

VIDEO AD

STREAMING

..... A SIMPLE CHANGE THAT WILL SET
A NEW INDUSTRY STANDARD

Streaming is a simple concept that has transformed industries.

When Netflix® introduced streaming it changed the way people watch movies. When Spotify® launched its streaming music platform consumers shifted from downloading copies of songs to accessing their playlists from any device. Sharing photos and videos with friends today rarely involves sending copies. Now we simply share a link.

It is time for streaming to transform the execution of video advertising, a market sector that is currently constrained by a serious problem. One side of the equation—media buying—operates in milliseconds. The other—filling that impression with the creative—is mired in error-prone, manual processes that waste time and money and sap the energy out of overworked teams.

When video ad creative streams from a secure, permission-based, always-on location it will unlock the full potential of Programmatic Video and benefit every company that plays a role in getting ads from final cut to screens everywhere.

This requires no change in vendors—it just makes everything faster, easier and better at a lower cost.

We'd call it a revolution, but moving to a streaming model is a whole lot faster and simpler than that—and there are no losers.

The time is now. It is a pivotal moment.

With digital video ad spend growth projected to be in the double digits for the foreseeable future, our industry has too much at stake to remain constrained by the current state of ad execution whose manual workflows create problems with version control, degraded quality, steep Talent & Rights penalties and more.

Let's adopt a streaming model and ensure that video campaigns are activated at the speed we've come to expect from programmatic buys.



US DIGITAL VIDEO AD SPENDING

Source: eMarketer, Sep 2016

Calling it a “TV ad” is a misnomer.

90% of the time, that exact same ad is used for video too.

Brands need reach and frequency to connect with audiences at scale. Sight, sound and motion—whether viewed on a linear TV set at home or on the screens we hold in our hands—is the advertiser’s most powerful tool for connecting with audiences wherever they are.

The execution of screen-agnostic strategies is so broken that the advertiser literally pays a price and agency teams are suffering.

Good news. We can all fix this deep and wide pain, virtually overnight.

Problem

It takes entirely too long for digital video teams to track down creative assets. Then, ad files are duplicated again and again and scattered all over the Internet. Video campaigns start late, video quality degrades and rights infractions stack up—to the tune of over \$75 million annually.

Cause

TV and video workflows are siloed, yet the same ad is being used for both campaigns almost every time. The current process requires digital video teams to hunt down assets, get transcodes for multiple specs, then FTP them to vendors, where the files may get duplicated and reformatted yet again. And the current process effectively skips the Talent & Rights compliance steps.

Solution

The perfect video assets are safely hosted in a central location. Ad servers, DSPs and publishers stream the creative from that original source. Total advertiser control is restored.



Benefits

Streaming video creative from a central cloud location restores control and efficiency to the advertiser and agency teams.

- Ads play perfectly on every screen and device
- Consistent and pristine quality is retained everywhere they play
- Talent & Rights compliance is guaranteed wherever ads play
- Campaigns launch and stop on time
- Creative execution operates fast—at the speed of media
- Costs are significantly reduced

1

What TV used to accomplish alone, TV *and* video must now do together.

Once the stronghold of television sets and prime-time viewing, ad-supported content has escaped the confines of the living room TV and cascades to screens of all sizes and forms. With this comes the opportunity—and necessity—for advertisers to reach audiences across TV and video with never-before-possible levels of precision and targeting.

It is easy to agree on the endgame: great ads seamlessly traverse any screen to reach the intended audience. But there remains hard work ahead to realize the dream of planning, buying, executing and measuring screen-agnostic campaigns without friction and uncertainty.

No one can solve everything at once.

There are enough topics discussed in video advertising to spur a multitude of white papers and fill the seats of conference panels every day of the week. Let's begin by bucketing these into easy-to-digest groupings and then focus on addressing one in these pages—video campaign creative execution.

While the chart that follows is a simplistic view of wide-ranging and complex topics, it will help focus this discussion. These pages are devoted to a transformative concept that enables advertisers and their agencies who leverage ads across TV *and* video screens, to achieve reach and frequency at scale against the intended audience with ease. For purposes of illustration, assume that the rigorous creative process has successfully yielded ads that are ready to do their work.

Key Issues to Tackle on the Path to Unlocking the True Potential of TV Plus Video

SCREEN-AGNOSTIC PLANNING AND BUYING

Crafting right mix of TV and video to reach the target audience with necessary assurances

Viewability

Non-human traffic

Standard definitions of various buying models

Programmatic vs. non-programmatic (and everything in between)

Unified TV plus video data to inform planning and buying decisions

TV AND VIDEO EXECUTION

Executing strategic, multi-point media strategy flawlessly and on time with quality and Talent & Rights control

TV and video workflows are completely disconnected and managed by different teams

Complex requirements to format a "TV" ad for every video destination

Lack of quality control once assets are distributed everywhere

Established Talent & Rights process is not currently porting effectively from TV to digital video

CROSS-SCREEN PERFORMANCE

Analyzing, optimizing, adjusting, measuring, reporting

Move from disparate data sets to holistic, agnostic data

Better ways to understand ROI of TV plus video

Marketing mix models that better reflect today's landscape

Insight that informs creative effectiveness by media outlet

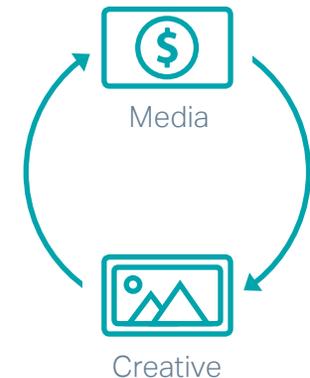
WE CAN SOLVE THESE PROBLEMS TODAY

2 Activating a single campaign across TV *and* video is a painful process.

So here we are... a brilliant, strategic media plan is in place for a new ad campaign that has all the elements needed to resonate with consumers. The ads themselves are powerful. The investment team's savvy negotiations and programmatic prowess have teed up all the right opportunities for effective exposure. Data and technology will fuel segments of the plan, securing inventory in the moment, in mere fractions of a second.

Perhaps the most basic and fundamental advertising principle is this:

Media and creative are nothing without each other. Inventory without the ad is nothing and amazing ads without the right moments to play have zero impact.



One brand ad must play perfectly and precisely everywhere according to plan while all contractual obligations are handled flawlessly.

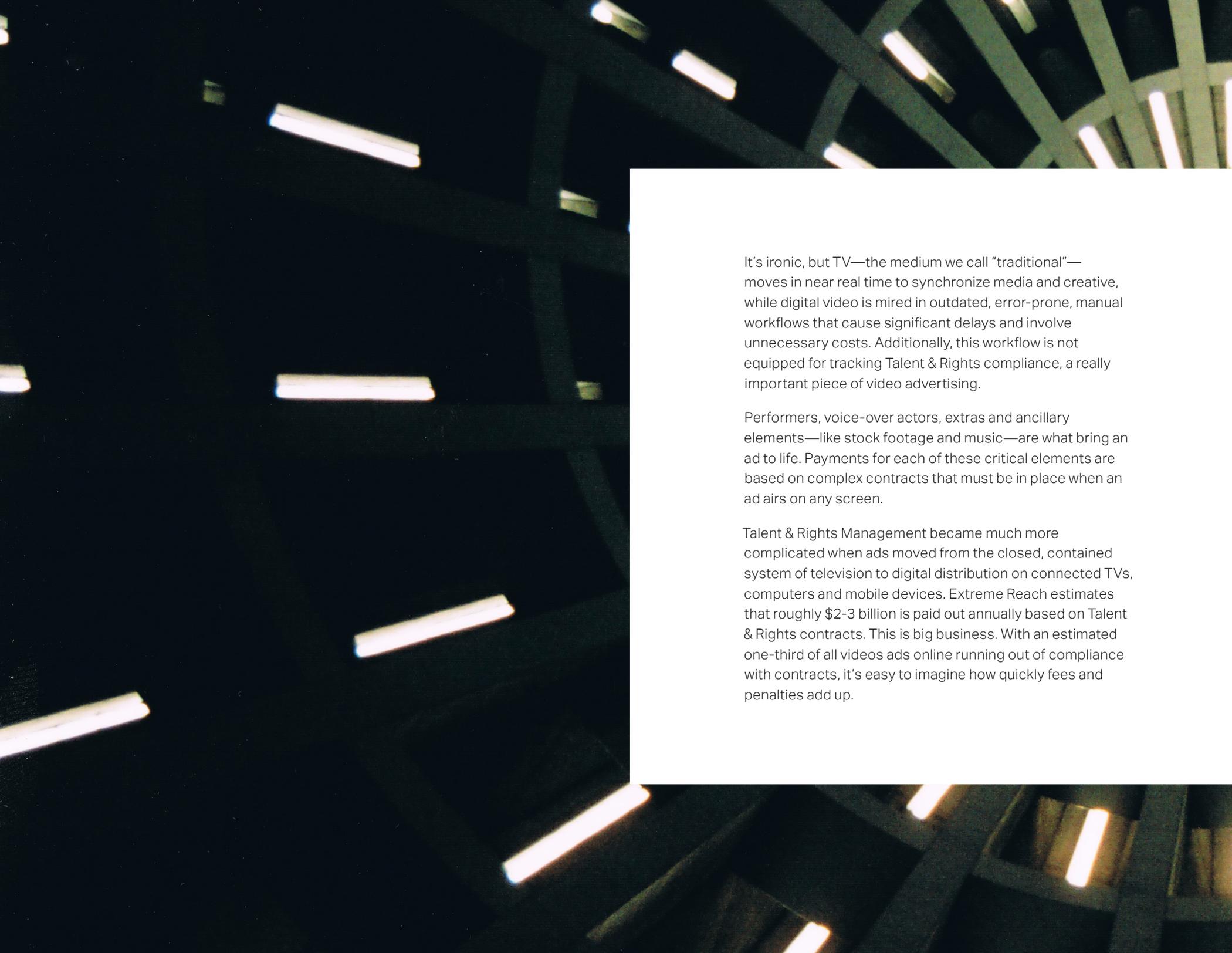
In TV, the process works like a well-oiled machine. Today, a creative agency and its post-production house can finish an ad at midnight and a complex workflow can land that ad in perfect condition on TV the next day, with all the checks and balances in place.



The linear TV creative process is seamless, moving through critical steps and rigorous requirements in hours



Frustratingly, it takes days or even weeks to source the exact same creative for a video campaign, adapt it into the myriad formats necessary and deliver the gigabytes of files to all partners so that a video campaign can launch. And this broken process results in errors, delays and unexpected costs.



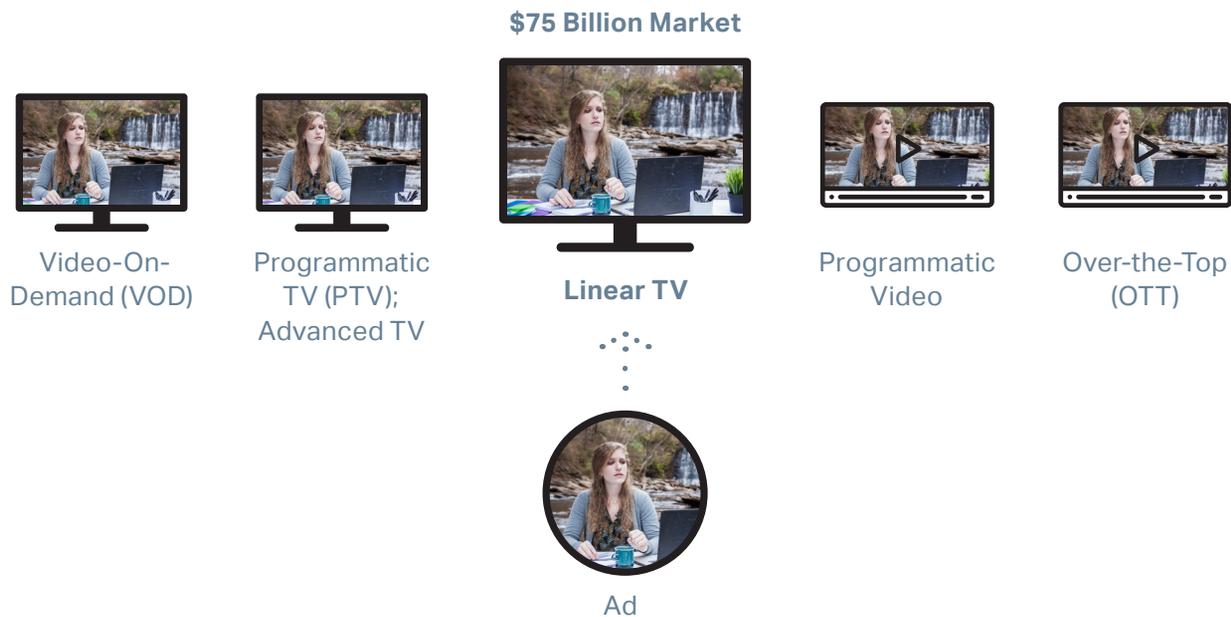
It's ironic, but TV—the medium we call “traditional”—moves in near real time to synchronize media and creative, while digital video is mired in outdated, error-prone, manual workflows that cause significant delays and involve unnecessary costs. Additionally, this workflow is not equipped for tracking Talent & Rights compliance, a really important piece of video advertising.

Performers, voice-over actors, extras and ancillary elements—like stock footage and music—are what bring an ad to life. Payments for each of these critical elements are based on complex contracts that must be in place when an ad airs on any screen.

Talent & Rights Management became much more complicated when ads moved from the closed, contained system of television to digital distribution on connected TVs, computers and mobile devices. Extreme Reach estimates that roughly \$2-3 billion is paid out annually based on Talent & Rights contracts. This is big business. With an estimated one-third of all videos ads online running out of compliance with contracts, it's easy to imagine how quickly fees and penalties add up.

Today, brands leverage the same ad across all screens.

- \$350,000 to produce, on average
- Continuity of message
- Faster reach and frequency
- Time to market



The promise of programmatic media is severely constrained by the manual aspects of sourcing and controlling the use of video ads.

“Creative delivery is a key component of any programmatic solution covering asset, brand, and copyright rules as well as other creative aspects beyond delivery.” – IAB

Walk in the shoes of execution teams and you'll see why we must transform this now to prepare for tomorrow.

DAY 1	2	3	4	5	6	7	DAY 8	9	DAY 10
<p>Media to Creative "Heads up, we'll need the video assets for our recent media buy."</p> <p>Creative to Media "We should be fine."</p>							<p>Media to Creative "Any update on where the assets are?"</p> <p>Creative to Media "Approved by client yesterday, should have them EOW."</p>		<p>Media to Creative "Any update yet? Below is a list of markets where Ad Tech is missing video assets. Are you able to get them ASAP?"</p> <p>Creative to Media "John Doe handles Ad Tech traffic, I'll get him on it."</p> <p>Media to Creative "OK, please confirm once sent."</p> <p>Creative to Media John Doe: "I'm swamped on other stuff; can this wait till Monday?"</p> <p>Media to Creative "Sorry, but no. Markets were supposed to go live this week."</p> <p>Creative to Media "OK, we should be OK now."</p>

The Creative Agency creates the commercials.
The Media Agency buys the TV and video media.
The Ad Tech Vendor needs the ad assets to run the video campaign.

This picture is bad enough when viewed in the context of a single campaign, but consider the implications of the inevitable future where ad-supported video is ubiquitous and TV and video increasingly blur together to best serve brand advertisers.

11

12

DAY 13

Media to Creative

"Ad Tech says still missing the video assets, see below for the details."

Creative to Extreme Reach

"Hey, could you send the below videos to Ad Tech?"

Extreme Reach to Creative

"These Ad-IDs were sent last week per your order. The other Ad-IDs on your list were never ordered."

Creative to Extreme Reach

"I just checked and you're right, we made a change. I've updated the order, please send."

14

15

DAY 16

Media to Creative

"Wanted to check on the status of the videos for Columbus and Nashville markets. Looks like the video assets are still missing?"

Extreme Reach to Creative

"Columbus was delivered. I've included the videos here again. If there are Ad-IDs for other markets, you need to let me know. Please provide the Ad-IDs for Nashville."

Extreme Reach to Media & Creative

"I found the Nashville Ad-IDs that were requested. I'm showing that they were uploaded previously. If you need anything else, please let me know."

17

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DAY 20

Media to Extreme Reach & Ad Tech

"Ad Tech, please confirm you have everything."

Ad Tech to Media & Extreme Reach

"Apologies, you are correct, we do see the video assets after looking at past uploads."

Extreme Reach to Ad Tech

"Please see the screen grab showing all delivered on 3/11 (Day 1)."

Ad Tech to Extreme Reach

"All set."

Media to Ad Tech & Extreme Reach

"Following up again. Ad Tech is missing video assets for Nashville. The Ad-IDs changed, can we get ASAP?"

Ad Tech to Media & Extreme Reach

"Sorry, I'll update the status schedule, we already have this."

The bottom line?

It took 3 weeks,
4 companies, 15 people
and thousands of
dollars just to track
down the TV ad to use
for video.

3 Feeling the Pain

We admire the thousands of teams that cobble together ways to navigate through a broken process. The scramble to adapt to disruption often brings executional hurdles. But it is not serving anyone's best interest to passively accept the current state of affairs.

The impact of this mess doesn't simply reside behind the scenes. The consequences for advertisers and agencies are substantial.

①

AD QUALITY SUFFERS

Miscommunication, copies of copies and confusion can cause ad creative with incorrect or less-than-pristine quality to reach consumers.

②

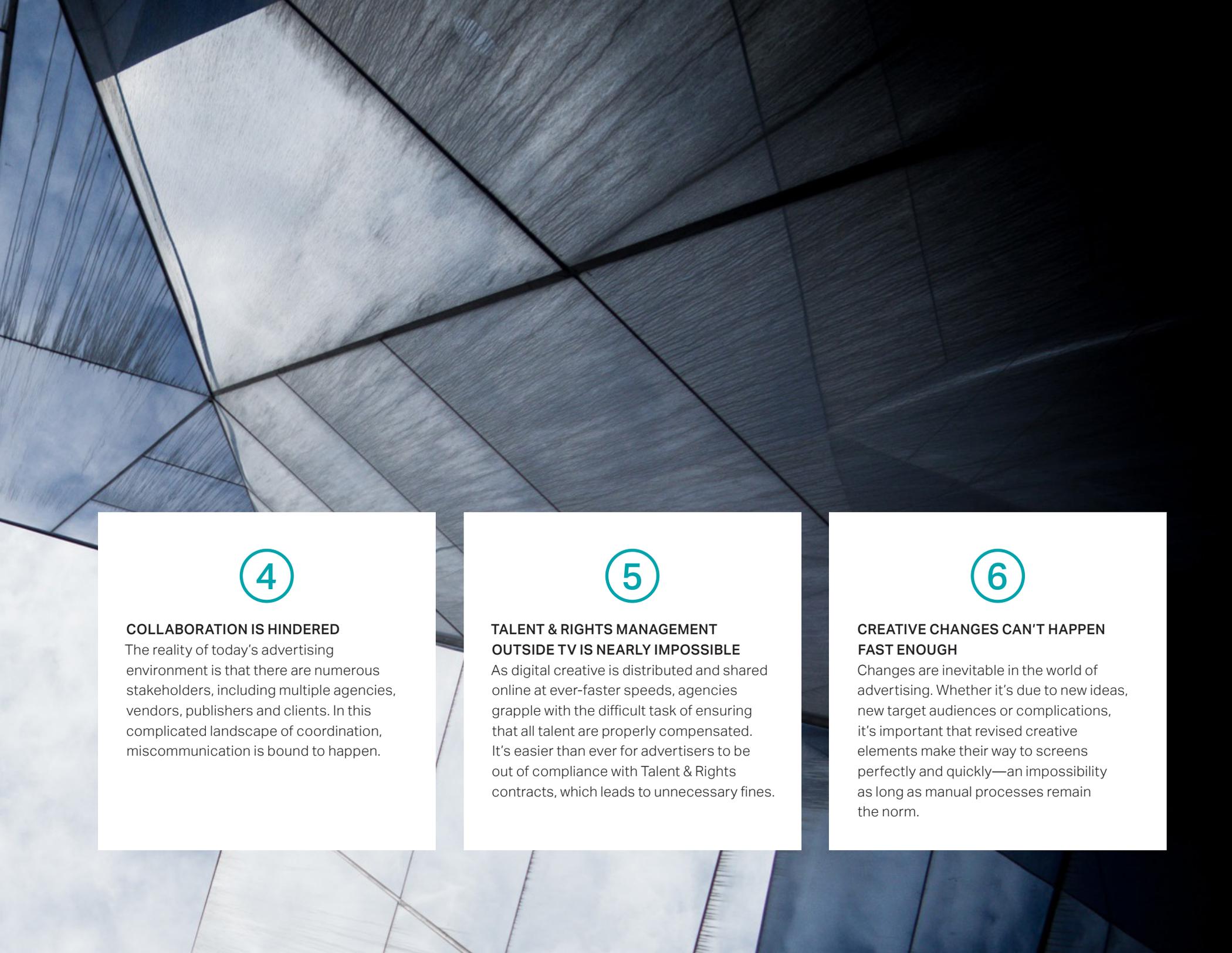
FORMAT ERRORS ARE COMMONPLACE

Nearly every publisher, ad network or TV station seems to have different technical standards and formatting requirements. Manual workflows are not optimized to deliver different types of creative assets to different publishers that play properly on every screen and device.

③

CAMPAIGNS START LATE

Manual workflows can delay campaigns from running, decreasing their effectiveness when timed to a specific event or holiday.



4

COLLABORATION IS HINDERED

The reality of today's advertising environment is that there are numerous stakeholders, including multiple agencies, vendors, publishers and clients. In this complicated landscape of coordination, miscommunication is bound to happen.

5

**TALENT & RIGHTS MANAGEMENT
OUTSIDE TV IS NEARLY IMPOSSIBLE**

As digital creative is distributed and shared online at ever-faster speeds, agencies grapple with the difficult task of ensuring that all talent are properly compensated. It's easier than ever for advertisers to be out of compliance with Talent & Rights contracts, which leads to unnecessary fines.

6

**CREATIVE CHANGES CAN'T HAPPEN
FAST ENOUGH**

Changes are inevitable in the world of advertising. Whether it's due to new ideas, new target audiences or complications, it's important that revised creative elements make their way to screens perfectly and quickly—an impossibility as long as manual processes remain the norm.

4 The Simple Solution: Host Video Creative in One Place and Just Use Links

Thankfully, the solution is right in front of us and so easy that all the pain disappears instantly. There are no vendor changes, nothing new to learn and everyone wins. Then bright minds and creativity are freed up to tackle other issues on the path to achieving screen-agnostic ad effectiveness for brands.

When the same ad is destined for TV and video, ad servers of any kind can now stream creative assets from their original source.

The solution, while transformational in its impact, is not new. It's a fundamental construct of the Internet. This vast repository of resources is largely based on the principle of streaming content, such as documents, images, data, etc., from one safe, quality-controlled environment by simply sharing a link. Resources are identified using a Uniform Resource Locator (URL) that represents the unique location for each piece of content on the web. The same file is not copied to every device around the web that needs it, rather it is always sourced from its unique URL.

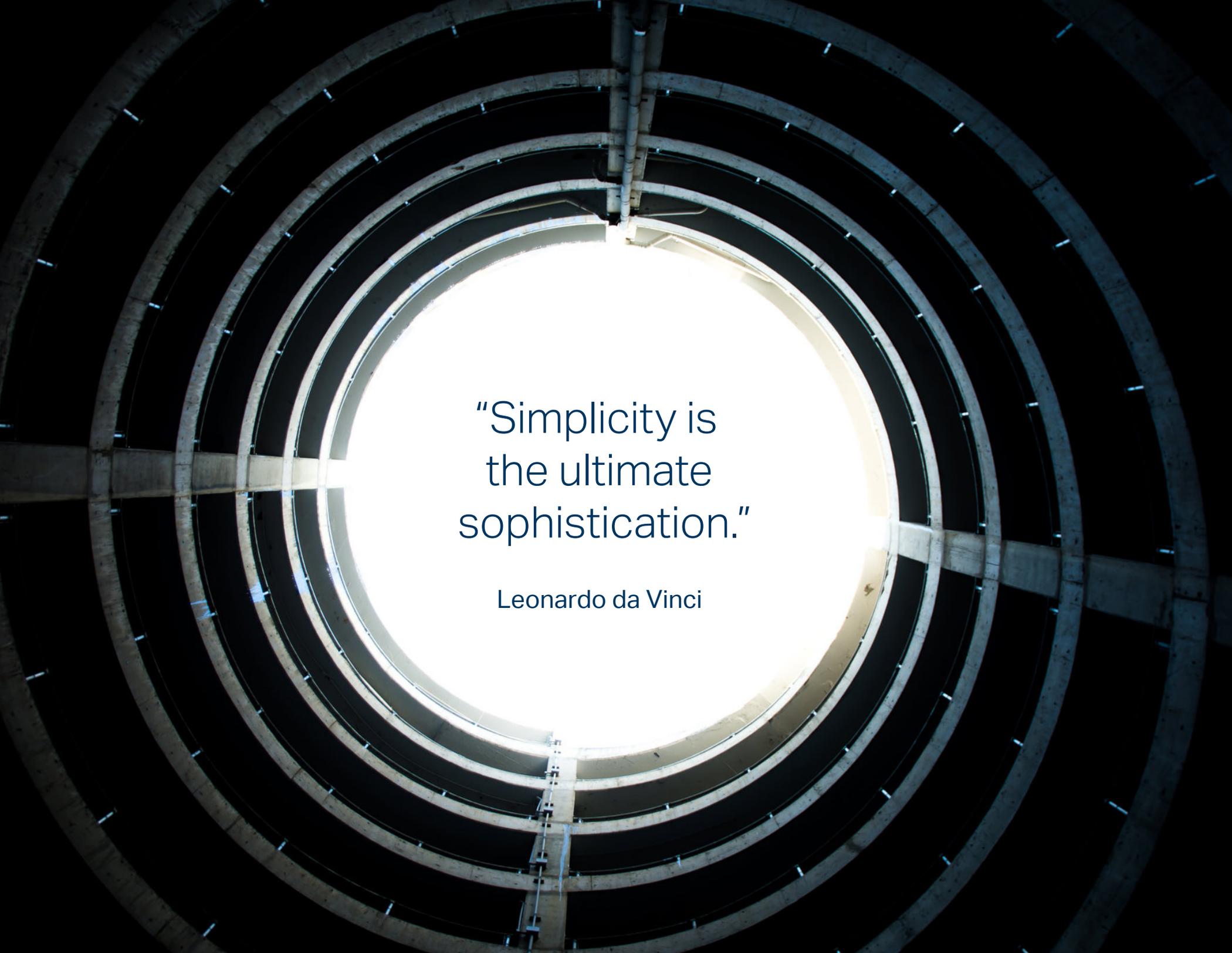
Following the path of some of today's biggest and most successful online content companies like Netflix, Spotify and YouTube, it's time for the advertising world to leverage the same model to maximize the speed, consistency, quality, cost and continuity of video advertising.



	1990s PHYSICAL DELIVERY	2000s SOFTWARE DELIVERY	Today STREAMING DELIVERY
MOVIES	Rent Tape to Watch at Home	Download Movie to Laptop	Stream Movie to Device
MUSIC	Buy CD	Download Song to iPod	Stream Song to Device
VIDEO ADVERTISING	Ship Physical Tapes to TV Stations	Download by TV and Publishers	Stream the Ad Creative to Any Screen

Despite all of the challenges facing advertisers in today's broken workflow environment, a solution is at hand. "It is so simple," says John Roland, Extreme Reach CEO and Co-Founder, "that very soon it will be hard to imagine any other way."

What streaming content owners have in common is a centralized, quality-controlled, permission-based source for all of their assets. The opportunity now is to see the advertisers' brand ads as their most precious content and protect them as such. Embracing the streaming model for video ad execution allows advertisers and their agencies to put ads to work without relinquishing control of them and while also maintaining the ability to track and monitor their video ads no matter where they play. Sharing assets from one location means that every ad—the marketer's crown jewel—maintains its highest quality and integrity in every environment on every device.



"Simplicity is
the ultimate
sophistication."

Leonardo da Vinci

Everyone Wins In the Stream

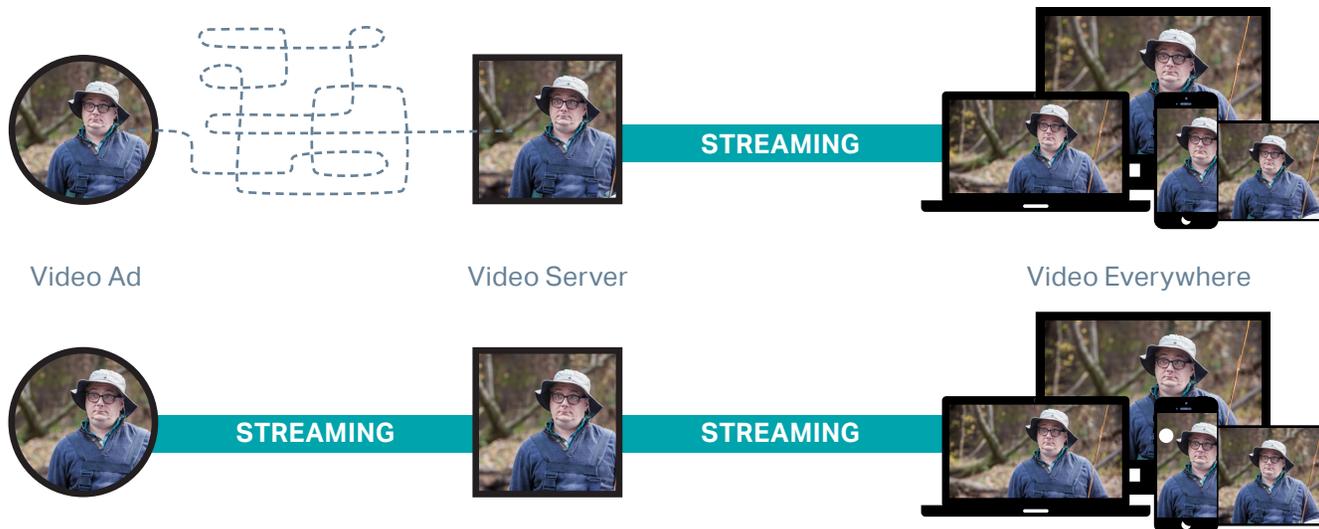
The execution of an advertiser's creative message deserves the same sophistication, efficiency and automation that is available in media buying and audience targeting. As video continues to play on devices large and small, in ever-greater volumes, a modern solution is needed for the management, delivery and tracking of video ad assets. When you consider that the Internet is driven by the basic concept of a URL, the idea of streaming video ads from a single source is a no-brainer.

Ads can and should play perfectly and precisely everywhere, according to plan.

We're Halfway There Already

In fact, video ads are currently streamed in the final leg of their journey from your preferred ad server to consumer screens. A video ad server streams video ads from their technology to the media unit / position where the ad will play. But that can not happen until the digital video team finds, formats and FTPs big packages of files to their chosen ad server.

By simply moving the act of streaming further upstream, an entire workflow is transformed. And you do not need to change your video ad server of choice. You just change the way they access your video creative.





5 Start today. All you have to do is say "yes."

This is not a vision for a distant future. The technology and platform exist today to provide the features and functionality needed to achieve all of the benefits described here.

In fact, the vast majority of TV ads already live, with all their associated usage rights, safely and securely in the Extreme Reach Enterprise Platform. Today, that platform essentially powers the \$75 billion linear TV market. So you can be confident that the massive cloud infrastructure is tested, scalable, sophisticated and secure.

The only barrier to fast adoption is education of the many parties involved in the workflows of yesterday. Advertisers, agencies and their media and ad tech partners need to be encouraged to move beyond the familiar, yet dysfunctional world they know today and see the easy opportunities that are available to them now to streamline their video advertising execution and best serve the advertisers' interests.

The Perfect Moment

If it's so simple and the benefits are so great, why haven't we done this yet as an industry? Well, first, we are only human. Throughout history, rapid technological innovations have taken shape ahead of people's ability to catch up. We adapt as fast as possible to get to the end game and then pause to get our "house" in order.

In addition, the only way this is possible industry-wide is when the vast majority of the ads live in a single cloud location with their associated Talent & Rights and within a sophisticated, scalable platform that can automatically format them to a matrix of specs. This exists now in the Extreme Reach cloud platform.

Start Streaming: What's Needed?

One true source for the video assets (the creative)—a central, secure, quality-controlled, rights-controlled location accessible through a simple, permissions-based link, is all that's needed to get started.

For all ad servers (3rd party, vendor specific and/or site specific), it's as simple as accepting links for the video creative (aka VAST/VPaid tags) instead of requiring the actual ad asset files.

What's Not Needed?

Streaming means no vendor switches, no tracking down assets and no FTPing files.

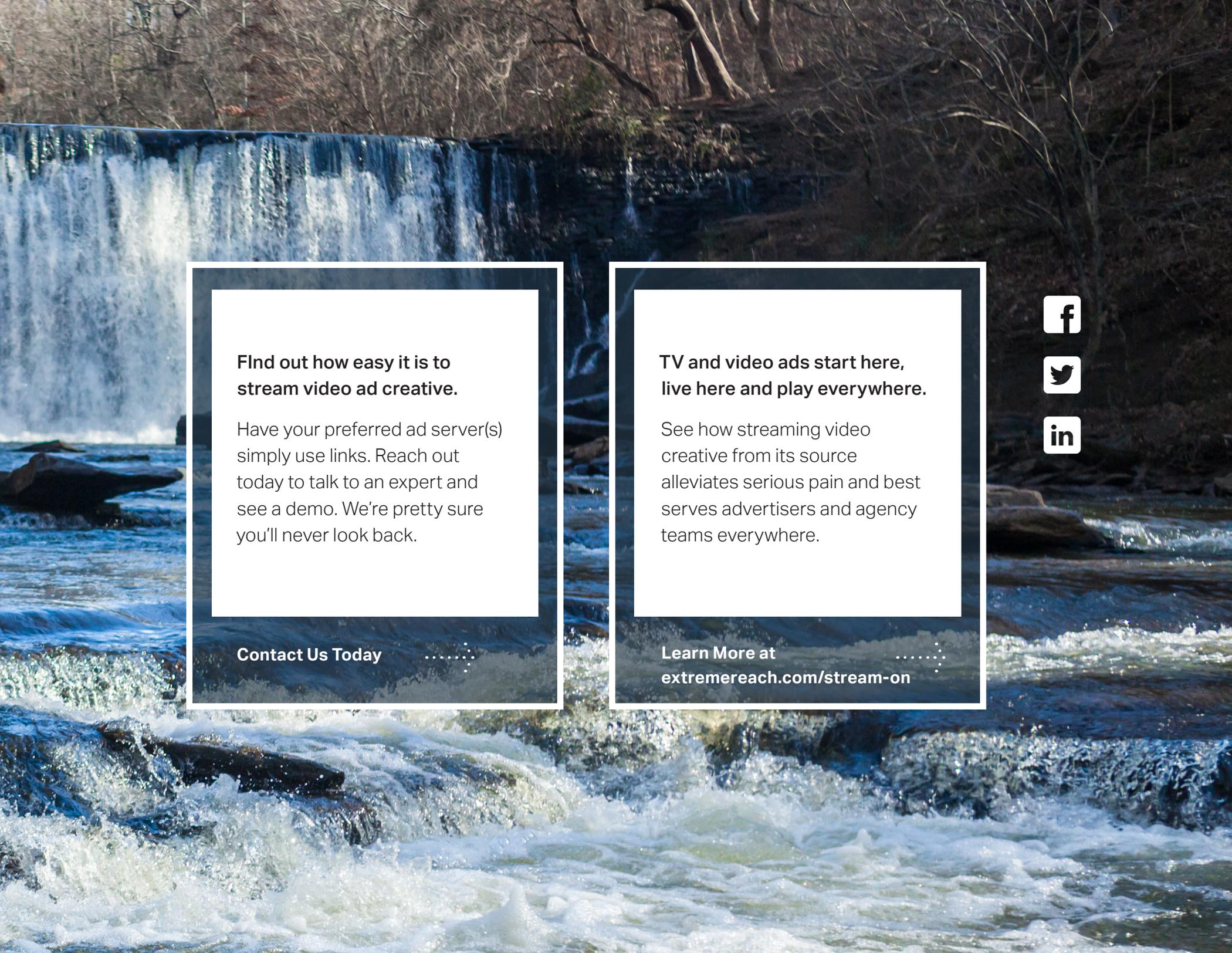
All that work teams have been doing to locate and manage those files is now time they get back to solve the real issues in front of our industry. It's time to spend on the work they were meant to do, which we guarantee will be a whole lot more gratifying and better serve the advertiser. Win-Win-Win.

Streams
Really
Do Come
True.



“Truth is ever to be
found in simplicity,
and not in the
multiplicity and
confusion of things.”

Isaac Newton



**Find out how easy it is to
stream video ad creative.**

Have your preferred ad server(s) simply use links. Reach out today to talk to an expert and see a demo. We're pretty sure you'll never look back.

Contact Us Today



**TV and video ads start here,
live here and play everywhere.**

See how streaming video creative from its source alleviates serious pain and best serves advertisers and agency teams everywhere.

Learn More at
extremereach.com/stream-on



WANT TO LEARN MORE?

Contact us at your-team@extimereach.com

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