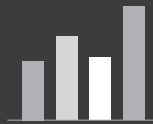


THE RISE OF MOBILE  
AND TABLET VIDEO

LONG-FORM VIDEO  
CONTINUES TO ENGAGE

LIVE VIDEO DOMINATES  
ON-DEMAND MEDIA



Q3 2013

# GLOBAL VIDEO INDEX



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## EXECUTIVE SUMMARY

“If you watch a TV show on your iPad, is it no longer a TV show? The device and length are irrelevant. For kids growing up now, there’s no difference between watching *Avatar* on an iPad, or watching YouTube on a TV, or watching *Game of Thrones* on their computer. It’s all content. It’s just story.”

**KEVIN SPACEY** urged television executives at the Edinburgh Television Festival to embrace the evolving media distribution paradigm, continuing:

“Studios and networks who ignore either shift — whether the increasing sophistication of storytelling, or the constantly shifting sands of technological advancement — will be left behind.”

Ooyala’s mission is to help networks, broadcasters, media companies and brands navigate an increasingly complex and fragmented media landscape and profit from multi-screen video.

In this quarter’s Global Video Index, we continue to see consumption trends around the world validate the urgency of this mission. We’ve also provided several monetization checklists to help online media publishers earn the most ROI from online television.

The numbers are in, and the trends are clear: TV is no longer a single screen in your living room. And for younger generations, it never will be.

Highlights from Ooyala’s latest report include:

### MOBILE VIEWING EASES IN Q3 BUT MORE THAN DOUBLES YEAR OVER YEAR

- Since January 2013, the share of tablet and mobile video plays has shot up 74%.
- Mobile and tablet video share has grown 133% year over year.

### LIVE VIDEO DRIVES HIGHER VIEWER ENGAGEMENT

- PC viewers watched live video 11X longer than VOD, for an average of 30 minutes per session last quarter.
- Smart TV viewers watched live video 9X longer than VOD, for an average of 46 minutes per play.

### LONG-FORM VIDEO CAPTIVATES VIEWERS ON ALL DEVICES

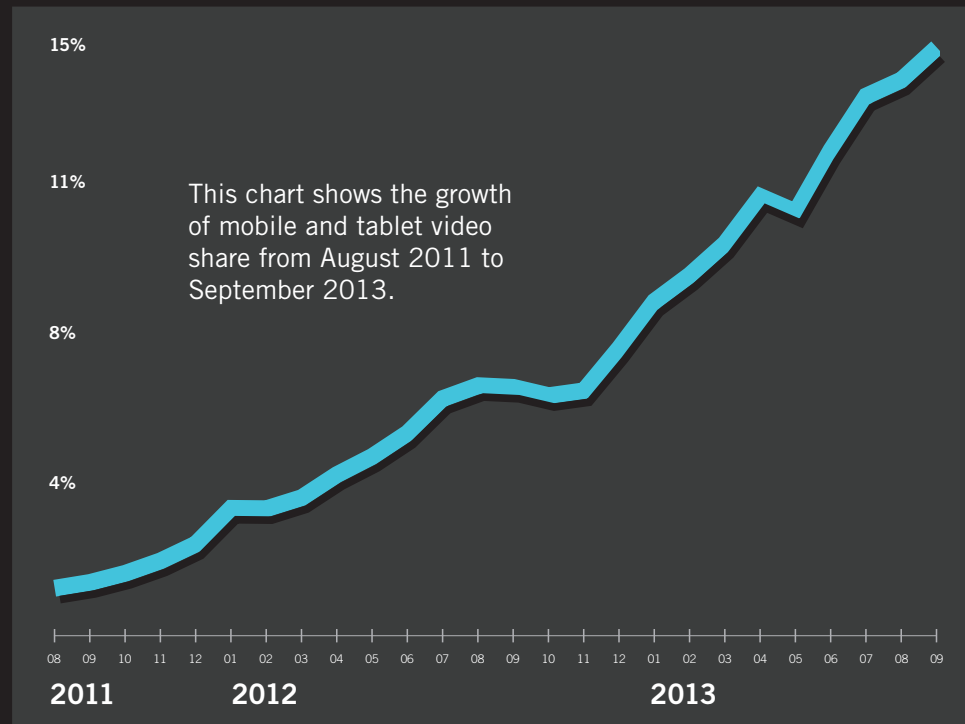
- More viewers are tuning in to long-form, premium streaming media on all connected screens.
- Tablet TV viewers spent 25% of their viewing time watching videos more than 60 minutes long.
- Connected TV viewers spent nearly one third of their time watching videos longer than one hour.

# THE RISE OF MOBILE AND TABLET VIDEO

The steady growth of tablet TV, mobile media, and second-screen viewing means media publishers must adopt a forward-thinking, multi-screen video strategy to reach connected audiences on all screens.

**Mobile and tablet share of online video views more than doubled year-over-year, increasing 133% from September 2012 to September 2013.**

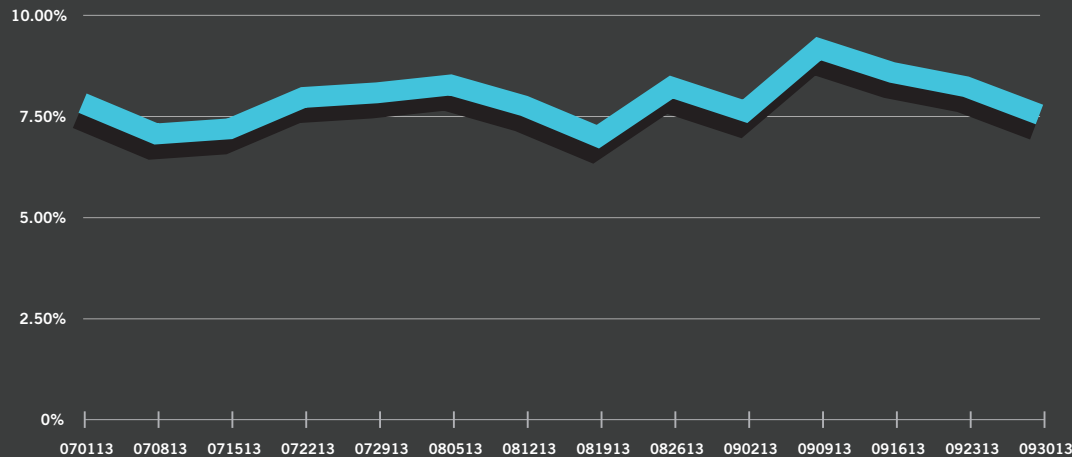
Together, the share of mobile and tablet video plays reached 15% in Q3, a new high-water mark for this metric.



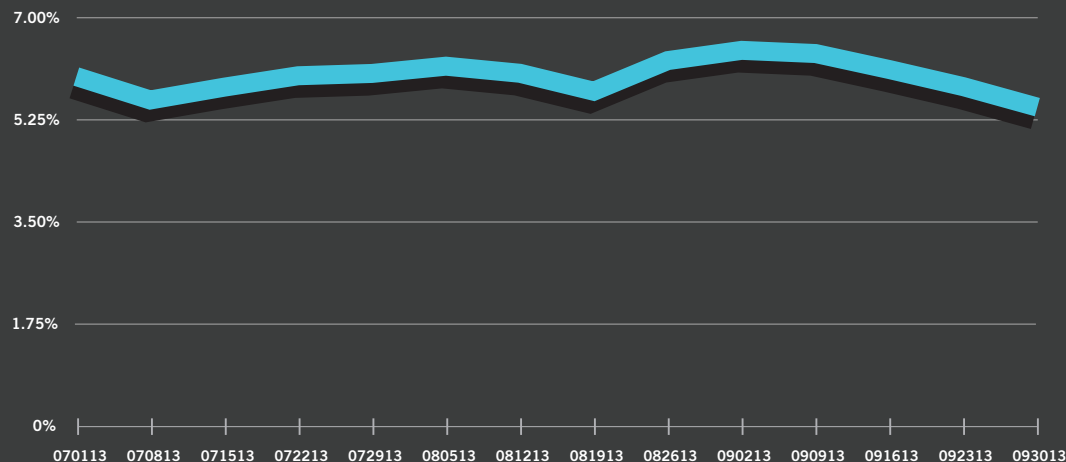
## Mobile Video Monetization Checklist

- ❑ Use viewer analytics to optimize ad load vs. engagement
- ❑ Integrate with leading ad platforms to drive increased targeting and revenue
- ❑ Optimize video playback quality to increase mobile viewer engagement
- ❑ Use real-time analytics to identify and monetize trending content
- ❑ Employ a solution that supports iOS/Android mobile SDKs to build engaging apps on mobile and tablet devices
- ❑ Avoid overlays, unless absolutely necessary. In-stream video ads are much better suited to mobile form factors.

### MOBILE VIDEO SHARE OF ALL TIME PLAYED - Q3 2013



### TABLET VIDEO SHARE OF ALL TIME PLAYED - Q3 2013



Mobile video viewing share reached its zenith in early September, when it accounted for 9.2% of streaming video views.

Mobile video share dropped slightly in Q3, moving from 7.8% in June to 7.5% at the close of the quarter, a 3.8% decline.

The share of tablet video plays dropped from 6% in early July to 5.5% in late September, a decrease of 8.3%.

Tablet video viewing share peaked in early September, with 6.4% of all online video plays.

Many Ooyala publishers deliver 40–50% of their video views to mobile devices on the weekends.

### SEASONAL TRENDS

Although monthly averages for mobile and tablet video share saw modest growth, Q3 2013, much like Q3 2012, was relatively flat for mobile video gains.

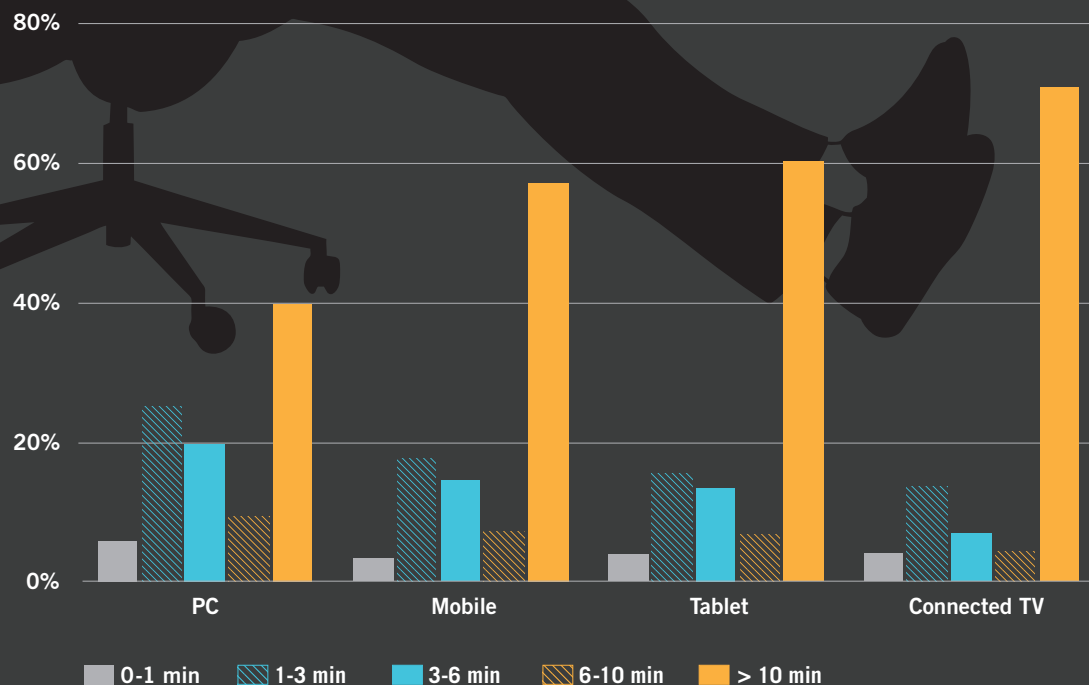
This trend can be attributed to a number of factors, including seasonal variances in device shipments, television programming, and sporting events — especially at the collegiate level — that draw large mobile and tablet audiences.

# LONG-FORM VIDEO CONTINUES TO ENGAGE

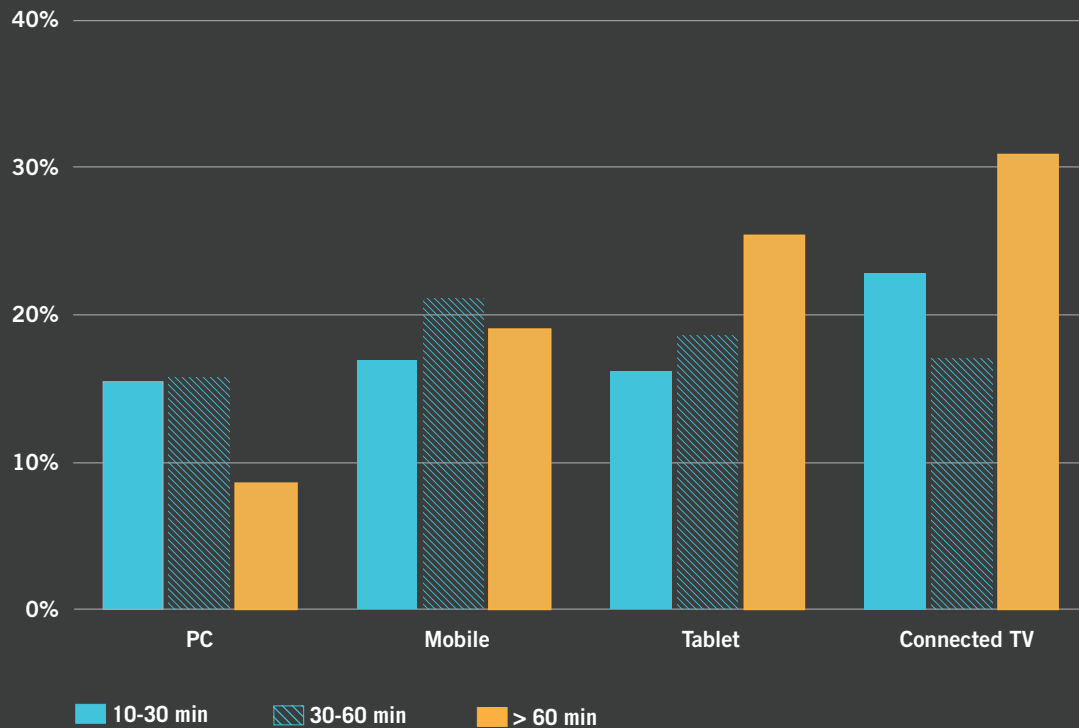
Online video isn't just for waterskiing squirrels anymore (although there will always be a place in our playlist for adorable animals acting like tiny humans).

- Premium, long-form video continues to engage audiences on all connected screens.
- Mobile video viewers spent 57% of their total viewing time watching videos longer than 10 minutes in Q3.
- More than 20% of mobile video viewing time was spent streaming content more than one hour long.
- Tablet TV viewers spent 25% of their viewing time watching videos with running times more than 60 minutes.
- Tablet audiences spent more than 60% of their viewing time engaged with premium, long-form videos running more than 10 minutes.
- Connected TV viewers spent 71% of their total viewing time watching videos longer than 10 minutes, and 31% watching videos longer than one hour.

SHARE OF TIME WATCHED BY VIDEO LENGTH AND DEVICE, Q3 2013



LONG-FORM VIDEO SHARE OF TIME WATCHED BY DEVICE, Q3 2013



### **Mobile Video Monetization Checklist**

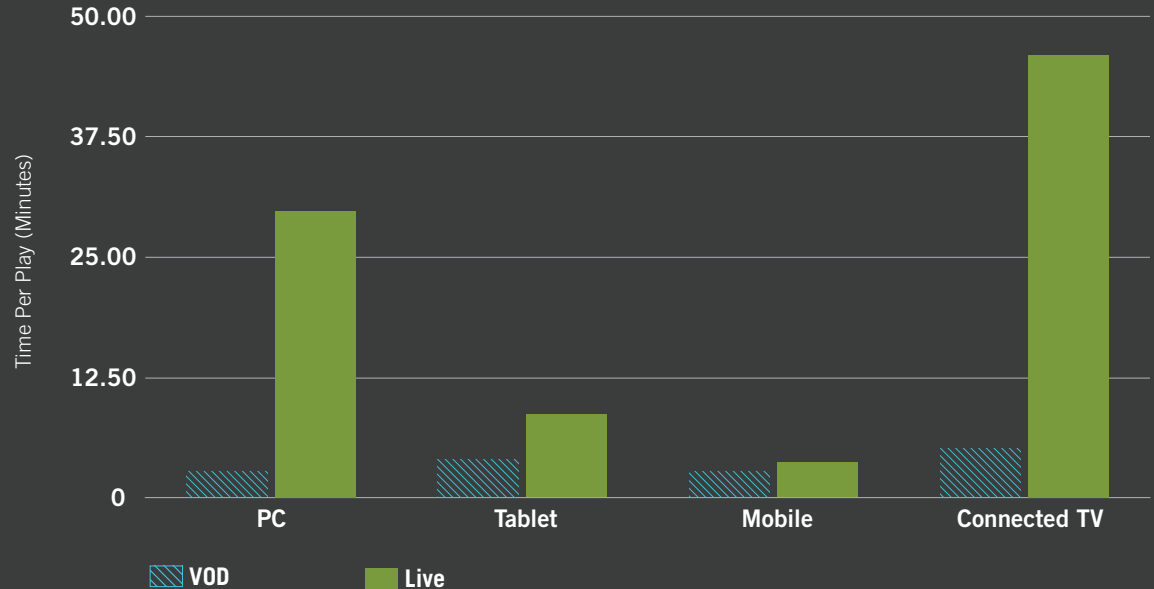
- Insert “ad pods” in longer videos — breaks that include multiple mid-roll ads
- Test different ad loads to determine optimal video revenue
- Deliver personalized content to specific devices, users, or times of day
- Apply discovery technology to suggest pay-per-view content related to viewing habits
- Ensure your content plays on all connected screens. Nothing turns viewers off more than an error message

# LIVE VIDEO DOMINATES ON-DEMAND MEDIA

Live video continues to dominate on-demand media in terms of viewer engagement on all screens. We've reported on this trend before, and viewers continue to be drawn in by live linear streaming, breaking news, live sports and special events online.

- Audiences streaming video over the top watched live video for more than 46 minutes, on average, last quarter.
- Viewers watch live video 9X longer than VOD on Smart TVs, gaming consoles and set-top-boxes.
- PC viewers watched live video 11X longer than VOD in Q3 of 2013, tuning in to live sports, breaking news, and special events for an average of 30 minutes per session.
- Tablet video viewers watched live video twice as long as on-demand media.
- Mobile phone viewers saw increased parity between live and VOD viewing times.

SHARE OF TIME WATCHED LIVE VS. ONLINE VIDEO, Q3 2013



## Mobile Video Monetization Checklist

- Enable live ad insertion for maximum revenue
- Repurpose live events for on-demand transactions after they air
- Leverage real-time analytics to make data-driven editorial decisions
- Make it easy for viewers to move their player from one device to another
- Create a personalized Live and VOD Viewer Guide to increase both engagement and revenue



# TURNING INFORMATION INTO INSIGHTS

When you optimize digital revenue strategies for each viewer, device and location, you deliver more relevant content to connected viewers, who, in turn, watch more media.

The result is more ads served, more PPV purchases, and more money for video publishers.

Ooyala uses Big Data and real-time video analytics to help you understand your audience like never before, and connect with them in meaningful ways.

Only Ooyala delivers a more personalized and profitable media experience that benefits viewers and content publishers alike.

That is the power of information. That is the power of Ooyala video technology.

# ABOUT Ooyala's GLOBAL VIDEO INDEX

## ABOUT THE GLOBAL VIDEO INDEX

Ooyala measures the anonymized viewing habits of nearly 200 million unique viewers in 130 countries every month. We process billions of video analytics events each day. Our market-leading video analytics help media companies and consumer brands grow their audiences and earn more money from mobile, multi-screen broadcasting.

Ooyala helps TV networks, cable and satellite providers, movie studios and media companies monetize premium video content on all connected screens. One in every four Americans watches video on an Ooyala player, and more than half of our traffic comes from outside of the United States.

## ABOUT Ooyala VIDEO PUBLISHERS

Ooyala video publishers include hundreds of forward-thinking brands, broadcasters and operators like Bloomberg, ESPN, Telefonica, Rolling Stone, Pac-12 Networks, Sephora, Caracol TV, CJ Entertainment, and Yahoo! Japan.

This report reflects the anonymized online video metrics of these publishers. It does not document the online video consumption patterns of the Internet as a whole. But the size of the Ooyala video footprint, along with the variety of our customers, means this report offers a statistically representative view of the overall state of online video.