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An Amagi Point of View

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# Content is king. **But audience analytics is power.**

Content owners can bolster programming,  
platform and ad strategies with granular  
data and sharp insights

"Content is king." This is the reigning truth today in the broadcast and streaming TV industry. There's one problem with it, though. The king is not always the one who has the power. If you want to run a successful streaming TV business, you need more than just content – you need knowledge derived from analytics. Content may be king, but comprehensive knowledge on your content performance and audience behavior – is power.





# Get the data power

To thrive in the competitive and evolving OTT industry calls for accurate and granular data and insights into how audiences are engaging with your content and other critical metrics.

The best part is, you can do this efficiently today, leveraging robust analytics platforms. What will of course distinguish the winners from the also-rans in the streaming race is the ability to respond to these insights with lightning speed.

## A SVOD inspiration for the rest of the industry

Netflix – the global SVOD leader is estimated to spend close to \$15billion on content in 2021, with about \$5.5billion earmarked for original content. The SVOD leader's confident content strategy and strong customer base of about 208 million have been driven by its powerful analytics engine. Something it uses effectively to deliver personalized content recommendations and a superior content discovery experience to consumers, as also to finetune its overall business strategy.

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*You are spending money in acquiring content, distributing content and promoting content. But without data, you're merely shooting blind. You're just resorting to a 'spray & pray' approach, hoping your gut will point you in the right direction. You can always choose to override the data because you feel strongly about pushing a certain kind of content, but 90% of the time, data is going to help optimize your resources.*

**Srinivasan KA**

*Co-founder, Amagi*



## Let's talk analytics.

To start with, what do you measure?

Knowing where you're going and what you want out of your content business is key to turning mere data into useful insight.

It's no use learning that it's raining in New York, if you are wondering how to pack for a trip to Paris.

**Which is why, you must measure some of the right metrics.**



# 1. What kind or genre and format of content engages the audience.

The first thing broadcasters and digital media companies should be clear on is exactly what content they need to be acquiring or producing. Here are some of the questions you need to address.

What do audiences prefer? Will they be open to innovative formats? Is it scripted content that brings in more ad impressions and revenues or do non-scripted reality and talks shows work better?

# 2. How to program content.

If you're offering a 24/7 curated linear channel, should the content be repeated? If so, how often and when? Should you intersperse long format with shorter format shows? When should premium content be run? These are a few themes around which content owners and platforms are seeking more data.

You need the power of an analytics platform that can provide first-hand data and insights into trends, while exactly pointing out what audiences are watching or what they are shunning. A deep dive into audience behavior will help you craft and execute a winning content and programming approach.

With comprehensive data on what the audience is viewing, you can start to make tweaks in the content you are acquiring and producing. You'll be able to see what shows are most popular – and which audiences are responding best. Data on how audiences react to different formats can also be invaluable. Are they just popping in for the occasional bit of premium content? Or are they returning regularly, but only for specific genres or a show?



## Originals gain more gravitas.

We see that channel operators and Free Ad Supported Streaming TV and AVOD platforms are seeking high quality programming with greater emphasis on original and exclusive content. For instance, [The Roku Channel](#) is clearly looking to strengthen its niche with a whole slew of original content. FOX's [Tubi](#) is also moving away from library content to produce originals, with budgets up to \$4 million per episode.

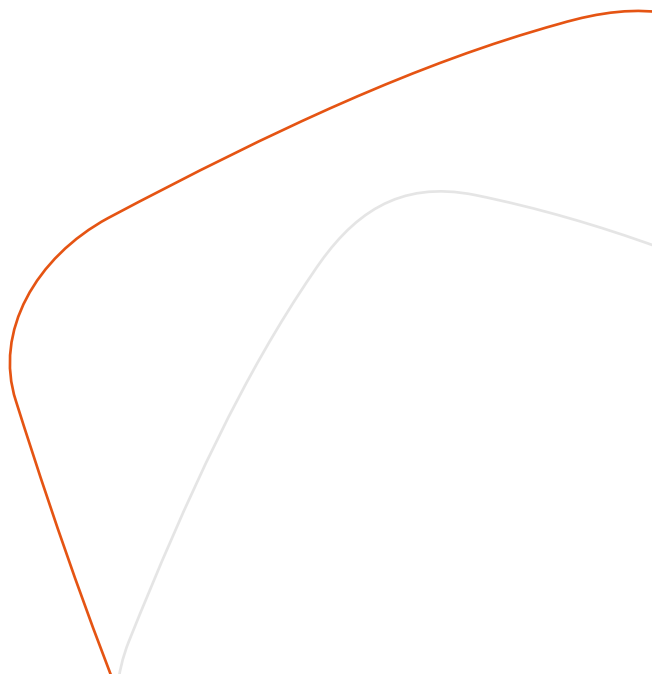
## Audiences are also relishing some of the old, feel-good classic shows

on new streaming channels. A case in point, as [Forbes](#) points out is 'The Office' that has seen 39% increase in demand once it retired on Netflix and was lapped up by NBCUniversal's FAST platform – Peacock.

## Amagi ANALYTICS data says news is the blockbuster content genre.

Our data gathered between January – June 2021 from a sample of 650 channels across 15 top platforms in our FAST distribution network comprising 50+ platforms shows that news stands out as the top genre.

9 out of the 25 top performing channels on Amagi systems belong to the news genre. The news channels have been driving 30% of the total ad impressions in the first two quarters of 2021. Our numbers thus reflect that news is witnessing steady demand across FAST platforms.





### 3. What advertising strategy will work.

What is the ideal ad load? How frequent should the ad breaks be? How best to deliver personalized and seamless ad experiences?

Free ad supported services such as Hulu and Peacock run fewer ads per hour of programming than traditional Pay TV channels. However, the larger question still remains as to what the optimal ad experience on these platforms could be – that can still be a good deal for platforms, channels, advertisers as well as audiences.

If advertisers are willing to invest 30% of their budget on streaming TV, how will ad supported platforms with low ad loads manage the supply? Well, granular data from analytics platforms can speak the truth!



## Understanding the ad conundrum better

June 2021 paper by [Hub Research](#) confirms the potential for ad-supported content. Free ad-supported platforms such as Pluto TV, IMDb TV and Tubi have seen growth in users and audiences much more willing to watch ad-supported content.

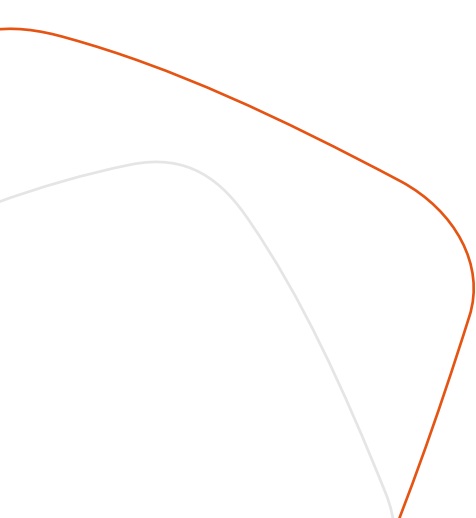
The Hub Research survey of 3000 US-based viewers from ages 14-71, concluded that “consumer intolerance for ads may be exaggerated”. An estimated 95% of viewers used at least one ad-supported platform, and when given a choice between two identical services – one with ads and one paid – over a third of viewers would choose the ad-supported option. If there were tiered options, with one of them being free, but ad-supported, two thirds of viewers said they would choose ad-supported over an ad-free subscription.

Freedom from ads has dropped down the list of criteria that viewers think about when choosing a service. Top considerations are access to exclusive content and good value.

But this doesn't mean that people are willing to go back to the traditional linear ad journey of their parents, watching on a 4:3 standard definition CRT. The quality of the ad experience is an essential component – and that means ads need to be fewer, and better. The survey suggests that viewer satisfaction was highest among those who saw five or fewer ads per 30 minutes of viewing. And before agencies panic about losing valuable ad minutes, Hub Research also found that those who saw fewer ads said they were much more likely to pay attention to them.

Today's viewers have good understanding that the content experience is transactional, that they will be expected to provide something in return for free access to content.

The report also highlights the growing role content aggregators – and super-aggregators – will play in bundling multiple platforms together in a way that is coherent and manageable to audiences. A key sticking point in this could be who controls the data and analytics, and how they are used – while keeping control over the user experience.





## Luring advertisers

While good audience data helps you develop content strategy, it also helps you find paths to monetization.

Based on the information collected on how audiences are engaging with content, you can offer advertisers hard numbers on who your audience segments are, what interests them most, and when to best interact with them. Advertisers can then finely target, and will thank you for saving them the time and money spent on a large-scale, scattershot approach, backed by less sophisticated numbers.

Audience data will also tell you when people stop watching your ads – or switch channels. Those ads then become lower priority, because there is not much of an affinity for them on a particular type of content. Intelligent, informed decisions can then be made on what sort of ads work best on the platform, or with a certain variety of content.

More sophisticated ad delivery was the key to keeping viewers engaged on an ad-supported platform. The most satisfied viewers were those who said the ads they saw had been customized to their interests or search history. Again, being able to get the right understanding of your audience, and serve them not only the ads they'll watch, but the ads that will be genuinely helpful to them is a key to success in running an ad-supported platform.

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*The more data I have about my audience, the better equipped I'll be to go to advertisers and say, 'Here is the type of audience that is a perfect fit for you. If I'm approaching Ferrari as an advertiser, for example, I can say, 'Here is an audience super-interested in Formula One racing and high-speed motor sports. And if some of those viewers are living in areas with \$10 million-plus homes, I might have found a perfect demographic to suit them.*

**Srinivasan KA**  
Co-founder, Amagi

## 4. How do you plan your distribution strategy?

Where does content work well, where doesn't it? Which platforms garner the maximum viewership and engagement? Which devices are audiences hooked to? An informed distribution strategy will enable you to gain maximum ROI from your content.

While the choice of streaming platforms is plenty today, content owners need to know exactly where they can find the right audiences who will enjoy their offerings and stay loyal in the long term. Regional data will further guide in executing a comprehensive and targeted distribution approach that will help gain maximum global reach.

Amagi analytics data shows that connected TV is where your audiences are. 99% of the total impressions generated across FAST platforms comes from connected TV. (according to an Amagi analytics study from Jan-June 2021)

Ad impressions for connected TV has grown at a CMGR of 11% in the first two quarters of 2021. And we have seen 66% growth in impressions from connected TV devices from January to June 2021.

Clearly, the star protagonist in the FAST growth story is connected TV, and advertisers have been quick to recognize this. An [emarketer report](#) says global advertisers are estimated to increase ad spending on CTV from \$8 billion in 2020 to \$18.29 billion by 2024

## Finally, managing the data deluge

To be useful, data needs to be properly managed.

It's critically important to have resources available internally to look at data, analyze it and make decisions. Long gone are the days when this was something handed to the IT department. Working with data has become a creative specialty today.

What you need is the right technology platform to deliver both real-time data and greater understanding of trends that the human eye might miss.

Artificial intelligence and machine learning are destined to become an ever-larger part of the picture in data analysis, providing easily digestible insights and information for media companies.

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*Depending on where I am in my own life cycle, I might require different types of insights from the analytics platform owner. The platform needs to be able to scale and adapt as I scale my audience – not just to millions of users, but potentially hundreds of millions of users. And it should be easy to use. If it requires two months of training and a PhD to operate, there's a problem.*

**Srinivasan KA**  
Co-founder, Amagi

## Making decisions on the fly, with real time data

A good content plan and strong analytics data can start to form a virtuous circle, each side informing the other. While long-term strategy needs to be based on solid analytics, analytics can also inform tactical decision-making.

Real-time data alerts you to opportunities that occur in the moment. If a certain piece of content is getting unexpectedly large viewing, you might decide, on the fly, to increase your ad load by an extra 30 seconds – taking advantage of the sudden surge in numbers. Or, conversely, for low-viewing content, you may throttle back on the ad spots associated with it, improving the viewing experience without the risk of losing much in the way of revenue.

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*There is a big benefit to the real-time analytics that an OTT solution can provide, compared to the traditional Nielsen-based data, where you have to wait for the next day – or the next week – to see what worked and what didn't.*

**Srinivasan KA**  
Co-founder, Amagi





## Choose the right analytics platform

### Get the Amagi advantage

With more than 1300 channel endpoints being delivered by the Amagi cloud platform – we are the largest FAST provider in the industry.

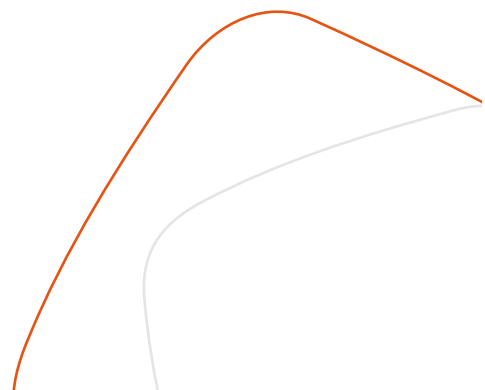
Because of the visibility we have and our delivery of tons of content to many platforms globally, we have a unique viewpoint. Most analytics platforms are specific to a certain channel or specific content within a channel. But we provide a larger view across disparate channels and deliver powerful insights that help you finetune your content and ad strategies.

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*A major international publisher, wanted to monitor ad analytics in real time, in order to make programming decisions on a day-to-day basis. It was almost like having a stock ticker. They had tens of employees across the company, with the ticker on all the time, watching their numbers in real time and seeing the impact of their decisions. It was very addictive! Some of those learnings go into your programming strategy, but by watching it, you start to internalize those lessons, too.*

**Srinivasan KA**  
Co-founder, Amagi





One of Amagi's customers is a top global content aggregator that licenses content from multiple third-party partners, then assembles linear channels from that content. Their key requirement was extensive analytics reporting across the several dozen channels that stream via Amagi. We enable them to look across all their channels and analyze specific content from a specific studio, and the accompanying ad impressions.

What we have learnt over the years is that if you want to be successful in the content world, you have to make mastering the art of analytics a priority. The art of creativity is no longer separate from the science of data.

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*I think content is going to become more and more a data business.*

**KA Srinivasan,**  
Co-founder of Amagi.

# Thrive with us!

Reach out to us to see how analytics can work for you

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## About Amagi

Amagi is a next-gen media tech company that provides cloud broadcast and streaming TV solutions to TV networks, content owners and streaming TV platforms. Amagi enables content owners to launch, distribute and monetize live linear channels on Free-Ad-Supported TV and SVOD platforms. Amagi also offers 24x7 cloud managed services bringing simplicity, advanced automation, and transparency to the entire broadcast operations for traditional TV networks. Amagi delivers 500+ channels with deployments in over 40 countries. Amagi has offices in New York, Los Angeles, London, Singapore, New Delhi and Bangalore.

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



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