RESEARCH DESIGN

The overriding interest of this research is to gain insights about the influence of high technologies on business models of media companies. To answer the underlying question, a mixture of qualitative and quantitative research was conducted. For this part of the research, the corporate perspective was of particular interest. In total, 432 investments were found, categorized and surveyed, thereof 226 of media companies.

INVESTMENT CASES

- **Reason for investigation**
  - Identification of the main target industries and technologies in which media companies and their corporate ventures invest.

- **Selection**
  - Examination of German top-tier media conglomerates and their corporate venture capital subsidiaries (CVCs) as well as big funds with participation of media companies. Only investment cases with at least one partner located in Germany were examined.

  - **Examination period:** April/May 2018.

- **Procedure**
  - Identification of the investment parties, date, volume and industry of the target company.
  - Categorization into TIME and Non TIME companies, High, Mid and Low Tech and different phases of the Gartner Hype Cycle.
  - Interpretation of the results.

TECHNOLOGIES WERE CLUSTERED IN THREE LEVELS

- **HIGH TECH**
  - Technologies appearing on the Gartner Hype Cycle of Emerging Technologies

- **MID TECH**
  - High technologies which are no longer on the Gartner Hype Cycle

- **LOW TECH**
  - Technologies such as platforms, websites and apps

LOW TECH & NON MEDIA TARGET INDUSTRIES DOMINATE THE INVESTMENTS OF MEDIA COMPANIES

- **TECHNOLOGY CATEGORIES OF MEDIA INVESTMENTS**
  - Only 23% of 226 total media companies’ investments (i.e., n = 52) were in technologies that can be found on the Gartner Hype Cycle.

  - **HIGH TECH**
    - 23% of 52 investments addressed Machine Learning, Virtual Reality and Artificial General Intelligence.

  - **LOW TECH**
    - 74% of 52 investments were in LowTech, Non TIME categories such as IT, Telecommunication, Entertainment, Media and Non TIME.

WHEN MEDIA COMPANIES INVEST IN HIGH TECHNOLOGY, THEY DO SO IN THE PEAK OF INFLATED EXPECTATIONS PHASE

- **INNOVATION TRIGGER**
  - Peak of Inflated Expectations

- **INNOVATION DESTRUCTION**
  - Extreme Disillusionment

- **PLATEAU OF PRODUCTIVITY**
  - Clue of Enlightenment

- **TOTAL INVESTMENTS**
  - MEDIA COMPANIES PREFER TO INVEST IN TECHNOLOGIES IN THE PEAK OF INFLATED EXPECTATIONS PHASE – ALMOST HALF OF 52 INVESTMENTS BELONG TO THIS PHASE.

2 OUT OF THE TOP 3 HIGH TECH INVESTMENTS FROM MEDIA COMPANIES FOLLOW THE AI EVERYWHERE TREND

- **AI EVERYWHERE**
  - Digital Platforms
  - Transparent, Immersive Experiences

- **TECHNOLOGIES INVESTED IN**
  - Software Defined Security
  - IoT Platforms
  - Blockchain
  - Virtual Reality
  - Augmented Reality
  - Smart Robots
  - Augmented Reality
  - Connected Home
  - Virtual Reality
  - Blockchain
  - IoT Platform
  - Software Defined Security

EXAMPLE CASES

- **$ 650,000**
  - HV Holtzbrinck Ventures
  - LoopMe
  - Virtual Reality

- **$ 8,000,000**
  - MairDuMont
  - Fineway
  - Machine Learning

- **$ 6,000,000**
  - Bertelsmann Digital Media Investments
  - Visionary

RESEARCH TEAM:

- PROF. DR. BORIS KÜHNLE
- PROF. DR. UWE EISENBEIS
- SAMUEL FRIES
- FYNN HEITMANN
- ANNA KEGREISS
- MARCEL WERNER
RESEARCH DESIGN

The overriding interest of this research is to gain insights about the influence of high technologies on business models of media companies. To answer the overarching question, a mixture of qualitative and quantitative research was conducted. For this part of the research, the corporate perspective was of particular interest. In total, 432 investments were found, categorized and surveyed, thereof 226 of media companies.

INVESTMENT CASES

**Reason for investigation**
- Identification of the main target industries and technologies in which media companies and their corporate ventures invest.

**Selection**
- Examination of German top tier media conglomerates and their corporate venture capital subsidiaries (CVCs) as well as big funds with participation of media companies. Only investment cases with at least one partner located in Germany were examined.

**Examination period**: April/May 2018.

**Procedure**
- Identification of the investment parties, date, volume and industry of the target company.
- Categorization into TIME and Non TIME companies, High, Mid and Low Tech and different phases of the Gartner Hype Cycle.
- Interpretation of the results.

TECHNOLOGIES WERE CLUSTERED IN THREE LEVELS

**HIGH TECH**
- Technologies appearing on the Gartner Hype Cycle of Emerging Technologies

**MID TECH**
- High technologies which are no longer on the Gartner Hype Cycle

**LOW TECH**
- Technologies such as platforms, websites and apps

LOWTECH & NON MEDIA TARGET INDUSTRIES DOMINATE THE INVESTMENTS OF MEDIA COMPANIES

**LowTech**
- 74%

**HighTech**
- 23%

**MidTech**
- 3%

WHEN MEDIA COMPANIES INVEST IN HIGH TECHNOLOGY, THEY DO SO IN THE PEAK OF INFLATED EXPECTATIONS PHASE

**PLATEAU OF PRODUCTIVITY**
- 25%

**CLURE OF ENLIGHTENMENT**
- 10%

**THROUGH OF DISILLUSIONMENT**
- 46%

**PEAK OF INFLATED EXPECTATIONS**
- 29%

**INNOVATION TRATION**
- 10%

2 OUT OF THE TOP 3 HIGH TECH INVESTMENTS FROM MEDIA COMPANIES FOLLOW THE AI EVERYWHERE TREND

**SOFTWARE-DEFINED SECURITY**
- 10%

**AUTONOMOUS VEHICLES**
- 20%

**ARTIFICIAL GENERAL INTELLIGENCE**
- 40%

**VIRTUAL REALITY**
- 50%

**BLOCKCHAIN**
- 60%

**SOFTWARE-DEFINED SECURITY**
- 20%

**AUTONOMOUS VEHICLES**
- 30%

**ARTIFICIAL GENERAL INTELLIGENCE**
- 40%

**VIRTUAL REALITY**
- 50%

**BLOCKCHAIN**
- 60%

EXAMPLE CASES

HV Holtzbrinck Ventures $9,500,000 - Virtual Reality

LoopMe $10,000,000 - Machine Learning

MairDuMont $6,000,000 - Machine Learning

Fineway $6,000,000 - Machine Learning

Berolina DigitalMedia Investments $6,000,000 - Machine Learning