



# Tip of the iceberg

by Laurie Kennedy

Though there is still a varied view of the long-term landscape of television, including the distribution platforms and revenue models, much more is known and progress made compared to two years ago.

Some start-ups have disappeared where others such as Netflix are no longer viewed as the new guy on the block. Several key change factors have emerged which are the tip of the iceberg and will continue to sculpt the landscape.

## Linear Playlist vs. Video on Demand

For broadcasting digital TV (DTV) over the air (OTA), the concept of a program schedule and linear playlist (broadcast log) still seems relevant. This continues to support a traditional ad sales model.

Maintaining the need for a program schedule and linear playlist

while unicasting over broadband may not be as relevant. A linear playlist, in this scenario, is like having a retail store and putting only 24 x 1 hour items available for sale on your shelf per day; when you actually have thousands of items in your warehouse.

So why are many broadcasters wanting to replicate broadcasting on broadband? This raises the question of content rights within TV programming contracts as well as an organization's core operations and ties to existing broadcast management systems. These systems integrate the workflow from program inventory management + scheduling through ad sales, traffic (ad scheduling) and master control (broadcast playout). Within that workflow is a tight knit between programs, audience measurements and ad sales.

Many believe consumers would prefer an easy method for content selection at their chosen time, along with personalized playlists with their selected VOD. In digital ads, we are already seeing consumer profile-driven ad insertions (regardless of content), rather than content-based ad insertions.

If we were to start from scratch, what would the right balance and suitability be for DISTRIBUTION of content that is linear/time-based or on-demand? Then we'd look at the revenue model—free, subscription, rental (pay per view) or ownership.



## Programmatic Advertising

Increased fragmentation within the media landscape means more challenges and a required change for advertisers to convey transparency and accountability across the overall media process. This change involves a move towards media that is predictable and measurable. Programmatic media is a term that includes the many types of digital media (desktop, mobile and social media), television, out-of-home (OOH), print and radio.

Today, programmatic ad buying generally refers to the use of software systems to purchase digital advertising, versus the traditional process involving manual workflows and human negotiations. As such, the main benefit is efficiency on labour intensive menial tasks. It is a growing practice on the digital platforms, including video.

Real-time bidding is an auction type of programmatic ad buying through ad exchanges for online display advertising. Programmatic Direct is another type which allows advertisers to buy guaranteed ad impressions in advance, direct from publisher sites.

As ad spend continues to increase on digital, more efficient practices are being developed. There are many opinions, ranging from five- to 15-years, when ad revenue on OTT will exceed traditional TV. Fully automated workflows began being talked about by broadcasters and ad agencies in the mid '80s and again in the mid 2000s. Limited progress has been made (e.g. electronic contracts). Now in 2015, many believe programmatic ad buying is here for the long term and will include TV and radio. This time, it may not be optional.

## Cross Platform Measurement of Advertising and Content

The Coalition for Innovative Media Measurement (CIMM) was founded in 2009 by television content providers, advertisers and media agencies in the U.S. Jane Clarke is managing director (previously with Turner). CIMM's initiatives focus on improving television measurement through return path data and cross-platform video measurement. A key initiative is Trackable Asset Cross Platform Identification (TAXI). TAXI is an open standard naming convention to be embedded in all media assets (advertising and content) that can travel within the media essence across an entire eco-system; like a UPC code is for merchandise.

Many benefits are expected, including tracking ads and content separately, ad insertions and synchronization of second screen activities.

On September 15, 2014, during the International Broadcasting Convention in Amsterdam, the CIMM and the Society of Motion Picture & Television Engineers (SMPTE) recommended audio watermarking to bind the unique content identifiers to the media (Ad-ID and Entertainment Identifier Registry (EIDR)).

On April 21, 2015, in New York, the SMPTE drafting group sent out a request for proposals (RFP), seeking responses from organizations interested in submitting their technology for consideration as a solution to dramatically improve how video advertising and content are identified, tracked and measured.

SMPTE drafting group chair Chris Lennon said, "With this RFP, we will identify the technology that can be the basis for an open industry standard so that our industry can finally identify which content or ad is being viewed no matter what device is being used."

## Advanced Television Systems

The American-based standards organization, the Advanced Television Systems Committee, has two technology groups, One and Three. Technology Group 1 (TG1) is responsible for ATSC 1.0 management, ATSC 2.0 development, also 3D and Mobile DTV. Technology Group 3 (TG3) is responsible for ATSC 3.0 development. ATSC 2.0 is backward compatible with ATSC 1.0 while ATSC 3.0 will not be backward compatible.

<b>ATSC 1.0 standard</b>	<b>Broadcast Specific System (Terrestrial)</b>	High Definition, Multicasting, 5.1 Digital Surround Sound, Electronic Program Guides, Enhanced Closed Captioning, Mobile Digital TV
<b>ATSC 2.0</b>	<b>Integration of Broadband</b>	Non-Real-Time Transmission, Advanced A/V Compression, Enhanced Service Guides, Audience Measurement Tools, Conditional Access, Interactive Capability
<b>ATSC 3.0</b>	<b>Harmonization with Mobile &amp; Broadband</b>	Flexible & Robust System, OFDM Transmission, Ultra High Definition, Integrated Mobile Capabilities, Advanced A/V Compression, Evolvable Architecture, Enabler of New Services

*Source: BTS Gold2014, Bill Hayes Director of Engineering, Iowa Public TV, Vice Chair ATSC TG3/S32*

Enhanced HD and UHD and high efficiency video compression (HEVC, H.265) will allow multiple, selectable video components including alternative camera angles, multi-view (e.g. picture in picture) and multi-screen and companion device support (second screen).

Audio will have new personalization features and ability to target various devices (fixed, mobile) and speaker set-ups.

With no more MPEG-2 transport stream, ATSC 3.0 will utilize only an IP-based transport layer which is broadband and mobile friendly; a flexible service model with components dynamically combined at the receiver, automatically (e.g. low/high bit rate versions) or user selected (e.g. alternative camera angle component).

The goal is to have an ATSC 3.0 standard by 2016 with world-wide application.



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