

TV Guide



“IBM Cognos TM1 is easy to use, we get immediate results, and it makes our team look good. If you want to boost company morale, don’t have a picnic, get TM1.”

Jonathan Kahan, Director of Finance, TV Guide Online



Gemstar-TV Guide International, Inc. develops, licenses, markets, and distributes technologies, products, and services targeted at the television guidance and entertainment needs of consumers worldwide under the renowned TV Guide name. The new *TV Guide* magazine, delivered in a fun, modern, and engaging weekly package, is completely dedicated to television entertainment and program recommendations. TVGuide.com is a leading online destination for television and movie guidance featuring comprehensive television listings, insightful, original content, and a thriving online community that attracts approximately three million users a month.

Starting in early 2005, TV Guide began investing millions of dollars in the redesign of *TV Guide* magazine. Like most others in the industry, the company was struggling with dramatic changes in the advertising market and consumer preferences. For TV Guide, returning its flagship publication to its former strength was imperative. In addition, TVGuide.com presented a great opportunity to take advantage of the growing online advertising market.

It soon became apparent that TV Guide needed a more timely and dynamic view of its financial and operational data to gauge the success of its endeavors. The two businesses also required a solution that would provide a real-time understanding of the magazine’s circulation and subscriber base, as well as the online advertising business.

After evaluating several leading business performance management (BPM) suites and platforms, including Hyperion and OutlookSoft, TV Guide decided to implement IBM Cognos TM1 from Cognos, an IBM company. TV Guide chose this solution for its data-gathering and integration capabilities, real-time response, flexibility, and integration with Excel.

Industry:

- Media

Geography:

- United States

Information needs:

- Timely and dynamic view of financial and operational data
- Fast, automatic data collection
- More robust data
- Ease of use
- Integration with Excel
- Faster, more detailed reporting

Functional areas of deployment:

- Eight operating groups

Solutions:

- IBM Cognos TM1

Benefits:

- Provides management with a timely and dynamic view of financial and operational data
- Gathers and aggregates data from different systems
- Makes queries and what-if analysis possible in real time
- Is user-friendly
- Contributes to better decision-making

Today, says Jonathan Kahan, TV Guide Online’s Director of Finance, “What used to take hours can now be done in just minutes with IBM Cognos TM1. TM1 is easier to use and more robust than any other system I’ve ever worked with. We used to struggle with gathering all the data from a variety of systems and then aggregating them into weekly, monthly, quarterly, and annual totals. With IBM Cognos TM1, data collection is essentially automatic, allowing us to be more analytical, proactive, and productive.”

Challenges faced

Before the implementation of IBM Cognos TM1, the finance team struggled with multiple models and spreadsheets involving thousands of interdependent but error-prone calculations. Gathering forecast data was a time-intensive, manual process.

While the manual system worked, getting to the key decision points was difficult. "If Corporate gave me an hour to answer a question, it would often take 55 minutes just to get the information, and then we would have only five minutes to analyze the data before we had to send it off," says Allen Schatz, TV Guide's Director of Financial Reporting and Planning. "The system didn't leave us much time to help management make important decisions."

The organization realized it needed a system that could instantly and automatically aggregate data in a centralized repository. Furthermore, the company required an interface that everyone in the organization, especially non-financial staff, would find user-friendly.

"I had used TM1 at three previous organizations over the past eight years," says Kahan, who was involved in the selection process. "Through the evaluation process, I was very curious to see what the other products had to offer. The other software packages didn't even come close to matching the power of IBM Cognos TM1."

Strategy followed

Working closely with the provider of the BPM suite, Revelwood, TV Guide implemented IBM Cognos TM1 as a dynamic BPM solution for budgeting, forecasting, and reporting. Implementation of the solution took a mere eight weeks.

TV Guide also set up IBM Cognos TM1 so that it could create analytics applications. For instance, the company has created applications to manage advertising sales data for TVGuide.com, circulation and subscription trends for *TV Guide* magazine, and staffing requirements for the entire Publishing group.

Benefits realized

Today, more than 40 users in eight operating groups can enter planning data directly into IBM Cognos TM1. TM1 automatically accesses data from these groups' other systems, permitting queries and what-if analysis in real time.

For example, Kahan can now pull together vast amounts of data from TVGuide.com's current ad-serving system and from WebTrends, the company's reporting system

for Web traffic. This allows him to analyze data such as revenue by advertiser, section of the site, and ad type. "Before IBM Cognos TM1, we were just looking at one lump sum, two weeks after month end. Now we can analyze the data immediately after month end and proactively alter sales and operating strategies," observes Kahan.

IBM Cognos TM1 helps Schatz and the rest of the planning team devote more time to analytics, which in turn enables them to provide management with more accurate information. Today, when Corporate asks for a specific report, Schatz is able to go into IBM Cognos TM1, select the appropriate dimensions (centers, companies, periods, accounts, etc.), and analyze the results. "The ability to do things on the fly with IBM Cognos TM1 makes the planning and reporting process easier," says Schatz. "Now when we have just an hour to get an answer, it takes me only five minutes to get the data."

The Circulation Marketing team uses IBM Cognos TM1 to examine large amounts of granular data for circulation and subscription trends. They can see how many orders per week they received by channel of sale and price paid. Moreover, they can do this in about 10 percent of the time it took before implementing TM1.

Information on the staff roster of the entire Publishing group is maintained in IBM Cognos TM1. This makes it possible to calculate headcount, salaries, taxes, benefits, bonuses, and 401K contributions. These are significant costs for TV Guide, and being able to link this level of detail with rolled-up financials allows the company to use IBM Cognos TM1 for scenario planning. Teams simply run scenarios for staffing plans through profit and loss statements — the results are available instantly.

About Cognos, an IBM company

Cognos, an IBM company, is the world leader in business intelligence and performance management solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in February 2008*. For more information, visit <http://www.ibm.com/software/data/> and <http://www.cognos.com>.

**As a result of the acquisition, product names have now changed to reference IBM at the beginning of the software or service.*