

# Five *Fast* Facts



What you need to know about new & emerging trends, platforms or technology

## Opportunities in VOD Addressable



**While much of the recent focus around ‘on-demand’ content has been on streaming platforms, video-on-demand dynamic ad insertion (VOD DAI) provides marketers with opportunities to target engaged audiences at scale, serving as a valuable complement to linear TV and other video platforms.**

These *Five Fast Facts* explore when and why people **are utilizing their TV provider’s on-demand** content and how marketers can best engage with audiences via addressable VOD campaigns.

# What is ‘Video-on-Demand Dynamic Ad Insertion’?



**VOD DAI** allows MVPDs\* and programmers to insert advertisements into On Demand TV shows and movies through MVPD platforms (e.g., Xfinity, Spectrum TV, Optimum TV). As users watch their favorite content at home or on the go, ads are dynamically inserted before, during and after the program.

**VOD Devices include:** traditional set-top-boxes, IP set-top-boxes, tablets, laptops, and mobile phones.

**VOD Services include:** Set-top-box (STB) VOD, TV Everywhere, FAST (free ad-supported streaming TV).

*This report specifically refers to On Demand TV shows and movies accessed through MVPD platforms.*

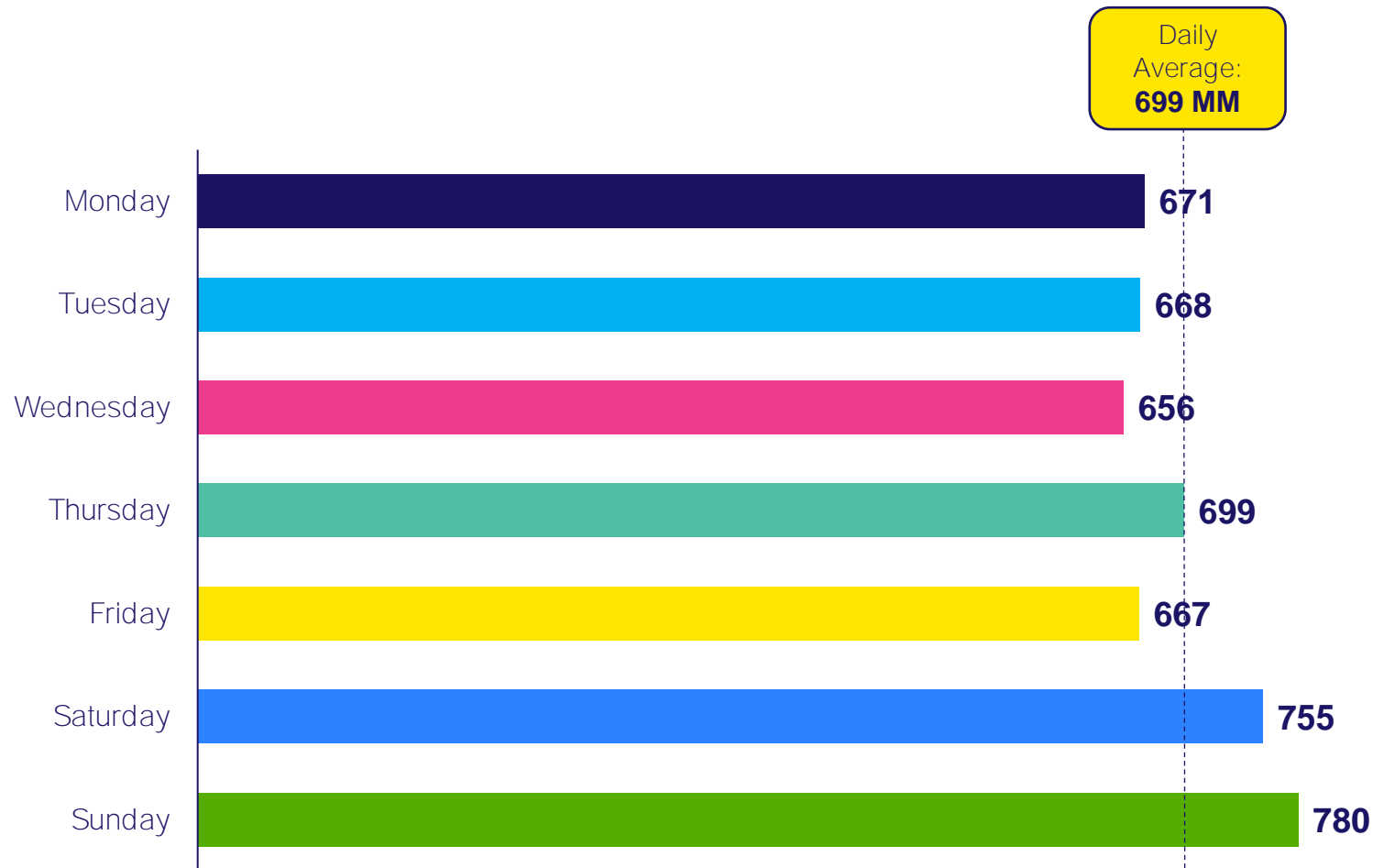
Source: Canoe, U.S. Market: VOD & Linear Addressable Advertising, Q3 '21 Insights Report. \*MVPD (Multichannel Video Programming Distributor) is a cable, telco, or satellite company.

# 1

VOD **complements linear TV viewership** since audiences tend to catch up on their favorite shows or watch new content on-demand during the weekends, typically when live linear TV viewing is lighter

## VOD Ad Impressions by Day of Week

in millions



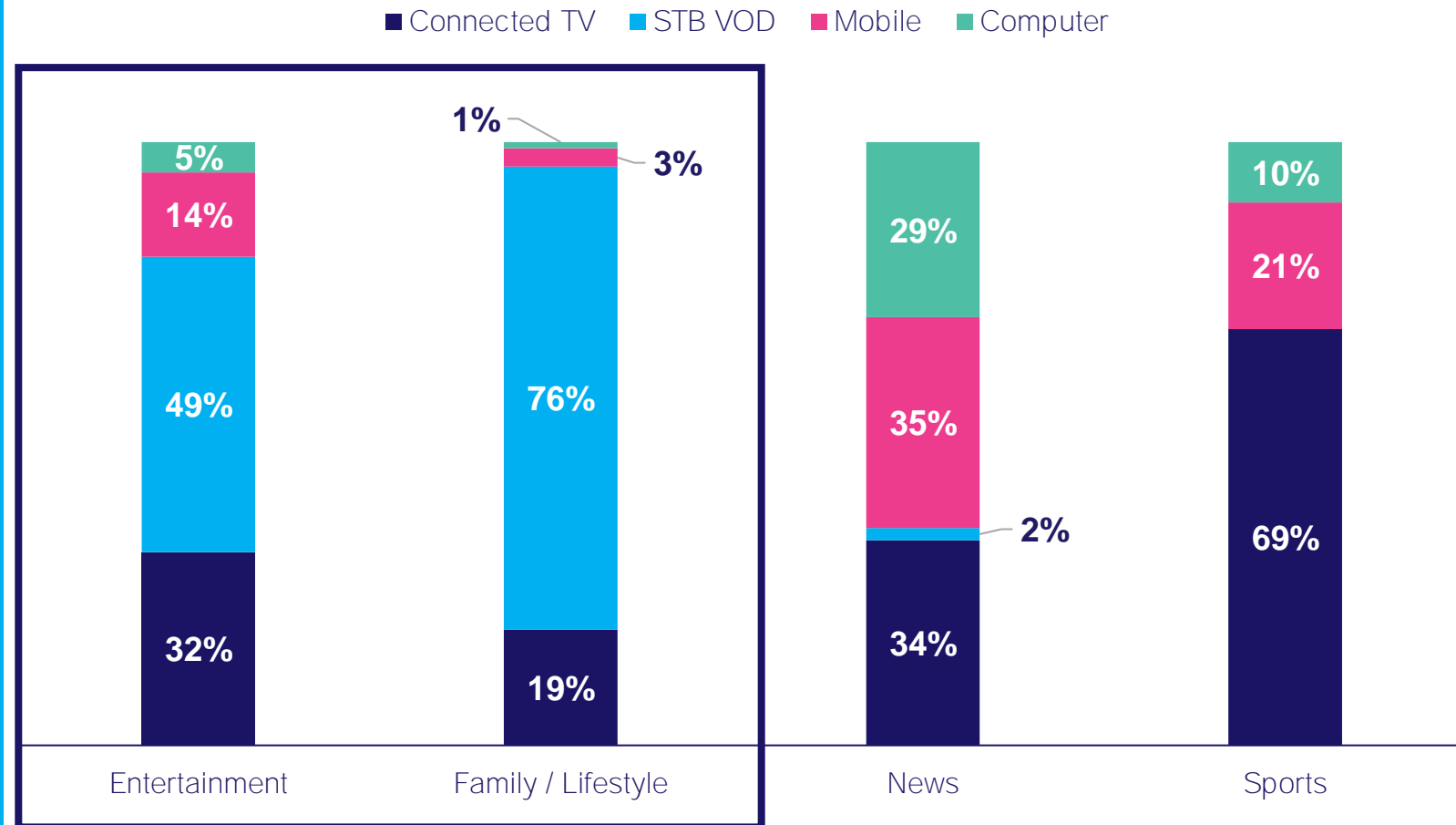
Source: Canoe, U.S. Market: VOD & Linear Addressable Advertising, Q3 '21 Insights Report. MM = millions.

# 2



Audiences more frequently watch **co-viewing** friendly programming such as entertainment and family / lifestyle content through VOD than CTV, which signifies the **incremental reach and scale** available through the platform

## Viewing by Content & Device: Impressions Delivered by Device



Source: Effectv, *The TV Viewership Report, 1H '21*. Comcast Internal Analysis of Effectv Streaming campaigns (January through June 2021). STB = set-top-box.

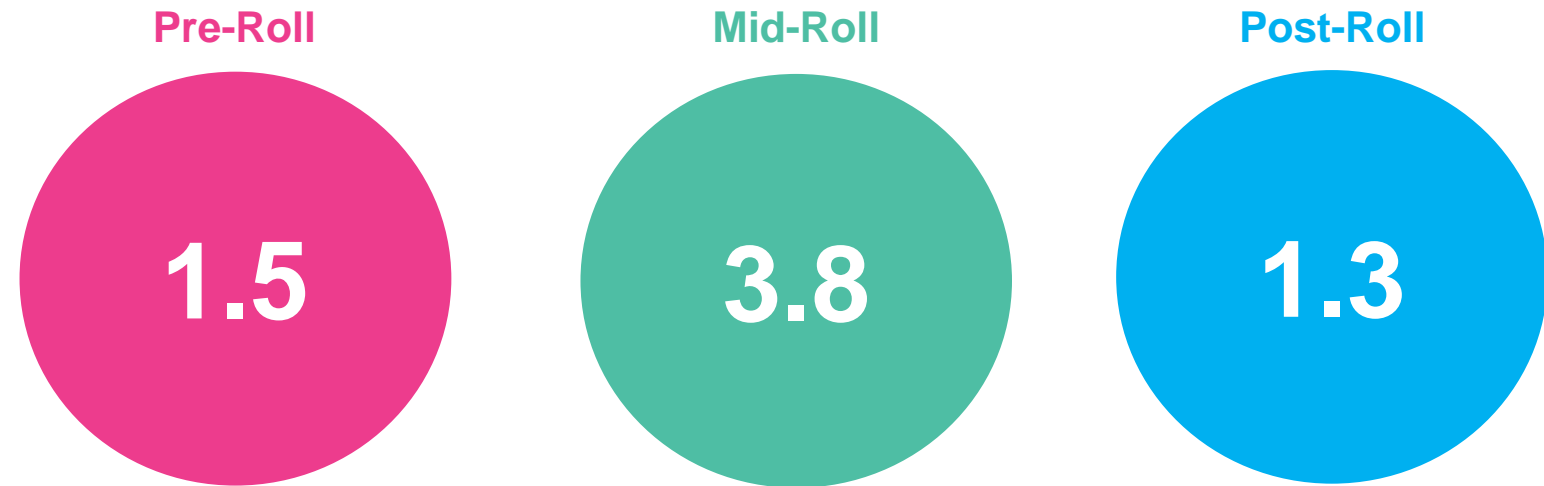


# 3

With **low ad clutter** overall and across each break in VOD, there is opportunity for advertisers' messaging to break through and resonate



## VOD: Average Number of Ad Opportunities per Break



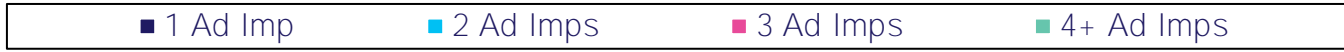
On average, video-on-demand features **seven** advertising opportunities per program vs. **twelve\*** for ad-supported streaming services

Source: Canoe, U.S. Market: VOD & Linear Addressable Advertising, Q3 '21 Insights Report. \*AVOD average number of ad opportunities per break based on estimated average commercial minutes per hour across a selection of top ad-supported streaming services converted to equivalent :30-second spots: Ad-supported streaming services: Pluto TV, Hulu, The Roku Channel, Tubi, Peacock and HBO Max.

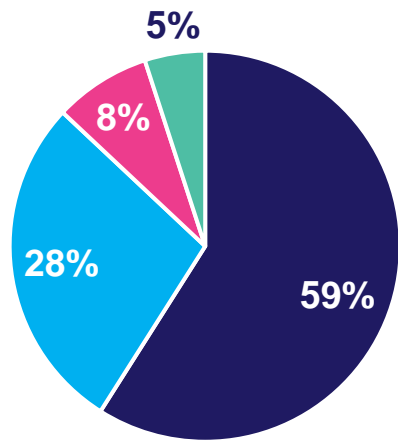
# 4

In addition to lower ad clutter, marketers can implement frequency capping with Addressable VOD advertising to preserve a **quality viewing experience** for audiences by limiting over exposure of ads

## VOD Campaign Ad Frequency Distribution

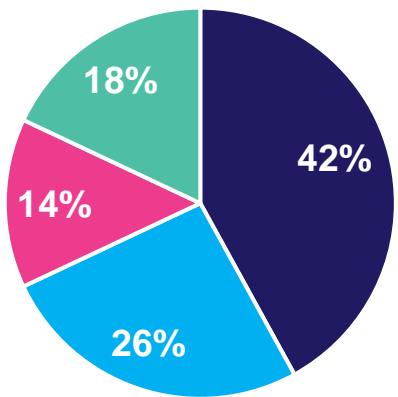


By Episode / Movie



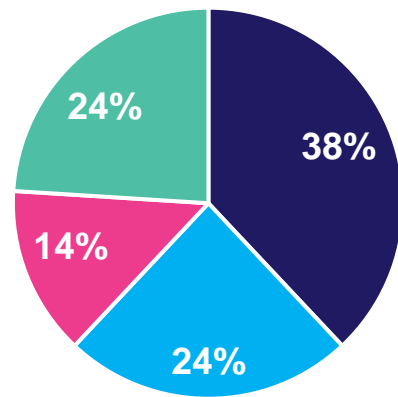
87% of campaigns have a 2 freq cap per episode

By Day



68% of campaigns have a 2 freq cap per day

By Week



62% of campaigns have a 2 freq cap per week

Source: Canoe, U.S. Market: VOD & Linear Addressable Advertising, Q3 '21 Insights Report.

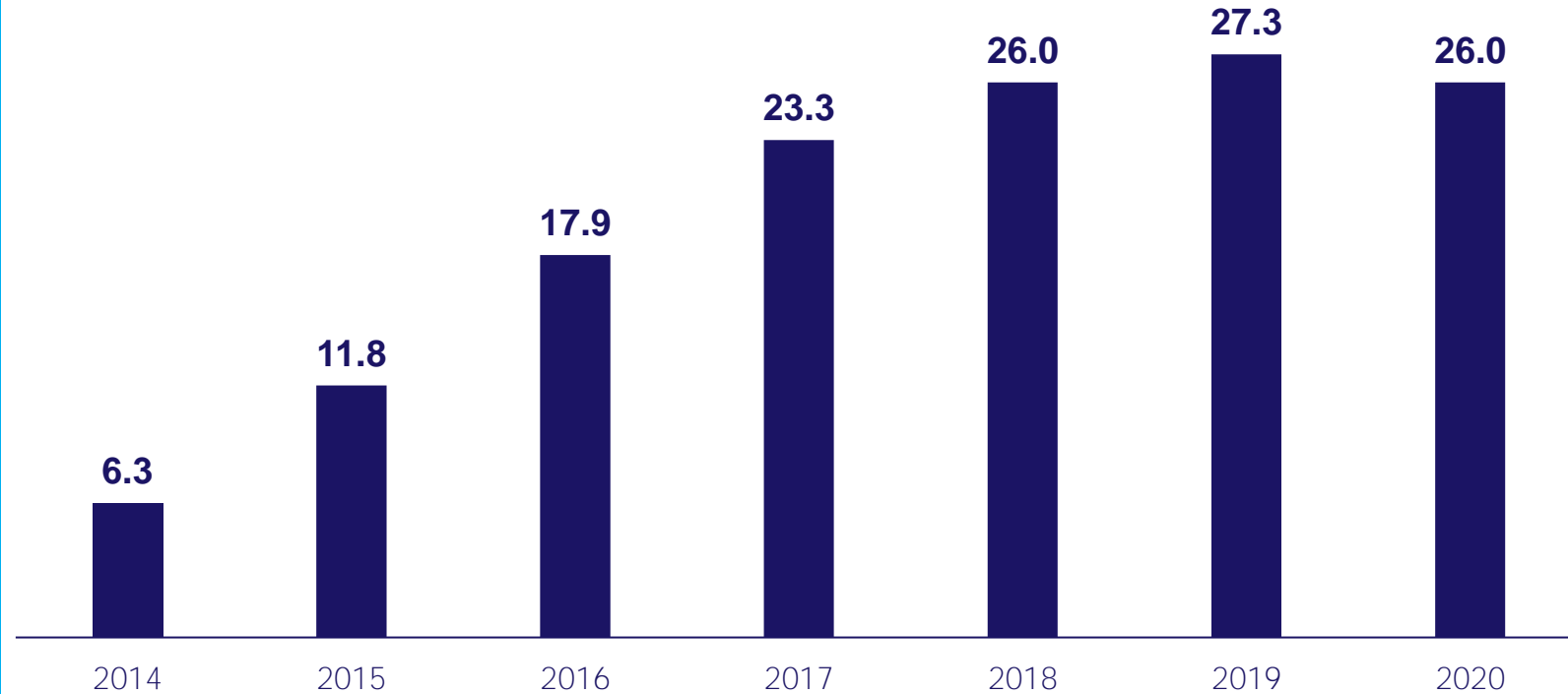
# 5



As addressable TV capabilities have expanded, video-on-demand and linear combined have created greater targeted advertising opportunities, with impressions **increasing more than 4x** over the last seven years

## Annual VOD and Linear Addressable Impressions

billions



Source: Canoe, U.S. Market: VOD & Linear Addressable Advertising, Q3 '21 Insights Report.

Canoe



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## **Addressable Success**

Real-world example highlighting business outcomes from linear + VOD addressable ad campaigns



Category:

Automotive



An AMC campaign on Canoe Addressable drove **increased website visits** for an automotive brand



### Challenge

- ▶ An automotive advertiser wanted to drive website traffic during the month of February 2021

### Solution

- ▶ A 4-week addressable campaign was launched using Experian pixel data to measure website traffic and compare impact on custom audience target compared to an unexposed control group

### Target Segment

- ▶ Custom audience category target built jointly by AMC and Canoe

### Results

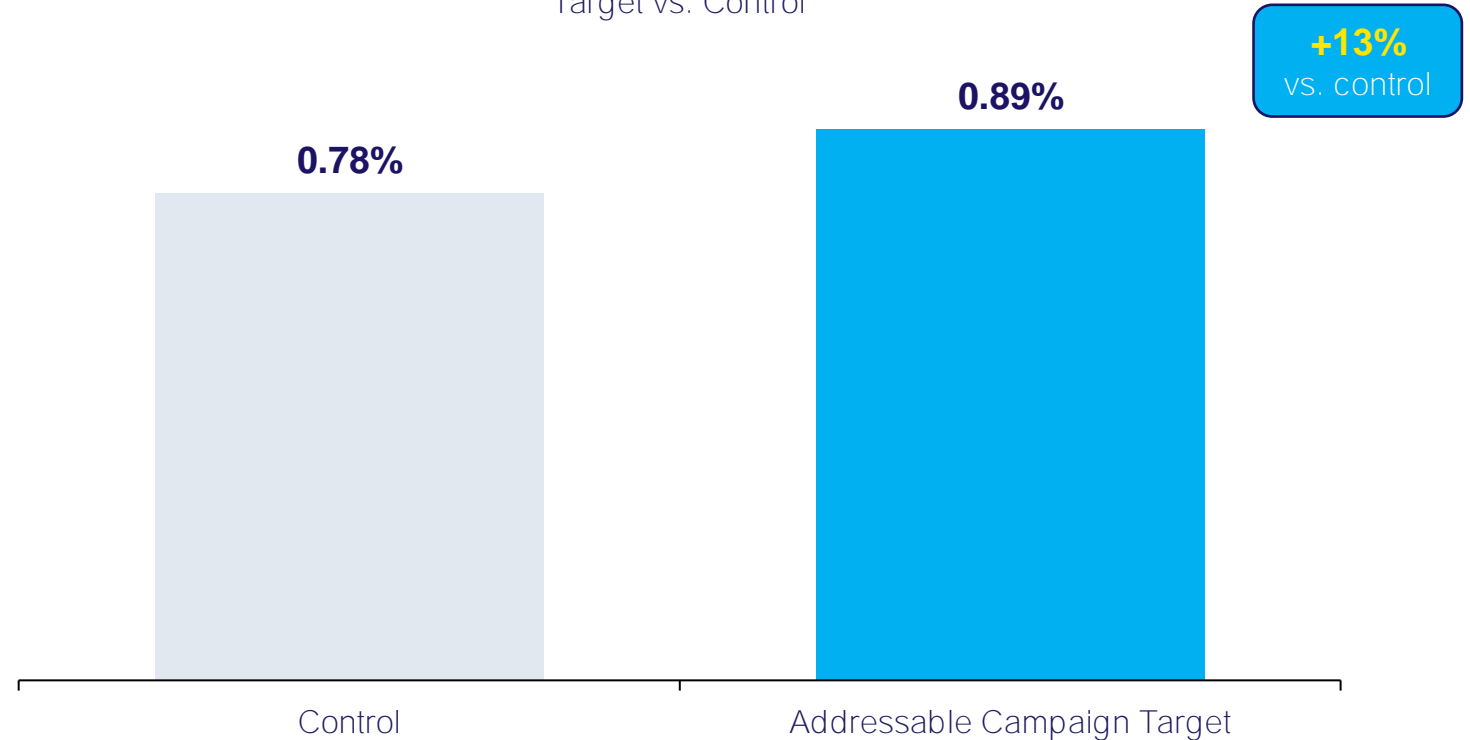
- ▶ A statistically significant **+13.0%** increase in overall website visitors can be attributed to the addressable ad campaign on AMC
- ▶ All website page-specific lifts were positive and most were statistically significant, with sport model page seeing the largest significant lift of **+19.5%**

### Company / Platform

- ▶ 605 Media, Canoe, AMC Networks / Linear and VOD Addressable

### % of Website Visitors Attributed to Addressable Ad Campaign

Target vs. Control



Source: AMC On Canoe Addressable Case Study. Charter and Comcast addressable files, Experian pixel tracked visits to the automotive brand's website. Sample Dates: 1/25/21 - 2/28/21 . Except where otherwise noted, displayed viewership data is reported at the household level. 605 and Comcast Viewership Data - Viewership Dates: 1/25/2021 - 2/28/2021. Website Visit Measurement Dates: 1/25/2021 - 3/7/2021. Measurement note: Treatment (addressable campaign target) and control groups were comparable across demographic factors, including: income, age, race, and home ownership. The treatment effect was measured as the difference in conversion rates between the control and treatment groups



# What does this mean for marketers?

- ▶ Video-on-demand creates incremental advertising opportunities for marketers, especially as impressions have quadrupled over the last seven years, with VOD serving as a valuable complement to linear TV and other video campaigns
- ▶ Integrating a VOD component into video ad campaigns can help marketers break through advertising clutter in a less crowded environment with addressable capabilities, allowing for more control over audience targeting and frequency capping

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We save you time by bringing you the latest data & actionable takeaways you can use to inform your marketing plans.

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