



ADVANCED ADVERTISING

Dutch Guild of Multimedia Engineers

May 2019

Menno Bangma – Product Manager Replay and Advanced Advertising



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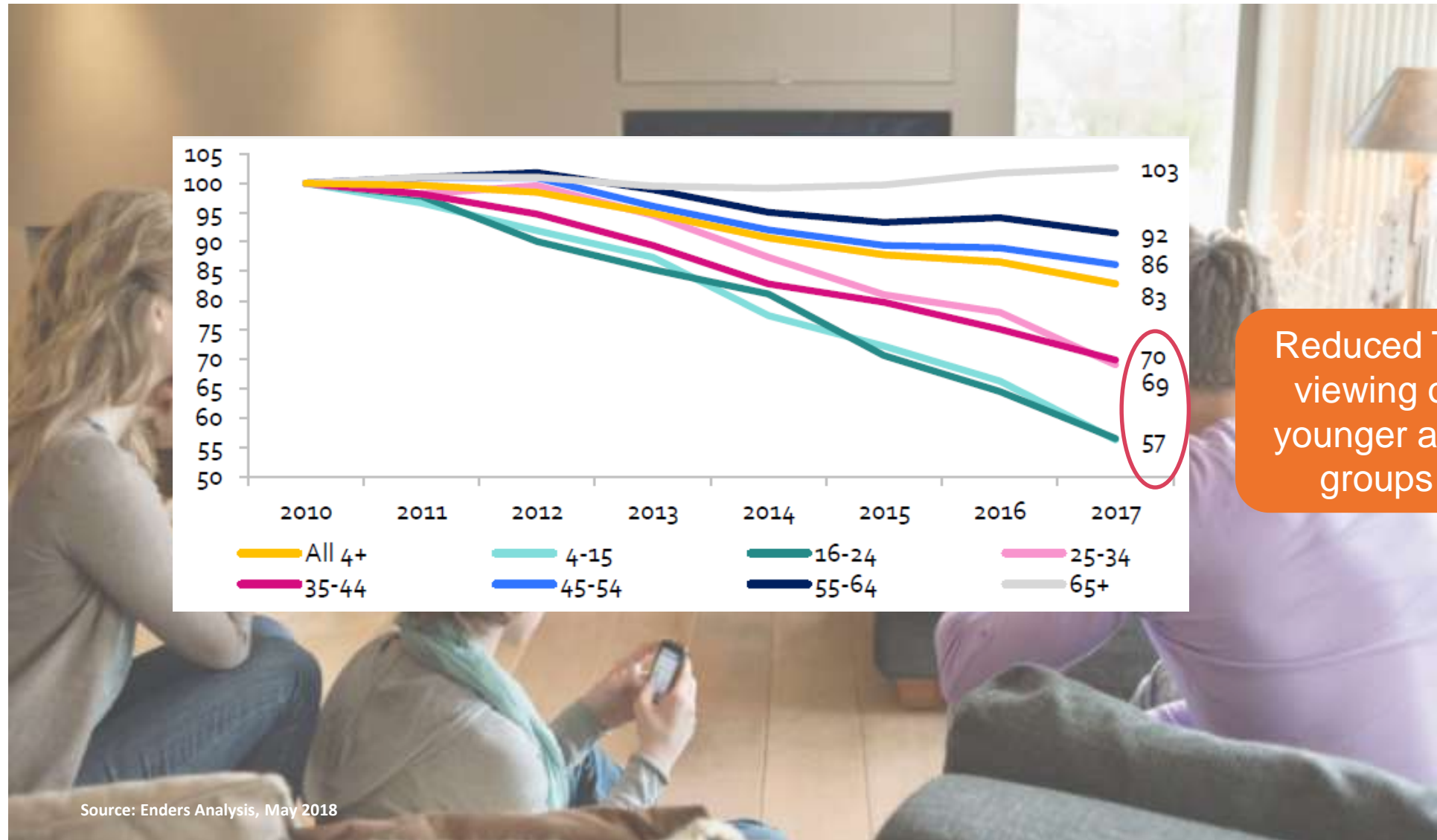
1. Business Rational
2. Sky-VM deal
3. Linear addressable in depth

BUSINESS RATIONALE



LINEAR TV VIEWING IS DECREASING IN UK , ESPECIALLY BY YOUNGER GENERATIONS

Consolidated viewing on TV set in the UK by age group – 2010 / 2017

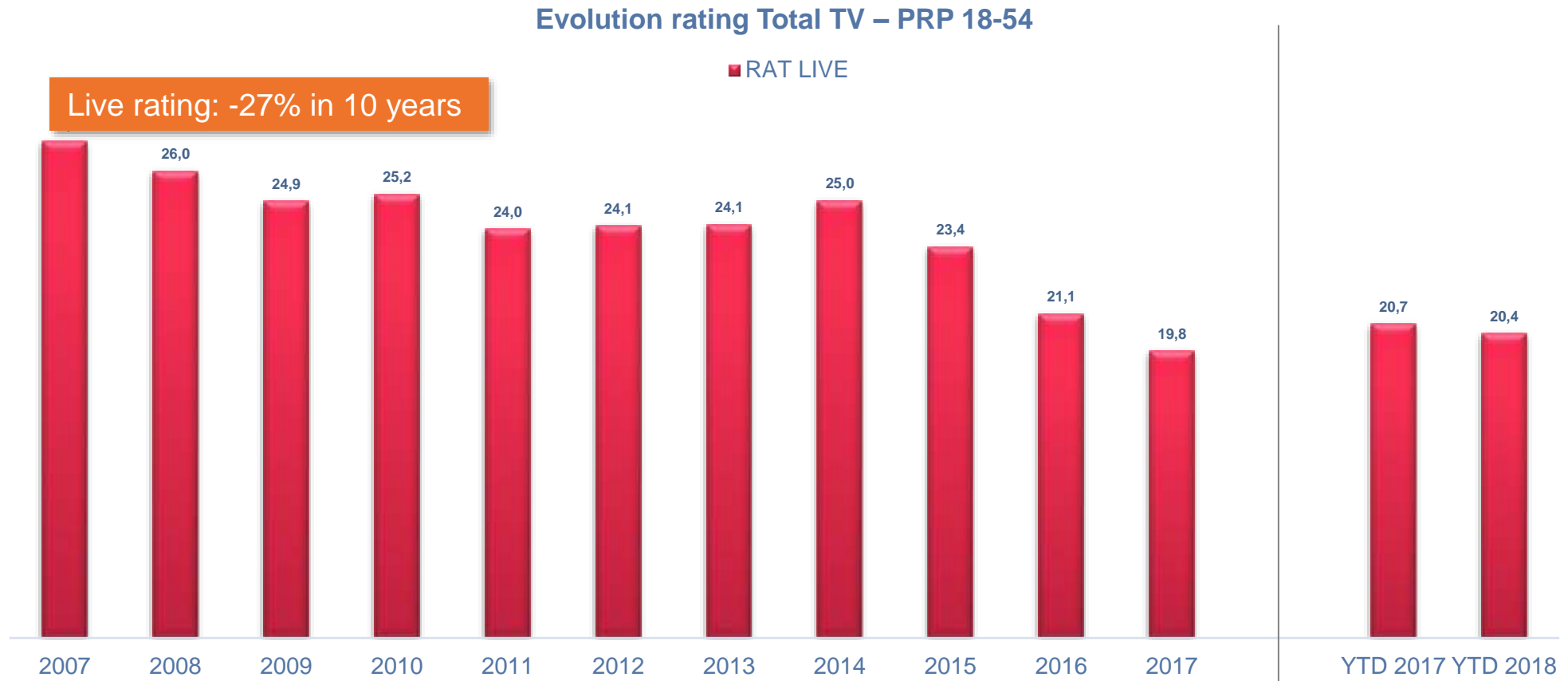


Reduced TV viewing of younger age groups

Source: Enders Analysis, May 2018



ALSO IN BELGIUM THERE IS A STRONG DECREASE IN LIVE VIEWING



Source: CIM TV North, Belgium, rating total TV, PRP 18-54 (Principle Responsible for Purchases), 17-24h, YTD 13/05



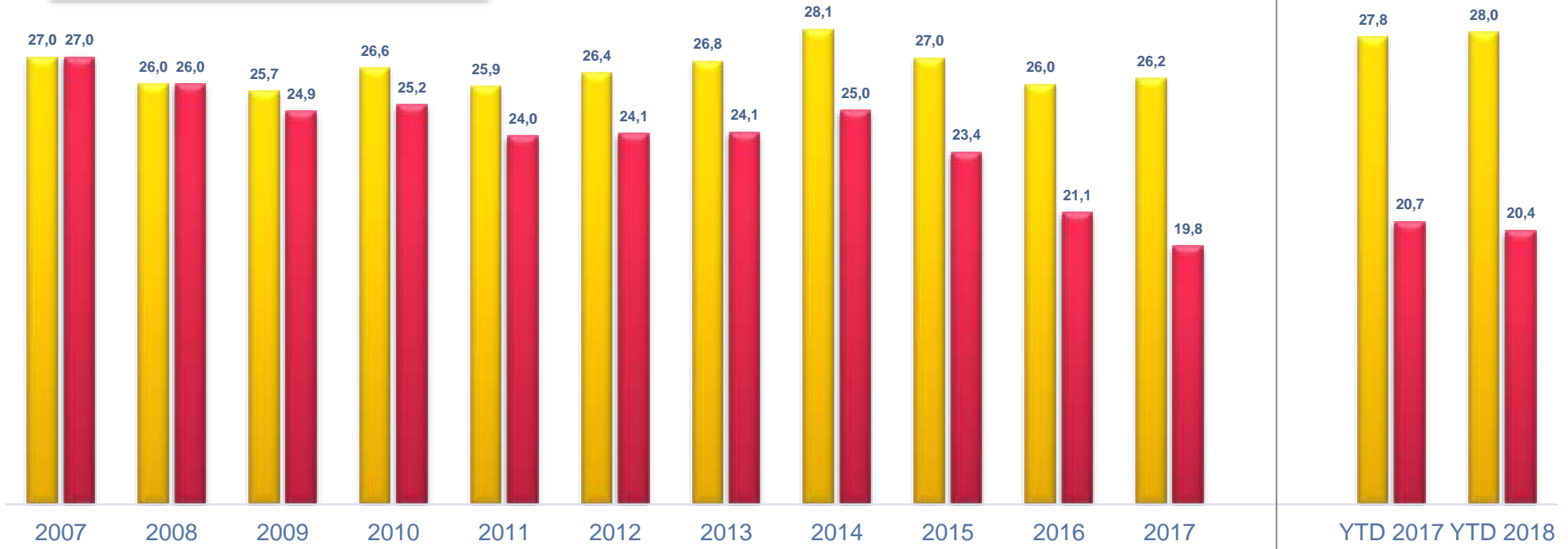
AND ALTHOUGH LIVE+7 IS RATHER STABLE...



Evolution rating Total TV – PRP 18-54

■ RAT LIVE+7 ■ RAT LIVE

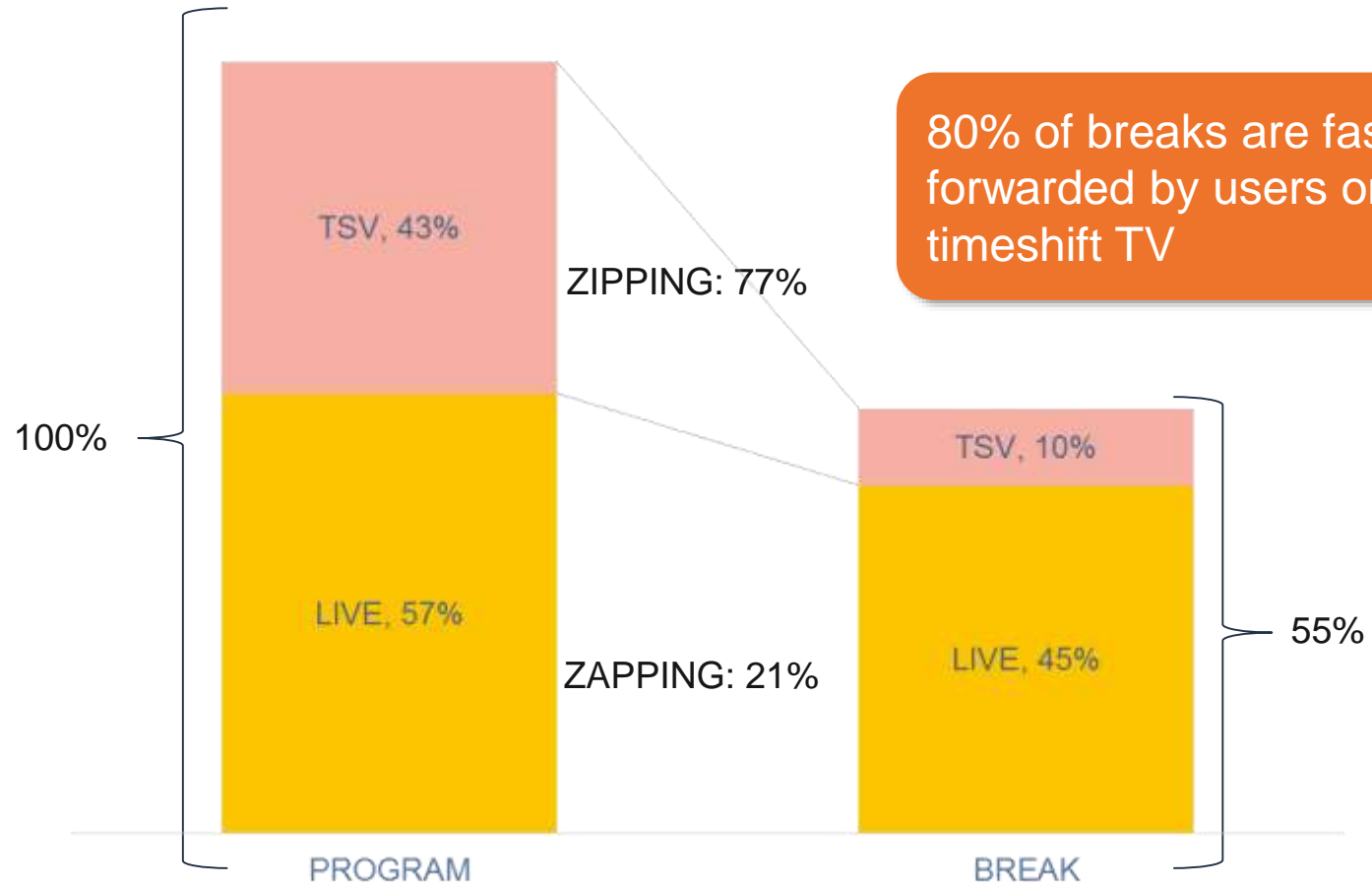
Live rating: -27% in 10 years



Source: CIM TV North, Belgium, rating total TV, PRP 18-54 (Principle Responsible for Purchases), 17-24h, YTD 13/05

...TIMESHIFT TV IS HEAVILY AD SKIPPED

100 program ratings = only 55 break ratings



THE STALLING GROWTH OF TV ADVERTISING CAUSES A DOWNSTREAM PRESSURE FOR TV OPERATORS



Loss of Commercial Impacts



Reduced Exclusive Premium local content



Inflation of LG Programming Costs



Limitation of Rights



Impact on LG TV Proposition



ADDRESSABLE TV ALLOWS BROADCASTERS TO DEFEND AD REVENUE AGAINST TARGETED DIGITAL SPEND

Addressable advertising can strengthen the linear chain due to much higher CPT compared to linear

CPT
5-10x



Become accessible for niche brands and location-specific advertisers

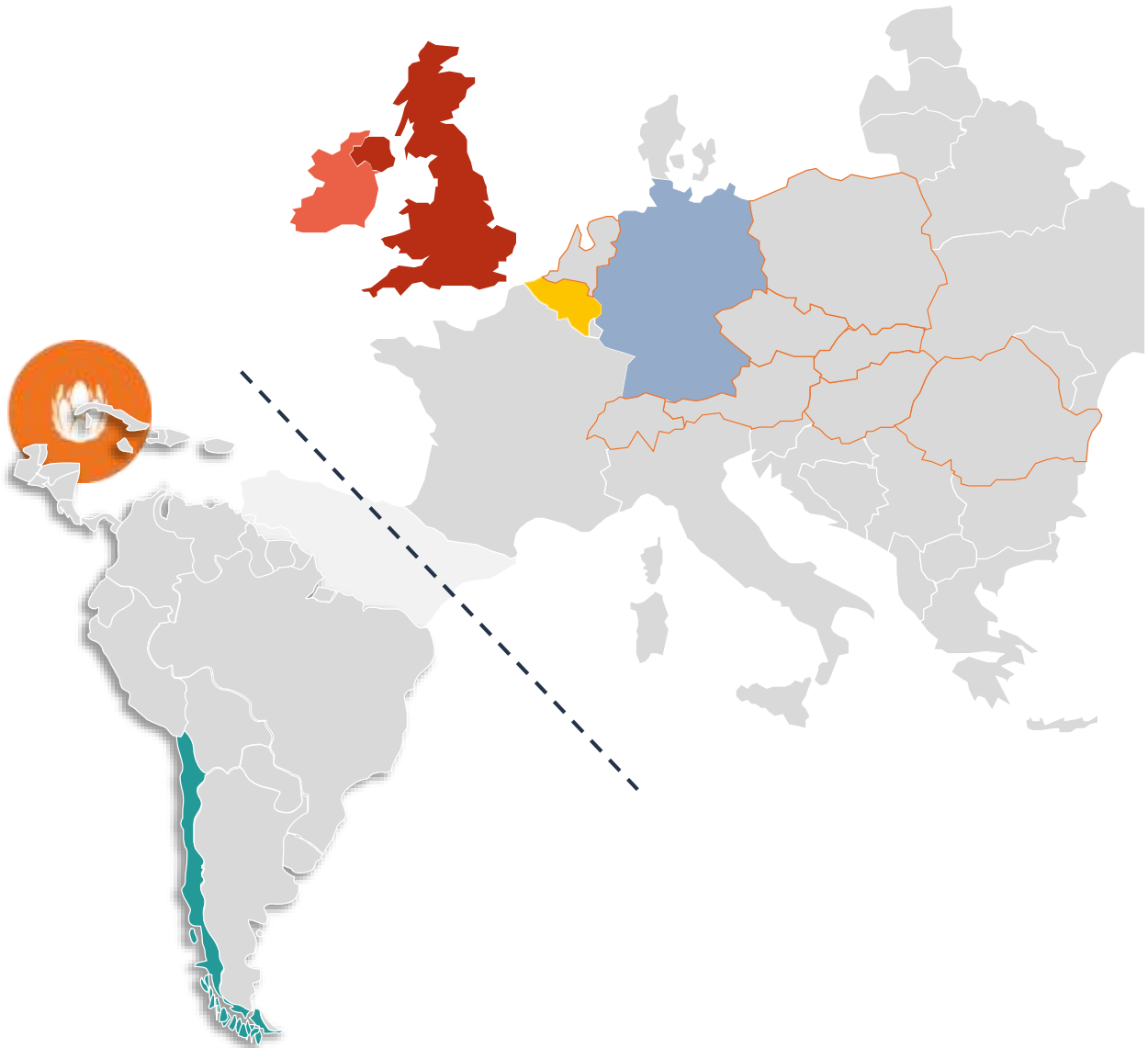
Reach segments too small for nation wide ads or meet specific criteria

Offer pay per impression and detailed campaign outcome reports



SKY-VM DEAL

ADVANCED ADVERTISING ALREADY AVAILABLE IN KEY MARKETS



Ad-insertion on CatchUp on Horizon



Ad-insertion on CatchUp on 4mIn TiVo hh



Linear Addressable on SBS for >1 mln hh



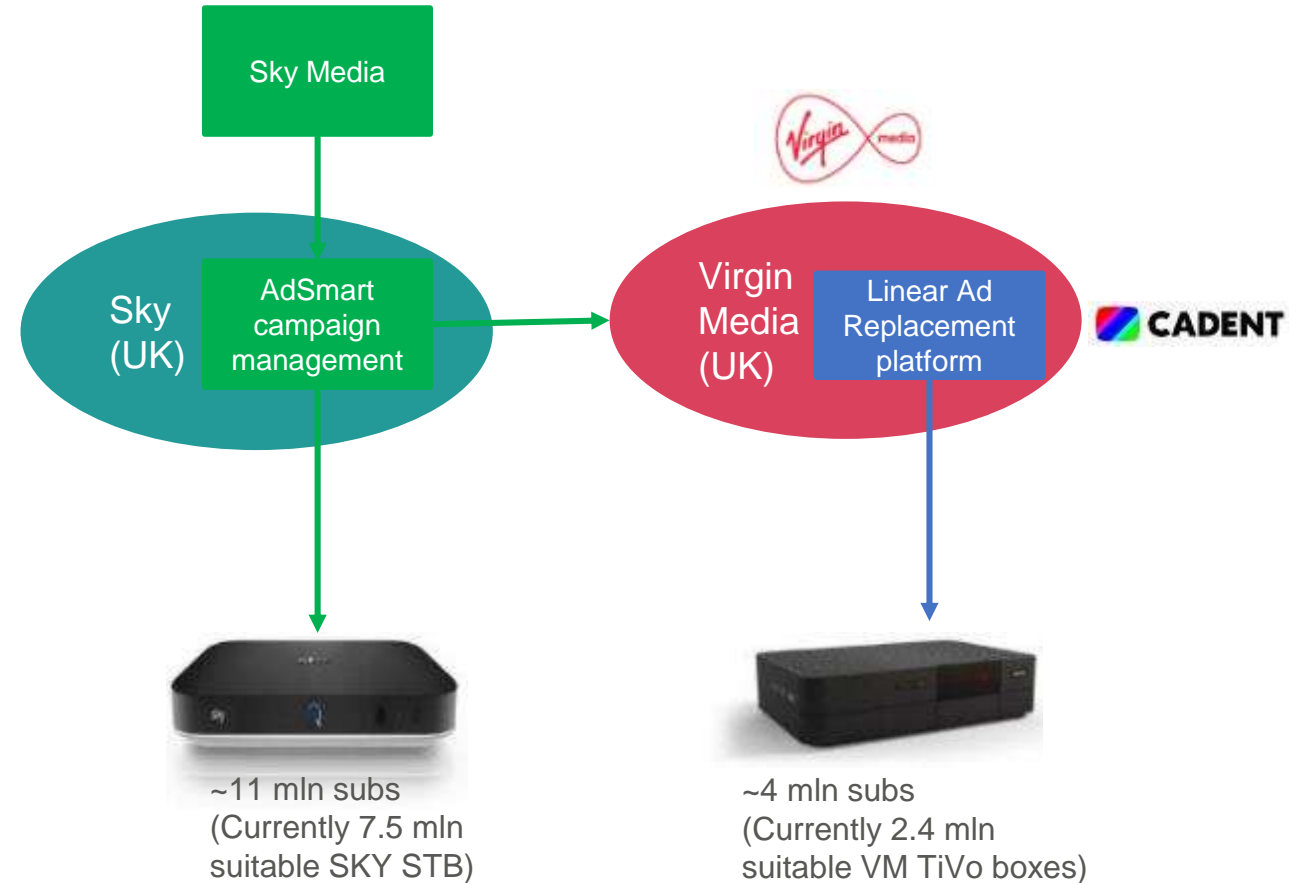
Linear Addressable for >1mln hh



Ad-insertion on CatchUp on Horizon

SKY – VM COLLABORATION

- Collaboration between Sky Media and Virgin Media
- Deliver Adsmart on TiVo V6 and HZN4.
- All channels represented by Sky Media sales house (50+)
- Replacement on live, review buffer and local
- Using targeting criteria from Sky



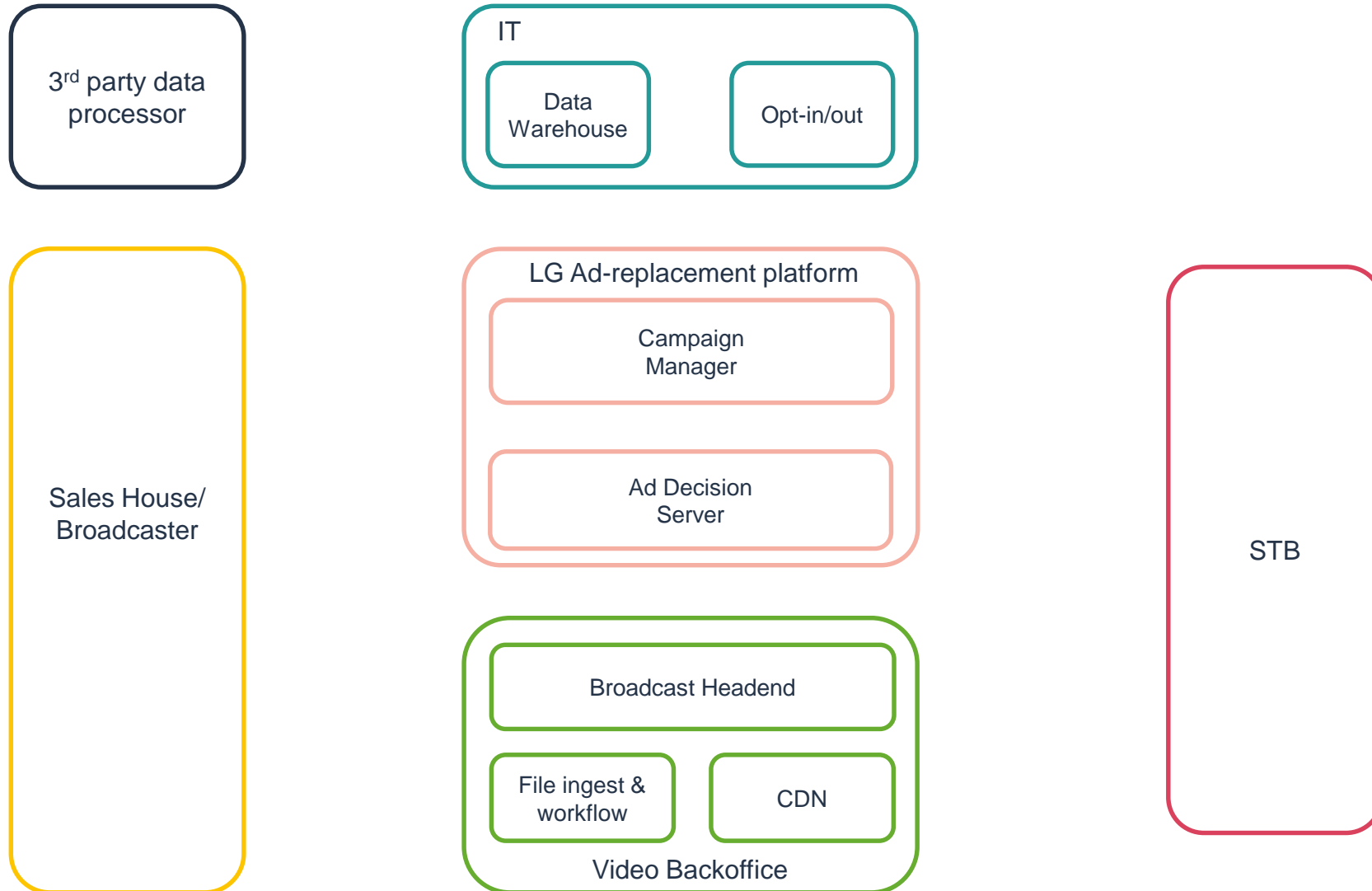
LINEAR ADDRESSABLE IN DEPTH

DESIGN PRINCIPLES

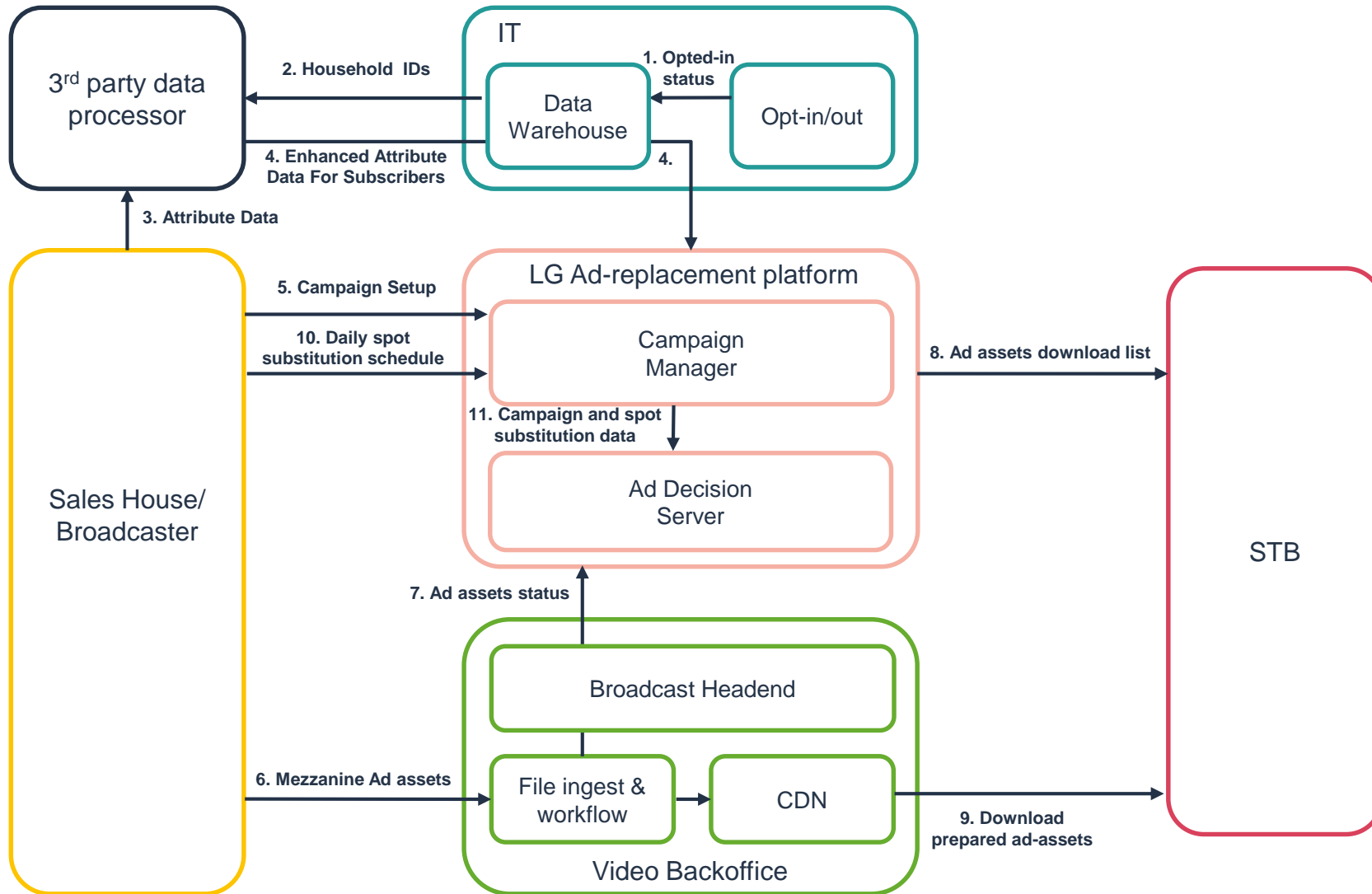
1. Do not expose Personal data
2. Ad-decisioning by LG
3. Enable differentiation
4. Facilitate



LINEAR AD-REPLACEMENT SOLUTION PLAYERS



LINEAR AD-REPLACEMENT SOLUTION



OUT OF BAND DATA



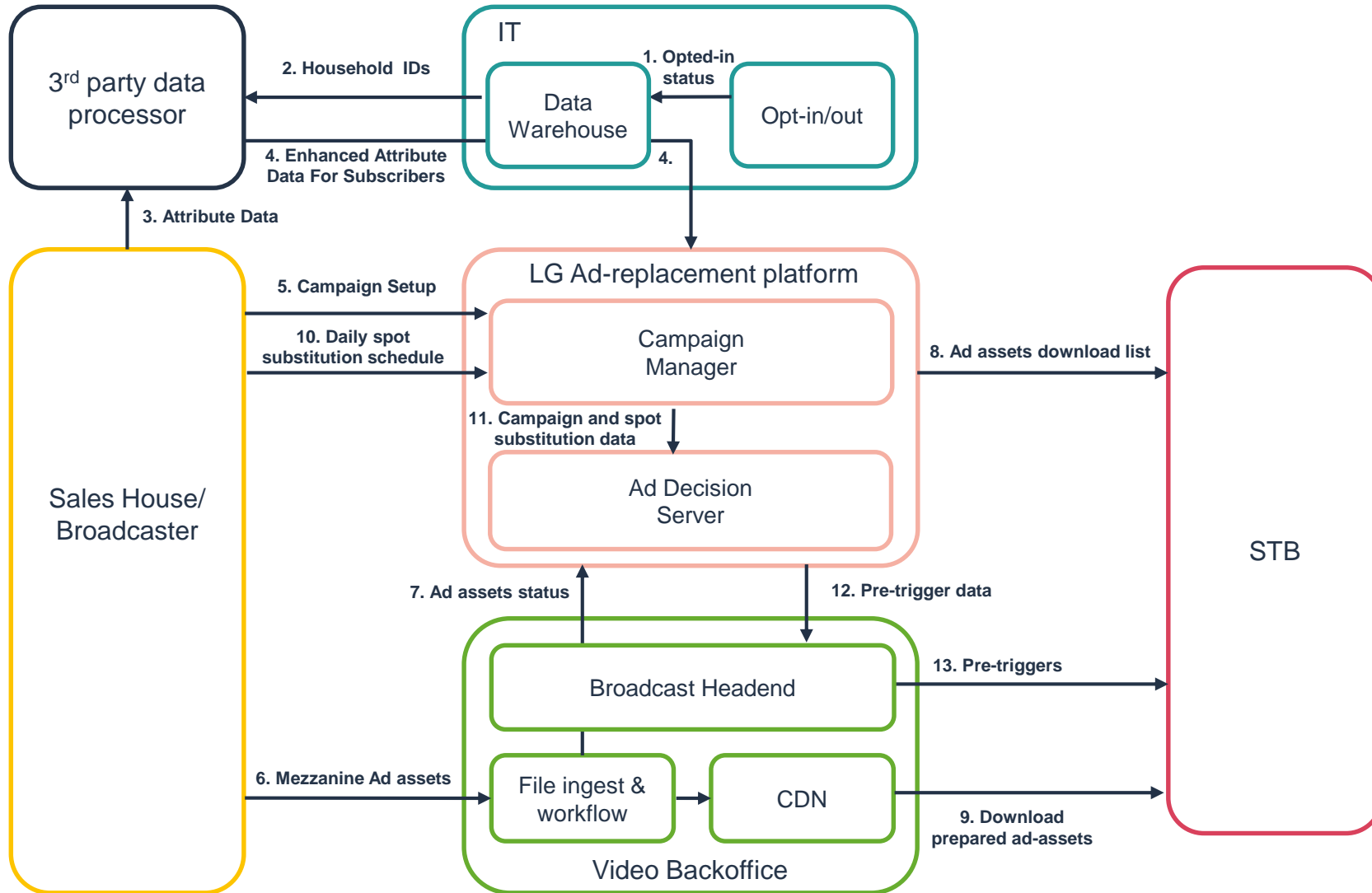
Model 1:

- I. Addressable ad-spot data for every possible ad-replacement opportunity.
- II. Prioritised Campaign list.
- III. Clash Rules

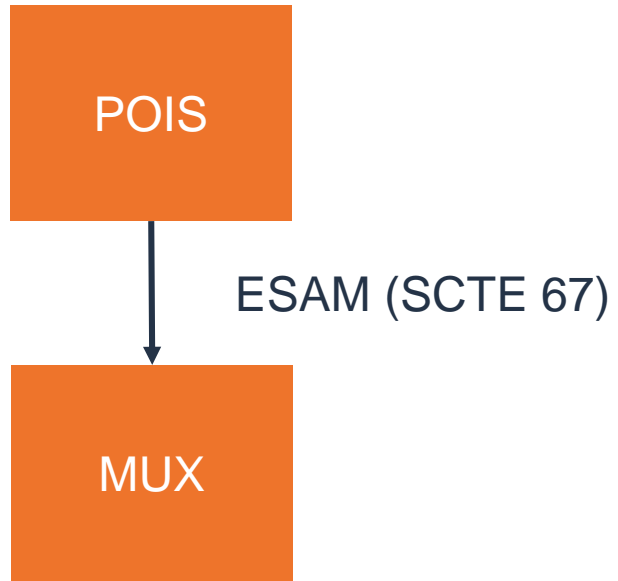
Model 2:

- I. Addressable ad-spot data for every possible ad-replacement opportunity.
- II. The replaceability of the ad-spot
 - Not allowed
 - Advertiser protected.
 - Audience protected
 - Freely replaceable
- III. Clash group codes

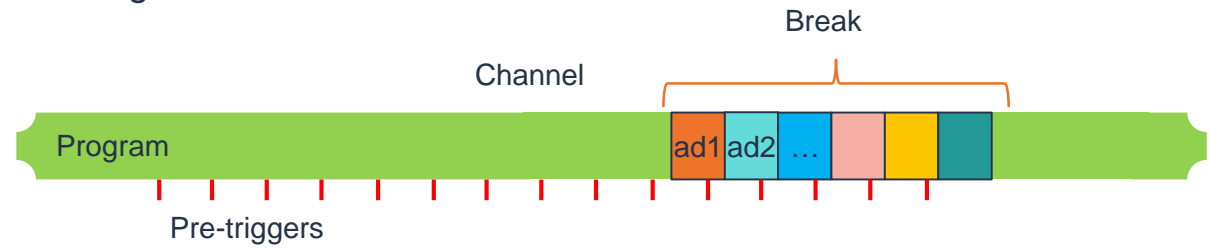
LINEAR AD-REPLACEMENT SOLUTION



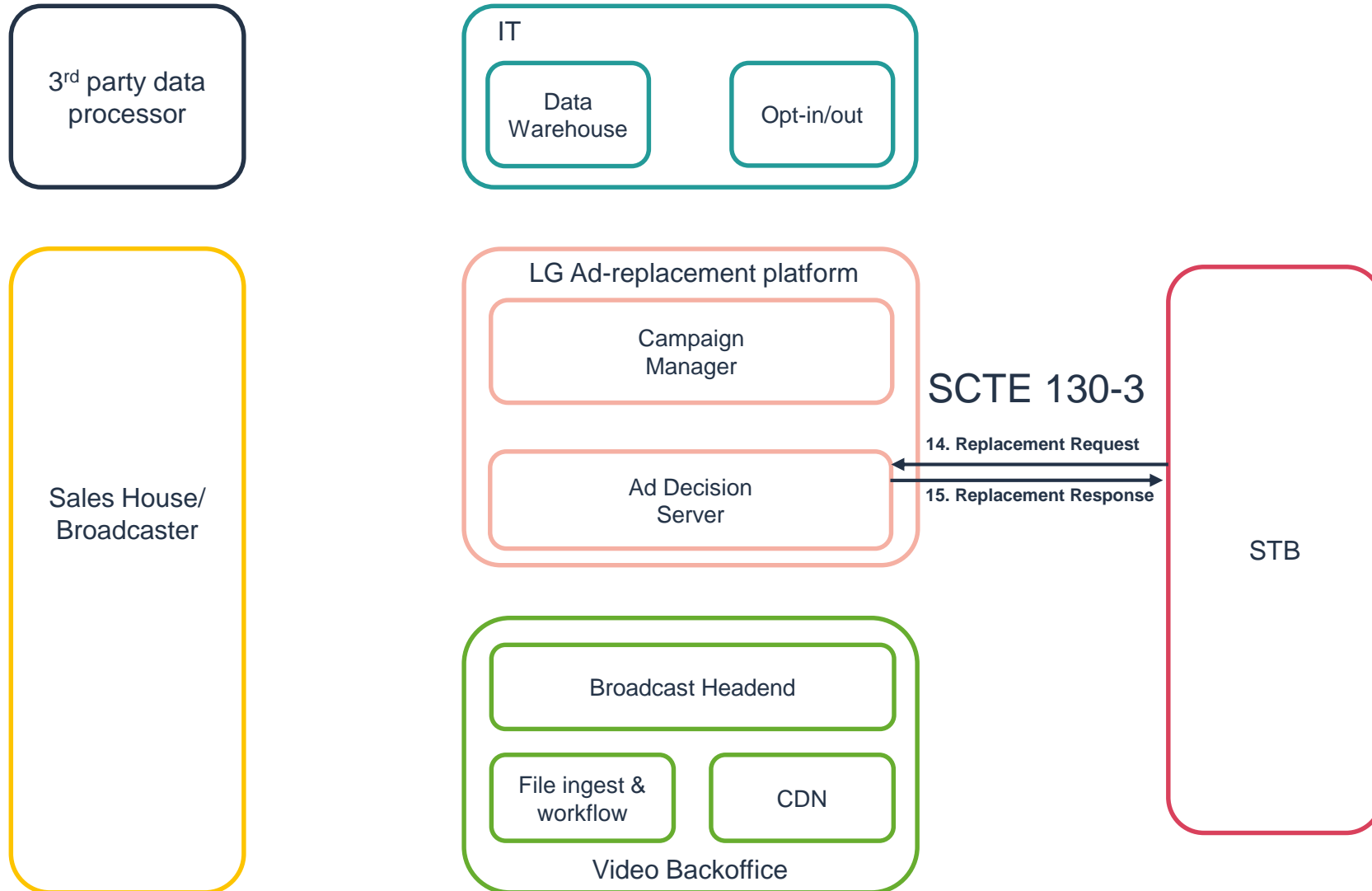
PRE-TRIGGERS



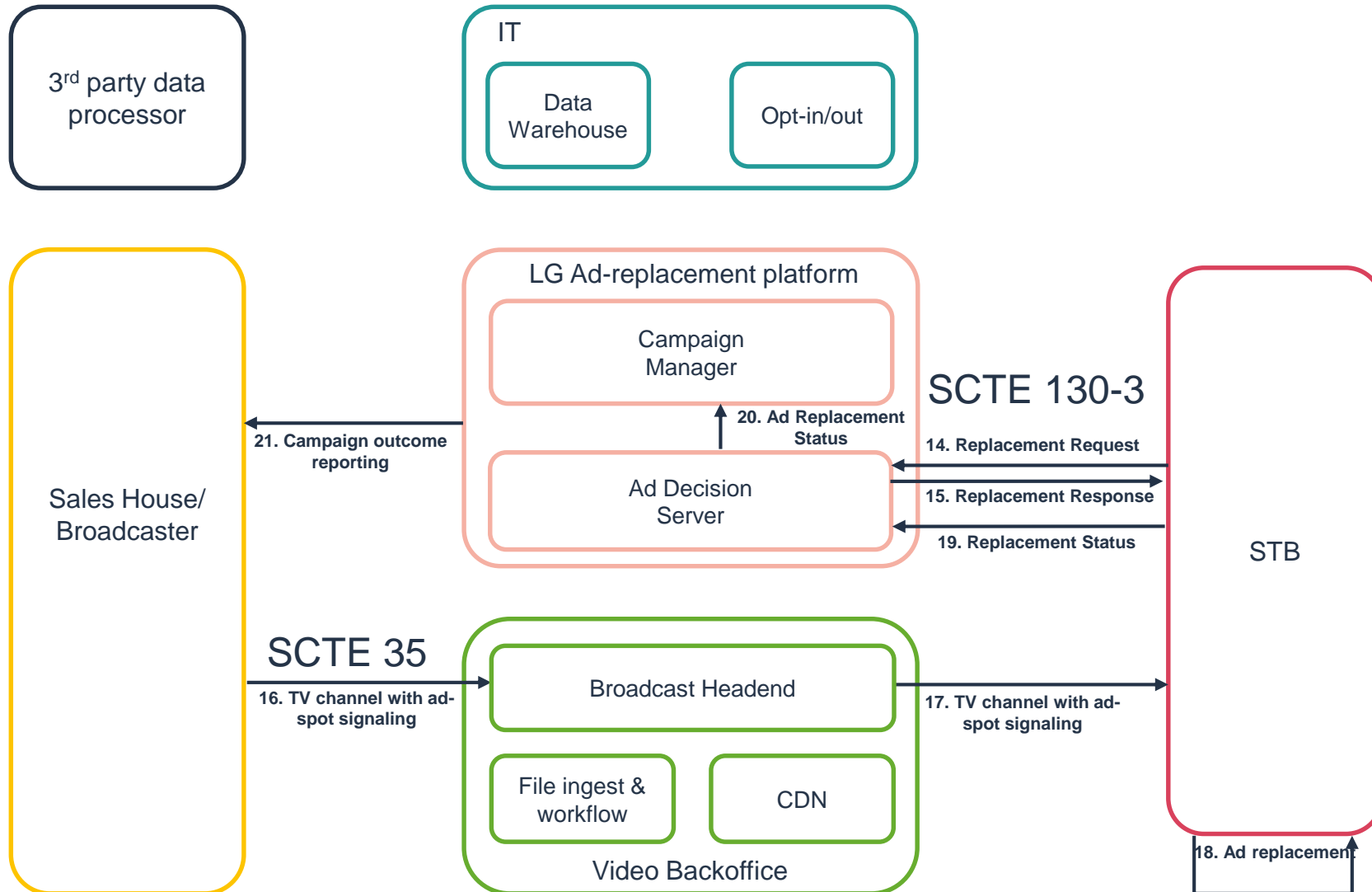
- SCTE 35 message type: DPO
- Signals break ID



LINEAR AD-REPLACEMENT SOLUTION



LINEAR AD-REPLACEMENT SOLUTION



LINEAR AD-REPLACEMENT SOLUTION

