

WHAT WILL HAPPEN TO THE DIGITAL ASSET MANAGEMENT (DAM) MARKET AFTER COVID-19?

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It's no secret that Covid-19 has changed so much in global markets and the way we do business. In the last year, the pandemic has forced so many companies to adapt very quickly and it shows across many industries. Covid-19 shows no signs of going away any time soon and I can't help but think, how is Covid-19 going to impact the Digital Asset Management (DAM) market?

THE "NEW NORMAL"

With the corporate workplace going virtual, companies need digital technologies more than ever before. Moving from offices to homes has demonstrated the importance of collaborating, storing and exchanging digital information. Luckily for the DAM industry, Digital Asset Management systems will do just that for many businesses.

According to Mordor Intelligence, the DAM Market will grow at a CAGR of 21.23% for the next 5 years and is expected to reach a value of USD \$9164.96 million (Mordor Intelligence, n.d.). This forecast is no surprise as companies are focusing more on:

1. Cloud-based delivery options rather than on-premise options
2. AI and Automation

THE GOOD NEWS

The shift from on-premise information storage to cloud-based services will benefit companies in the long run. Employees and consumers will need the dynamic of the cloud to be able to store and access high volumes of digital information. Companies will find it beneficial to invest in real-time collaboration, digital workflow automation, remote operations, omni-channel self-service, cloud computing and virtualization (Reportlinker, 2020). This need will drive the market for the future as more companies will move to cloud platforms such as Google, for their cloud-based DAM solutions. This most likely to their low cost compared to on-premise licences, implementation, and maintenance (Markets and Markets, 2020).

With the adoption of Artificial Intelligence (AI), DAM solutions have been made easier than ever before. AI automates the digital asset tagging process, such as adding keywords and metadata to the assets based on what they contain. This process enables quick identification, segmentation and retrieval of digital assets and extracts metadata for analysis of compliance with copyright (Markets and Markets, 2020).

THE KINDA BAD NEWS?

There are a few potential drawbacks to DAM solutions currently, one being costs and the other being metadata and its effects. DAM solutions are the answer to remote workspaces, right? Yet, despite all the benefits the upfront costs of implementation and licenses is still a major concern to companies. For example, enterprise-level DAM, Adobe Experience Manager, costs about USD \$500,000 annually without licensing costs (Markets and Markets, 2020). This isn't exactly a cheap solution, but DAM systems have a high return on investment considering how much engagement is happening with employee and customer users.

Metadata, the key to DAM systems, may also hinder the speed at which the system works. Excess of metadata can actually slow down the system when navigating and discovering digital assets (Markets and Markets, 2020). Therefore, the manual work of professionals is required to ensure that the assets contain the right metadata to avoid this issue. Companies may also see this as an added cost but will find it as an advantage in the future.

SOMETHING TO LOOK FORWARD TO...

It has been evident that there is a "need for digital transformation enterprises to modernize their information infrastructure to better respond to changing market conditions" (Reportlinker, 2020). The DAM market has proven itself to be innovative and useful in the rapidly changing economic environment that Covid-19 has created. There's no doubt that DAM solutions are a major investment but the rewards outweigh the drawbacks significantly. I believe with the increase of digital assets being exchanged, retrieved and created, the integration of DAM solutions would have been just as important without Covid-19. The development of DAM systems have come so far and will continue to improve through this pandemic.

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