TVCON 2016

Dynamic Ad Insertion: Addressable Advertising at TV Scale

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What we will cover

What is DAI and why does it matter?

The challenges of ad insertion at TV scale

How does DAI work?

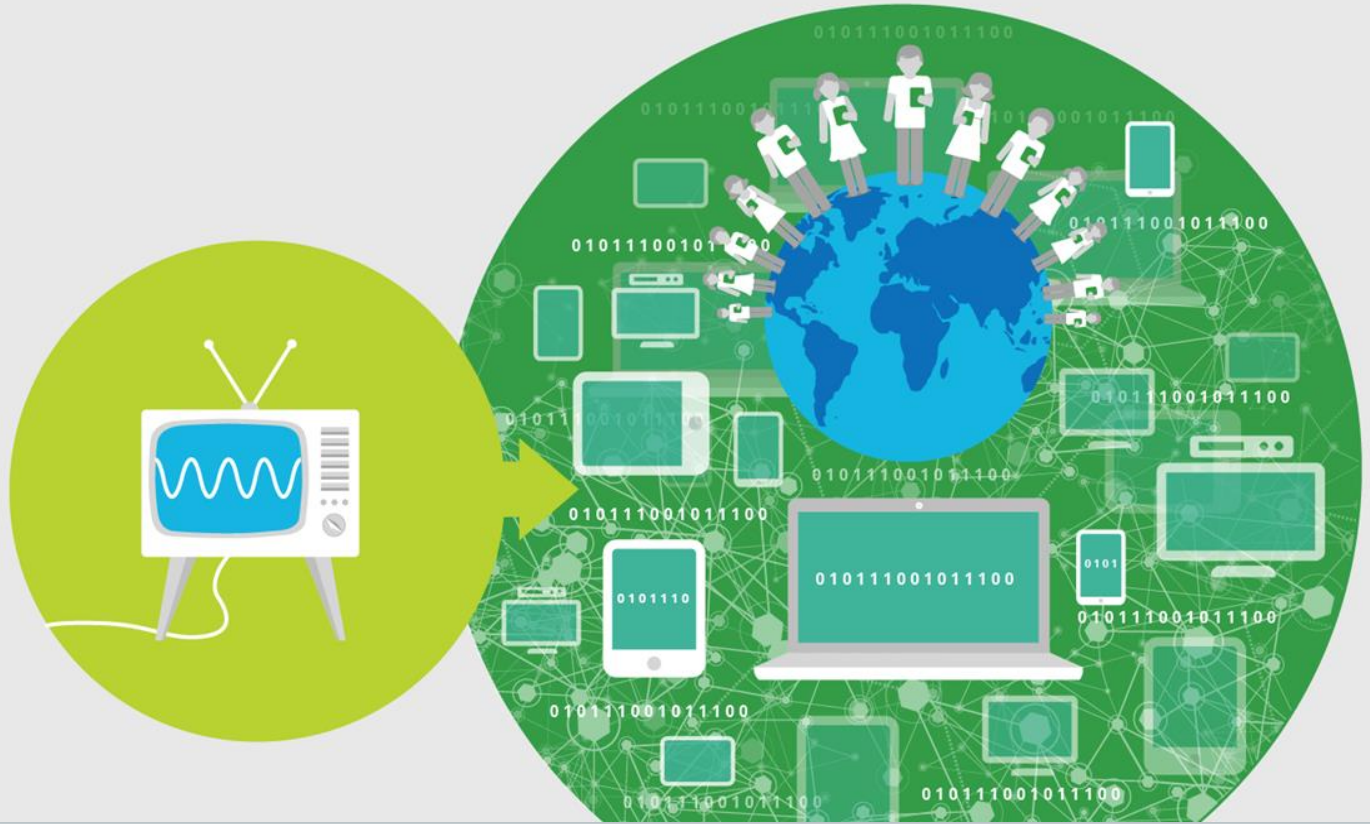
A bit of context ...

What is Dynamic Ad Insertion?

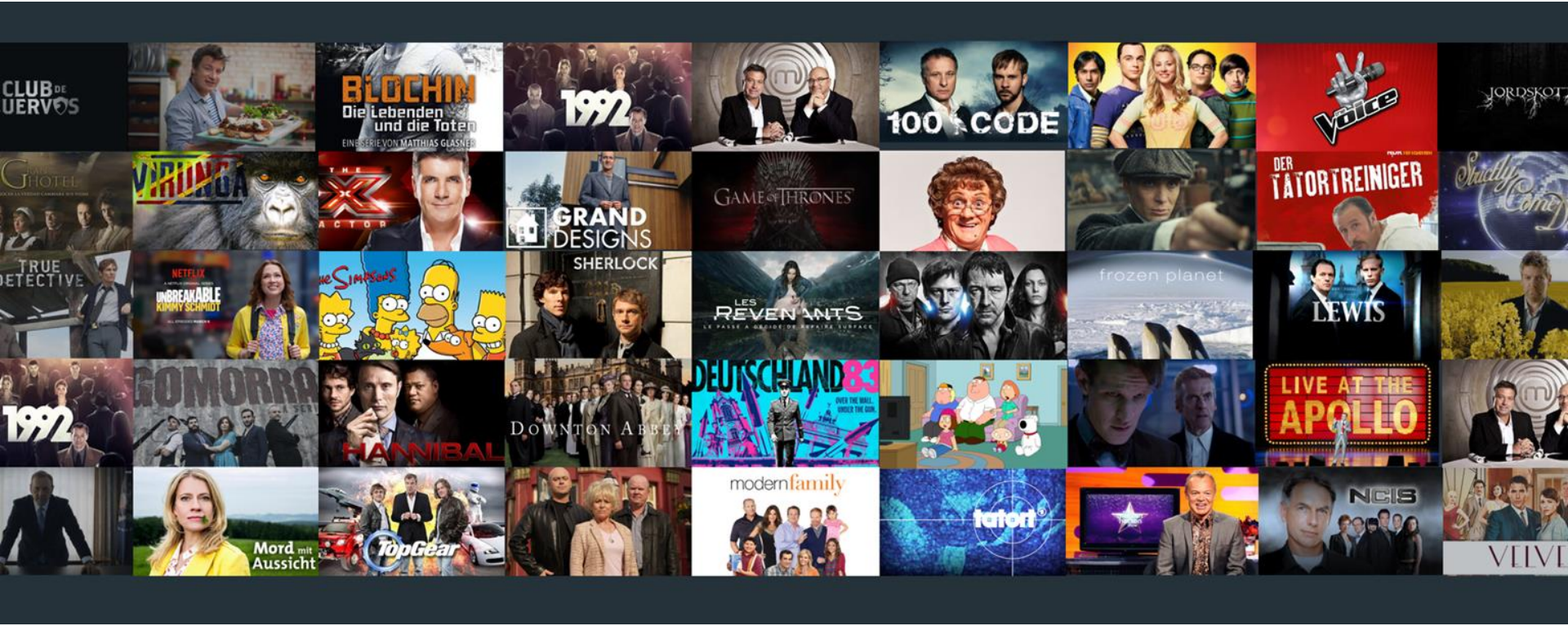
DAI is the process of **replacing a TV ad** with an addressable ad
(via IP/return path data)

Why does this matter?

The €40 billion EMEA TV industry is shifting to IP delivery



From scarcity to abundance



1 billion+ visits every month

50% of video views
are on mobile devices

Being on the best screen is complex

Screen size

- Mobile
- Tablet
- PC
- Connected TV

Connection speed

- Edge
- 3G
- 4G LTE
- WiFi
- DSL
- Cable
- Fiber

Security

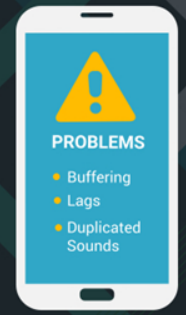
- Authentication
- DRM
- Encryption
- App verification

Ad type

- Preroll
- Midroll
- Postroll
- Rich media
- Companion ads

Device type

- Samsung Galaxy S5
- Google Nexus 6
- HTC
- Motorola Droid Turbo
- Sony Xperia Z3
- iPhone 6
- Google Nexus 7
- Samsung Galaxy Tab
- iPad ..... + more



Content type

- Live event
- Linear
- On-demand clips
- On-demand full episodes

Streaming format

- Smooth
- HLS
- mpeg-DASH
- HDS

Operating system

- iOS
- Android
- HTML5
- Windows
- XBOX
- Roku

1 to 1 Addressability

Ad Decisioning

Security

Live Event Ad Break

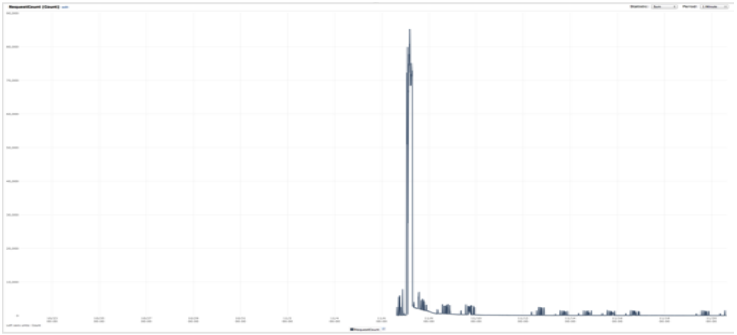
Red Bull Stratos
8 million concurrent live streams
Largest live stream in history!
Red Bull
STRATOS
RIEDEL
MISSION TO THE
EDGE OF SPACE
FELIX BAUMGARTNER
REDBULLSTRATOS.COM

Concurrency strain

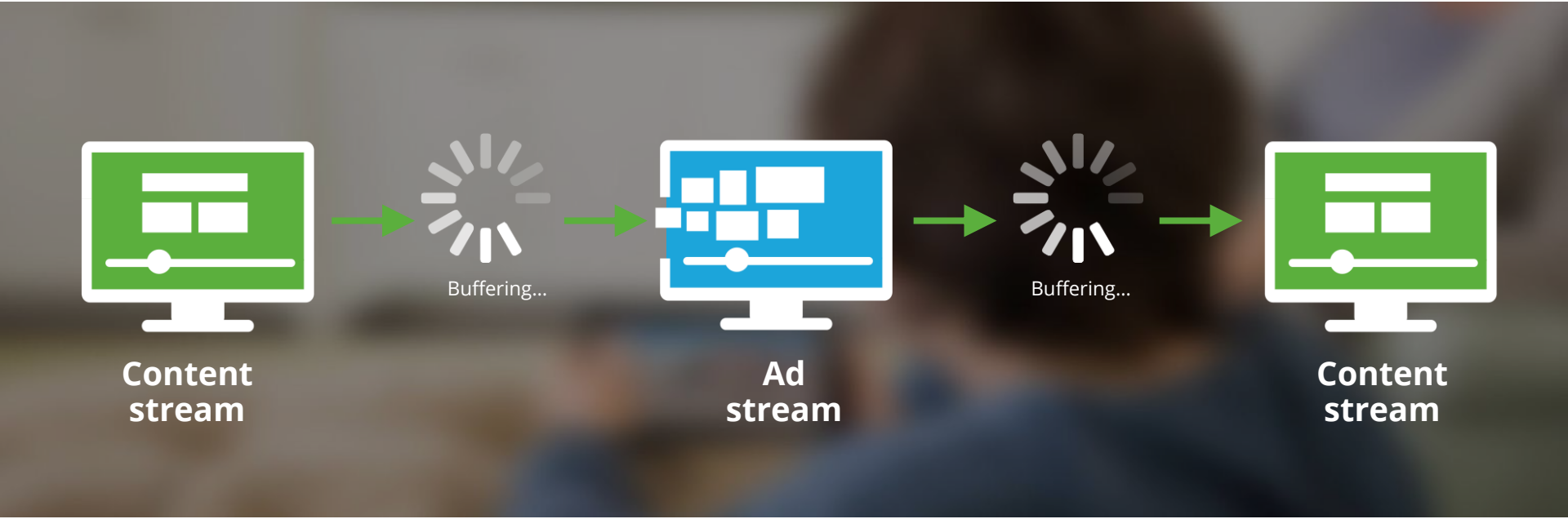
on-demand

vs.

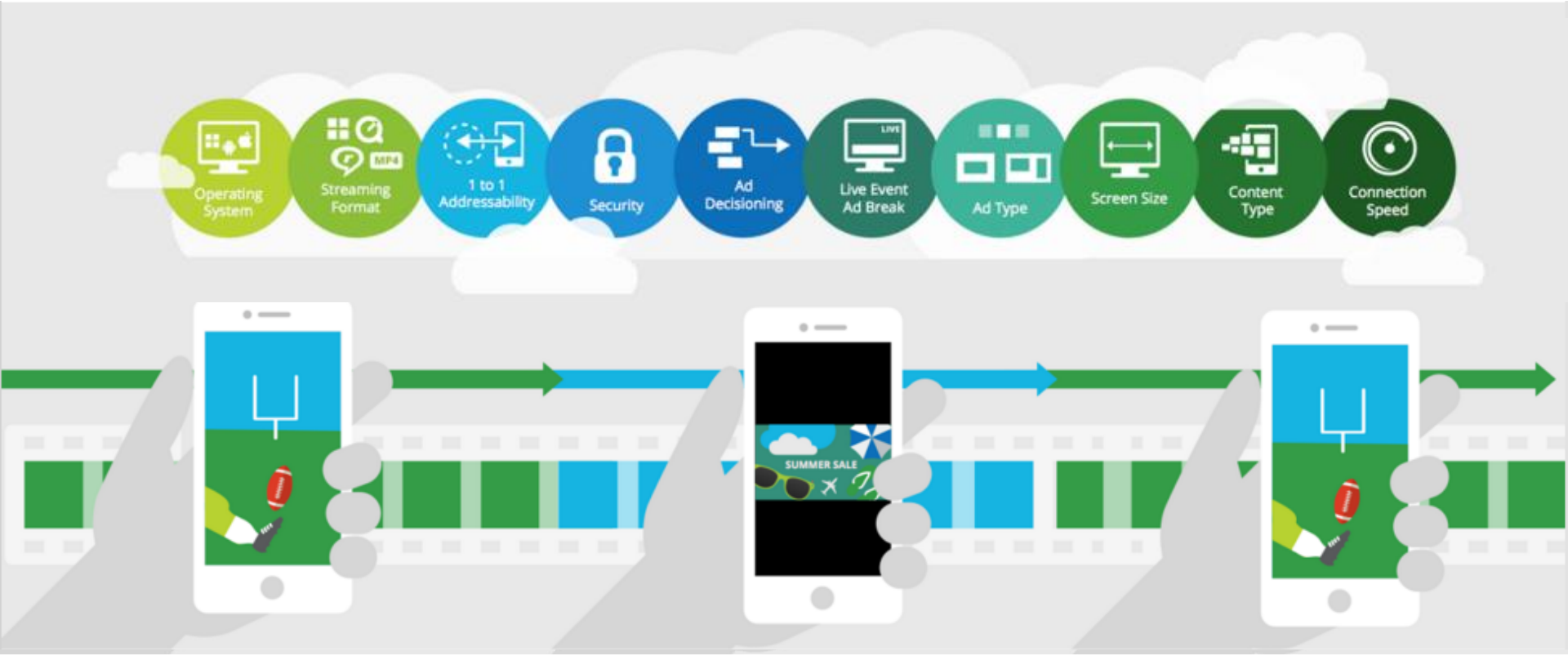
live



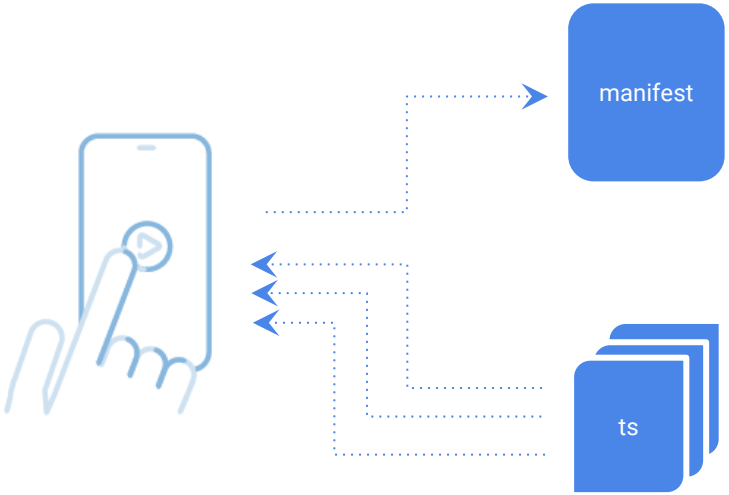
The traditional approach to ad delivery no longer works



Server-side Dynamic Ad Insertion

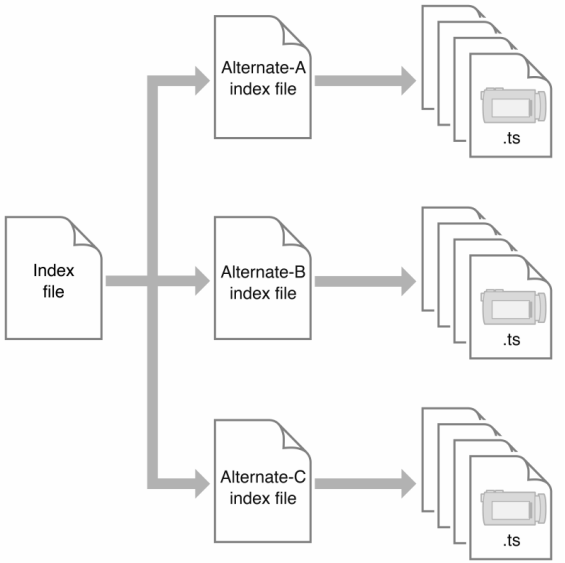


HTTP Live Streaming (HLS)

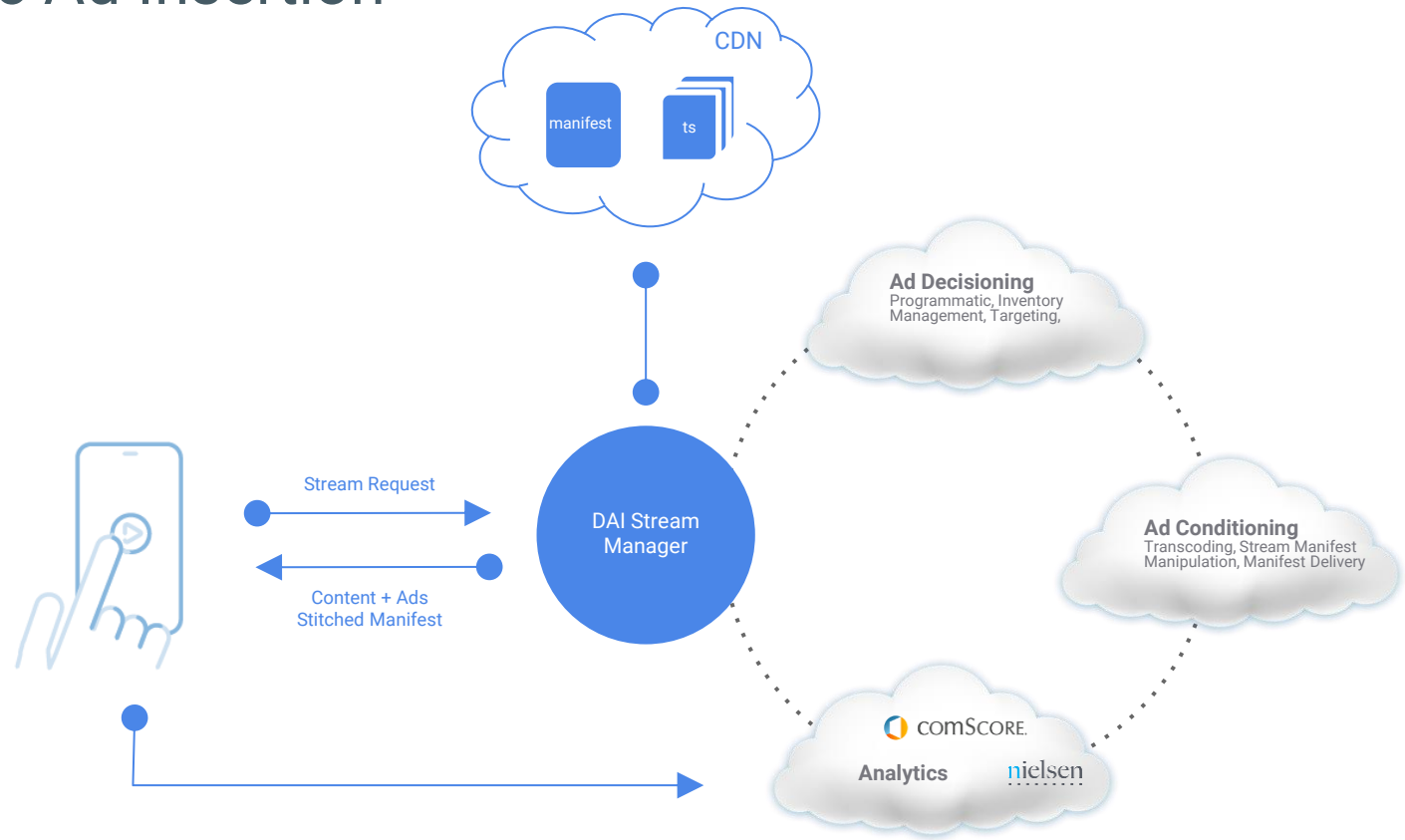



```
#EXTM3U
#EXT-X-MEDIA-SEQUENCE:0
#EXT-X-VERSION:3
#EXT-X-TARGETDURATION:10

#EXTINF:10
rick_roll.avi_001.ts

#EXTINF:10
rick_roll.avi_002.ts

#EXTINF:10
rick_roll.avi_003.ts

#EXTINF:7.8
rick_roll.avi_004.ts

#EXT-X-CUE-OUT:DURATION="90.000"

#EXTINF:2.2
rick_roll.avi_005.ts
```

Adaptive Bitrate Streaming



Dynamic Ad Insertion



Before

```
#EXTINF:10
rick_roll.avi_003.ts

#EXTINF:7.8
rick_roll.avi_004.ts

#EXT-X-CUE-OUT:DURATION="90.000"

#EXTINF:2.2
rick_roll.avi_005.ts

#EXTINF:10
rick_roll.avi_006.ts

#EXTINF:10
rick_roll.avi_007.ts
```

After

```
#EXTINF:10
rick_roll.avi_003.ts

#EXTINF:7.8
rick_roll.avi_004.ts

#EXT-X-CUEPOINT:TYPE=AD,EVENT=START,DURATION=90

#EXT-X-DISCONTINUITY

#EXTINF:5
ad_segment_001.ts

#EXTINF:5
ad_segment_002.ts
```

1:1 Advertising at TV scale

Traditional linear / live geo-targeting

1:1 addressability with DAI

National

Region

Local zone

Hyper-local zone

Addressable

Data (via DAI) is critical to realising the programmatic opportunity

HYPERLOCAL

DEVICE

CONTENT

DEMOGRAPHIC

USER INTEREST

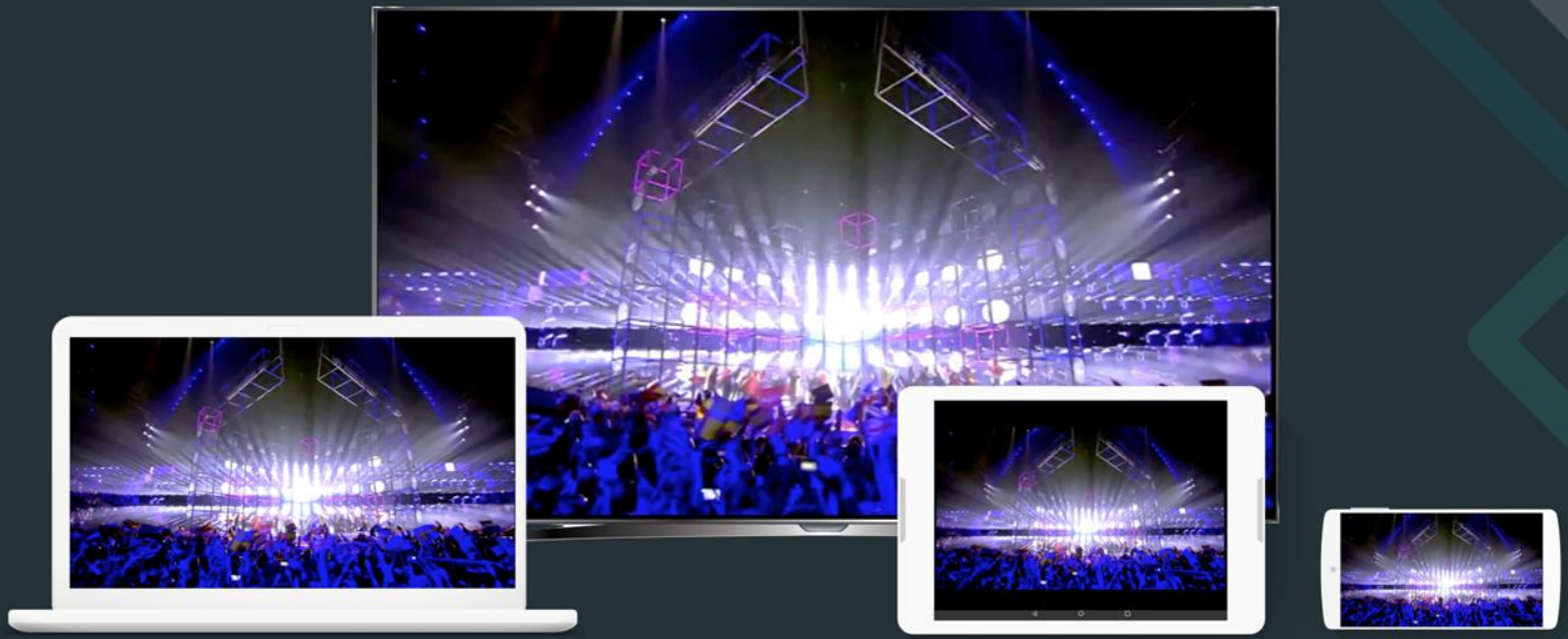
LIFESTYLE

+81% increase in eCPM

1st party data in programmatic deals EMEA

Our experience

All content. All screens. One platform



iOS Windows 8 chromecast XBOX 360 PS4 Roku amazon Canoe Google fiber