

HOW TELCOS CAN DERIVE MORE VALUE FROM PERSONALIZED VIDEO ADVERTISING

THE ELEMENTS OF SUCCESS
THAT DRIVE BUSINESS IMPACT

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INTRODUCTION



INTRODUCTION

As customer data has increased over time, telecommunications providers have begun implementing personalized video advertising technology to support their customer acquisition efforts. This enables better targeting and allows providers to drive conversions, revenue and brand awareness.

By developing ad stories fueled by the customer's data, marketers can show a video ad that is personalized to each viewer's attributes, using programmatic buying to identify the target viewer and serve that personalized video ad in real time. This combination of targeting, ad story selection and programmatic buying enables marketers to take full advantage of online video's targeting capabilities and **never show two viewers the same ad.**

Historically, advertising strategies have either delivered brand reach objectives or performance objectives. Brand marketers measure advertising effectiveness based on key awareness indicators among their target audience: eyeballs, gross rating points, impressions. Performance marketers are equally, if not more, targeted with their advertising efforts, but are focused on results: visits, conversions, revenue.

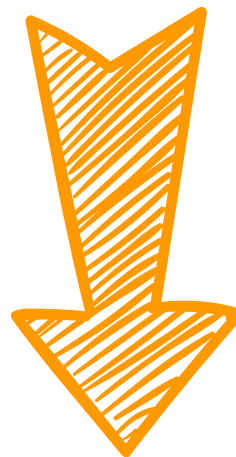
It's time to stop thinking of video as purely a brand building medium. Personalized video can be held accountable to perform against conversion and revenue goals, while also delivering measurable brand impact.
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In fact, **IAB reports** that telco brand and message **recall rates as well as overall likeability of online video ads are significantly higher than those of TV ads**. Video presents a new value opportunity for leading brands to acquire new customers and retain existing ones with smarter video advertising. Approached correctly, video ad programs can be both measured and optimized, resulting in an incremental impact on key business metrics.

Wireless and cable providers are instituting personalized video ad strategies to:

- Deliver the right content, at the right time;
- Introduce products and offers that are most interesting to the customer; and
- Target prospective and current customers throughout the different stages of the advertising funnel.

Read on to learn about the three initial elements required to deploy a valuable personalized video ad program.



ELEMENTS OF SUCCESS

1. MONITORING AND TARGETING
2. STORIES
3. PROGRAMMATIC BUYING

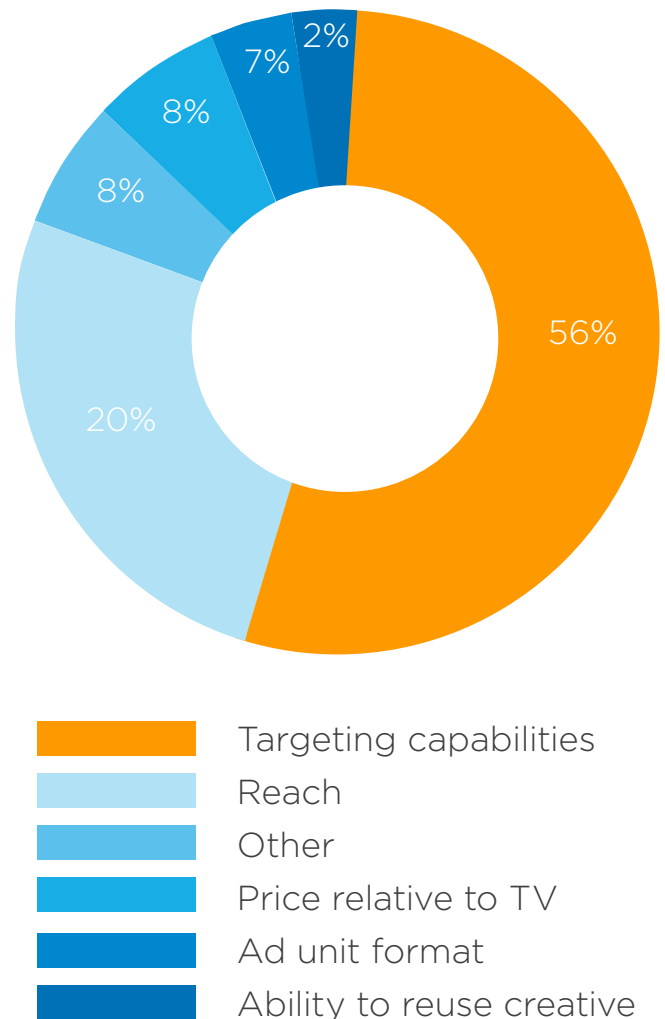


ELEMENT 1: MONITORING AND TARGETING

According to a **2015 BrightRoll survey** of U.S. ad agencies, targeting capabilities are the most valuable benefit of online video advertising. With an understanding of a viewer's profile, historical and situational attributes as well as information specific to where and when a video ad is played, you can not only target the right viewer, but also serve the most relevant ad for that individual.

In order to target the right audience, you should begin monitoring visitor behavior on your website prior to launching a personalized video ad program. This information will be used for bid and ad selection and synchronizes necessary visitor information with ad exchanges to ensure it is made available when an ad opportunity arises. The data also feeds ad performance analysis and reporting.

BrightRoll survey: Which aspect of digital video advertising do your clients view as most valuable?



Following is a more detailed look at building a target audience pool.

ELEMENTS OF SUCCESS

HOW IT WORKS

To target based on visitor behavior, a tracking pixel will be set up on your site and deployed on all relevant pages (this includes any e-commerce, wireless coverage overview, upgrade eligibility, shopping cart, order confirmation pages, etc.). The pixel helps develop profiles of relevant current and prospective customers, which are then used to select the most relevant ad story to deliver.

Example pool populations include prospective customers seeking to purchase a new service, current customers seeking to add a device or add additional line to an existing package, current customers seeking to upgrade the plan, or current customers seeking to purchase an accessory or add a feature.

On-site behavioral attributes should be married with additional consumer profile, historical and situational data to create the strongest targeting pool. The list to the right shows the potential attributes that can be leveraged to establish a targeting pool.

PROFILE ATTRIBUTES

Persona

- Demographic
- Psychographic

Segment

- Geographical
- Tenure
- Purchase frequency
- Number of products
- Product type(s)
- Credentialed

HISTORICAL ATTRIBUTES

- Visit and login frequency
- Time on site
- Device/service/plan viewed
- Last device/service/plan viewed
- Abandoned cart
- Related items and accessories
- Recommendations
- Order summary
- Spending history
- Authenticated

SITUATIONAL ATTRIBUTES

- Nearest physical store
- Shipment details
- Event recognition
- Device availability
- Time remaining to redeem offer
- Time remaining to purchase
- Seasonal
- Time of day
- Current device, browser


HOW IT WORKS

When a target viewer goes to a publisher site, such as YouTube, USA Today or Weather.com, and clicks to watch an online video, a relevant ad is created and served based on key attributes, such as those detailed above, as well as:

- Network
- URL where video is played
- Time of day
- Day of week
- Publisher and placement information – domain, category, supported formats, companion, content restrictions

ELEMENT 2: STORIES

Not only can brands target customers more intelligently, but they can also create more sophisticated advertising programs by serving specific ads to each individual viewer. Technology exists today that allows marketers to deliver ads that are personalized to each viewer on a one-to-one basis.

Instead of showing the same video ad to all site visitors, why wouldn't you show one created for each individual?
(**Tweet this** )

Once the target pool and customer profiles are defined, we can select an ad story - an assembly of scenes generated to deliver a specific message or set of messages - for each target viewer. At the point of each ad impression, a decision is made as to which story to tell and in which sequence, as well as which unique version of the chosen story is rendered to deliver an ad with the maximum impact. These stories are based on the brand's ad strategy, and could detail last service viewed, related product to last device purchased, device(s) abandoned in cart, among others.

Upon display of an ad impression, the combination of targeting attributes, media-buy parameters and the selected story drive the delivery of the appropriate video ad in either a 15 or 30-second format. Each story has the potential to **vary in many dimensions based on data about the individual** ad impression viewer. The variability is based on 1st-party data attributes (from the company website and DMP) and 2nd-party attributes (from publisher integrations).

The next page shows examples of pre-defined advertising stories that are relevant for maximizing conversion yield. The story a viewer sees is based on that individual's behavior. If a consumer visits a wireless carrier's website to browse a new cell phone plan, but leaves the site without converting, the ad served will be a plan story featuring the cell phone plan he viewed.

Wireless stories:

- **Device Feature Story:** Highlights features of a device, calls out carrier benefits and encourages purchase.
- **Plan Story:** Highlights a particular wireless plan and encourages purchase and/or upgrade.
- **Category (Variety) Story:** Features a breadth of device and/or plan selections in a given product category.
- **Device Story:** Presents a wireless device and encourages purchase.

Cable operator stories:

- **Product Story:** Features a particular product or bundle and encourages conversion.
- **Differentiator Story:** Hard-sale competitive story encourages current cable customers to switch from one cable operator to another by highlighting benefits of new operator.
- **Easy to Switch Story:** Soft-sale competitive story explains how easy it is to switch from one cable operator to another.
- **Upsell Story:** Encourages current cable customers to sign up for a higher service tier or bigger bundle based on contract end date.
- **Promotional Story:** Encourages new and existing customers to take advantage of special promotional prices and offers. Explains how to take advantage of value-added services and redeem freebies.

To manage the many possible ad permutations, envision building a scene library that houses all of your brand's ad scenes. This enables you to construct multiple stories, consisting of a set of scenes that define the content of pre-roll ads based on product, brand and website unique selling propositions. Each story variation will include a set of scenes that are selected and configured on a per-viewer level based on that individual's information and behavior.

Example Scene Library

A scene library serves as a single, modular repository for all video scenes. You can easily configure scenes into existing stories and reuse scenes in support of new stories.

The next section shows a storyboard of a sample wireless story and a sample cable story to demonstrate the possible story variations.

HOW IT WORKS

SAMPLE SCENES OF A **WIRELESS DEVICE** FEATURE STORY:

Example customer signals:

- Visited iPhone 6 product page
- Searched for NBA dunk highlights on YouTube
- Geo-location: New York

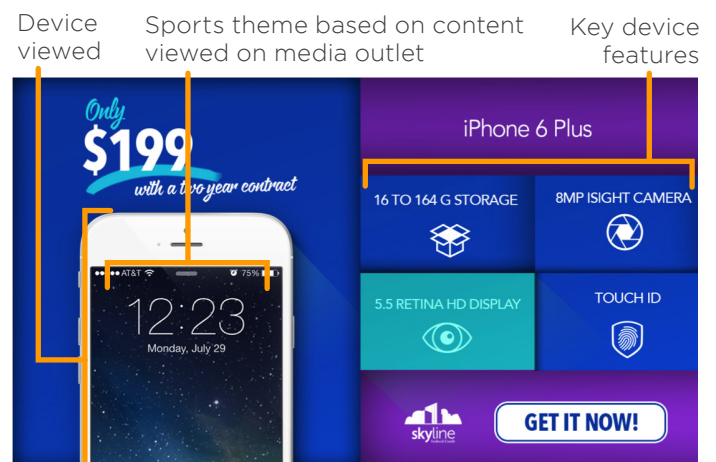
Story variations for each scene:

Device viewed | Device features | Content viewed on media outlet | Current wireless carrier, based on IP address | Service USP (coverage, reliability), based on IP address

The following storyboard shows how the device feature story is personalized to the viewer based on his example attributes and consumer signals.

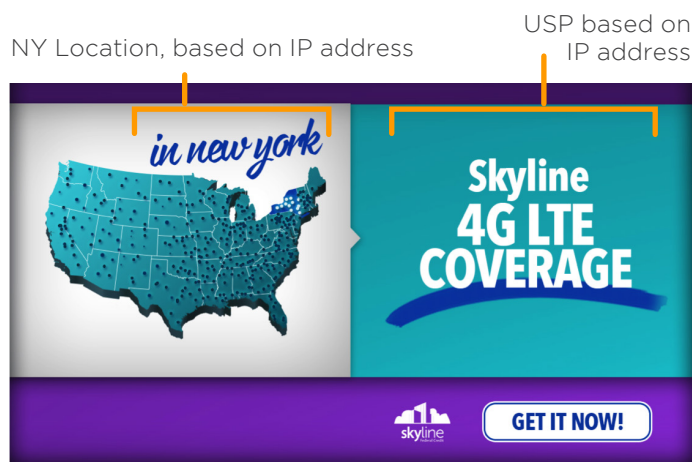


Scene Narration: "Skyline.com is the best place to get the new iPhone 6 Plus"

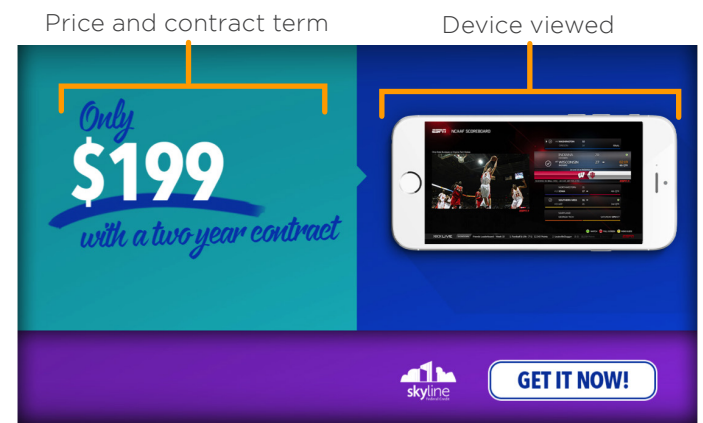


Scene Narration: "Its HD display will make you feel like you're watching the game at the court!"

Content viewed on media outlet



Scene Narration: "And with Skyline's 4G coverage in your area, you'll make the most out of its fast browsing!"



Scene Narration: "Click on screen now to get it at this great price!"



SAMPLE SCENES OF A **CABLE OPERATOR** PRODUCT STORY:

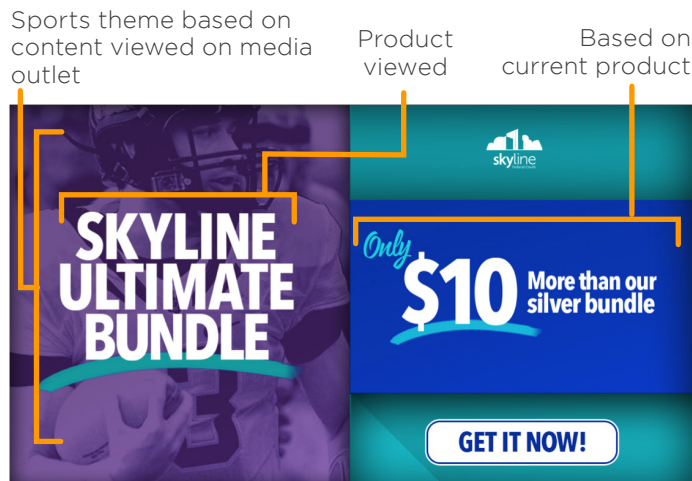
Example customer signals:

- Visited Skyline Ultimate Bundle offer on website
- Searched for NBA dunk highlights on YouTube
- Customer type: Existing, viewing content on tablet

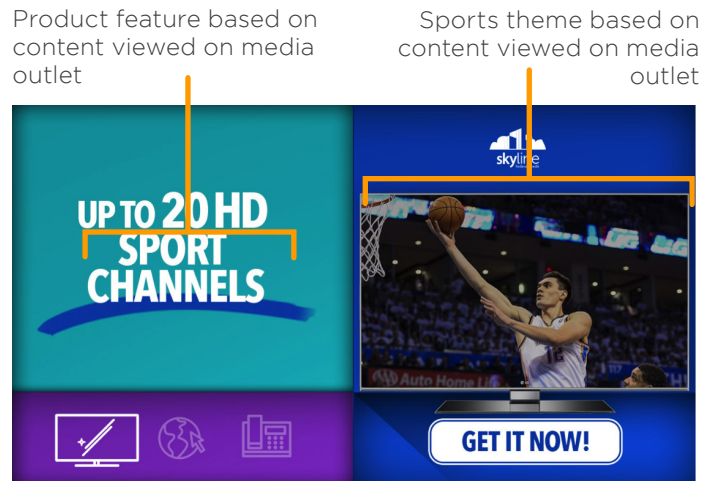
Story variations for each scene:

Customer type | Content viewed on media outlet | Product viewed | Product features

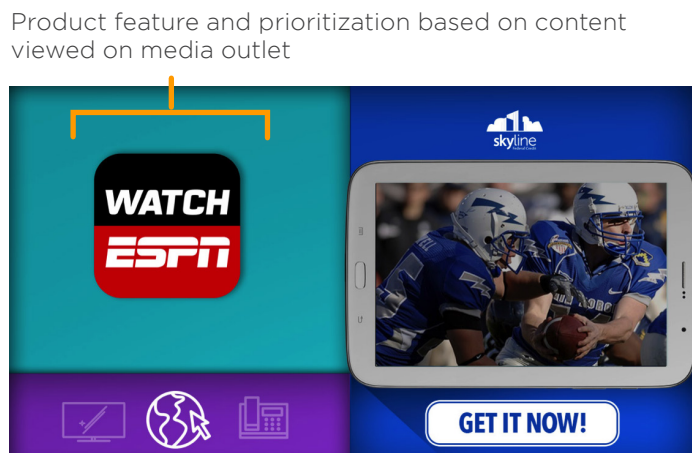
The following storyboard shows how the product story is personalized to the viewer based on his example attributes and consumer signals.



Scene Narration: "Upgrade to the Ultimate Bundle for an additional \$10/month." Customer type



Scene Narration: "And you can enjoy up to 20 HD sport channels."



Scene Narration: "...the ESPN Go app on your tablet..."



Scene Narration: "Click here to get the Ultimate Bundle at this amazing price!"

ELEMENT 3: PROGRAMMATIC BUYING

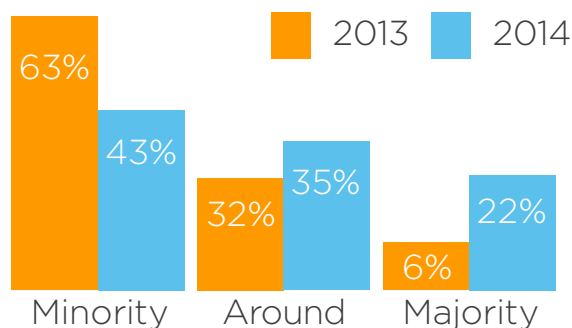
We've discussed building a target audience pool that captures the relevant attributes of each target customer and constructing multiple video ad stories in order to deliver a personalized video ad to each target customer. Now let's talk about how to best identify and serve a personalized video ad to a target viewer: programmatic buying. Programmatic buying is an auction-based system where ads are bought and served across the Web to a specific audience in real time. Essentially, programmatic, data-driven media buys automate the ad buying process through top video networks, including Google, BrightRoll, SpotXchange, AdapTV and LiveRail.

Programmatic buying is the only way to maximize the full potential of your inventory as it allows you to identify a target viewer and serve an ad personalized according to that viewer's attributes, all in real time. Advertisers want to make smarter buys, so along with a programmatic approach they should also limit ad inventory to in-stream, user-initiated, non-skippable pre-roll ads to ensure both a great brand experience and outstanding performance.

Brands can use programmatic optimization and data to adjust programs on the fly and target ideal customers at the right time. For example, if a customer abandoned a purchase and later visited another site, a brand can leverage the website browsing data, product images, narration and descriptions to deliver him a personalized real-time video ad specifically designed according to his purchasing preferences.

When the media buy and the ads creative content is informed in real time by demographic, contextual, behavioral or geographic data, we are talking about optimal efficiency married to deeply personalized, relevant and effective video ad communications.

WHAT % OF YOUR OVERALL DIGITAL VIDEO BUDGET DO YOU EXPECT TO BE PROGRAMMATIC IN THE NEXT 12 MONTHS?



Programmatic buying is growing quickly in online video, with 4X more respondents planning to dedicate a majority of digital video budgets to programmatic as compared to 2013.

Source: **BrightRoll**

CONCLUSION



Personalized video ads allow for deeper targeting and relevancy as service providers can deliver the right content, at the right time, to the right viewer throughout all stages of the advertising funnel.

By introducing devices, plans, services and offers that are most interesting to the consumer, brands increase the likelihood that a viewer converts. Though telco providers typically have a limited number of services and products to advertise, they can deliver a truly personalized video ad program by combining story variations with elements that are unique to each individual viewer and contextual elements such as an individual's location or browsing behavior.

Advertisers can achieve maximum impact when delivering ads programmatically as it allows them to identify a target viewer in real time and serve an ad personalized according to that viewer's attributes.

ABOUT SUNDAYSKY

SundaySky is transforming the relationship between brand and customer through personalized video. Our platform, built on proprietary SmartVideo technology, combines the power of video with personalized storytelling at scale to foster long-term customer relationships. The SmartVideo Platform lets marketers communicate to an audience of one and easily create, manage and optimize real-time personalized video programs throughout the customer lifecycle. AT&T, Comcast, Allstate and other industry-leading brands partner with SundaySky to engage prospective and current customers, resulting in higher revenue, lower costs and deeper loyalty. SundaySky is headquartered in New York City with offices in Tel Aviv and Tokyo.

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