

# Are Network Service Providers Missing Out on Millions in Margins?

*NSPs Have Enormous Opportunity to Connect Captive Residential Audiences With Brands and Advertisers*

*In February 2021, Hopper — an innovative technology firm — announced the appointment of renowned international media executive Georges Laplanche as their Head of Network Service Providers and Pay TV Partnerships, sending a strong signal to the international advertising sector that Hopper is poised to expand.*

*We caught up with Laplanche to learn more about this exciting new development.*

**Welcome Georges. Can you tell us about Hopper and how its solution introduces programmatic advertising to network service providers globally?**

**Georges Laplanche:** Hopper is an innovative Australian firm that is seizing the opportunity to bridge digital advertising and network service providers in a way that is beneficial to both parties. It creates an opportunity for service providers to receive lucrative revenue streams, while actually enhancing the user experience. It also opens the door for advertising firms and brands to reach extremely targeted audiences with highly tailored messages. Hopper has established relationships with a growing community of advertising agency executives and corporate brand managers who are extremely interested and motivated to access the inventory of audiences represented by subscribers to network service provider (NSP) offerings. This represents a new business opportunity for NSPs that is really changing the streaming world.

Over-the-top (OTT) streaming companies disrupted the industry over the past decade, interrupting relationships that NSPs had with subscribers, because of the cord-cutting trend. As a result, the subscription and advertising revenues generated by OTTs have bypassed NSPs altogether.

Since then, new developments in technologies and the rise in complexity associated with managing a growing array of content sources have put NSPs into a position of aggregating and organizing video and other entertainment services for subscribers.

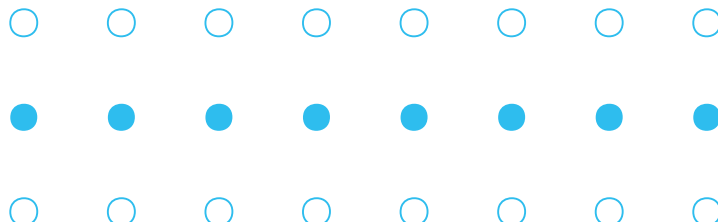
With average households now subscribing to anywhere between six and a dozen OTT entertainment services, consumers now spend a lot of time navigating through menus and pages before viewing a television program, movie or playing an online game. It is in these “in-between” spaces of time that NSPs have an opportunity to provide very targeted advertising messages via menus and navigation pages, without interrupting the core entertainment experience. It is an opportunity that advertisers and NSPs have been seeking to seize for a long time.

**The Hopper solution - which integrates technology with a business ecosystem of advertisers and brand managers - presents messages that are responsive to the needs and behaviors of the household.**

Hopper



**Georges Laplanche**  
Head of Network Service Providers and Pay TV Partnerships



Hopper

**Q** Very interesting. It sounds like network service providers have an audience that brands and advertisers are interested in accessing. What level of interest have you seen from advertising agencies and brands?

**Laplanche:** Not only do NSPs have access to a highly desirable audience, but they also have a unique relationship with them as well. Service providers know a lot about the end users' preferences and behaviors based on how they interact with applications on set-top boxes (STBs).

This is extremely vital information for advertising firms and brands because it allows them to target ads to very specific audiences. It provides a level of accountability that advertisers are used to finding in mobile apps and web platforms. This kind of targeted advertising has been very successful on small screens — such as mobile phones, tablets and even computers — and now it can be applied to “the big screen” at home.

**It really brings the browser experience and mobile app experience to the home.**

The big difference is that traditional advertising on the home television interrupted the content experience with messages that were not very targeted. In other words, everyone had to watch the same ad.

The Hopper solution - which integrates technology with a business ecosystem of advertisers and brand managers - presents messages that are responsive to the needs and behaviors of the household.

It uses low-lift technology, because it involves a small agent that is integrated into set-top boxes which can push targeted ads.

**Q** What are the mechanics behind the Hopper solution? Does it require a lot of investment from network service providers to deliver this kind of a service and to harvest margin revenue?

**Laplanche:** No, absolutely not. That is the beauty of the Hopper solution. Mechanically it is a tiny software agent on set-top boxes. This agent enables service providers to collect data and they then provide a channel for advertisers to send targeted ads. Through seamless navigation - prior to launching a movie, a television program or a game - the service provider has the ability to automatically, indeed programmatically, push ads that we know are of interest to the audience based on their interactions with the STB. It really brings the browser experience and mobile app experience to the home.

Service providers should view this as an opportunity to enhance the user experience. Consumers are already conditioned and ready to receive some level of advertising across different aspects of their digital lives.

**From a business standpoint, Hopper has already developed extensive relationships with advertising agencies and brand managers who are anxious to take their messages and offerings to the next level.**

In addition, for some NSPs, the revenue generated from advertising could help to offset the costs of delivering services to demographics that are price sensitive.

The Hopper solution enables NSPs and advertisers to target demographic categories of people — by gender or age, for instance — and even tailor messages to specific regions -- such as the South of France or the North of Germany. Hopper allows you to do that while the main experience remains the same for everyone.



## From a deployment perspective, is the Hopper solution difficult to deploy?

**Laplanche:** Not at all. Beyond the small agent that is installed on the set-top box, the rest of the service is provided and managed by Hopper via a Software-as-a-Service cloud resource. From a business standpoint, Hopper has already developed extensive relationships with advertising agencies and brand managers who are anxious to take their messages and offerings to the next level. Hopper's team of technologists, media planners and programmers then match the right messages with the inventory that becomes available as NSPs deploy the software agents on STBs within the connected home environment.

The opportunity for NSPs is immense. Service providers are sitting on a goldmine that they can't imagine. I'm not exaggerating when I say that millions of dollars could be accessible to NSPs in a very short time. All without overwhelming the subscriber or affecting the user experience.

