

# Revenue Ideas to Go

February 23, 2017

Guy Tasaka, Chief Digital Officer



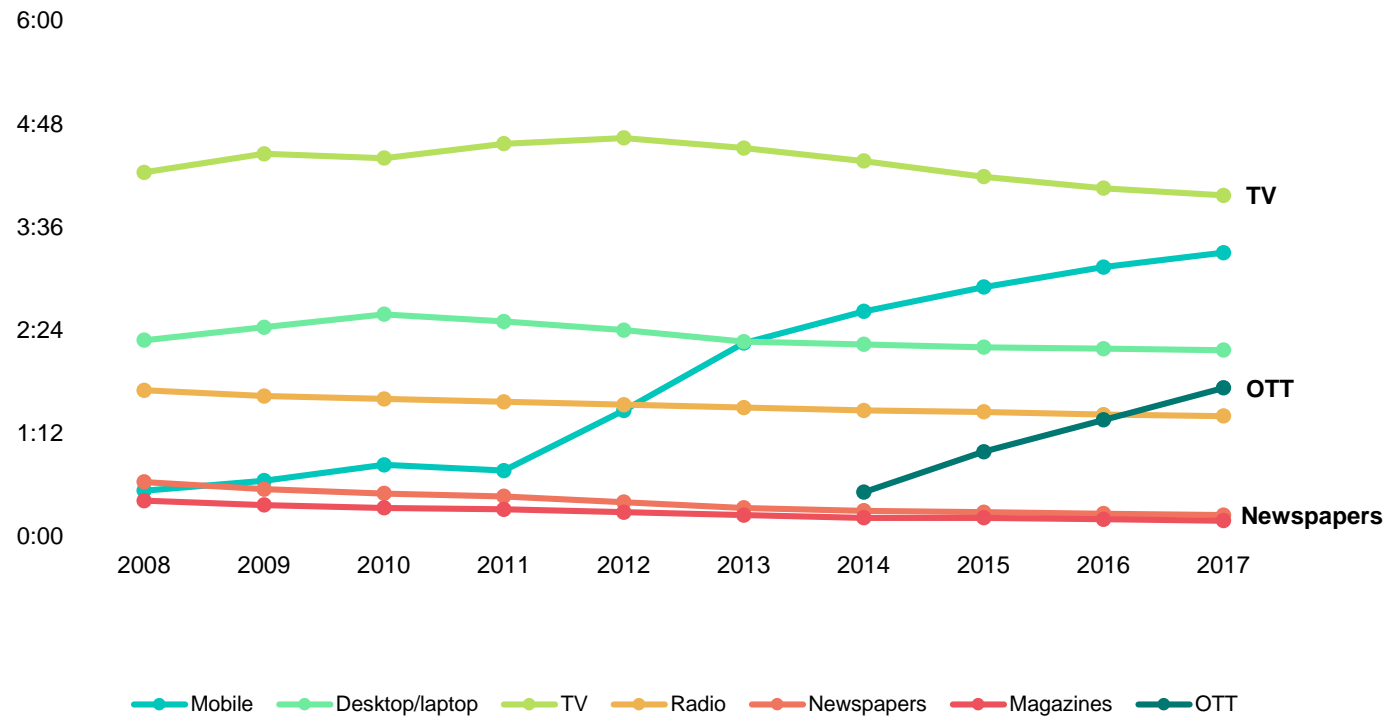


## **Strategy Signals**

**Where are the eyeballs and dollars going?**

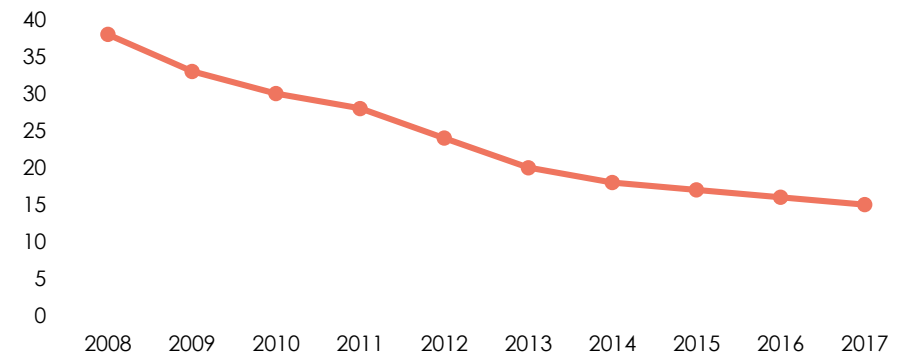
# OTT Consumption is Rapidly Growing, While Traditional Media Sees Declines

Average Media Consumption per Day  
(HH:MM)



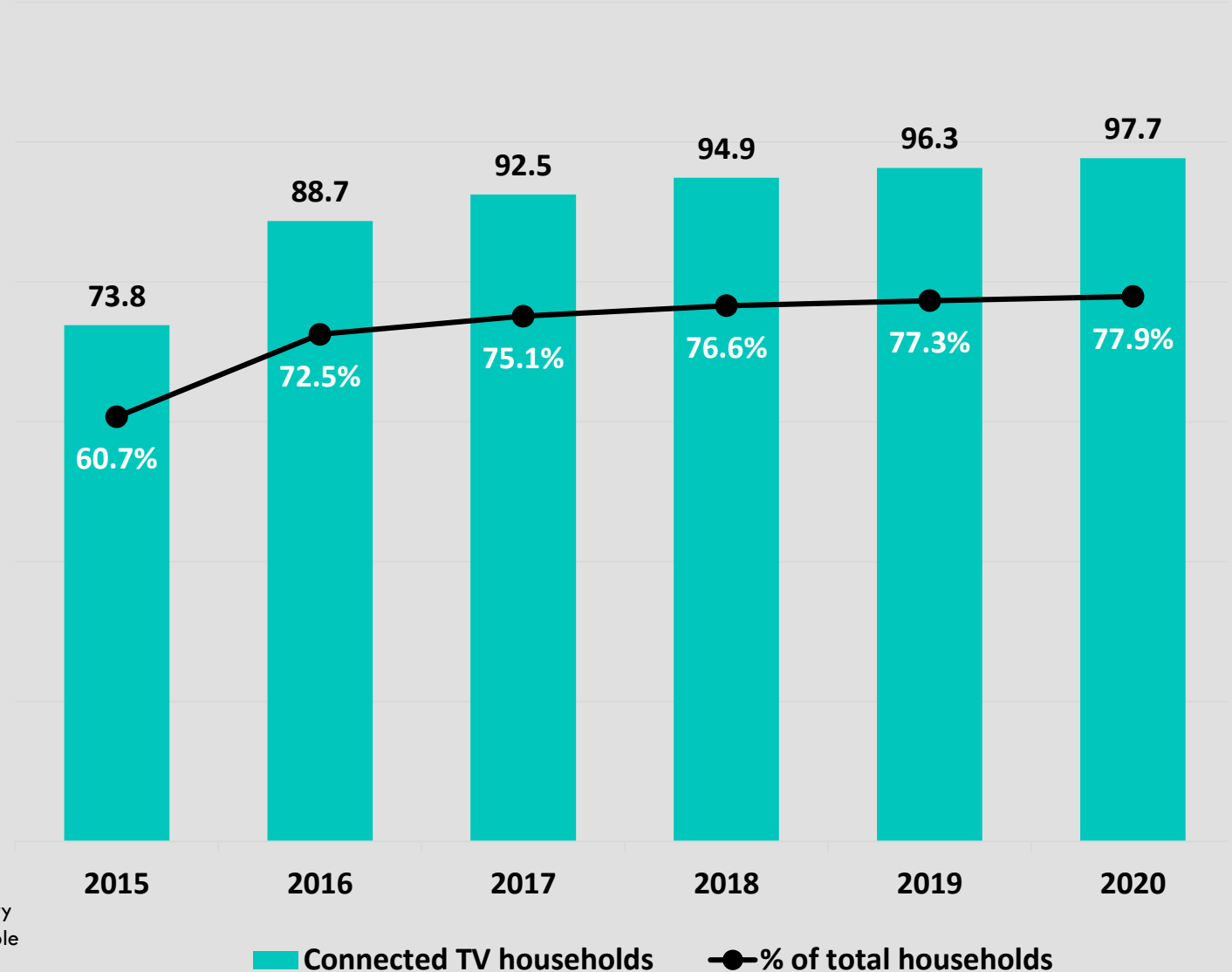
**Time with OTT is projected to be 2 hours and 42 minutes a day per person by 2020.**

Newspapers Consumption per Day  
(minutes)



# The Audience HAS Shifted

By 2020, there will be 97.7 million US connected TV households, up from 88.7 million in 2016.



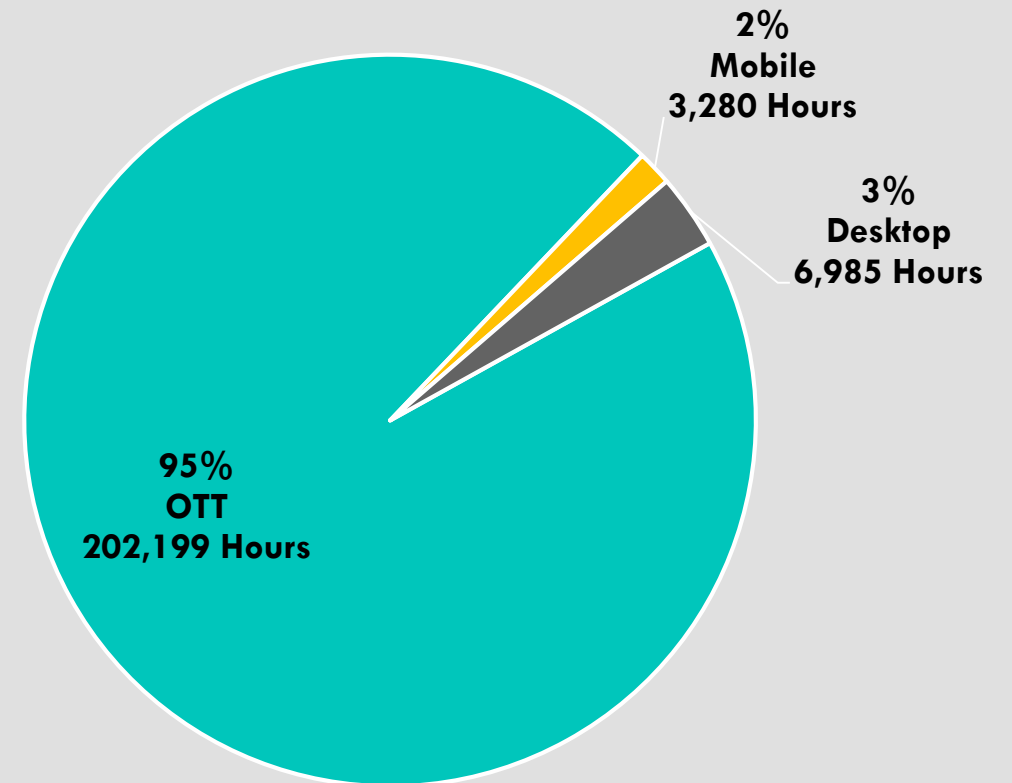
**Note:** Connected TVs are TV sets connected to the internet through built-in internet capability or through another device such as a Blu-ray player, game console or set-top box (e.g., Apple TV, Google Chromecast, Roku).

Source: eMarketer, Oct 2016

# Time Spent with OTT is SIGNIFICANT



**Total Time Spent Viewing Video by Platform  
November 2016**



# HOW TO SUCCEED IN VIDEO?

Think like you are small even if you  
aren't.

# Business Models: VOD vs Linear Math

## **VOD/Video on Demand Math Example**

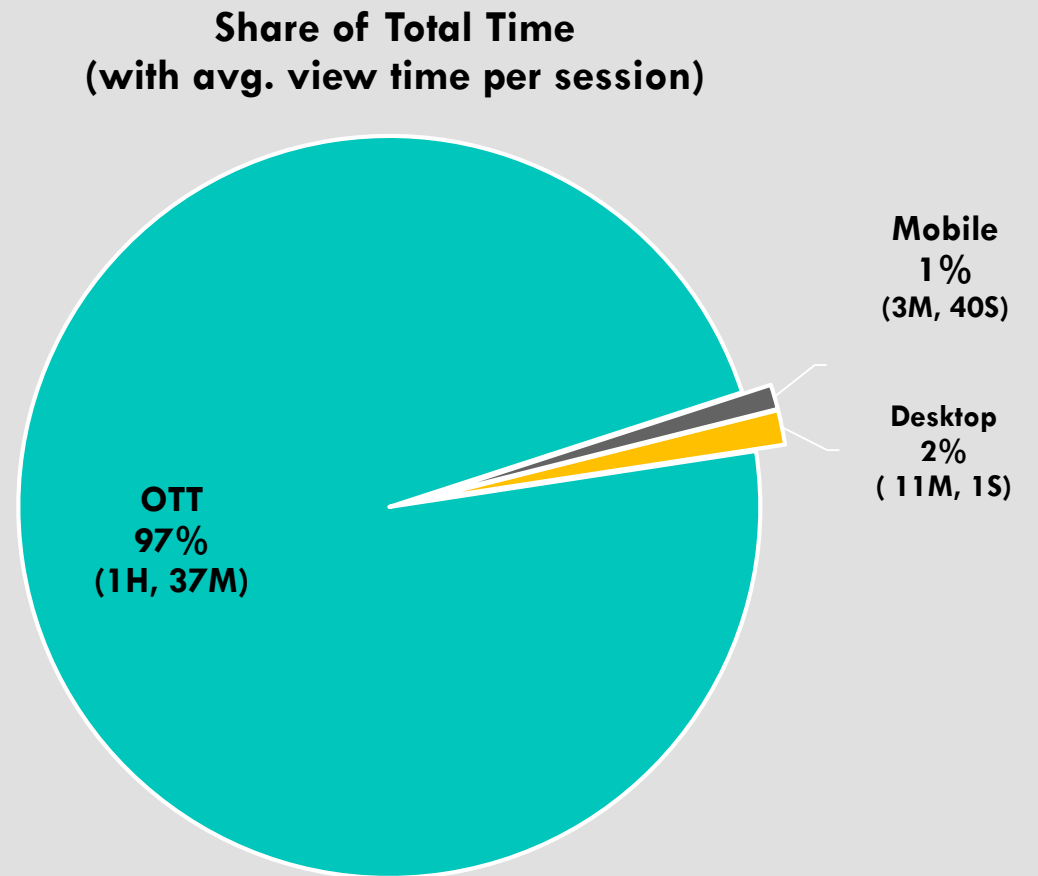
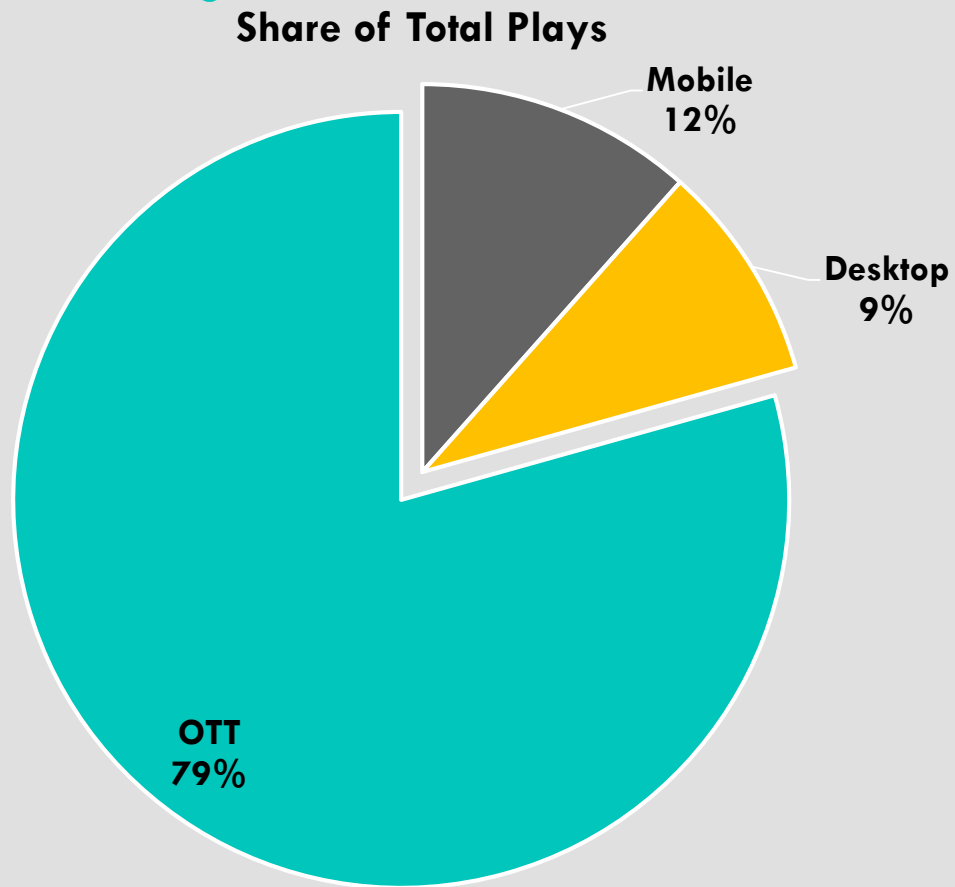
- 100,000 monthly video views
- \$25/CPM, 100% sold out
- Monthly Revenue - \$2,500, Annualized Revenue - \$30,000

# Business Model: VOD vs Linear Math

<b>Linear TV Math Example:</b> Based on 40 content minutes/20 (30 sec) ad minutes per hour				
	<b>Ad Units/ Hour</b>	<b>Ad Units/ Day</b>	<b>Ad Units/ Year</b>	<b>Revenue/ Year</b>
<b>@\$1/Spot</b>	40	960	350,400	\$350,400
<b>@\$5/Spot</b>	40	960	350,400	\$1,752,000
<b>Linear TV Math Example – Advertainment:</b> Based on 10 content minutes, 50 (30 sec) ad minutes per hour				
<b>@1/Spot</b>	100	2,400	876,000	\$876,000
<b>@5/Spot</b>	100	2,400	876,000	\$4,380,000

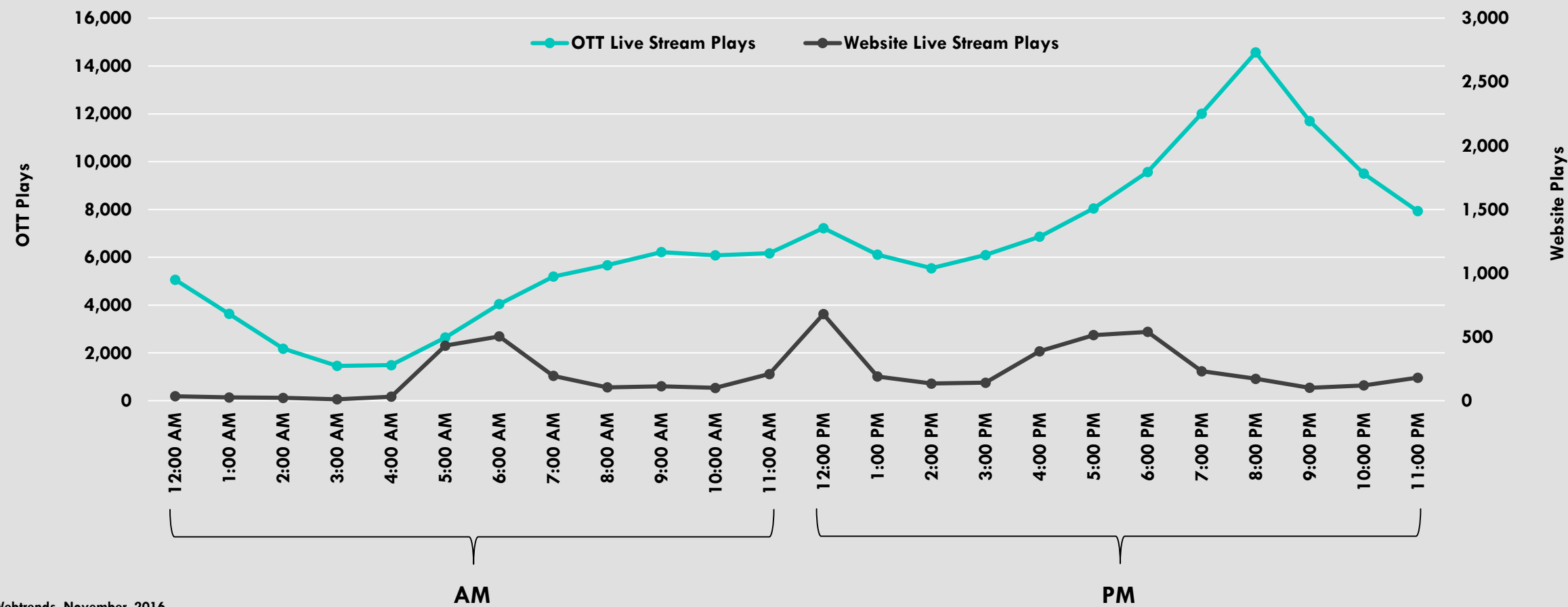


# Linear Drives Engagement



# Linear TV is the NEW TV

LIVE STREAM PLAYS BY HOUR



Source: Webtrends, November, 2016

# Linear OTT Facts

## Good News

- Gateway to cable carriage, low power OTA, virtual MVPDs
- Legacy TV sales reps can sell it
- Preserves legacy TV pricing model

## Bad News

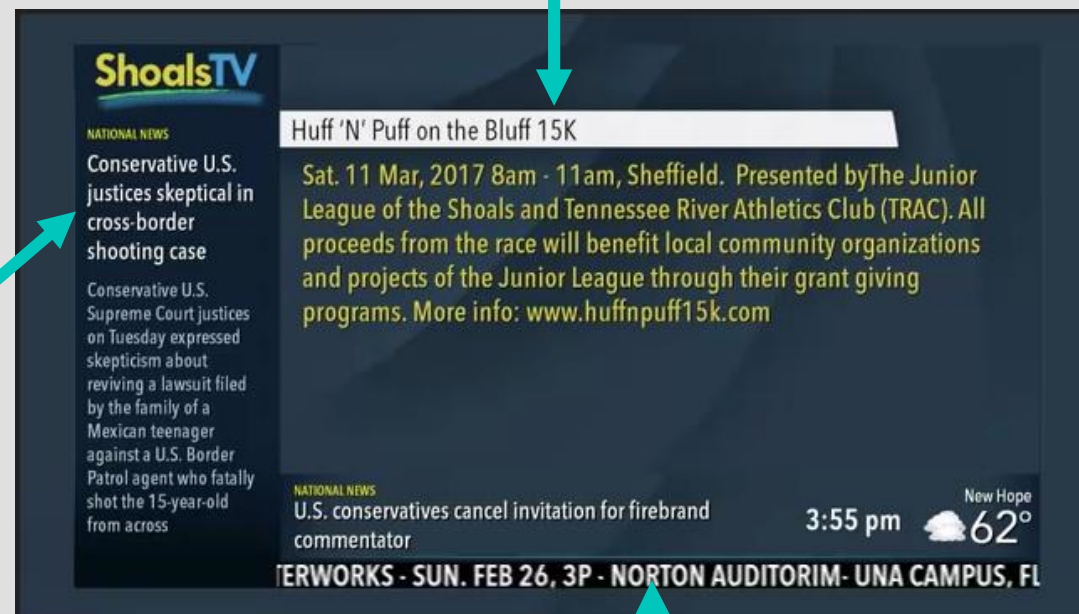
- Traditional TV syndicators don't have rules yet
- It's hard and requires a lot of planning
- There is a hard cost (bandwidth) associated with delivery that scales quickly

# Introducing Calkins Blue

- Turnkey, fully automated 24/7 linear playout system
- Easy to manage and launch within an app on OTT devices, connected TV platforms, mobile apps, and websites
- Very little manual work
- Features include a stream of top headlines, community events

Billboards, Announcements, Headlines, Tweets,  
Factoids, Trivia, Events, Weather

Headlines



Events/Announcements

# Monetize your linear stream with Calkins Blue

- Video commercial insertion
- Billboards
- Display advertising
- Tie-in/home screen takeover
- Sponsorship logo overlay
- Direct sales opportunities

Commercials/Billboards/Video Content

Headlines



Display Ads

Events/Announcements

Display Ads



Questions?