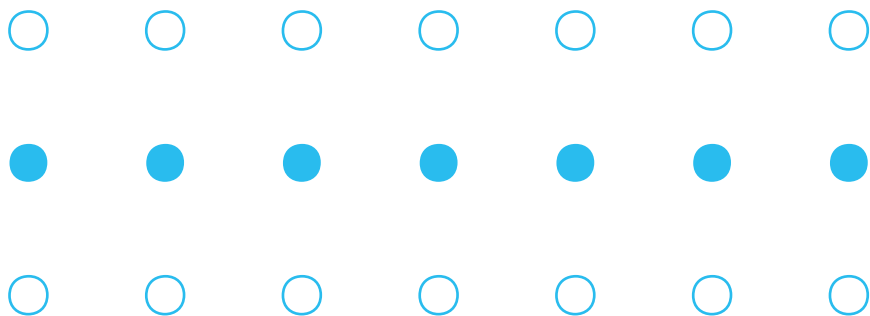




# Hoppr

## **Monetisation opportunities for Pay TV operators**



# Advertising as an experience:

## The evolution of ad insertion

Audiences love ads as long as they are relevant and timely.

Brands and networks have spent countless dollars and hours on market research to uncover what makes people pay attention, and then crafted ads as best they could to match.

But for years it's been an inexact science, forcing most advertising to appeal to general audience segments.

Then digital advertising changed the game, allowing ads to be targeted and personalised.

Mobile phones and internet browsers first grasped the astonishing power of this new technology and pioneered many of the innovations that continue to drive digital advertising.

Now, TV advertising has embraced these digital tools, with addressable solutions serving tailored, effective advertising to engaged audiences around the world.

## New advertising for a digital age

In the pursuit of **better user experiences** and monetisation capabilities, advertisers and operators have to grapple with new solutions and terminology to replace the proverbial "cut to commercial" that is so well known to TV.

Terms like Client Side Ad Insertion (CSAI), Server Side Ad Insertion (SSAI), in-stream ads and out stream ads are bandied around, creating much confusion for anyone not intimately familiar with the world of digital advertising.

## Choosing the right ad tech

Looking at the landscape of solutions for delivering digital ads on Connected TV, it can seem that a firm choice must be made for one technology or another.

**But there is no one-size-fits-all solution.**

Each of the available technologies has its strengths and weaknesses, and in this white paper we'll explore each of them so a clearer picture emerges.

# What is CSAI?

**Client Side Ad Insertion** is the original piece of technology that networks have used to serve targeted digital advertising since its emergence on TV and online.

This technology offers marketers a way to track their return on investment by delivering measurements and analytics capabilities.

CSAI is well established and understood, offering a tried and tested technology solution for advertisers looking to connect with engaged audiences.

The ad call originates directly from where the ad will be displayed, making it completely auditable for advertisers worried about fraud.

It's a familiar solution with ads being delivered directly to the client's device without any integration with the video playback.

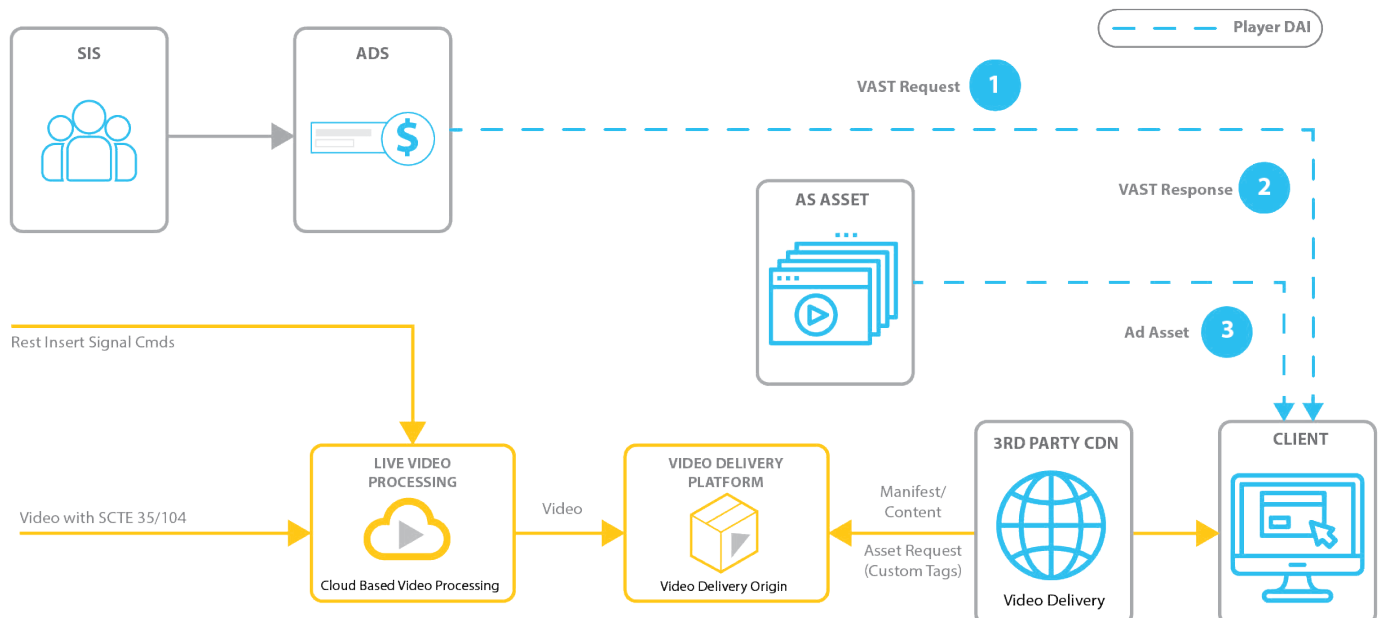
Being a digital advertising solution, CSAI provides more insight and flexibility compared to traditional TV advertising, and generates anonymised first party data that adds significant **value for advertisers**.

## CSAI advantages:

- Supports most measurement and reporting including viewability.
- Completely auditable, thereby reducing ad fraud.
- Supports interactivity.
- Supports in stream and out stream ads.
- More cost effective for networks as it does not require a highly scalable origination service.

## CSAI challenges:

- Latency could contribute to errors in frame accuracy in live broadcasts.
- Susceptible to ad blockers.



# What is SSAI?

SSAI is the new kid on the block, and is also known as “dynamic insertion” or “ad stitching.”

SSAI is a method of programmatic ad delivery whereby ad content is combined with video content, via proxy server, in data centers that stitch the video ads into the video content for a relatively seamless user experience.

This helps to reduce the risk of pauses due to latency timings especially during live events.

SSAI emerged during the time when device fragmentation began to accelerate, seeing plug in dongles and set top boxes streaming video content alongside other platforms like game consoles, drawing an audience which advertisers looked to follow.

In those early days, most of the devices lacked client side capabilities for ad serving, forcing developers to rely on SSAI “stitching” to keep up with advertising demand.

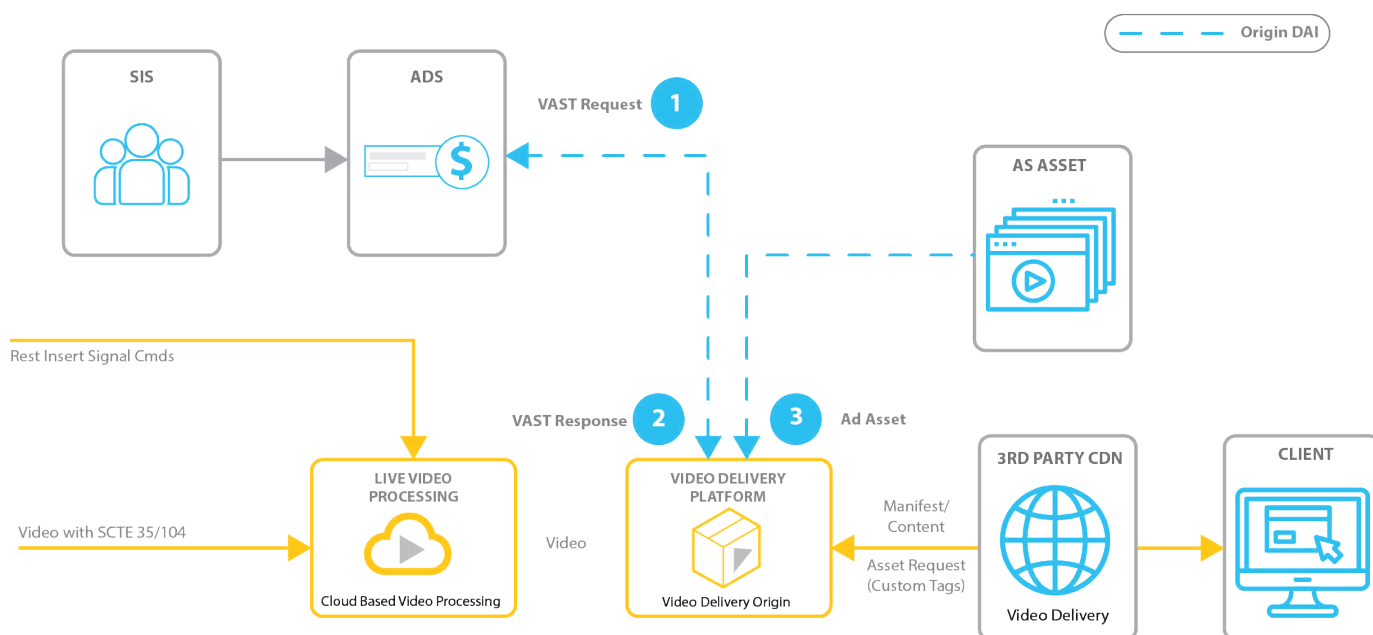
However, as the industry has matured, this initial shortcoming has now been resolved, with most platforms supporting client side capabilities (CSAI) natively from the outset or evolving to support it.

## SSAI advantages:

- Can be used to serve advertising on platforms with no CSAI support.
- Smoother content stream.
- Not subject to Ad blockers.

## SSAI challenges:

- Does not support interactive ads or viewability measurements.
- Does not support rich media ad formats or outstream ads.
- Elevated risk of fraud.
- Expensive to deploy and support.



# What are In Stream & Out Stream ads?

**In stream ads** are what is familiar to most of us, even if we're not familiar with the term. Imagine, you're watching your favourite TV program and you see an ad before it starts or in the middle of the show, that's in stream ads. Advertising that is delivered pre-roll, mid-roll or post-roll.

In stream video ads are an accepted norm as TV audiences are accustomed to commercial breaks. Viewers are already in the right mindset for consuming video and if targeted correctly, in stream advertising should feel like a natural fit. It's important for marketers to ensure the message is as natural and unobtrusive as possible, and to do that, in stream ads need to match the look and feel of the surrounding content or programming.

**Out stream ads** are a relatively new development in the industry. With out stream ads, marketers are no longer limited to deploying ads only within video content. It is called out stream because the video ad can be delivered outside of video content (i.e alongside text or static images etc).

This form of video advertising is rapidly gathering momentum with **77% of agencies worldwide** said the new format is going to be much more important to their clients' futures. Out stream ads provide marketers with a wider opportunity as it's easier to deliver messaging to audiences with particular interests.

## The next evolution of Connected TV ad insertion

Every new innovation is a reaction to a problem.

**Rich media experiences** that emphasise interactivity, animation, and even virtual reality are becoming possible for brands and networks to deploy on Connected TV.

This is a new frontier for advertising that emphasises giving the audience an experience rather than simply serving them a message.

Meanwhile, the prevalence of streaming and on demand services, viewers are now less accustomed to sitting through a commercial break. Expectations are higher all around, both from advertisers wanting to understand their ROI and from viewers wanting relevant, rich, timely content.

The ultimate goal of digital ad insertion for TV is to place the right ads in front of the right audience again and again. To do that effectively, networks need as much audience data as possible to shape the most effective messaging.

Just as technology is always evolving, so too is the **creativity it unlocks**.

Instead of repeating the old formula of "cutting to commercial," networks and brands have an opportunity to grasp an entirely new ecosystem of ads that don't interrupt experiences - they create them.

A Connected TV provider that can address these needs is primed to benefit from this opportunity.

And that's something worth watching.

Let Hoppr show you the future of ad insertion  
[@hoppr.com.au](https://hoppr.com.au)

**Hoppr**

[hoppr.com.au](https://hoppr.com.au)