible to provide complete visibility into loyalty inventory to establish trust across the loyalty ecosystem, enabling, for instance, a consumer to book a hotel, purchase a theme park ticket or buy a cup of coffee using frequent-flyer points. Conversely the consumer could gain credit —through loyalty points earned with other entities — that could then be used with the airline.

**The result:** China UnionPay — which guarantees credit card usage across Chinese banks and in more than 150 countries — uses IBM Blockchain to help bank customers exchange bonus points earned through purchases among disparate banks. The new peer-to-peer bank reward point trading system will allow points exchange between banks, credit card users and gift shops.

### How IBM Blockchain is transforming media and entertainment transactions

Lack of transparency and complex and siloed distribution systems make digital transactions difficult to track and prove; fraud and theft are commonplace in many industries. Blockchain helps create an ecosystem of trust, enabling all parties to understand when and where digital content is used — whether it’s a song, a movie, a television show or loyalty points — opening the door to innovation, monetization and a better experience for content owners and consumers.

Revolutionary new business models are being built today using blockchain platforms. To learn more about how blockchain can help build trust and pave the way to innovation for your business, visit: [ibm.com/blockchain/services](http://ibm.com/blockchain/services)

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1. Michael Burgi, “What’s Being Done to Rein In \$7 Billion in Ad Fraud,” Adweek, February 21, 2016.  
 2. Lucy Handley, “Billions of digital marketing dollars are being wasted as online adverts miss their intended targets: Research,” CNBC, December 20, 2016.  
 3. Philip Piletic, “IBM and Unilever Push Blockchain to Clean up Digital Advertising,” IBM developerWorks, March 14, 2017.  
 4. “Global advertising spending from 2010 to 2018 (in billion U.S. dollars),” Statista, 2018.