Understanding Advanced TV

Understanding Advanced TV

- Overview & Description

- Current/Future Marketplace

- AD Availability & Usage

What is Advanced TV

Overview

- Cable technology is dramatically changing the habits of television viewers. Consumers now have more control over what they watch and when they watch it.

- Advanced TV applications are transforming television from a one way communications platform to a two way platform.

- This two way interaction will yield greater targeting, flexibility, accountability & ROI benefiting all involved in the buy sell process, consumers and marketers

What Is Advanced TV ?

- Advanced TV is television on Steroids, offering a multitude of options for viewers to enhance their viewing experience...

- Typical forms of Advanced TV:
  - Interactive TV - Linear Environment
  - Video-on-Demand (VOD) – Non- Linear Environment

What Is Advanced TV?

- What is the difference between Linear & Non-Linear environments

Linear

Pre-Set Video
Programming & Ads,
As It "Airs"

Non-Linear

Video
Programming & Ads
Whenever You Desire
(e.g. DVR mode & VOD)

Interactive TV – Linear Environment

- Interactive TV is any television with what is called a "return path". Information flows not only from broadcaster to viewer, but also back from viewer to broadcaster.

- Interactive TV blends the richness of traditional TV viewing with the interactivity of a PC.

Interactive TV – Linear Environment

- Interactive television allows viewers to "interact" with TV content (programming & advertising) through the use of the remote control.

- This interaction could include but is not limited to.
  - Request for Information
  - Polling/trivia
  - Product discounts
  - T Commerce
  - Sweepstakes

Video-On-Demand - Non-Linear Environment

- **Video on demand** (**VOD**) systems allow users to select and watch video and clip content as part of an advanced television system.

- **VOD** systems either *stream* content, allowing viewing in real time, or *download* it, with the entire program brought to a set-top box before viewing starts.

- **VOD** Consumers control what they watch, and when, with features such as play, pause, fast-forward, rewind, stop, and resume

Video-On-Demand - Non-Linear Environment

VOD Categories

- Free On Demand (FOD)
  - Free, original and rescheduled programs from networks

- Subscription On-Demand (SOD)
  - A monthly fee based service accessing premium programming with full ODTV functionality
    - Sometimes referred to as Premium On-Demand (example: HBO On Demand)

- Transactional On-Demand (TOD)
  - Pay per play with all of the functionality of ODTV
   - Example: movies

Reasons to Consider Advanced TV Options

- Changing TV landscape

- Accelerating (product) purchase process

- Content is controlled by consumer

- Harder to reach and engage consumers

- Decisions by marketers are becoming more data driven (science vs. art)

Advanced TV Benefits

Features

- Consumer controls viewing time

- Advertising exclusivity
  - Less Cluttered Ad Environment

- Engaged Audience

- Real Depth-of-Sale Possibilities

- Metrics/Accountability
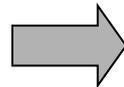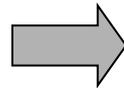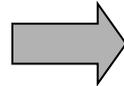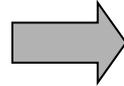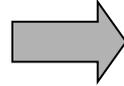
Benefits

- Qualified consumers

- Increased ad recall

- Real-time metrics

- Convert consumers from awareness to interest to sale much quicker

- More than ratings data to ensure smarter investments

Current/Future Marketplace

Advanced TV …Some Current Facts

- Advanced TV is only available in digital cable households

- Applications and Capabilities:
    - Local will vary on a market by market basis
    - National roll out through Canoe Ventures 2Q 2010 (iTV)

- Advanced TV Specs:
    - Digital Cable Homes – 45.8M projected to 48.1M in 2011
    - VOD enabled homes - 44.4M projected to 47.0M in 2011
    - iTV enabled homes - 25.0M projected to 42.9M in 2011

CAB

CABLE 1ST

Advanced TV Penetration

A Steadily Growing Audience

Chart: Digital Cable Subscribers

- 2006: 29.9M
- 2007: 36.0M
- 2008: 40.4M
- 2009: 42.6M
- 2010: 45.8M
- 2011: 48.1M
- 2012: 50.3M
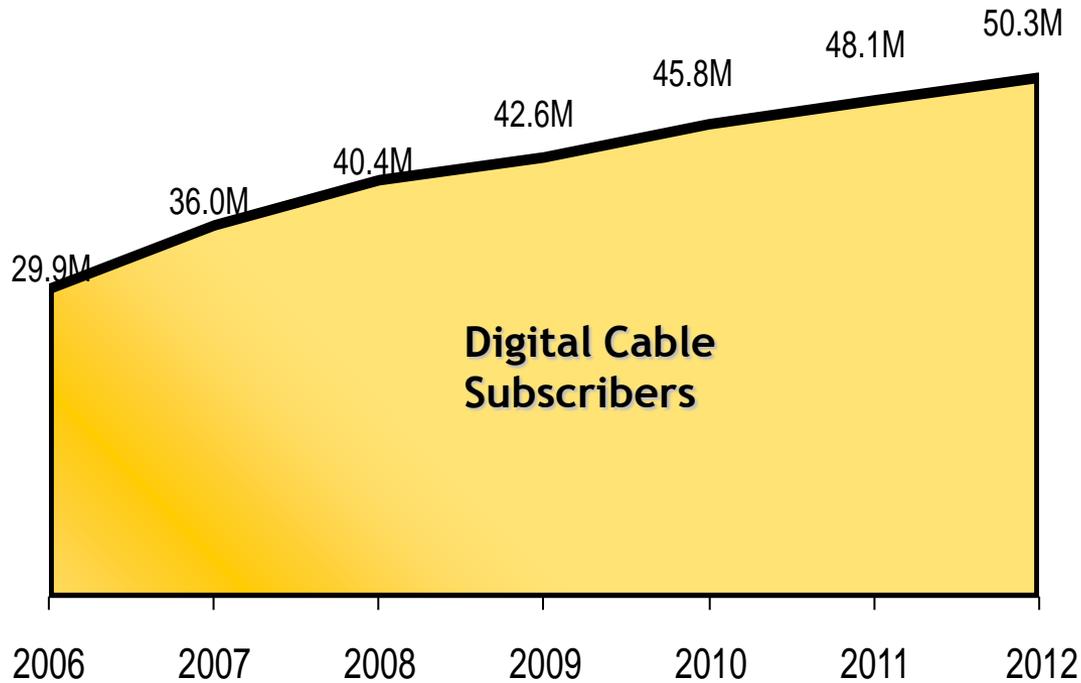
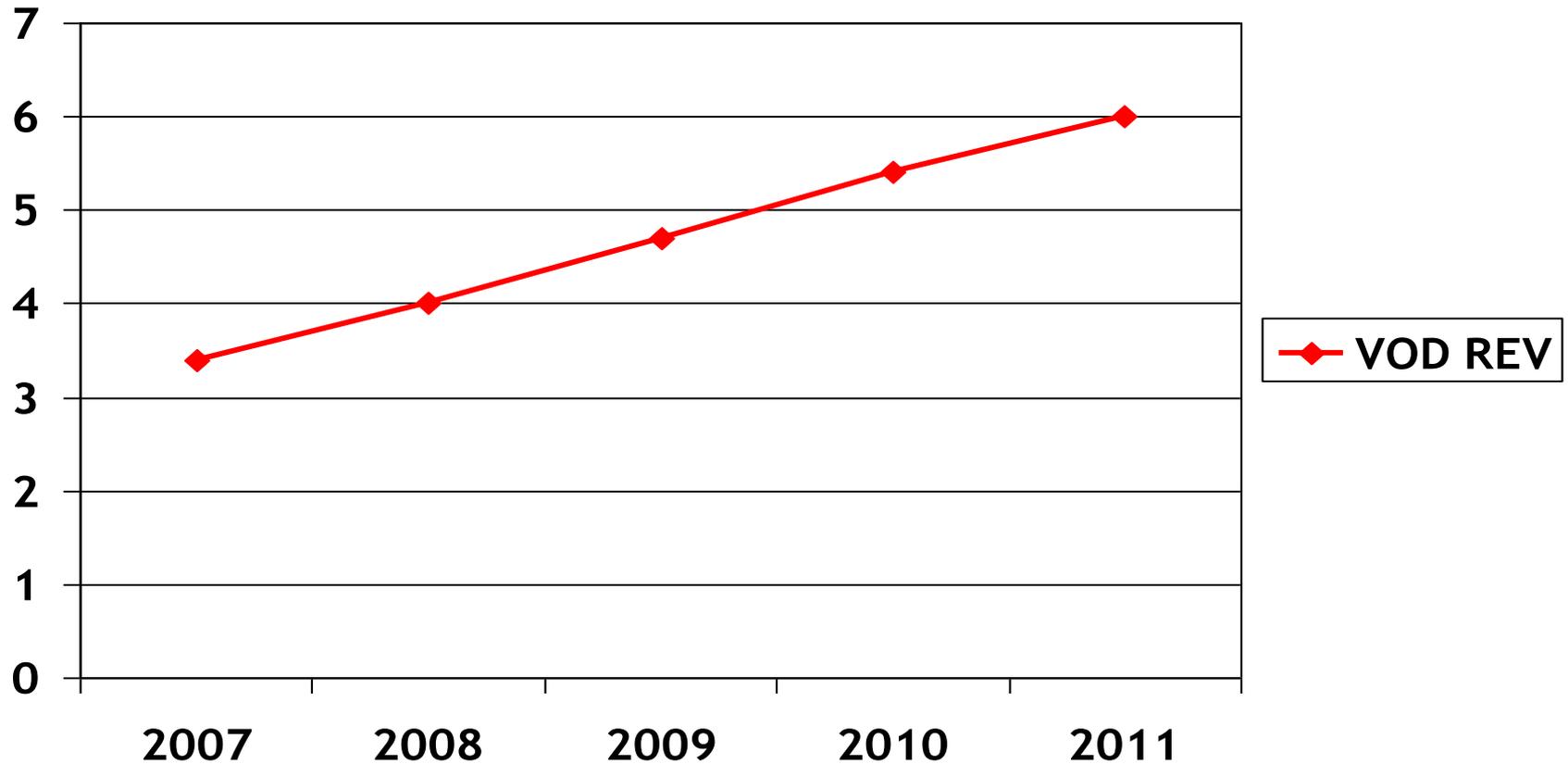**Source: SNL Kagan 2010**

Steady Revenue Growth ($ Mil.)

Millions

Ad Availability & Usage

Interactive Advertising Landscape

- National   Select Cable Networks powered by

 iTV Solutions

> Offerings: To be rolled out in order
> - RFI
> - Polling
> - Trivia
> - T Commerce

- Local

> Offerings: Varies by MSO & Market
> - RFI
> - Polling & Trivia
> - T Commerce
> - VOD
> - Interactive Channels
> - Telescoping
> - Personalized Widgets

Primary Advertising Opportunities

Request for Information

Polling & Trivia

Telescoping/Microsites

Video On Demand

T-Commerce

Personalized/Widgets

Interactive Channels/Mosaics

Advertising Descriptions & Benefits

Request for Information

For more information on the 2004 ML500 SUV Press ⚠

Application	Description	Benefits
RFI	Viewer is prompted to press button to receive advertising or programming related material via mail	Lead generator Ability to send samples, coupons, pamphlets, recipes, etc

Advertising Descriptions & Benefits

Polling & Trivia

Application	Description	Benefits
Polling & Trivia	Viewer is prompted to press button to participate in program; new ad inventory is created	Increase viewer involvement in program Branding tool for advertisers

CAB

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Advertising Descriptions & Benefits

Telescoping/Microsites

Application	Description	Benefits
Telescoping	Viewer is prompted to press button to proceed to long-form commercial	More time to interact / explain product benefits

Advertising Descriptions & Benefits

Video On Demand

Application	Description	Benefits
Video On Demand	Allow users to select and watch video and programming content and clip content as part of an advanced television system.	Opt In means high consumer engagement Uncluttered environment One on one sales opportunity

Advertising Descriptions & Benefits

T-Commerce

Application	Description	Benefits
T- Commerce	Viewer is prompted to press button, agree to purchase item highlighted on television; item is charged to credit card or cable bill	Immediate sale Accountability / ROI

Advertising Descriptions & Benefits

Personalized/Widgets

Application	Description	Benefits
Personalized/Widgets	Viewer creates personalized TV line-up based on their own wants and needs, including social media application (e.g Twitter, Facebook)	Touches viewer in personalized environment offers greater opportunity for sale

Advertising Descriptions & Benefits

Interactive Channels/Mosaics

Application	Description	Benefits
Interactive Channels/Mosaics	Distributor/programmer created channel(s) allowing multiple picture and picture feeds on a single screen including choice of camera angle, all controlled by viewer	Reach viewer multiple environments they created Targeted messaging opportunity