



DYNAMIC AD INSERTION:

Monetizing the Multiscreen Opportunity



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Media companies can only keep pace with evolving viewing behavior by delivering a compelling user experience, from device to navigation to content and, yes — even advertising.

Monetizing Content on Every Screen



Consumer demand for content anywhere can only be supported in the long-term by successful business models that generate consistent revenue. But aggregating advertising audiences across platforms and serving fresh, relevant inventory has been easier said than done for the many operators, programmers and broadcasters whose future video revenues depend on it. While not a new challenge, this daunting requirement will only grow more imperative as content creators and distributors rethink how content is monetized in a multiscreen world. Dynamic ad insertion (DAI) and cutting-edge support strategies are playing a critical role, helping to rewrite the rules of making money in a fragmented viewing world.

An effective DAI strategy can help convert legacy operations into highly efficient profit centers that can seamlessly monetize live, on-demand and TV Everywhere offerings. With DAI, fresh, relevant, demographically targeted ads can be presented within multiscreen content, creating new opportunities for advertisers to reach consumers in, premium programming environments.

When DAI was introduced, it required significant changes in hardware-based infrastructure and significant hands-on processing to scale. But the emergence of software-based workflows and next-generation transcoding technology has transformed the process and lowered costs to make it much easier to

justify implementation. While the total multiscreen subscriber reach remains much smaller than linear, most operations have seen TV Everywhere targeted advertising rates achieving on par or greater CPM values compared to traditional broadcast TV ads due to the hyper-addressability that can be achieved.

Key questions that content distributors and owners can ask to help determine whether DAI is a fit for them include:

- [Can DAI boost my revenues?](#)
- [Can DAI improve user experiences and customer satisfaction?](#)
- [Will DAI open new inventory for new types of advertisers?](#)
- [What opportunities are available to streamline the consolidation of legacy and next-gen ad delivery networks?](#)

This paper discusses the challenges media organizations face as they plan to monetize content in a multiscreen world and the opportunities to drive new revenue by leveraging dynamic ad insertion. It includes a tech-focused checklist to consider before beginning the journey to DAI and offers an overview of advancements in cloud technology that are streamlining the latest deployments.



DAI - What's it all about?

- ✓ DAI is a key solution to monetizing TVE/OTT/cloud DVR inventory
- ✓ DAI creates perpetual value for stored VOD and cloud DVR content, outside of C3 and C7* ratings windows
- ✓ DAI can be used by both service providers and content providers
- ✓ DAI can refresh “baked in” advertisements and other content not pre-marked for ad insertion
- ✓ DAI technology is in use in multiple installations globally
- ✓ DAI can be used across all distribution platforms — linear, on-demand and online/TV Everywhere
- ✓ DAI ads can be short or long and addressable or not
- ✓ DAI is standards-based and cross-compatible between VAST and SCTE130
- ✓ DAI increases customer satisfaction by delivering fresh, relevant, targeted ads
- ✓ DAI creates an anytime primetime, where you can target the perfect audience, regardless of time of day
- ✓ DAI enables media companies to earn ad revenue for shows that compete against each other on linear
- ✓ DAI enables media companies to offer targeted, addressable impressions, with CPMs similar to linear ad playback

AD MANAGEMENT IN A MULTISCREEN WORLD:

The Challenges



Revenue Enablement

Monetizing wasn't always so complex. But with content, device and timing increasingly controlled by the end user, media companies must now address everything from linear broadcasts to new platforms, with multiple ratings windows to maximize monetization via relevant, embedded advertising and interstitial content.

Customer Experience

Time-shifted applications like cloud DVR and VOD often contain ads baked into the video stream that become obsolete once campaign windows close. Repetitive or stale ads can also devalue the content due to the clumsy customer experience. Content can be manually edited to add fresh advertisements, but the process is often time consuming and costly.

Operation and Inventory Constraints

In linear environments, ads are frequently broadcast broadly to audiences, diluting the value of ad placements due to the lack of effective targeting. In addition, advertising management campaigns and processes between linear and nonlinear/online businesses are often uncoordinated and duplicative, resulting in increased manual work, excess inventory and disgruntled advertisers.

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A woman with curly hair is shown in profile, looking towards the right side of the frame. She is wearing a light-colored t-shirt. The background is dark and out of focus, suggesting an indoor setting at night. The overall tone is blue and moody.

AD MANAGEMENT IN A MULTISCREEN WORLD:

The Opportunities

Personalization and Data Targeting

A main driver for preparing networks to deliver multiscreen TV has been to meet consumer demand for personalized services. In the same vein, the personalization of advertising content will be a primary means of engaging viewer interest and attention, while driving greater value.

As connected devices deliver better video access with improved features, functionality and quality, viewing data can be analyzed to offer a more customized experience. Combined with subscriber data known by the video distributor, data generated from these devices can offer unprecedented relevancy for advertising.

Inventory Improvement and New Revenue Streams

DAI can transform ad content on millions of DVR recordings and VOD libraries into a constantly refreshed moneymaker. When Nielsen conducted a Global Video-on-Demand Survey diving into viewer behavior, nearly two-thirds of respondents said that they watch some form of video-on-demand programming, and 59% of respondents said they didn't mind viewing advertising to access free content. However, with two-thirds (66%) of respondents lamenting that most ads in VOD content are for products they didn't want, a clear opportunity emerges for the roll of DAI offers to generate targeted, high-value ad impressions that makes viewers more likely to engage.

Streamlined OTT & Linear Operations

In recent years, operators have built out HTTP-based networks that use ABR technologies to stream programming to internet-connected devices, while still maintaining service to legacy set-top boxes. A drawback of this situation is the burden of maintaining and operating separate networks that essentially carry the same programming.

But new technology is helping content distributors bridge legacy and next-gen architectures, and leverage manifest-based ad insertion instead of MPEG-2/4 ad splicing hardware — allowing ad insertion functionality to be located anywhere in the network.

What can DAI do for me?



For Advertisers

- Leverage enhanced consumer data for targeting
- Keep ads and messages fresh, timely and relevant for consumers
- Recapture lost live TV viewing
- Increase the reach of key demographics
- Target an anywhere, anytime primetime audience



For Operators

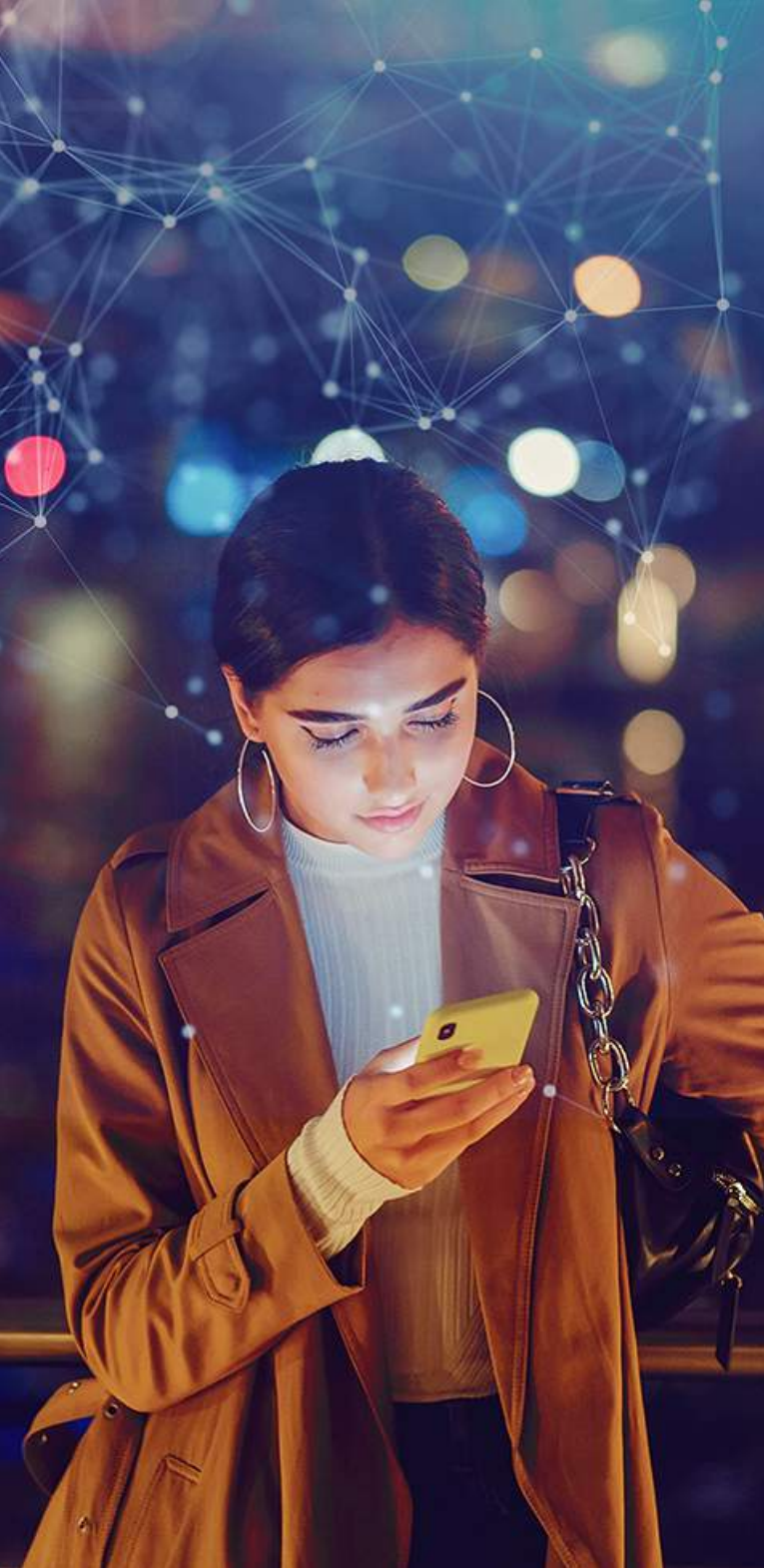
- Offer targeted, addressable impressions across linear, live, on-demand and TV Everywhere services
- Personalize ad delivery, with better metrics, delivered at a higher CPM
- Convert stagnant recorded ads into a recurring, renewable source of revenue
- Provide new services and advertising opportunities to network partners



For Networks and Stations

- Offer targeted, addressable impressions across linear, live, on-demand and TV Everywhere services
- Personalize ad delivery, with better metrics, delivered at a higher CPM
- Convert stagnant recorded ads into a recurring, renewable source of revenue
- Get better measurement of content effectiveness





DAI in the cloud = scalable, simple.

Media companies can only keep pace with evolving viewing behavior by delivering a compelling user experience, from device to navigation to content and, yes — even advertising.

Cloud-based DAI platforms should support scalability to meet fluctuations in subscriber demand — for primetime, sports or other large-scale live events — without the need for costly, complex and custom-purpose equipment. In a cloud environment, whether public, hybrid or private, the necessary ABR transcoding, encoding of ads, packaging and ABR “manifest manipulation” should all work together in a single, elastic, end-to-end seamless architecture.

A best-in-class cloud-based DAI platform will provide multiple business-driving benefits, including:



Ability to launch complete ecosystems in minutes



Elastic scalability to address dynamic resource demand



Resource and operational efficiencies through cloud orchestration



Flexible deployment options — public/private cloud or datacenters



Turnkey deployments and easy upgrades



Software-defined networking benefits



Easy implementation of geographic redundancy



Built-in load balancing

Migrating services to a cloud-based multiplatform solution helps service providers boost satisfaction while increasing flexibility, simplifying management, improving time-to-market, speeding ROI and reducing CAPEX.

Summary

DAI accelerates the revenue-driving potential of linear, live and on-demand multiscreen delivery, providing new sales opportunities and customer engagement via relevant, high-value ad content in live, narrowcast or unicast content. Real-time, multiplatform advertising management and decision solutions eliminate repetition, ensuring that ads are never stale and always billable, while cloud enablement provides flexible scalability to meet any future business requirements.

DAI from Imagine Communications:

- Delivers targeted ads in linear, VOD and cloud DVR
- Provides blackout or alternate program insertion per DMA or individual
- Is deployable in your datacenters or in the cloud with high availability
- Supports DASH, HLS and MSS packaging formats and SCTE-130 & VAST communication protocols
- Enables pre-fetching of ad decisions for live events to smooth peak demand requirements

As operators, programmers and broadcasters begin or continue the DAI journey, an open, modular, integrated solution awaits. One that streamlines the deployment process and enables operators to realize substantial revenue returns as they evolve their networks to meet the changing needs of subscribers.

Imagine Communications brings an end-to-end, cross-platform DAI solution deployed globally and backed by a decade of innovation and expertise. We are your trusted resource for designing a DAI strategy, framework and rollout plan.

[Talk to one of our experts today >>](#)



Got 2 minutes?

Check out our latest infographic to learn about 5 ways SSAI can impact your OTT revenue.

[Download Infographic >>](#)



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