

Best Practices for OTT Dynamic Ad Insertion

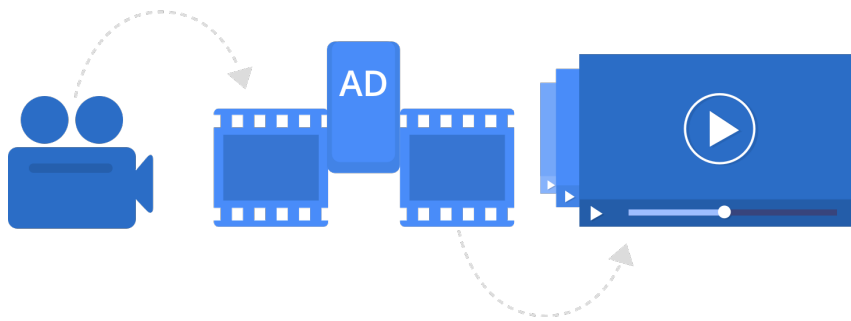
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Abstract

HTTP adaptive streaming (HAS) has become the de facto mode of delivering content for over-the-top (OTT) video services, both live and on-demand. As these services grow and mature, so does the need for viable, robust capabilities for monetization and personalization. These capabilities (and more) are driving many programmers and broadcasters to look to DAI to help drive additional revenue streams on the plethora of devices now capable of streaming. This paper and presentation will explore some of the key considerations related to OTT DAI. What are the fundamentals of ad stitching and the differences between legacy client-side ad insertion (CSAI) and today's server-side ad insertion (SSAI)? This paper will also look at IAB standards (e.g., VAST/VPAID) and how OTT adverts can now deliver national/local/regional payloads within ad pods, essentially mimicking the broadcast world and making true monetization a reality for content creators who have long looked at OTT and broadcast as separate worlds.



Finally, we will discuss the implications of personalization and true user targeting, which are now a reality for OTT services using a variety of data sources (GPS, postal code, IP tables). These capabilities represent a great advance for OTT and the granular experiences it can provide. This means that service providers can deliver adverts that are more relevant to the viewer, OTT is more impactful as an overall experience, and will likely drive ad rates (and revenue) higher over time. This will also include interactive overlays, where advertisers can now provide viewers on connected devices with tangible elements (coupons) they can redeem. These new capabilities help to cement relevant experiences for the viewer and audience and increase revenue opportunities for OTT providers.

Fundamentals of Ad Stitching

With the streaming format wars in the rear view mirror, HAS, specifically Apple's HTTP Live Streaming (HLS) and the Dynamic Adaptive Streaming over HTTP (MPEG DASH) specifications now allow for the client, scalable delivery of media content globally from conventional HTTP servers. True to the name, this content adapts to changing bandwidth rates across xed line and wireless networks, delivering the best experience relative to the available throughput and screen size. These standards are enabling high definition quality video (and soon, 4K) content to be consumed globally, on any capable device. Now, these streams are moving from being a cost center to a profit center, as programmers, service providers and broadcasters seek to monetize these experiences in the same way they have been able to for their traditional services for years. Now, OTT delivery technology is being relied upon to not only bring TV-like experiences to all screens with ad experiences that have seamless transitions between content and ads with no buffering across all screens, but also adding elements through interactivity, personalization and more. The actual function of inserting the ads is reliant on some elements inherent to traditional broadcast.

Most broadcast workflows and the accompanying ad insertion workflow rely on SCTE 35 cue messages passed through the MPEG-2 Transport Stream, or SCTE 104 in SDI (baseband) video, marking the placement of an ad pod. This pod usually is comprised of national ad payload, and also an ad replacement opportunity for a local broadcast affiliate. The video workflow components read this cue message and translate it to an ad marker format specific to HLS or DASH. The ad marker is read and the player client relays the ad break and user metadata to a VAST-compliant ad decisioning network. The ad decisioning network provisions the replacement ad, which is then seamlessly inserted into the video stream either server or client-side.

To be clear, ad insertion has been a part of the streaming vernacular for the past few years. In early iterations, the request for an ad has taken place at the client, or player. This approach is referred to as client side ad insertion or CSAI. More recently, a move toward server side ad insertion (SSAI) has been an observed trend.

CSAI Versus SSAI: Stitching Comes Of Age

Ad stitching became a popular solution for monetization in the industry when device fragmentation became a problem. At the time, web video, cable/IP television, set-top boxes, game consoles, and mobile handsets all lacked client-side capabilities, so developers on those platforms came to rely on stitching to eliminate the problem. In other cases, server-side insertion was the only available option, as was the case with the first generation Apple TV. These issues have since been resolved, with industry factions either selecting client-side support outright or spending some engineering cycles to customize the client side during initial development. Others choose to use SSAI, while some on both sides continue to hope for an all-purpose solution that simplifies device fragmentation challenges.



Stitching is an excellent solution for most use cases, but certainly not all. The essence of the problem is that most current ad technologies, to include programmatic trading, are built on client-side methodologies. These client-side elements measure things like viewability, interactivity and clickability in the video experience, where SSAI specifications have been slower to address these measurements. When an ad is stitched on the server side, developers must often implement client-side code in order to add current ad technologies, increasing complexity and maintenance. The new IAB VAST 4 standard will address some of these challenges, but won't cover every use case.

Despite its ability now to more effectively measure some metrics, CSAI is not well equipped to deal with a massively growing element of OTT services: the live event or broadcast. Live broadcasts are very challenging for CSAI because of the latency it introduces. CSAI technology functions by dynamically fetching an ad immediately once a user invokes playback, creating a lag between call and response. This latency can create errors in frame accuracy and cause an ad to be served too late or too early. Server-side ad insertion, by contrast, perfectly "stitches" the ad and the video into a single piece of content, mimicking the television experience.

One distinct challenge with ad stitching is that it prevents publishers from serving popular ad formats. For example, stitching doesn't work with Video Player-Ad Interface Definition (VPAID), an ad format that represents more than half of all video pre-rolls served in Europe. This shortcoming and inability to serve VPAID generally means lost advertising revenue. VPAID tags are relied upon to measure the viewability and verification mentioned above, and in some cases interactivity, which has led some agencies and the advertisers they serve to insist on VPAID, rather than VAST tags in order to support this.

Individual Targeting and Hyper Local Ads

Server-side stitching has applications beyond advertising that enable publishers to insert certain kinds of video content on-the-fly. In-market sports rights - where a viewer is or isn't permitted to watch a particular game or match, or where broadcast rights, but not streaming rights have been provisioned - a case for on-the-fly stream stitching is made. In this scenario, the publisher can replace the game or program with an alternative show that is provisioned for that particular viewer. Further, this technology could be used to support hyper local content. So, when a viewer is watching a nationally delivered weather channel, for example, the local weather forecasts and commercial breaks can be targeted down to the postal code, providing them with ads and content most relevant to them.

Conclusion

Change is a constant in the video delivery space. As this change extends to OTT, it has enabled HTTP adaptive streaming, and now as ad replacement is evolving, SSAI is improving monetization strategies and enabling streaming delivery services to mimic (and even improve upon) the broadcast workflows compliment. Today, these OTT workflows are increasingly being managed more efficiently and no longer are looked at as separate and disconnected from their broadcast brethren. Despite their past differences, technologists, publishers and advertisers must refrain from engaging in a religious war pitting CSAI and SSAI. Look to the VAST 4.0 spec to reduce feature and functionality gaps a great deal and enable broader monetization efforts.

