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2024 State of Observability for Media and Entertainment

Insights and analysis on the adoption and business value of observability for the media and entertainment industry

Report / March, 2025

Overview

The media and entertainment industry today faces many challenges. From ever-shifting advertising and subscription strategies, to supporting audiences that expect perfect uptime and reliability, these organizations are mindful of macroeconomic pressures, while also being focused on cost reduction and strategic investments to ensure the best possible business value without sacrificing a positive viewing experience.

To achieve maximum visibility into their data across different sources, these businesses use many different observability tools to understand customer behavior, product performance, and user journeys across multiple touch points. They often rely on integrations with third-party tools and services, which can prevent them from easily implementing unified telemetry as part of their business strategy. Such blind spots can make it difficult for organizations to make data-based decisions that could impact revenue, while outages can be devastating to their brand, especially during peak streaming periods.

For media organizations to keep content streaming and audiences engaged, they are choosing to invest in observability tools—such as Digital Experience Monitoring (DEM)—that give them complete visibility across software used in their often complicated technology stacks. Observability tools proactively collect and visualize data, then apply intelligence so that organizations not only understand the behavior of their IT ecosystems, but also immediately detect issues and solve them quickly.

This report focuses on the adoption and business value of observability across the media and entertainment sector. It's based on insights derived from industry respondents surveyed in association with the *2024 Observability Forecast*.

Media and entertainment innovation

Compared to all other sectors surveyed, the media and entertainment industry has unique technology adoption priorities. These organizations are 34% more likely to cite containerization of applications and workloads as a key driver for observability adoption (30% compared to 23% overall and the second highest of all industries) and were 23% more likely to say that adopting Internet of Things (IoT) technologies was a catalyst for observability adoption (33% versus 27% overall).

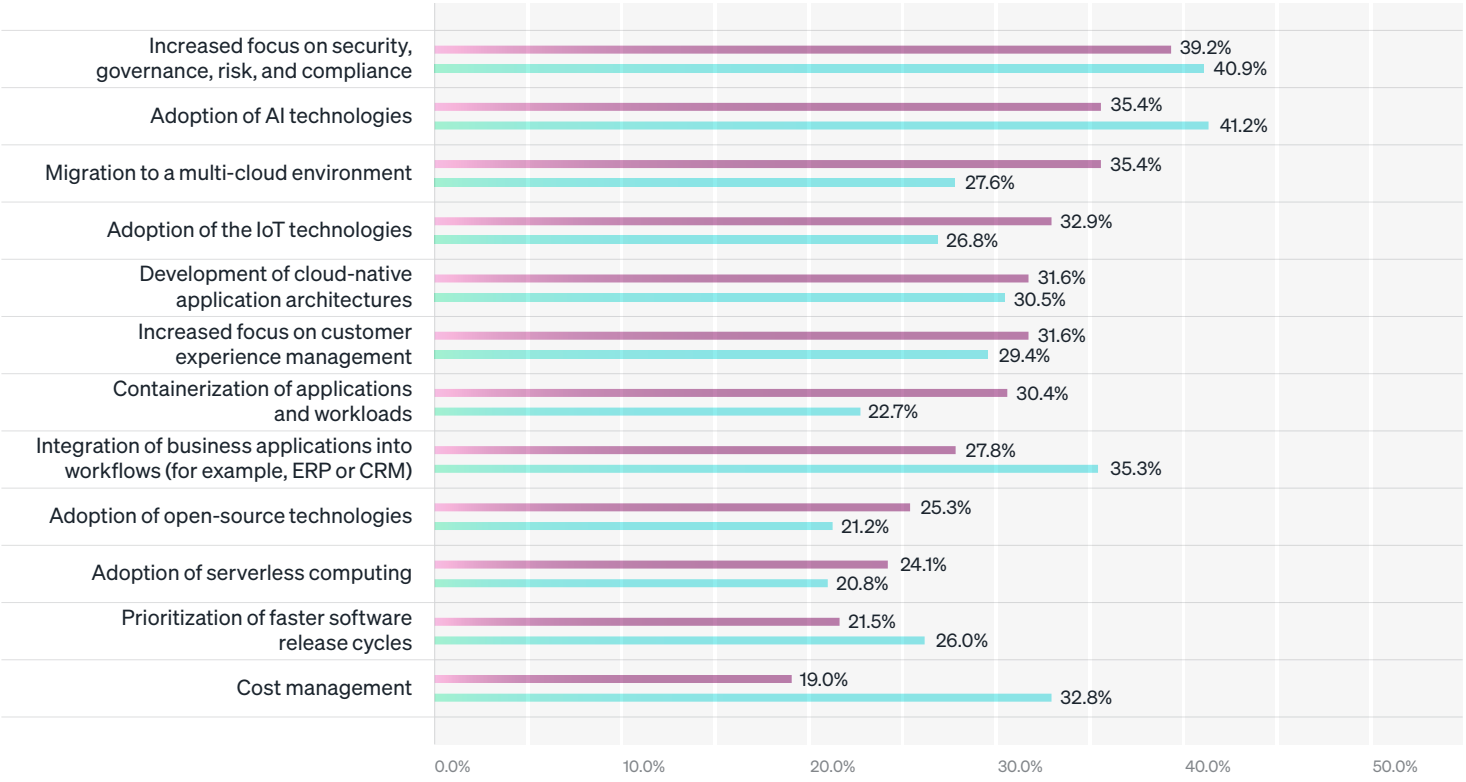
Conversely, cost management holds less significance, with a 42% lower likelihood of being a driver of observability adoption (19% versus 33%, which is the lowest of all industries surveyed), and being 21% less likely to integrate business applications like Enterprise Resource Planning or Customer Relationship Management into workflows (28% versus 35% overall). This forward-looking approach highlights that innovation drives the industry, not cost constraints.

Media and entertainment organizations are looking to observability to support them in delivering on many strategies and trends, including an increased focus on security, governance, risk, and compliance (39%), the adoption of artificial intelligence (AI) technologies (35%), migration to a multi-cloud environment (35%), and the adoption of the IoT technologies (33%). The observability drivers for the media and entertainment industry were notably different from the rest of the sectors surveyed.

In terms of how AI can support observability adoption, more than a third (35%) of media and entertainment respondents believe the AI-assisted generation of runbooks would improve their organization's observability practice most, followed by AI-assisted remediation actions like rollbacks or configuration updates (33%), automatic root cause analysis (32%), and forecasting and predictive analytics (32%).

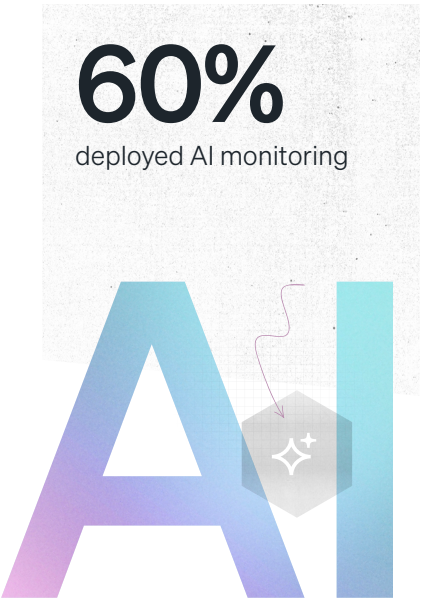
30% say containerization is key driver of observability

Technology strategies and trends driving the need for observability for all respondents compared to media/entertainment respondents

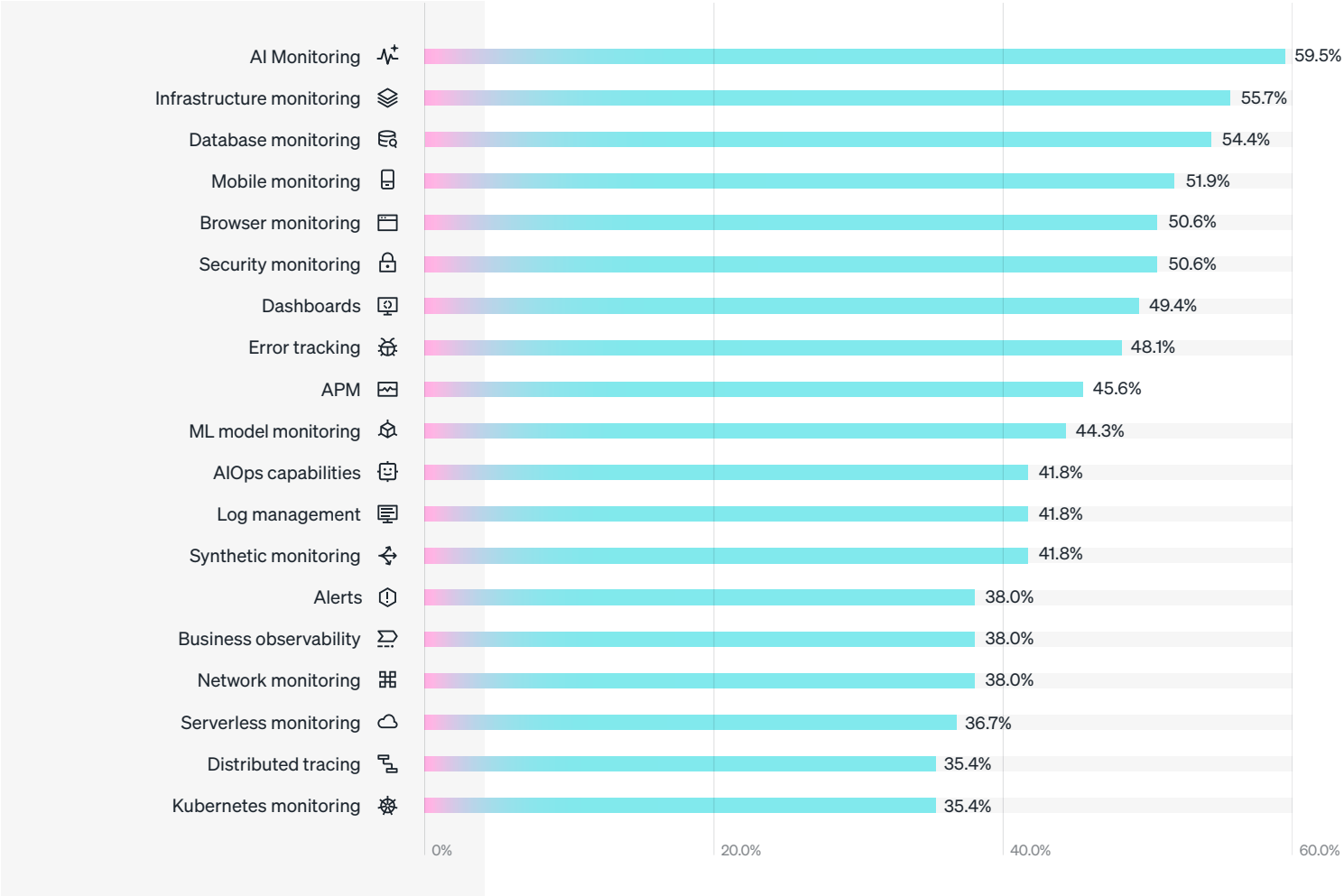


Tools deployed

- More than a third (35%) of media and entertainment respondents had deployed 10 or more of the 19 observability capabilities included in this survey
- 10% had deployed 15 or more
- AI monitoring was the most widely deployed observability capability for the media and entertainment industry at 60%—the highest among all industries—followed by infrastructure monitoring (56%) and database monitoring (54%)



Observability capabilities deployed for media and entertainment respondents



Media and entertainment organizations need to ensure speed, uptime, and reliability to deliver content to consumers and partner organizations with confidence. This is where monitoring infrastructure and network health becomes critical.

While infrastructure monitoring is on average more widely deployed by media and entertainment organizations, network monitoring deployments are lagging behind. With just 38% of respondents saying they currently deploy network monitoring, it ranks the lowest of all industries.

Consumer spending on media and digital content costs is on the rise, as subscription models become increasingly popular. This should cause media and entertainment organizations to focus on their digital customer experience (DCX) strategies to create a seamless, omnichannel experience.

Adopting DEM is one way to stay on top of DCX, and is an important focus. It has become a must-have for organizations seeking to understand the performance of digital engagement touch-points, while also identifying the source of an issue before customer relationships are negatively impacted. By combining real user monitoring (RUM) and synthetic monitoring, organizations can track and optimize performance and reliability to create and deliver a flawless online customer experience.

Respondents from media and entertainment organizations reported much higher levels of deployment for browser monitoring (51% compared to 44% overall; second-highest among all industries). Organizations in these industries also had the highest levels of mobile monitoring (52% compared to 35% overall), and synthetic monitoring (42% compared to 26% overall).

"Having the necessary tooling to provide our engineers with faster access to data-driven insights has become a core component in improving performance reliability, minimizing fraud, and protecting customer data."

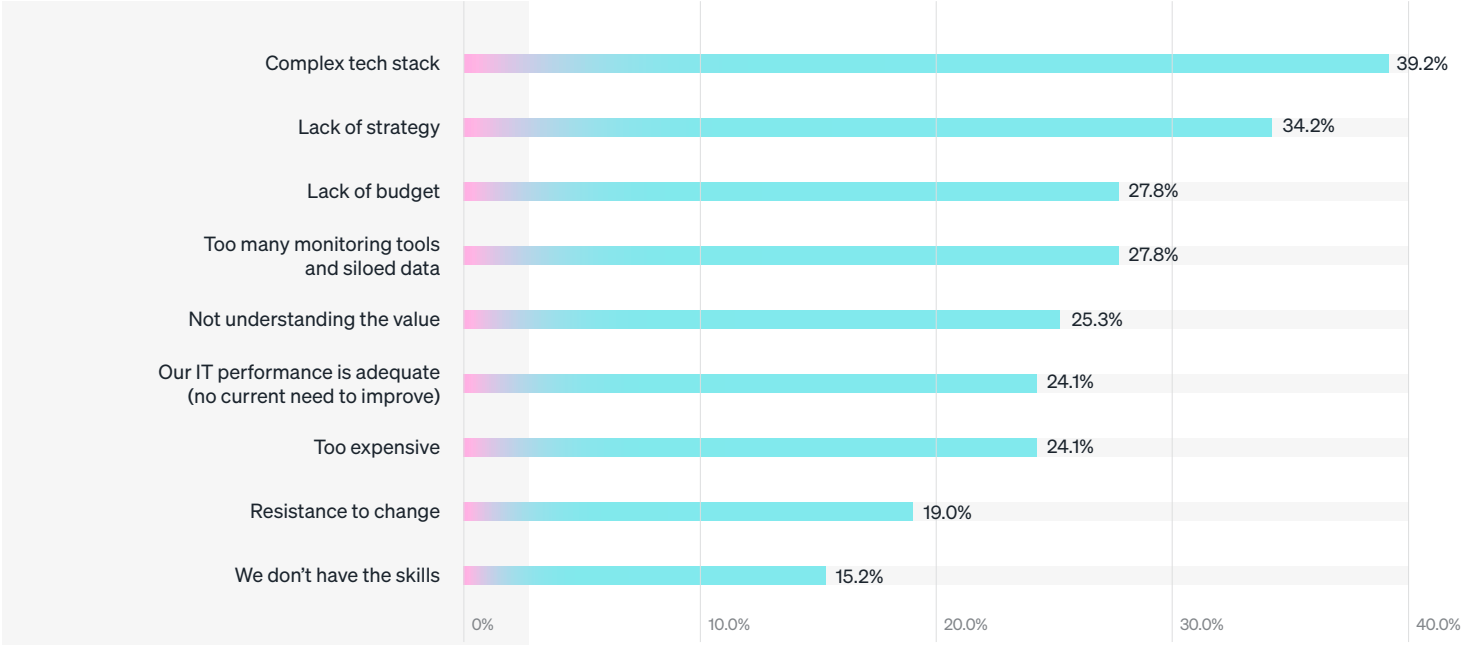
Christian Bobadilla
Director of Product and Application Security at Shutterstock

52%
deployed mobile monitoring

A fifth (20%) of media and entertainment organizations have achieved full-stack observability, lower than the 25% rate overall. The top challenge preventing these organizations from achieving full-stack observability was having a complex tech stack (39%). They also felt hampered by a lack of strategy (34%) and budget (28%), having too many monitoring tools and siloed data (28% each). Media and entertainment respondents were the most likely industry to cite a lack of strategy as a challenge preventing full-stack observability (34%); 36% more likely than the average of all other respondents.

34%
said they lacked an observability strategy

Primary challenges preventing media and entertainment organizations from achieving full-stack obervability



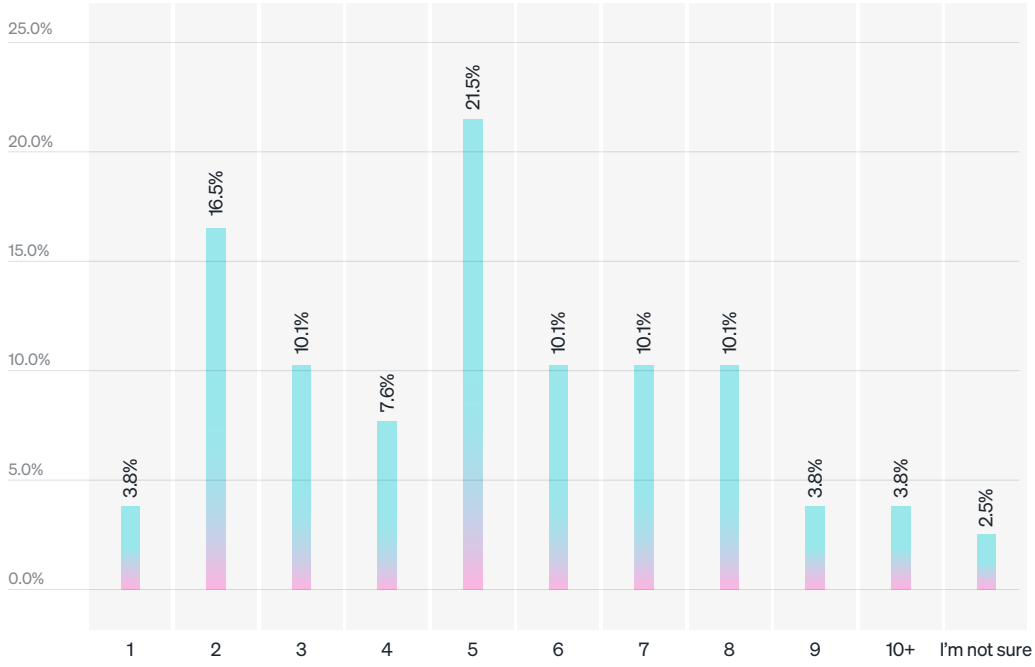
20% of media and entertainment organizations have achieved full-stack observability (lower than 25% overall)

Tools, data, outage, and consolidation trends

When it came to the number of observability tools adopted, 59% of media and entertainment organizations were more likely to use five or more tools out of the 19 observability capabilities included in this study - the highest of all industries. The average number of tools used by media and entertainment organizations is 5, higher than the 4.5 across all respondents. Just 4% of media and entertainment respondents used a single tool for observability, indicating that tool proliferation is widespread.

59%
used five or more tools

Number of tools used by media and entertainment organizations for observability in 2024



When asked how unified their telemetry data—metrics, events, logs, traces (MELT)—was, these organizations report the third-most siloed telemetry data (47%) and second-lowest proportion of unified data (30%) compared to other industries.

Despite having siloed data, respondents were more likely than average to integrate more business-related data types into their telemetry data. They integrated nine of 10 data types at higher rates than average.

Operations data (52%), marketing data (49%), and customer data (48%) were the most integrated business-related data types for these organizations. Unified telemetry data and more integrated business-related data types tend to have several benefits. Across all respondents in the broader survey, those with more unified telemetry data on average:

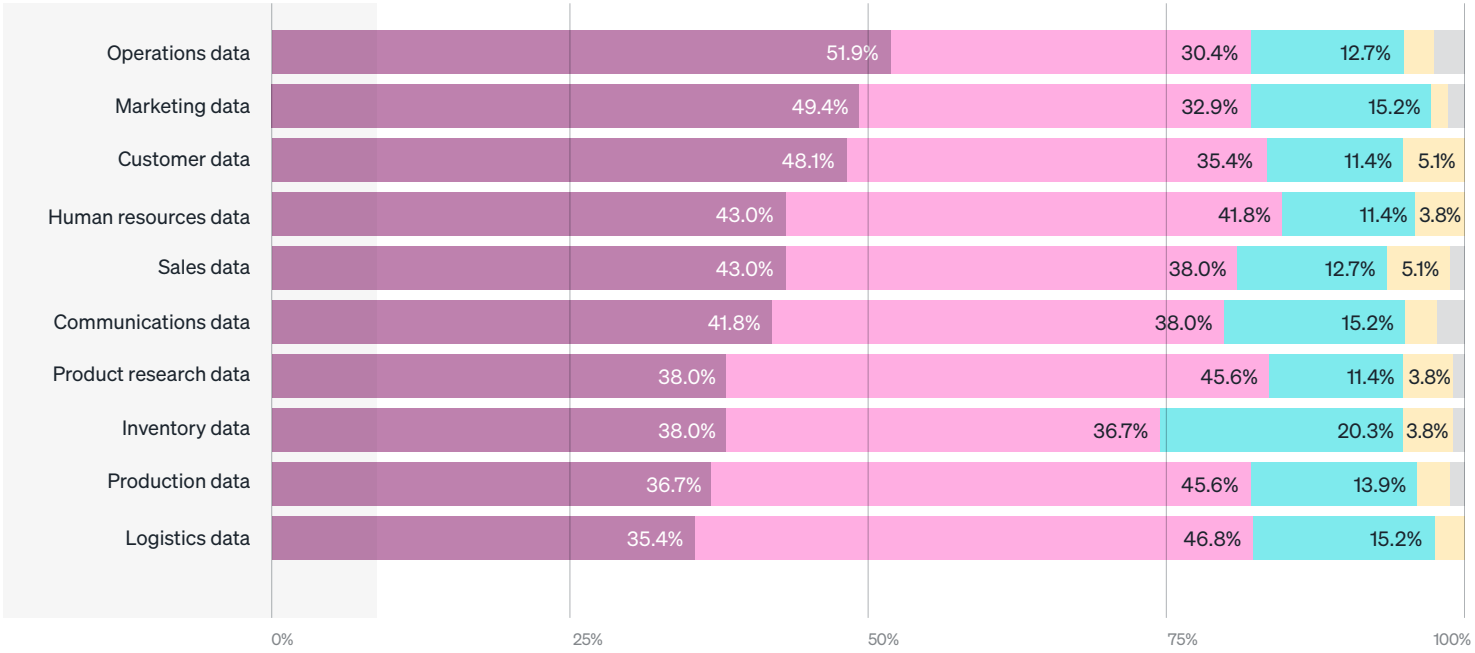
- Experienced 78% less annual downtime (107 hours per year compared to 488 hours per year)
- Spent 11% less engineering time addressing disruptions (28% compared to 32%)
- Had a 4% higher median ROI (302% compared to 290%).

And compared to those who had less than five business-related data types currently integrated with their telemetry data, those who had integrated five or more:

- Spent 32% less on hourly outage costs ($1.5 million per hour for high-business-impact outages compared to $2.2 million per hour)
- Experienced 63% less annual downtime (139 hours compared to 370 hours)
- Spent 27% less engineering time addressing disruptions (11 hours compared to 15 hours based on a 40-hour work week).

These findings strongly suggest that media and entertainment organizations benefit from integrating more types of business-related data, but may miss out on the benefits associated with more unified telemetry. Moving away from siloed telemetry could help them better benefit from these gains.

Types of business-related data integrated in media and entertainment organizations' telemetry data



Many IT teams in media and entertainment organizations learn about software and system interruptions without observability tools. Some 57% reported they unearthed these interruptions via manual checks and tests using monitoring tools, or through complaint and incident tickets. This figure was the highest of all industries surveyed. Likewise, only 43% relied on observability tools, the lowest of all industries. Across all respondents, 54% learned about interruptions from observability tools, and 46% without observability tools. This highlights that media and entertainment organizations are much more dependent on incident tickets for detecting problems, and manual methods for resolution.

In today's rapidly evolving digital landscape, media and entertainment companies are constantly seeking ways to stay ahead of the competition. One key aspect of this is regular use of an observability tool, with about three-quarters (76%) of media and entertainment respondents saying they personally use their organization's observability solution once a week or more.

While the preference among media and entertainment respondents was for a single, consolidated observability platform (56%), just 27% planned to consolidate tools in the next year to get the most value out of their observability spend—the lowest of all industries. Scalability—the volume, frequency, cardinality, and retention of data (34%)—and the breadth of supported capabilities and features (34%) are the most important features media and entertainment organizations look for in an observability solution, followed by onboarding time and ease of implementation (32%).

57%

discover interruptions using manual monitoring

56%

prefer a single observability platform

76%

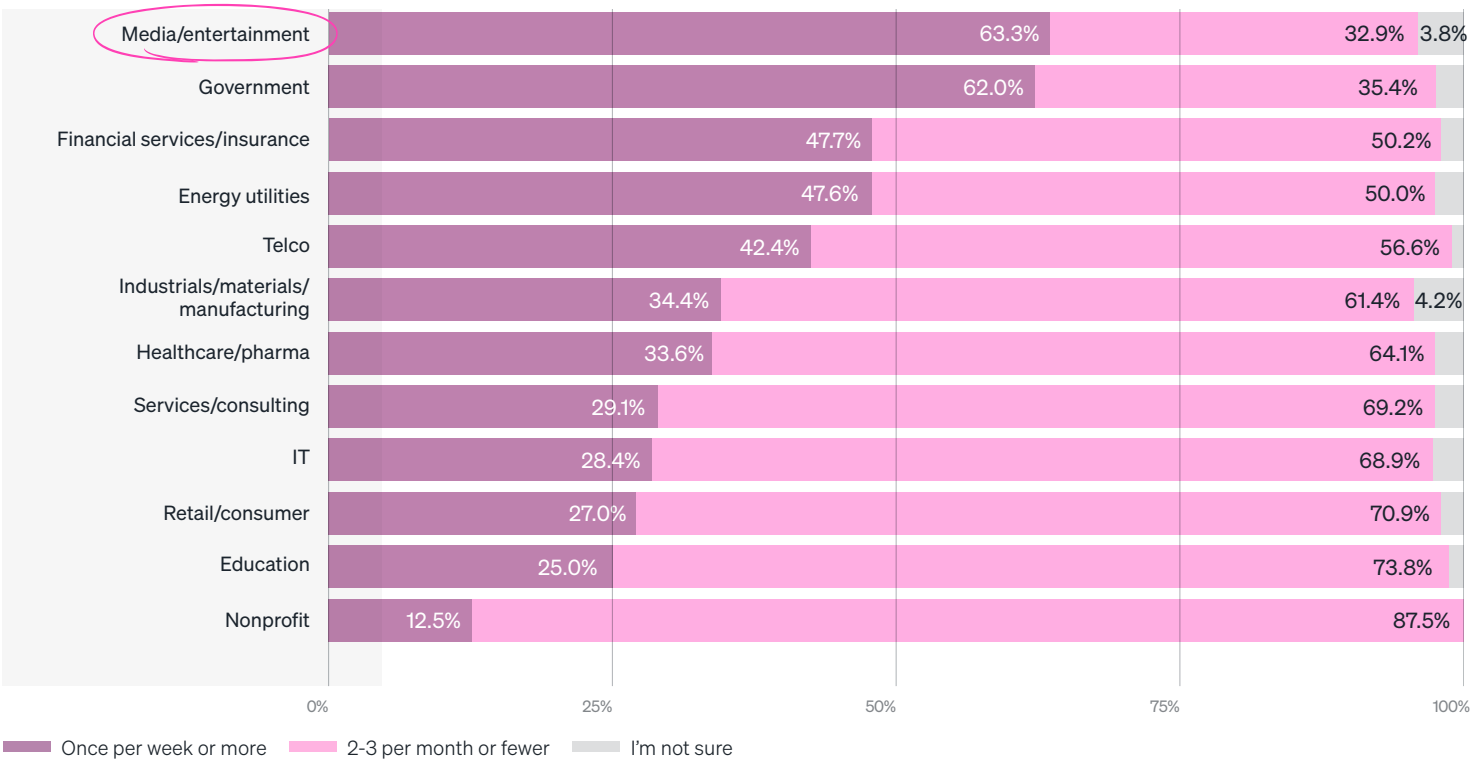
use their observability solution at least once a week

Frequent outages

Out of all industries, media and entertainment organizations experienced the most high-business-impact outages. 63% said these took place at least once a week, compared to the average of 38% among all respondents. In the past two years, network failures (32%) and power failures (32%) were the most common cause of unplanned outages, followed by the deployment of software changes (29%) and hardware failures (29%).

63%
report outages at least once a week

High-business-impact outage frequency by industry



Organizations in this sector also take longer to detect and solve issues surrounding outages. More than two-thirds (69%) of respondents said it takes at least 30 minutes to detect high-business-impact outages, the highest of any industry and much higher than the average of 54%. The median mean time to detect (MTTD) high-business-impact outages was 56 minutes, which was 51% higher than the median and the highest of any industry.

When it came to resolving outages, more than two-thirds (69%) said it takes at least 30 minutes to resolve high-business-impact outages, and a third (33%) said it takes at least an hour. For mean time to resolution (MTTR) of high-business-impact outages, the median time for the media and entertainment industry was 51 minutes, the same as the median MTTR across all respondents.

Nearly three-quarters (73%) said MTTR has improved to some extent since adopting an observability solution. Tracking, reporting, and incentivizing MTTD and MTTR improvements (49%), monitoring DevOps Research and Assessment (DORA) metrics (48%), conducting root cause analysis (RCA) and post-incident reviews (37%), and monitoring golden signals, such as latency, utilization, errors, and saturation (35%) were the top observability practices that media and entertainment organizations found helpful in reducing downtime and improving MTTD and MTTR.

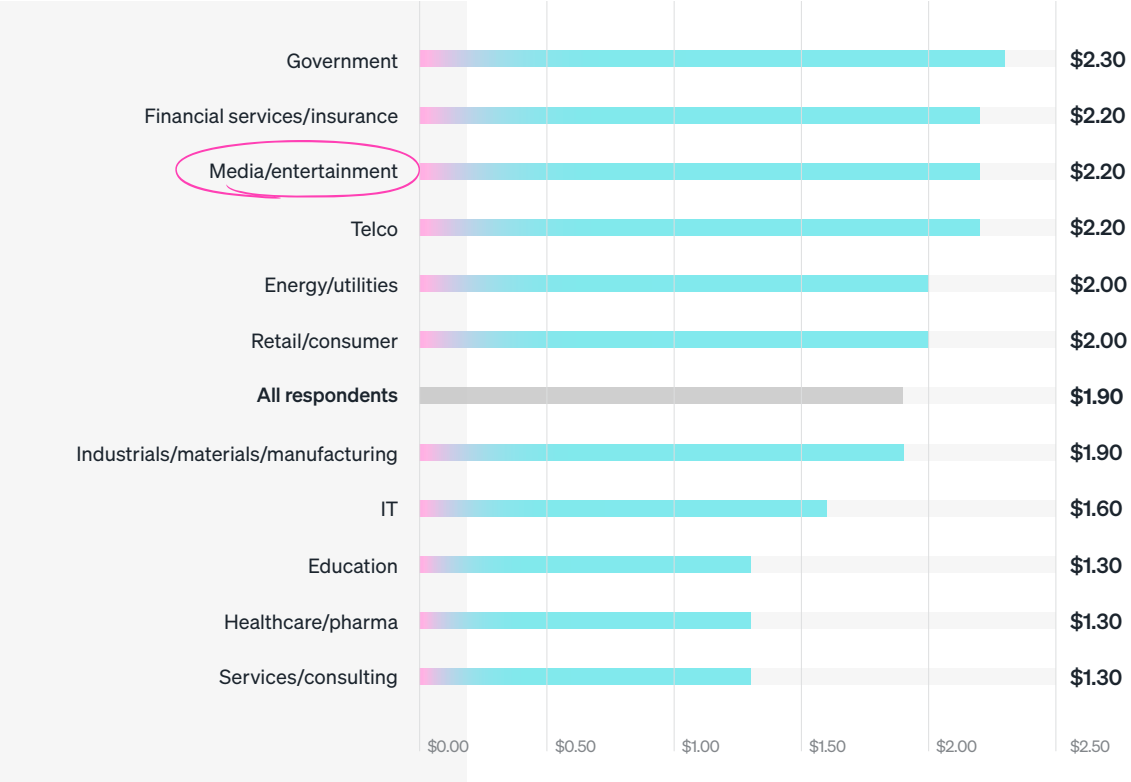
Notably, media and entertainment organizations with full-stack observability were more likely to report a faster MTTD and MTTR for high-business-impact outages than organizations that had not achieved full-stack observability. For instance, more than half (57%) of those who took less than 30 minutes to detect high-business-impact outages had full-stack observability (compared to 17% without full-stack observability), with this figure the same for those resolving issues in less than 30 minutes (compared to 14% without full-stack observability).

About three-quarters (74%) of media and entertainment respondents said critical business app outages cost at least $1 million per hour of downtime. The median outage cost of high-business-impact outages for media and entertainment organizations was $2.2 million per hour, 16% higher than the median hourly outage cost across all respondents.

73%
said observability has improved MTTR

74%
said outages cost at least $1 million per hour

Median hourly outage cost by industry



Engineering time is also an important factor in understanding the overall costs of outages for organizations. Two-thirds (68%) of media and entertainment respondents said their engineering team spends at least 25% of their time addressing outages, with 48% saying they spend at least half of their time on this. The median estimated percentage of engineering team time spent addressing disruptions was 49%, which is the highest of any industry and 63% higher than the overall median of 30%.

48%
of engineering teams spent 50% of their time addressing outages

With streaming services looking to subscriptions and advertising to drive revenue, uptime is a crucial consideration for media and entertainment organizations to address. Every minute of downtime costs money, and if a company website or app goes down for even a few minutes on a peak-traffic day, like a major sporting event or high-budget show premiere, it could cost these providers millions of dollars and negatively influence brand perception. The stakes are high for media and entertainment organizations, but observability can reduce the risk of downtime.

Observability spend

Media and entertainment organizations spent more on observability than average, with 82% saying they spent $1 million or more on observability, and no respondents spending less than $100,000 per year on observability. These organizations spent a median of $2.6 million per year on observability, which is the highest of any industry, and 33% higher than the overall median of $1.95 million.

82%
said they spent $1 million or more on observability

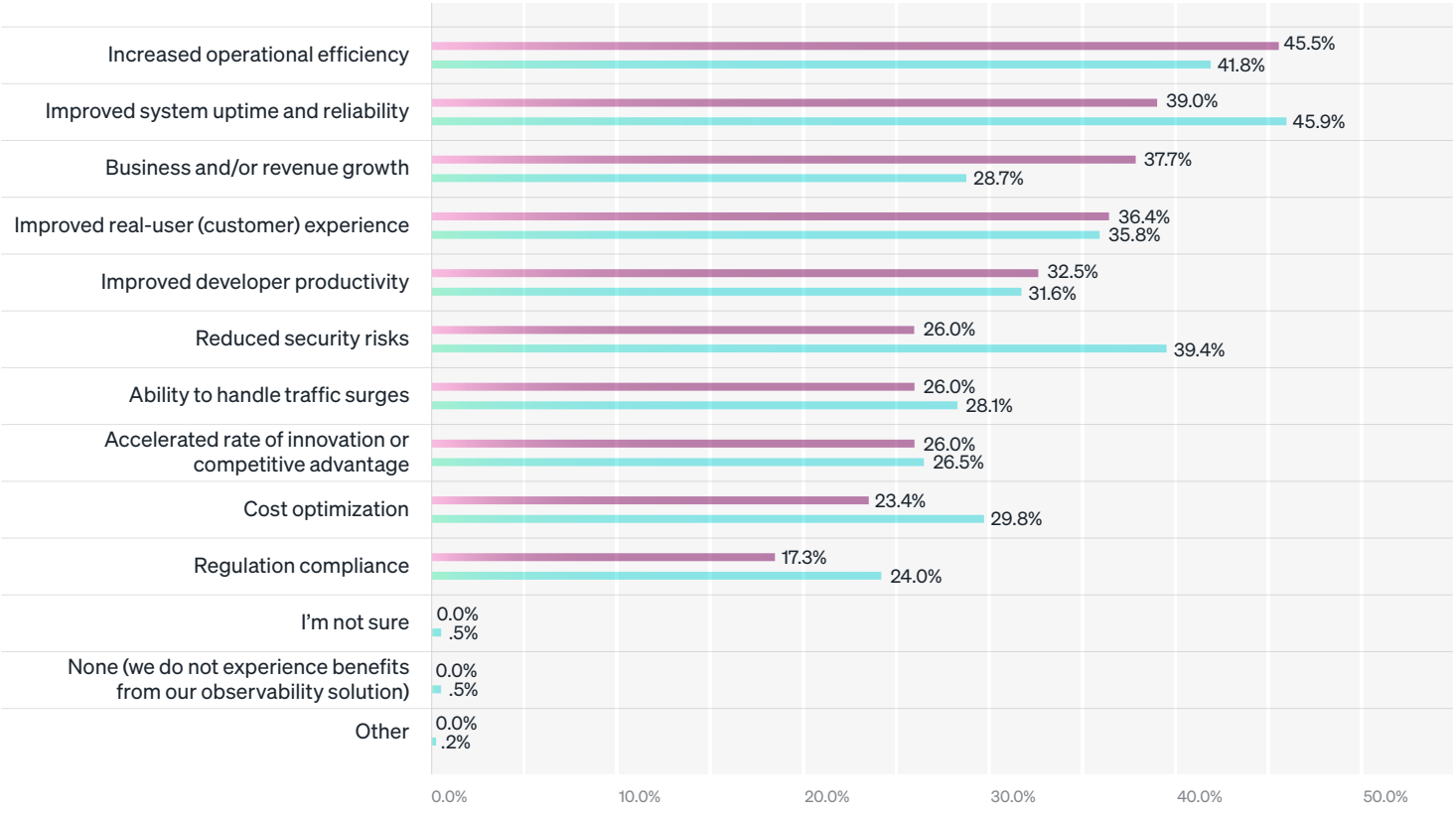
Business benefits

The survey asked how IT decision makers (ITDMs) and practitioners benefit from observability adoption. ITDMs say it makes their job easier (37%), helps them achieve business key performance indicators (KPIs) (37%), drives business strategy (37%), and helps prioritize environment updates and new service rollouts (37%).

For practitioners, observability creates less guesswork when managing complicated and distributed tech stacks (44%), increases productivity (39%), and increases innovation (35%). More than any other industry, practitioners in the media and entertainment industry cited observability as a source of innovation, with three times more media and entertainment respondents saying it was used more for core business goals (62%) compared to incident response or insurance (19%).

In terms of the benefits of observability, nearly half (46%) of media and entertainment respondents said observability increases operational efficiency, 39% said it improves system uptime and reliability, and 38% said it results in business and/or revenue growth. At least a third also noted that observability improves customer experience (37%) and developer productivity (33%).

When asked how much total value media and entertainment organizations receive from their observability investment per year, 90% said the total annual value was $1 million or more while 51% said the total value was $10 million or more. Media and entertainment organizations reported a median $10 million total annual value from observability. This was 23% higher than the $8.15 million value received across all respondents and the third highest by industry.



Based on annual spend and annual value received estimates, media and entertainment organizations receive a 296% median annual return on investment (ROI), or 4x.

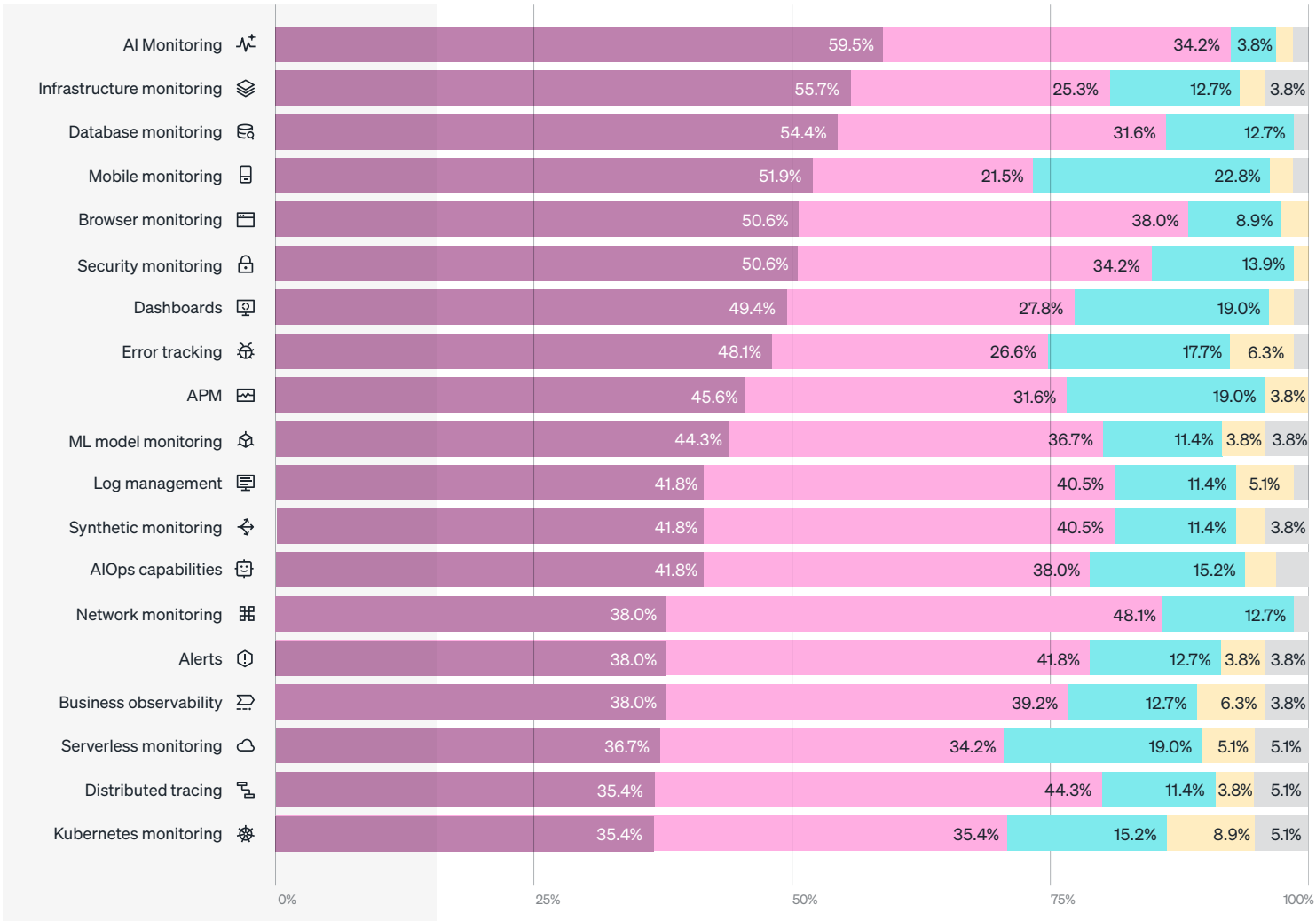
Observability deployment goals

Media and entertainment organizations had ambitious observability deployment plans for the next one to three years. For example, by mid-2027, nearly all expect to have deployed network monitoring (99%), security monitoring (99%), database monitoring (99%), browser monitoring (98%), and AI monitoring (98%).

DEM is also an important focus. In the next one to three years, more than half (52%) expected to deploy synthetic monitoring, 47% expected to deploy browser monitoring, and 44% expected to deploy mobile monitoring. These findings indicate that by mid-2027, the vast majority expected to have deployed browser monitoring (98%), mobile monitoring (96%), and synthetic monitoring (94%).

To get the most value out of their observability investments in the next year, 42% planned to reduce spend across the board, and 42% planned to train staff on how to best use their observability tools. More than a third also planned to switch to a more affordable vendor (38%) and optimize their engineering team size (36%).

Observability capabilities deployment summary for the media and entertainment industry from 2024 through 2027



Summary

Media and entertainment organizations must ensure that networks and infrastructure are performant, while simultaneously providing seamless digital experiences to remain competitive in a rapidly evolving market. With the emergence of new technologies and the increased need for reliable, responsive systems, these organizations face many challenges.

Insights from the *State of Observability for Media and Entertainment* report reveal that the industry is struggling with more frequent outages and slower MTTD. While the cost of downtime is high, the strong investment in observability can yield tremendous value. Tool sprawl is widespread, and telemetry data is siloed. However, media and entertainment organizations are leaders in integrating various business data types into their telemetry data, and indicate a desire for a single, consolidated platform for observability. Observability provides a clear business benefit for these organizations that are striving to streamline their observability programs to improve uptime and reliability.

Given these trends and the high interest in deploying more capabilities in the next few years, signs indicate that these organizations are continuing to move from point solutions to more robust, all-in-one platforms that provide end-to-end visibility.

Next Steps

New Relic is uniquely positioned to help media and entertainment companies navigate the competitive landscape and eliminate interruptions in digital experiences with DEM. Additionally, with some streaming providers reporting that certain quality issues can only be addressed through manual verification, proactive AIOps can be used to support streaming services and enable them to find and fix issues swiftly. Benefits include instant anomaly detection, incident correlation in seconds, and the reduction of mean time to resolve (MTTR).

Media and entertainment companies can use New Relic Streaming Video & Ads Intelligence, which enables them to achieve full-stack streaming visibility and faster troubleshooting. Instrumentation can be easily configured through a guided installation process and the ability to stream videos and ad monitoring. Data is correlated across clients, backend services and infrastructure to pinpoint root causes faster. The benefits are that viewers can keep watching and clicking with minimal interruptions. Additionally, session analysis can be used to stop churn and close support tickets faster thanks to video playback, ad interactions, and seek behavior.

Leveraging New Relic for AWS Elemental enables media and entertainment organizations to address monitoring issues directly. AWS Elemental can support complex tasks like encoding, transcoding, packaging and delivering rich video content at scale. Combined with the intelligent observability of New Relic, benefits include improved observability and a more granular view into the streaming media architecture. This enables teams to monitor all aspects of the video workflow. Issues can be resolved more swiftly with New Relic alerts while greater insights into AWS usage enables customers to achieve cost efficiency, all without compromising the reliability or quality of streaming services.

With New Relic capabilities like service level management and DEM (browser monitoring, mobile monitoring, and synthetic monitoring), media and entertainment organizations and their IT teams can detect and resolve issues proactively before customers seek to switch streaming services or vent on social media when downtime emerges.

Request a Demo

Request a demo for in-depth and customized answers to your tough technical questions.

Learn More

Learn more about how consolidating tools on the New Relic observability platform enables you to achieve greater visibility into your tech stack.

About this report

All data in this report are derived from a survey, which was in the field from April to May 2024 as part of our work in publishing the *2024 Observability Forecast* report.

Media/entertainment respondents comprised 79 of the total respondents surveyed in the *2024 Observability Forecast* study, or 5%.

ETR qualified survey respondents based on relevant expertise. ETR performed a non-probability sampling type called quota sampling to target sample sizes of respondents based on their country of residence and role type in their organizations (in other words, practitioners and ITDMs). Geographic representation quotas targeted 16 key countries.

All dollar amounts in this report are in USD.

View the definitions used in this report.

About ETR

ETR is a technology market research firm that leverages proprietary data from its targeted ITDM community to deliver actionable insights about spending intentions and industry trends. Since 2010, ETR has worked diligently at achieving one goal: eliminating the need for opinions in enterprise research, which are typically formed from incomplete, biased, and statistically insignificant data.

The ETR community of ITDMs is uniquely positioned to provide best-in-class customer/evaluator perspectives. Its proprietary data and insights from this community empower institutional investors, technology companies, and ITDMs to navigate the complex enterprise technology landscape amid an expanding marketplace.

About New Relic

The New Relic Intelligent Observability Platform helps businesses eliminate interruptions in digital experiences. New Relic is the only platform to unify and pair telemetry data to provide clarity over the entire digital estate. We move problem solving past proactive to predictive by processing the right data at the right time to maximize value and control costs. That's why businesses around the world—including Adidas Runtastic, Domino's, GoTo Group, Ryanair, Topgolf, and William Hill—run on New Relic to drive innovation, improve reliability, and deliver exceptional customer experiences to fuel growth. Visit www.newrelic.com.

Learn About New Relic DEM Solution

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