



Balancing Standards with

INNOVATION

A look at how reaching scale in video is achievable through standardized innovation.

The video industry is not what it used to be, and that's a good thing. Reliably serving great-looking video ads into premium content is no longer a painful and acrobatic exercise. Now the industry faces a new breed of challenges: interactive ads, games as temporal ads, integrated in-page interactions. These are all options available to publishers and advertisers, given widespread advances in digital technologies.

Advertisers are always searching for new and unique ways to engage users in order to increase brand recognition and retention. At the same time, publishers are searching for new methods to differentiate themselves and create a unique viewing experience. In a perfect world, these goals connect supply with demand and provide consumers with a seamless, interesting, and relevant video experience.

In order to achieve this vision, many disparate technologies will need to communicate with one another in a way that creates flexibility for the ad products and fluid distribution to consumers, no matter where they are or what ad serving technology all parties employ along the way.

Three things video can't afford to lose: time, money, and scale

Proprietary technology costs time and money.

One way to achieve a great user experience is to create a rendering technology and ad management framework that enables fantastic creativity and next-generation ad products. To do so requires a big budget and a team of product managers, engineers, sales people, and support staff to conceive, build, deploy, and support a product that is unique. While this proprietary technology may have unique benefits, it will also require unique knowledge to deploy and support it.

Once the new product is out there and generating sensational buzz, other distribution partners may want to adopt it as well. Then there is a whole new set of training, troubleshooting, and support costs to deal with, and, perhaps even more costly, extended time-to-live windows. When the business deal is done, the amount of time needed to incorporate a new technology and/or delivery method plus QA the integration leaves both sides weary, and often means pulling senior resources from other projects to get the product out successfully before the campaign begins.

Once the technology can be delivered and rendered, advertisers and agencies need to build the creative. Not only do they need to create this new and exciting format, but back-up creative is typically required in the event that the new unit does not work as intended or cannot be delivered to all environments and distribution points.

The bottom line is that proprietary technology costs everyone time and money: to build, to deploy, to support, and to keep the cycle running.

Perhaps the loss of time and money would be worth it if the end result were more inventory and greater scale. Broader syndication for publishers, bigger audiences, and more inventory for advertisers. However, in this case, it's more likely that new ad products and precision targeting only serve to further narrow video inventory, which already suffers from scarcity in the marketplace.

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So, what do we do? Live and love those standards.

But hold on, don't new standards necessitate the same set of costs? Initially, yes. The good news is that even at the time of this writing, most ad servers already support the IAB VAST method of delivery and a large portion of the industry also supports the IAB VPAID standard for creative.

While there is no incentive for a video distributor to integrate yet another piece of proprietary ad technology, there is incentive to integrate an industry standard. It is one-time work that enables countless rich experiences to flow into content and ultimately generate more revenue with reduced cost. The same holds true for any operations team – teach and train your existing and new team members on two standard types of trafficking, and enable all of the rich innovation that comes with them.

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When designed carefully and flexibly and implemented for their intended purposes, standards can simplify the advertising process from buying, to booking, to billing.

IAB VAST and IAB VPAID

The IAB VAST and VPAID standards do a great job of illustrating how standards can support innovation, allowing those innovative products to deliver and render across the industry at scale.

The VAST (Video Ad Serving Template) standard was designed as a delivery mechanism to facilitate communication between ad servers and video players. Its deployment has allowed the industry to “speak the same language” and avoid development work necessary to connect advertiser demand with publisher supply. When two parties speak the same language, communication is easy.

The VPAID (Video Player-Ad Interface Definition) standard was designed as a way for video players to leave the details of rendering to the ad creative itself. The player can tell the ad to start, stop, mute, expand, collapse, etc., and the creative is responsible for correctly implementing those

functions under the hood. VPAID has done something incredible: it has allowed a standard video player to execute a highly non-standard user experience without needing to understand how it gets done. VPAID powers innovation safely within a standard.

So, are you using VAST and VPAID?

Our industry is at a critical juncture. Decisions that publishers, agencies, and advertisers make around adopting and utilizing these standards in the next 12 months can turn current predictions of 3x industry growth into exponential growth. These standards enable a single campaign to be delivered to a single consolidated audience across many distribution points and remove the technical barriers that inhibit growth and convergence. The result is broader distribution, bigger audiences, more inventory, and – you guessed it – more dollars spent in video.

Conclusion

Standards enable scale, decrease costs, and provide a framework within which innovation can safely flourish.

Once a solid foundation of industry standards for delivery and rendering has been built, companies and products alike can scale. As the operational costs and chaos are removed, businesses are free to focus on advancing advertising products to better suit the needs and desires of their customers. Distribution deals no longer need to take technology hurdles into account. Advertisers, agencies, publishers, and general managers can rest easy knowing the latest buys should be able to run anywhere content can, and there is finally enough scale in the industry to support million-dollar campaigns.