



# Webinar July 28, 2021

## More Eyes on OTT and Its Expansion



# OTT

# Welcome Everyone!

## Today's agenda

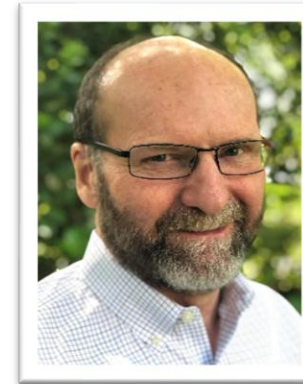
- **We'll talk through these topics:**

- BIA's newly updated local advertising forecast estimates for OTT in 2021
- Connected devices
- Broadcast groups and their OTT plays
- Measurement and attribution
- Adtech workflow and programmatic trading

- **We'll explain how BIA can help you:**

- OTT Forecasts
- CI and Strategic Consulting
- BIA ADVantage local market advertising estimates

## Webinar hosts:



**Rick Ducey**  
Managing Director, BIA  
Advisory Services



**Mitch Oscar**  
Director of Advanced TV  
USIM

# Snapshot of BIA & Our OTT Coverage

BIA is the leading data, insights and analytics firm for broadcasting, digital and publishing companies and industry associations.

We combine **data** with **local media expertise** to provide actionable information businesses need to make grounded financial and strategic decisions.

We have analyzed the media and technology landscape for over 37 years, conducting more than 5,000 engagements for the leading (and startup) media firms in the country.



## Over-the-Top (OTT) Analysis & Data



**Leading Local Insights**

Where BIA Brings Industry Insights to You



**Podcast: OTT in the Local Media Ecosystem**

<http://bit.ly/OTTPodcast-March21>

**2021 Local Digital Event Series: OTT**

<http://bit.ly/DigitalSeries-OTT>

**Local Market OTT Estimates**

Available in our data platform or by special order (*offer at end of presentation*).



# How BIA Views “Local” and OTT

OTT is a small but rapidly growing segment of the local ad pie. The CTV component is growing exceptionally quickly with the rise of FASTs and the expansion of local CTV direct and programmatic selling as more audiences' stream video content on their TVs.

## BIA's Local Definition:



- **Local:** Includes all media generating revenue by selling access to local audiences to all types of advertisers.
- “Local” audience advertising sales include buys specifying local and regional markets.

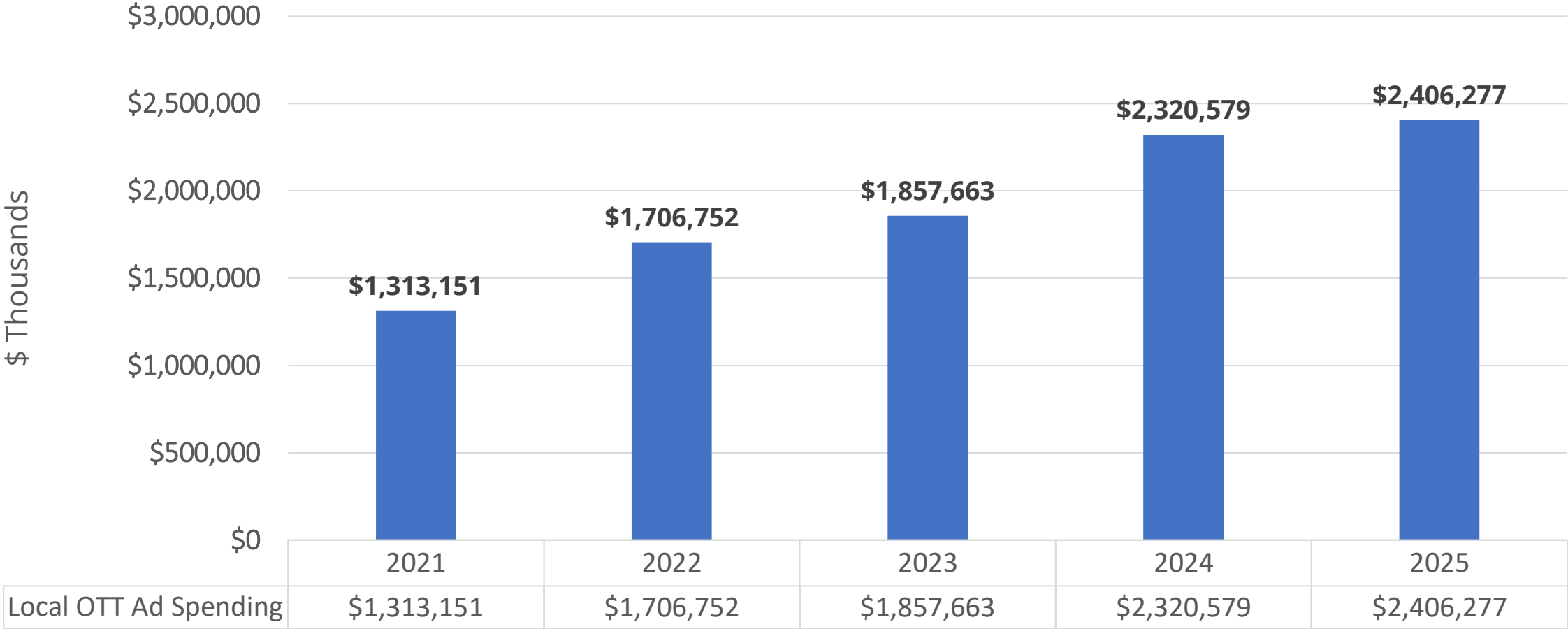
## BIA's OTT Definition:



- **Over-the-Top (OTT):** OTT refers to long-form, premium video that can be watched on any Internet connected screen including smartphones, tablets, desktops/laptops, and of course connected TV sets (CTV).
- Revenue is all locally targeted advertising revenue sold on streaming video that is delivered to TV sets via Internet connections.

# BIA Local OTT Ad Spending Forecast: 2019-2025

2021-2025 CAGR = 16.3%



*Note: BIA's estimate covers for locally targeted OTT advertising.*

Source: BIA's 2021 U.S. Local Advertising Forecast, July 2021 Update

# Top 3 Business Vertical Spenders in OTT



**Legal Services**

**Tier 3: New Cars Dealers**

**Hospitals**



# BIA's Estimated Ad Spend in Legal Services: 2021 & 2022

**Local ad spend in 2021:**

**\$4.8B**

In local advertising in All Markets



**Local ad spend in 2022:**

**\$4.9B**

In local advertising in All Markets



# BIA's Estimated Ad Spend in Tier 3: New Car Dealers: 2021 & 2022

**Local ad spend in 2021:**

**\$3.0B**

In local advertising in All Markets

1.8% goes to TV OTT

**\$53.3M**

**Local ad spend in 2022:**

**\$3.4B**

In local advertising in All Markets

2.0% goes to TV OTT

**\$67.8M**



# BIA's Estimated Ad Spend in Hospitals: 2021 & 2022

**Local ad spend in 2021:**

**\$4.0B**

In local advertising in All Markets



**Local ad spend in 2022:**

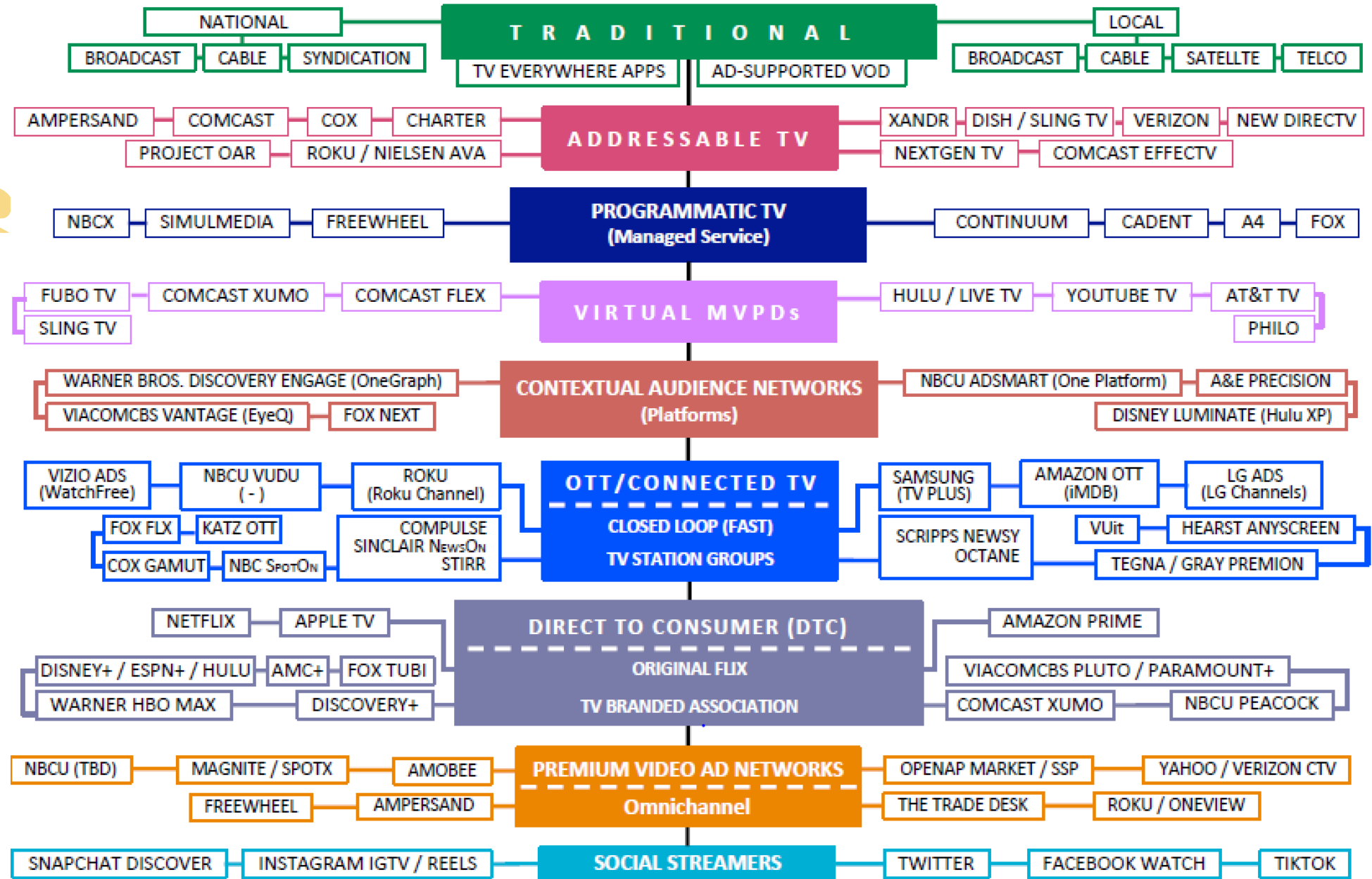
**\$4.4B**

In local advertising in All Markets



# THE TELEVISUAL TERRAIN

AUGUST 2021



# Meet Our Expert Panel



**Kemal Bokhari**  
GM, Data and Analytics  
**Dish**



**Jessica Daigle**  
VP Sales Intelligence  
**Tegna**



**Nelson Ferreira**  
Sr. Director, Regional Sales  
**Gamut**



**Justin Fromm**  
Head of Research  
**LG Ads**



**Phil Herring**  
VP Digital Strategy  
**USIM**



**Jo Kinsella**  
President  
**TVSquared**



**Adam Noble**  
Director of Product Marketing  
**Index Exchange**

# More Eyes on OTT and Its Expansion

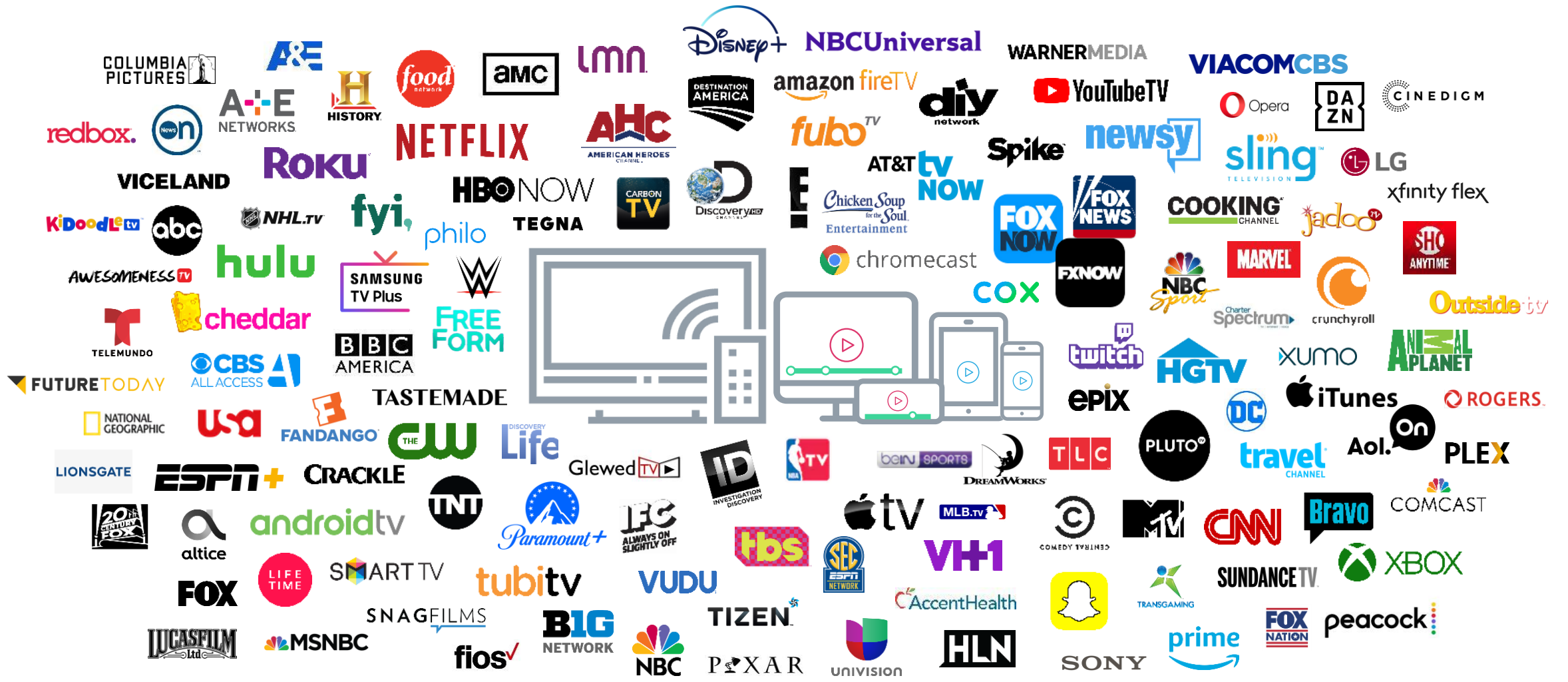
television's disruption & the challenges ahead

**Adam Noble**

[adam.noble@indexexchange.com](mailto:adam.noble@indexexchange.com)

# Disruption is complicated.

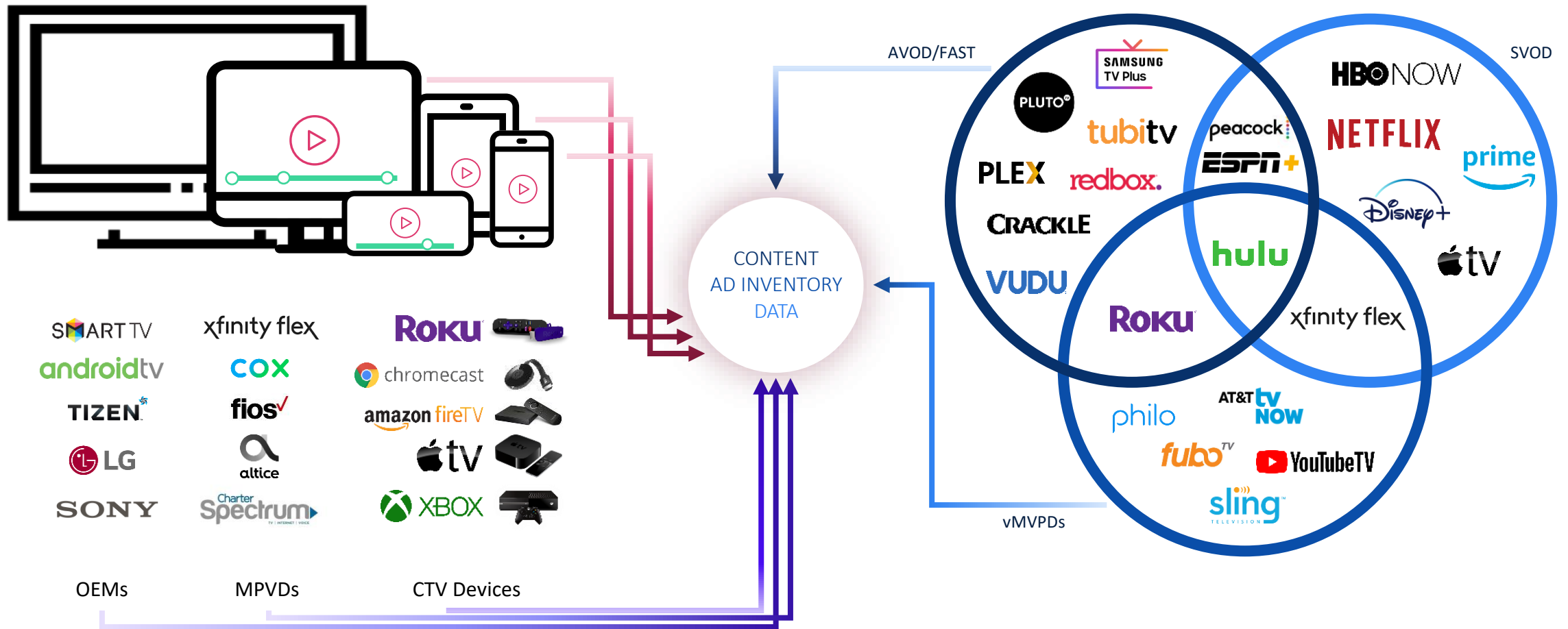
OTT is creating new opportunities for TV media owners... and complexity for advertisers.





# Making sense of the chaos

A basic lay of the land is helpful, but fragmentation means new acronyms, new business models and products.



# Challenges to Growth // few standards and a lack of transparency

Supply fragmentation frustrates campaign execution.

- Programmatic ad tech was not built with pods or TV ad delivery rules in mind.
- The open market lacks OTT standards.
- Content Object blockers challenge buyers.
- True addressability is limited.
- Publisher Quality v. Platform Scale



# ≡ Challenges to Growth // Not all video is created equal.

 Definitions of OTT vary, and much of what buyers rely on is inadequate.

- Connected Television (CTV)?



# Challenges to Growth // Not all video is created equal.

 Definitions of OTT vary, and much of what buyers rely on is inadequate.

- Full Episode Player (FEP)?



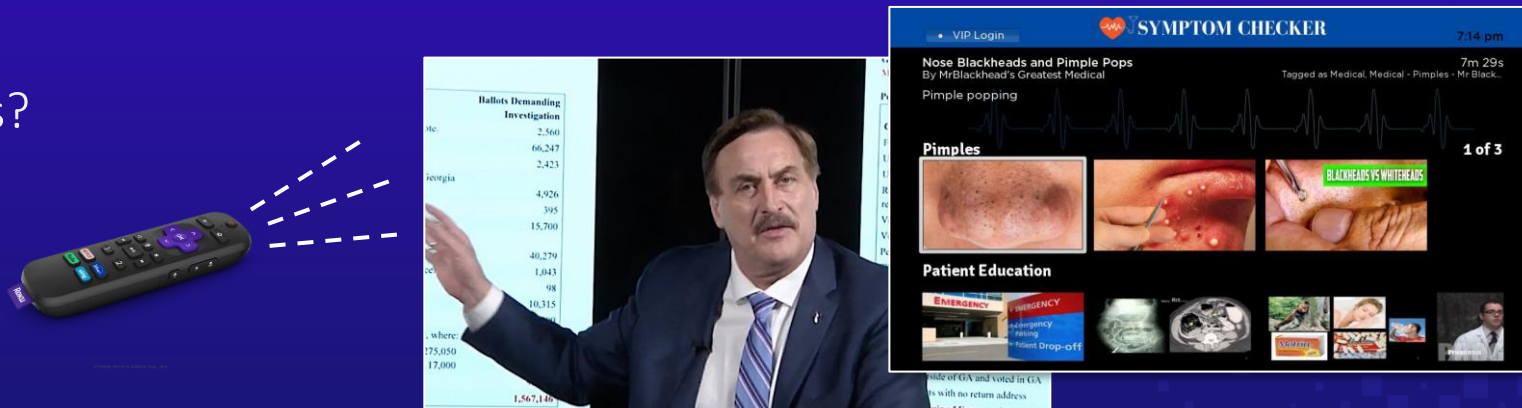
- Long form?



# Challenges to Growth // Not all video is created equal.

Definitions of OTT vary, and much of what buyers rely on is inadequate.

- Popular Platforms?



- Familiar Categories?





# Challenges to Growth // Fraud is a multibillion-dollar concern.



Estimates suggest that 1 out of every 5 OTT ad impressions is fraudulent.

- SSAI enables a better viewing experience... but makes fraud easier.
  - Cheap mobile supply spoofed as CTV.
  - Bots emulating humans by hijacking IP addresses and spoofing devices.
  - The “long tail” of apps and channels provide air cover.

**AdLedger report: OTT has a problem with ad fraud**

"A large portion of the industry was under the impression that fraud had not made its way to OTT yet," AdLedger Executive Director Christiana Cacciapuoti said via email, "an report not only debunks that myth once-and-for-all, but provides a playbook to help marketers proactively right fraud on the platform."

**Largest CTV Ad Fraud Exposed**

By Michael Balderston 5 months ago

"StreamScam" exploited flaws in CTV ad serving technology

BRIEF

**Study: 18% of OTT ad inventory is fraudulent**

Published July 10, 2019



MediaPost @MediaPost · Feb 17, 2020

Report Projects OTT Ad Fraud At \$4.1 Billion, 17% Of All Impressions: A new report from cybersecurity firm CHEQ and the University of Baltimore estimates that \$4.1 billion -- or 17%... bit.ly/320KdGI @mp\_joemandese

**Ad Fraud (IVT) is still a significant problem in CTV**

AD TECH

**Another Ad Fraud Scheme on Connected TV Sees \$14.5 Million Stolen**

traffic (IVT) in Q4 of 2020

**White Ops Uncovers Massive CTV Fraud Operation which Created 1.9 Billion Ad Requests Per Day**

MARKETS

▼ ROKU \$316.17 -19.14 5.71%

Advertisers Lose Millions of Dollars to Roku-Related Ad Fraud



# Let's Talk With Our Expert Panel



**Kemal Bokhari**  
GM, Data and Analytics  
**Dish**



**Jessica Daigle**  
VP Sales Intelligence  
**Tegna**



**Nelson Ferreira**  
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**Jo Kinsella**  
President  
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**Adam Noble**  
Director of Product Marketing  
**Index Exchange**



# How BIA Can Help Services + Data

# BIA Can Help You with OTT: Forecasts, CI & Consulting

BIA can help you keep up on the current and future trends in the local and national media ecosystem – especially around OTT.



## Local Market Forecasts

Get access to BIA's quarterly OTT forecast for your local market(s). Track ad spend across 12 top verticals or 95 business categories.

**(BIA ADVantage)**

**Learn more here:**

**<http://bit.ly/BIA-ADVantage>**

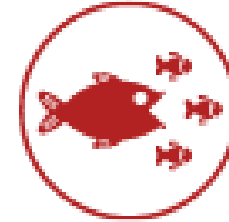


## Virtual Briefings & Strategy Sessions

Custom briefings on trends and challenges.

On demand strategy sessions on new players and products.

**(Strategic Consulting)**



## Competitive Tools

Competitor profiles, analysis and war cards that can cover verticals OTT, OTT platforms, addressability, cross platform measurement, technology and ad product messaging.

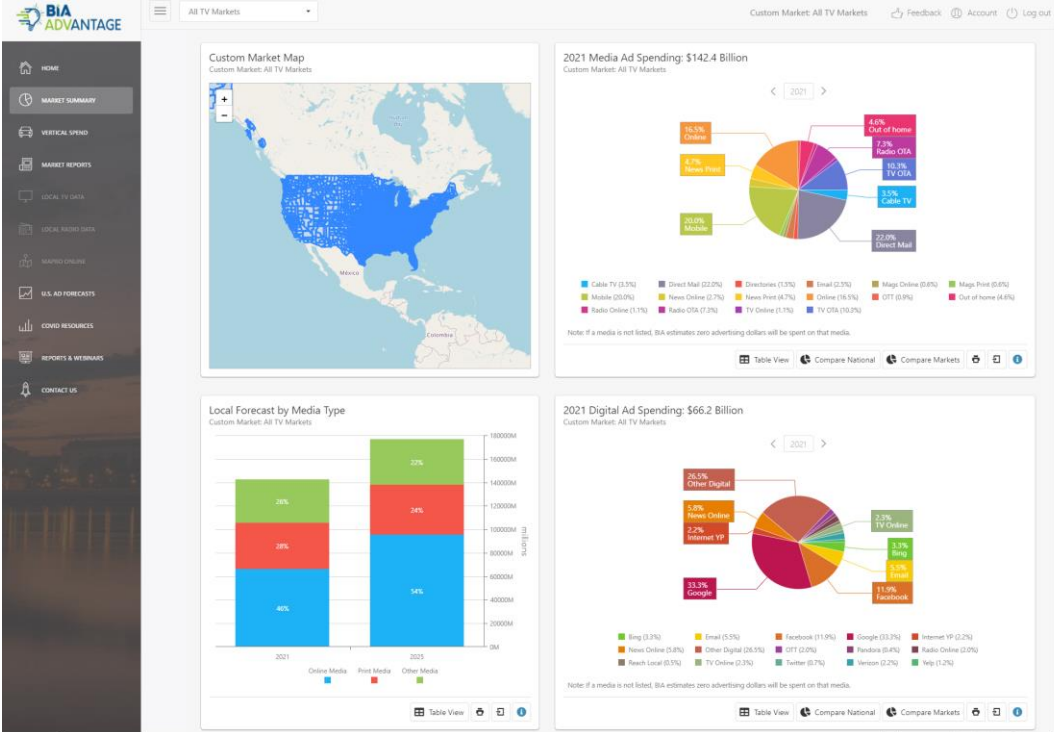
**(Competitive Intelligence Service)**



# BIA ADVantage Explains the Local Ad Marketplace for 95 Verticals

Realize more local ad revenue with the deep media channel and vertical data and analysis in **BIA ADVantage**. Available for all local TV and local Radio markets.

Learn more here: <http://bit.ly/BIA-ADVantage>  
Clients' login here: <https://advantage.bia.com/>  
Demo request: [advantage@bia.com](mailto:advantage@bia.com)



Request demo today: [advantage@bia.com](mailto:advantage@bia.com).



# Special Offer: OTT Forecast Snapshot of Your Local Market



What does OTT look like in your local market? BIA's OTT Forecast can tell you.

- Get a snapshot of OTT spending your local market(s) with an OTT Forecast Snapshot.
- The OTT Forecast Snapshot will include our 2021 estimates for the following:
  - Total spend in a market
  - OTT spend across 95 business verticals

Cost: \$195 (format: Excel spreadsheet)

**PURCHASE ONLINE**

Questions? Email [sales@bia.com](mailto:sales@bia.com).

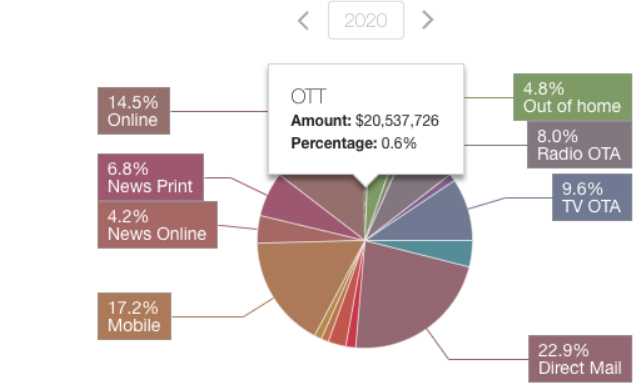
➔ **BIA ADVantage Clients:** [Login to the platform](#) to view your local market estimates.

**Order an OTT Forecast Snapshot for \$195**

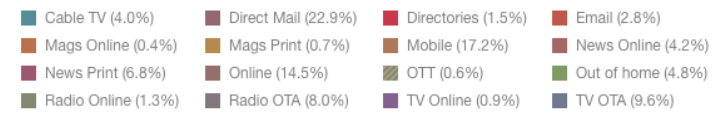
**<http://bit.ly/LocalOTTForecast>**

*Want multiple markets?*  
Let us know, and we'll apply a volume discount. Email us at [sales@bia.com](mailto:sales@bia.com)

Media Ad Spending: \$3.4 Billion  
TV Market: Washington, DC



**View of OTT add spend within BIA ADVantage.**



QUESTIONS ABOUT THE FORECAST OR WANT ASSISTANCE?

**Get In  
Touch With  
Us**

**Website**

[www.bia.com](http://www.bia.com)

**Emails**

[advantage@bia.com](mailto:advantage@bia.com)

[sales@bia.com](mailto:sales@bia.com)

**Daily Newsletter**

<http://bit.ly/BIANewsletter>

**Podcast**

<https://bit.ly/LeadingLocalInsights-BIA>