Building a Successful Multi-Screen, Multi-Platform OTT Service

Video consumption is not what it once was. Over-the-top (OTT) technologies have made the TV just one screen among many. The new reality has brought multiple new platforms and devices to consumers, which means reaching the masses requires big investments in both video delivery and application development. For content providers, adopting OTT will be key to long-term success. This can, however, be more challenging than expected and mistakes could be devastating. Therefore, the question that should be asked is—How do I secure a successful OTT adoption and deployment over time?

This whitepaper aims to highlight the important aspects of successful video service deployment in the new competitive OTT market.

THE INEVITABILITY OF OTT

The consumer viewing experience has shifted rapidly from a time when the only option was watching video content on one linear screen, in one fixed place, and at one scheduled time. Today, content offerings have expanded to multiple screens and are targeted to viewers in many places, on their schedules—and we are barreling towards a world of personalized viewing moments that are built for one, on any screen, at any time and in any way an individual viewer chooses. The availability of OTT has enabled these changes in large part by converting content viewing times from appointment to on-demand, device preferences from linear to digital, and audience targets from mass to niche (and ultimately, to the individual).

This rise of OTT has been in many ways inevitable. As technology has evolved, so too has the demand for information and entertainment to flow instantaneously. Video content providers have been challenged to keep pace as the audiences and content have fragmented as by-products of these developments.

Providers now need to address several key trends:

- The first screen is no longer automatically the TV—it’s whichever screen is handy at a given time. That screen is now increasingly a mobile one; new research notes that more than half of all online video plays are expected to be on mobile devices before the end of this year.

- The fragmentation of content packages, surge of content sources and services, and multiplication of content screens have all led to search and discovery becoming critical for seamless, omnichannel viewing experiences.

- The management, curation and optimization of audience viewing experiences across screens is becoming a core customer need—and a differentiated service opportunity.

- The rise of the device as an entertainment navigator has facilitated the development of multi-screen applications—carrying content and experiences that connect to viewers throughout their daily lives.
CHANGING CONSUMER BEHAVIOR AND DEMAND

Audiences these days want to control their viewing experience and they want a world of complete choice. Indeed, a recent PwC study reports that video consumers “want more flexibility, freedom and convenience in when and how they consume their preferred content,” and see “no significant divide between digital and traditional media.” They are seeking curated offerings and compelling content available on any screen, and can transverse the globe in seconds to find it. They want flexibility in content costs and access—seeking to pay only for what they watch and how (and when) they watch it—and they will search out multiple content providers to obtain it. They also want to share their favorite content with others and discover new content, all in real-time.

Success for content providers in this new world order means delivering a video service that fully meets these consumer demands for a tailored, easy-to-use and engaging multi-screen experience.

SUCCEEDING WITH A VIDEO SERVICE

Before the rise of OTT, operators had total control over the value chain of video delivery to the consumers. Once a consumer had selected an operator (if there even was a choice), the operator had basically no competition from other video services. Maintaining the consumer involved simply providing a good enough solution and making it hard to change service.

The market is currently undergoing rapid change, driven mainly by consumers, who are quickly adopting new OTT technology. Traditional pay TV providers now face stiff competition from OTT providers, some of which are further disrupting the value chain with direct-to-consumer offerings. Today, OTT is growing faster than traditional pay TV, and the consumer demand for OTT services and applications is higher than ever.

Following the rising consumer demand, we are witnessing the launch of a deluge of new services, all vying for traction from consumers. As it is difficult to foresee which solutions will succeed in the long-term, video providers are launching multiple offerings and solutions for their content catalogs, dressed in new differentiated brands. This activity has created an environment of fierce competition between solutions. Consumers are now exposed to a mass of video services, all available at their fingertips and with no long-term commitment. Many consumers are using multiple services at the same time, some of them even simultaneously, and churn is more frequent than ever.

It is clear that getting attention from consumers is now harder than ever. Furthermore, the device fragmentation and evolving technical value chain create a substantial challenge for video service providers that have historically been pure content companies, rather than tech companies.

The following five perspectives are important to securing a successful, modern video service:

- **Multi-screen Consumer**: Rethink and focus on the multi-screen consumer, not only the big screen.
- **Multi-platform Framework**: Choose a technology partner that can support your multi-platform needs by having a holistic approach to all platforms.
- **Personalization**: Deliver personalized content using recommendations and profiling.
- **Continuous Service Evolution**: Realize that the launch is only the starting point; now you need to deliver an increasingly better experience during the application lifecycle.
- **Application Lifecycle**: Secure software partner(s) that in addition to taking your service live can also offer industry leading total cost of ownership (TCO) for provisioning apps on multiple devices over time.

1. THE MULTI-SCREEN CONSUMER

Given the new trend that “The first screen is no longer automatically the TV”, device-shifting is one of the main attributes of the Multi-screen Consumer, who will typically use multiple screens to consume video throughout the day. While still spending time viewing longer-form content on bigger screens, many users are consuming the majority of their online video on their mobile device. Multi-screen behavior is proving to be a real value-add for consumers, even helping to reduce churn. Therefore, we will see more and more services launching with this capability, making it all the more important.
Below are examples of compelling device-shifting features:

- **Bookmarking:** Which enables the consumers to watch a video on one device and continue watching on another device where he left off.

- **Watchlist:** Which lets the end-user browse and discover videos on one device, add them to the watchlist and consume at a later time on possibly another device.

- **Viewing History:** Which lets the end-user browse his viewing history on any device.

- **Notifications:** Which can enable cross-device reminders to notify the end-user of certain events, such as live content or releases of new on-demand content.

### 2. MULTI-PLATFORM FRAMEWORK

Make sure to select software partners that have a proven track record of delivering true multi-platform solutions. This recommendation is true for both the client-side development, as well as the video delivery platform. Key example questions for your future partners:

- What is your device platform expertise?
- How do you handle device fragmentation?
- Do you have references from tier 1 multi-platform projects?
- What are your DRM- and video codec capabilities across platforms?

### 3. PERSONALIZED CONTENT AND SMART RECOMMENDATIONS

Personalization of content today focuses on two broad types: Demographic-based and 1-to-1. In the former, content is data- or editorial-driven, such as in customized home pages for different audience segments. Much of the industry’s focus today, however, is on 1-to-1 personalization, where content appealing to the individual user is shown and other content is hidden.

This customized approach is becoming critical to content providers. Recent research indicates that when a discovery engine recommends video content personalized for them, consumers will view the new video content as often as half of the time. Smart recommendations unlock a world of attractive content, and audiences will stick around to consume it—ultimately driving more revenue for the provider.

As broadcasters build their device personalization capabilities, it is important for them to look at all data holistically, connecting viewer watchlist with search and discovery functions behind the scenes. Viewers are demanding an integrated experience, where they can add their favorite content to their playlists across screens, and then receive targeted recommendations on additional content they may enjoy. Too often, this process is broken, and recommendations are either not linked or are duplicative to playlist content.

A true dynamic user experience can be achieved by personalization based on behavioral analysis from the user’s application usage, especially their recent usage. Using behavioral data will make the user experience more contextually relevant to the consumer at a specific time and place.

Sample use cases include:

- Dynamically adapting the user interface to promote contextually relevant content, such as recent topics of interest to the user.
- Adapting the user interface towards demographical or geographical user groups.
- Adapting application theming to different calendar events, like Halloween or a big sports event.

Multi-screen applications and custom channel guides can also enable holistic and dynamic user experiences. Viewers can begin watching on one device and seamlessly finish on another, absorb additional information about content while they are watching it, and control multiple content selections in a centralized and organized manner.

Viewers today also want the ability to share information about their viewing habits to their social networks, which provides an opportunity for broadcasters to amplify their reach. Social media has in turn become a key vehicle for content discovery, particularly among younger audiences, as well as a key driver for multi-screen experience demand.

A multi-screen video content service is well-suited for meeting personalized consumer needs—whomever those consumers are and wherever they may be—but must be continually improving to grow along with them.
4. CONTINUOUS EVOLUTION

The rapid technology evolution of the platforms in the OTT space has further applied pressure to video service providers. End-users of these platforms are used to frequently receiving updates and refinements to the user experience as well as underlying application optimization. Satisfying the fast adopting end-users requires attention, over time, from the service provider. The key is to secure processes and tools for continuous improvement. Most video service providers are too focused on the immediate service launch, i.e. the next 4-6 months instead of securing a team, budget and plan for the long haul.

The question for service providers is—how to keep up with the speed of other video services? Most service providers will not have a budget comparative to that of Netflix with its 65 million subscribers. Still, consumers expect a great and continuously improved user experience during the lifetime of the service. These expectations cause the TCO to have very little margin for error.

Analyzing application usage is at the core of continuous evolution, ensuring service providers can adapt and improve according to a number of factors, such as:

• **Application usage:** How is the application used over time and over platforms?
• **Feature usage:** Which features are used and how are they used?
• **Usage flows:** How does the consumer navigate throughout the application?
• **A/B testing:** Which changes deliver the desired objectives?
• **Engagement:** Which content is most relevant to keep the consumer coming back?

5. APPLICATION LIFECYCLE

Once a service provider decides to launch a multi-screen video service, there will soon be numerous application versions, application profiles, application updates for both native- and web-enabled devices.

Establishing an *Efficient Application Lifecycle* requires the service provider to secure a professional way of handling all application provisioning by using cloud solutions for dynamic application profiling and thus securing maximum application flexibility with limited costs.

For example, running the same video service in multiple countries will likely trigger a number of unique requirements by country and yet at the same time you would like to maximize code re-use.

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**CASE STUDY**

Accedo and Ooyala have an acknowledged track record of deploying compelling OTT solutions in the market. Recently, the parties launched a tier 1 multi-screen solution for one of the world’s leading providers of digital television entertainment services.

The service in question is a multi-screen service aimed at a specific niche Millennial audience that was demanding flexibility and personalized content in its viewing experiences. Speed-to-market for the service was critical, along with extensibility, superior video quality and UI, easy interaction with core offerings, analytics, content monetization and delivery to multiple applications and devices.

An application management system was employed to help manage, monitor and extend the platform and the end user experience—key components of which included cross-device bookmarking functionality, social integration, and content recommendations. An architecture that allowed for a seamless, integrated workflow among products and partners enabled the service provider to stay ahead of its competition, serve the needs of this audience, and build a model for similar niche services in the future.

In a world where customers help service providers mold the perfect products, having the flexibility to iterate as necessary to align with consumer behaviors is paramount and learnings will influence post-launch iterations. In addition, building a foundation for future services, while meeting the needs of a near-term launch—with time-to-market pressures—means making compromises. In both cases, the true measure of system extensibility is whether iterations can be made with speed and ease, as the consumer and business dictates. This was one of the cornerstone requirements for this deployment.
CONCLUSION

In summary, companies should follow these steps for building a successful multi-screen video service in today’s consumer-driven, fragmented marketplace:

• Focus on the multi-screen consumer.
• Secure key suppliers with proven track record and multi-platform approach.
• Make sure to differentiate your service using personalization.
• Look to continuously improve your offering.
• Establish an efficient application lifecycle that can support growth for your service.

Finally, create a long-term vision and secure funding, processes and organization for achieving your goals. Do this and you will be well on your way to success in this new OTT world.