

Making Online Video More Like Television*

An Ad-supported View of TV Everywhere

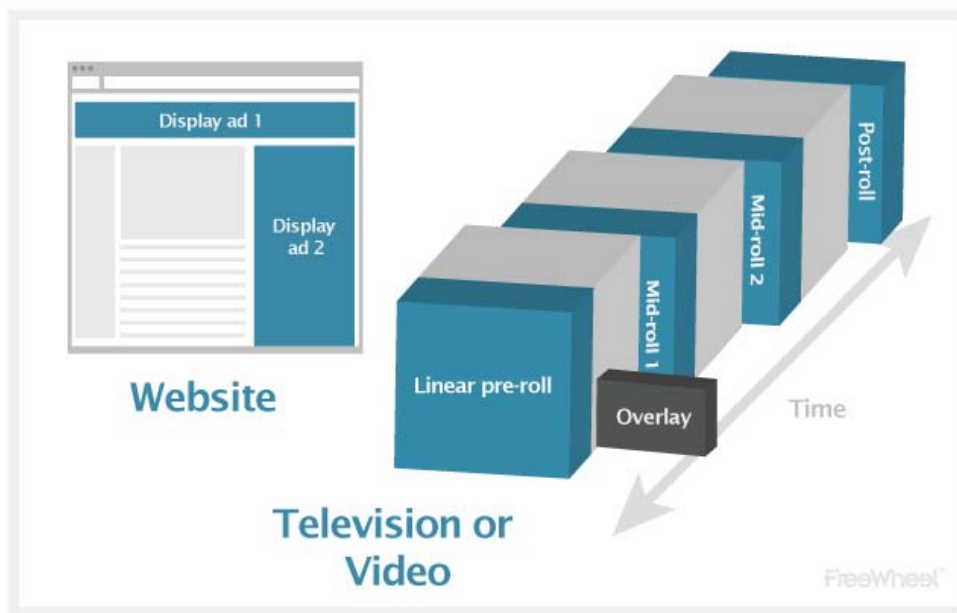
*Yes, the online people just said that.

Making Online Video More Like Television

Why bringing television online is not the same as delivering online video

The television ad experience differs from the online ad experience for one fundamental reason: TIME.

A website is height x width. Its ad experience is based on *where* on the page ads are spaced. A TV show adds the crucial third dimension of time. A show typically lasts for 22 or 44 minutes. The TV ad experience is based on *when* a commercial break occurs, *how long* that break lasts and *how many* ads go into that pod.



The ad experience in video is the pattern of commercial breaks, what each break should contain, and how to vary that break based on each user's content consumption. This creates the ad experience, or the total number of slots ads could run. Ad serving technology then fills those slots with the right advertisements.

To date, many TV Everywhere conversations have been focused on how to use ad serving technology to fill ad slots, but they do not account for how to first determine the pattern of commercial breaks that create the ad experience. It's akin to selecting draft picks before you know the sport, how many players are on the team, or what the game strategy is. C3 – or commercial viewing within the first three days a piece of content is available – is further complicating the discussion, as it requires a change of ad serving methodology days after the content is syndicated online.

On websites, this issue doesn't arise because publishers editorially decide what real estate on a given page to devote to ad units. On linear television, the classic pattern of 8 minutes of ads on 22 minutes of content has been established for quite some time. However, the converged landscape of these two spaces – portable digital television content – has to consider aspects of each medium to be successfully monetized.

Making Online Video More Like Television

TV Everywhere and C3 raise some new and interesting issues, specifically around six key points:

1. During C3, the commercial break pattern needs to be the same as when the content appeared on TV.
2. On day four and beyond, it needs to be able to vary from the TV pattern to address the needs of the content company and its distribution partners.
3. This commercial break pattern may also need to be dynamic to provide the best experience to the viewer who can easily jump from video to video online at any time. This means to achieve the same effect as 8 minutes of ads on 22 minutes of content, one must consider the user's viewing pattern across videos dynamically.
4. Based on Nielsen's effort to ensure accurate measurement, the physical video files themselves may require a method of leaving the commercial break pattern as-is on days 1 thru 3, but after day 3, automatically reconfiguring the commercial break pattern and its individual breaks to be dynamically served.
5. Since content companies may still want to accrue ratings for viewership up to C7, some videos may have to hold the linear ad load and file for 7 days after air while others need to go dynamic on day 4.
6. Should local advertising come into play during days 1 thru 3, this could imply needing a way to have a mix of pre-existing, Nielsen-ready ads for national campaigns and dynamically inserted ads for local inventory.

Discussion Points for Launching and Scaling TV Everywhere and C3

FreeWheel raises these considerations to spur discussion around how best to implement TV Everywhere and C3 to both meet aggressive timelines and ensure all parties have the capabilities to operate and scale.

Online advertising technology to date has not focused on the critical dimension of 'time' and TV's need to manage the commercial break pattern. As such, the evolving standards on integrating video ad systems do not yet contemplate this critical issue. They focus on choosing and serving the right ad but are not enabling the dynamic creation of the commercial break patterns. This may constrain and impede the full scaling of TV Everywhere and C3.

FreeWheel is proposing a few approaches to enable the functions that content companies and MVPDs would need to efficiently monetize and scale advertising operations for TV Everywhere and C3.

Making Online Video More Like Television

Example for Discussion

The same system that dynamically prescribes which ad should be served can also first dynamically recommend which commercial breaks should request ads during a show.

FreeWheel currently does this for online video (both live and on-demand), and could expand our interface to cover episodic TV with C3.

FreeWheel

When a video begins to play, **before** picking ads, fit the right desired commercial breaks to that video's correct cue points. **Then**, pick the best set of ads

Be careful to define a 'time cushion' for after that commercial break ends so no dynamic overlays or bugs overlap that video ad

Per cue point, from day 1 thru 3 (or N if this needs to change), recognize the commercial break is there and report on it but either leave the burned in Nielsen ready ads there as is or replicate that ad load

During Video: - Cue Point Driven Break Pattern (at editorially determined times) [Collapse](#)

Standard Mid	@ Cue Point 1 + Time Interval to next Dynamic Ad = 2	minutes	Add New	X	C 3	is enabled = <input checked="" type="checkbox"/>
Video Interstitial	@ Cue Point 2 + Time Interval to next Dynamic Ad = 2	minutes	Add New	X	C 3	is enabled = <input checked="" type="checkbox"/>
Mid-Roll	@ Cue Point 3 + Time Interval to next Dynamic Ad = 4	minutes	Add New	X	C 3	is enabled = <input checked="" type="checkbox"/>
Mid-Roll	@ Cue Point 4 + Time Interval to next Dynamic Ad = 4	minutes	Add New	X	C 3	is enabled = <input type="checkbox"/>

Repeat above sequence as best fits till end of video: Yes: No:

[Disable C3>>](#)

During Video: - Server Driven Break Pattern (dynamically determined times) [Collapse](#)

Overlay	+ Time Interval to next Ad = 3	minutes	Add New	X
Bug	+ Time Interval to next Ad = 0	minutes	Add New	X

Repeat above sequence as best fits till end of video: Yes: No:

If day 4 or later, OR C3 is disabled for a particular Pod, dynamically insert the right commercial break type and fill it with the best value set of ads

Summary

We believe this is the beginning of an ongoing discussion focused on the infrastructure required to successfully manage an ad-supported world of TV Everywhere. If nothing else, the following three points must be considered:

1. Bringing the heavily monetized world of television to the web is highly complex and not simply serving ads around video
2. Technology must support both the mimicking of TV commercial break patterns during C3, *and* the switch to dynamically-created commercial break patterns post-C3
3. FreeWheel is dedicated tackling this challenge and will be a major part of the solution