

# Revenue Ideas to Go

February 23, 2017

Guy Tasaka, Chief Digital Officer



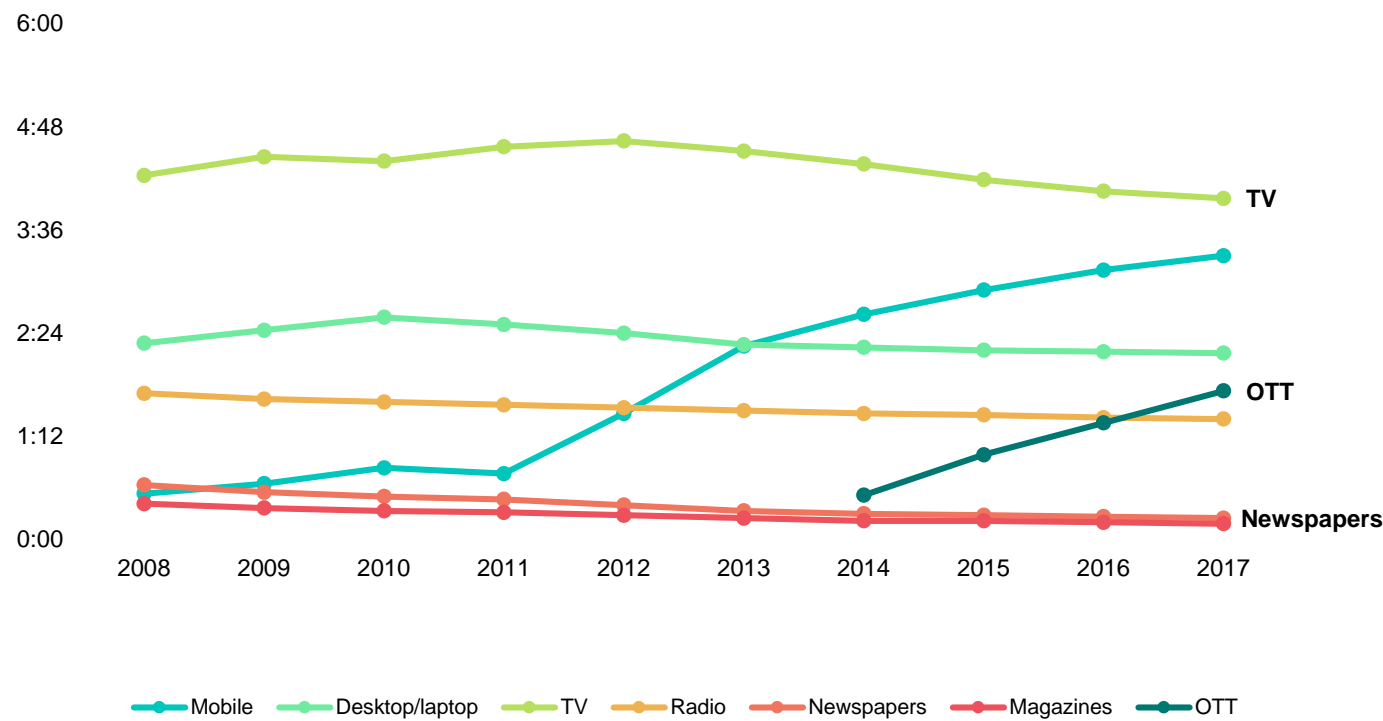


## **Strategy Signals**

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

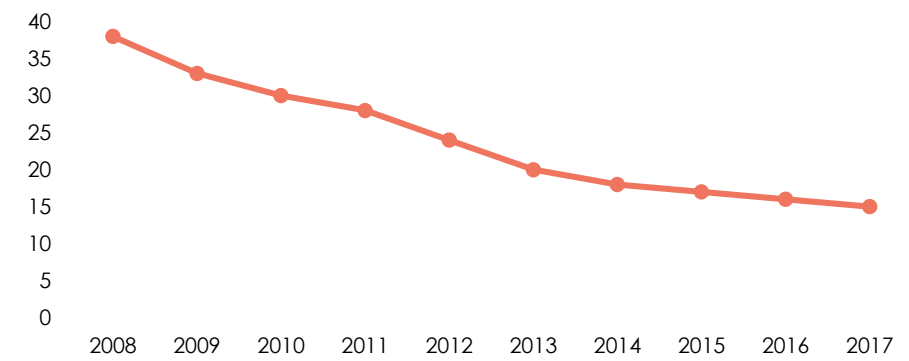
# OTT Consumption is Rapidly Growing, While Traditional Media Sees Declines

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.**

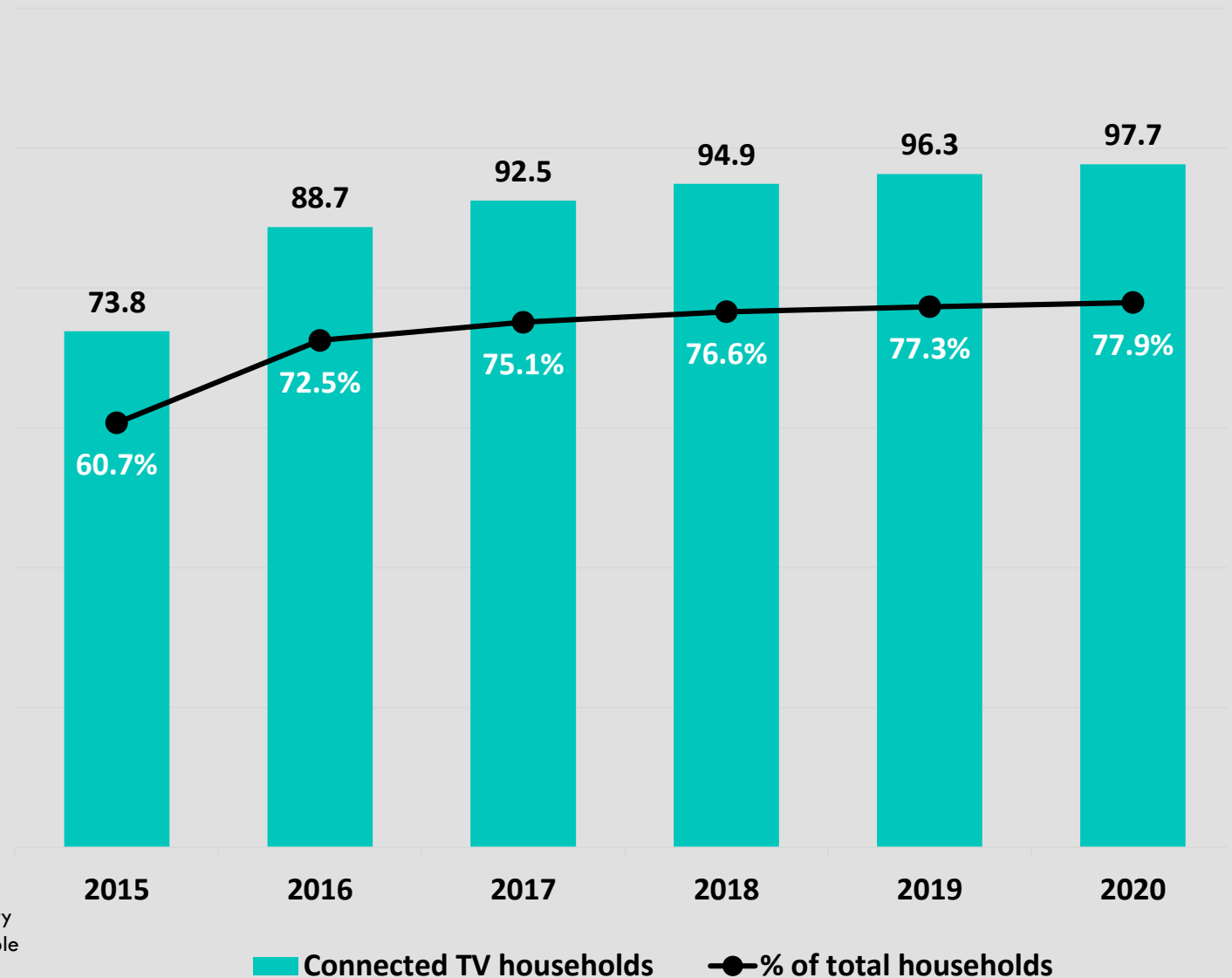
Newspapers Consumption per Day (minutes)



Source: Source: Nielsen, Media Dynamics, comScore, ZenithOptimedia forecasts eMarketer, The Diffusion Group

# The Audience HAS Shifted

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



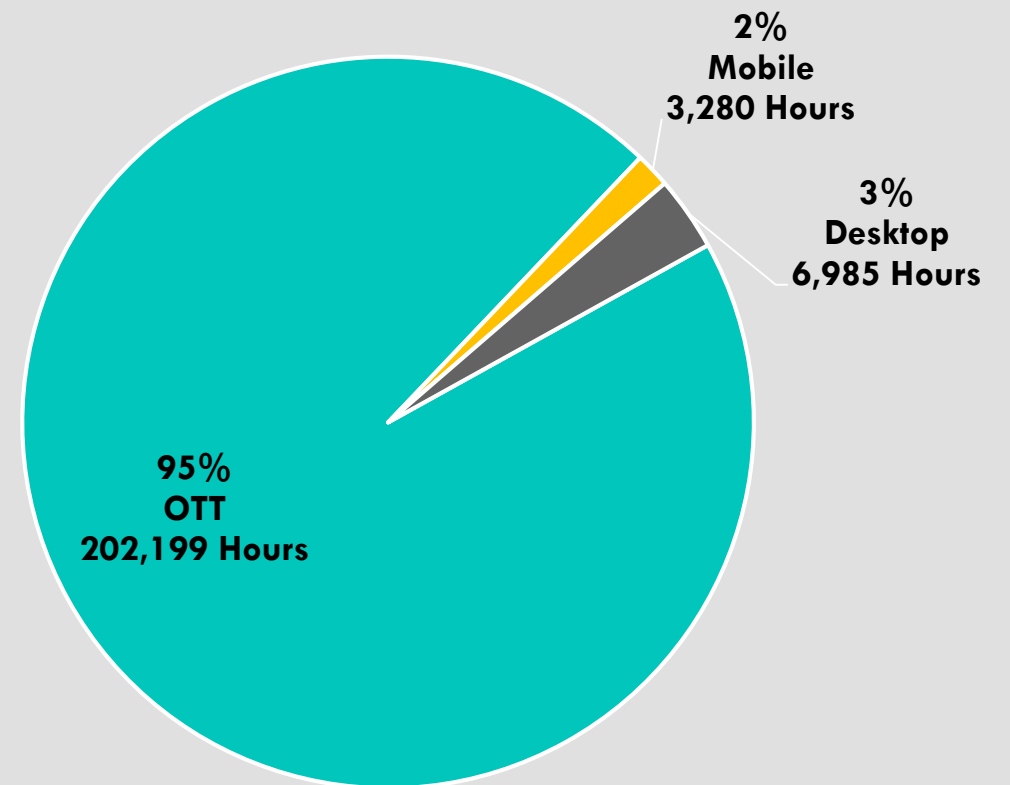
**Note:** Connected TVs are TV sets connected to the internet through built-in internet capability or through another device such as a Blu-ray player, game console or set-top box (e.g., Apple TV, Google Chromecast, Roku).

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

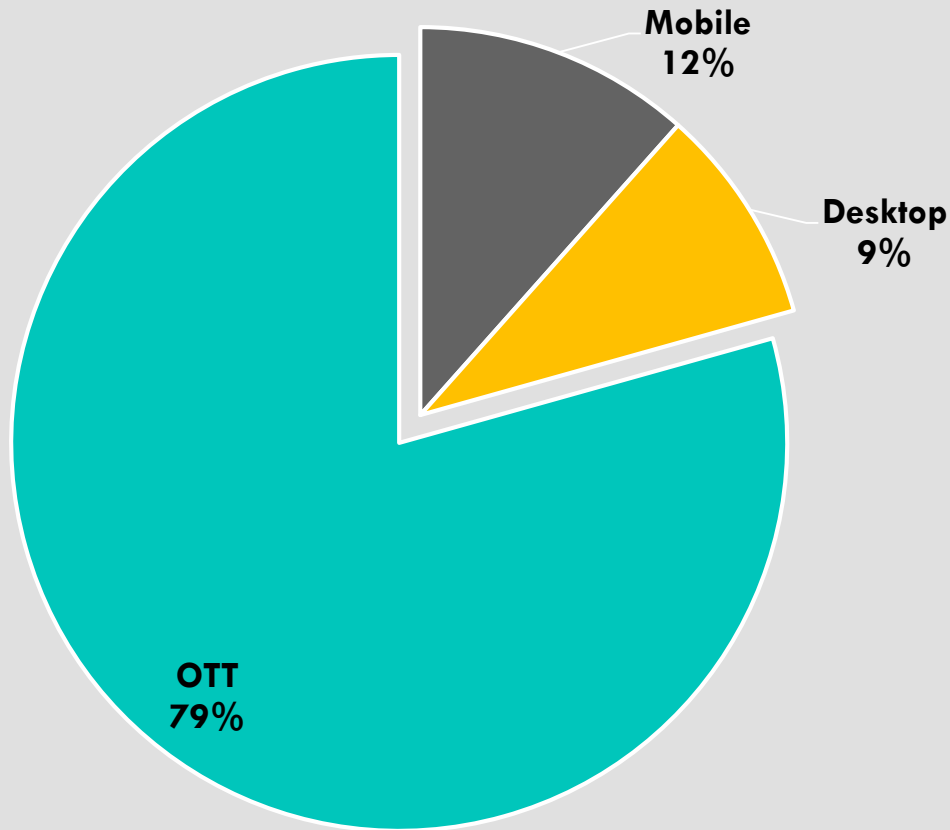
# Business Model: VOD vs Linear Math

<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

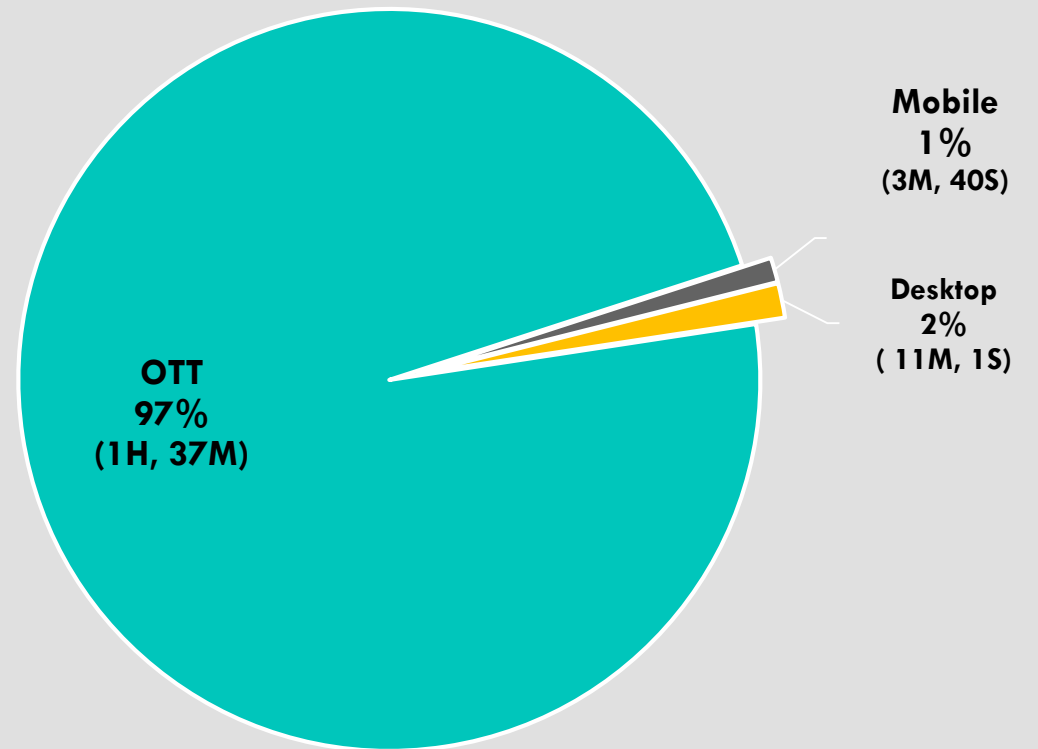


# Linear Drives Engagement

Share of Total Plays

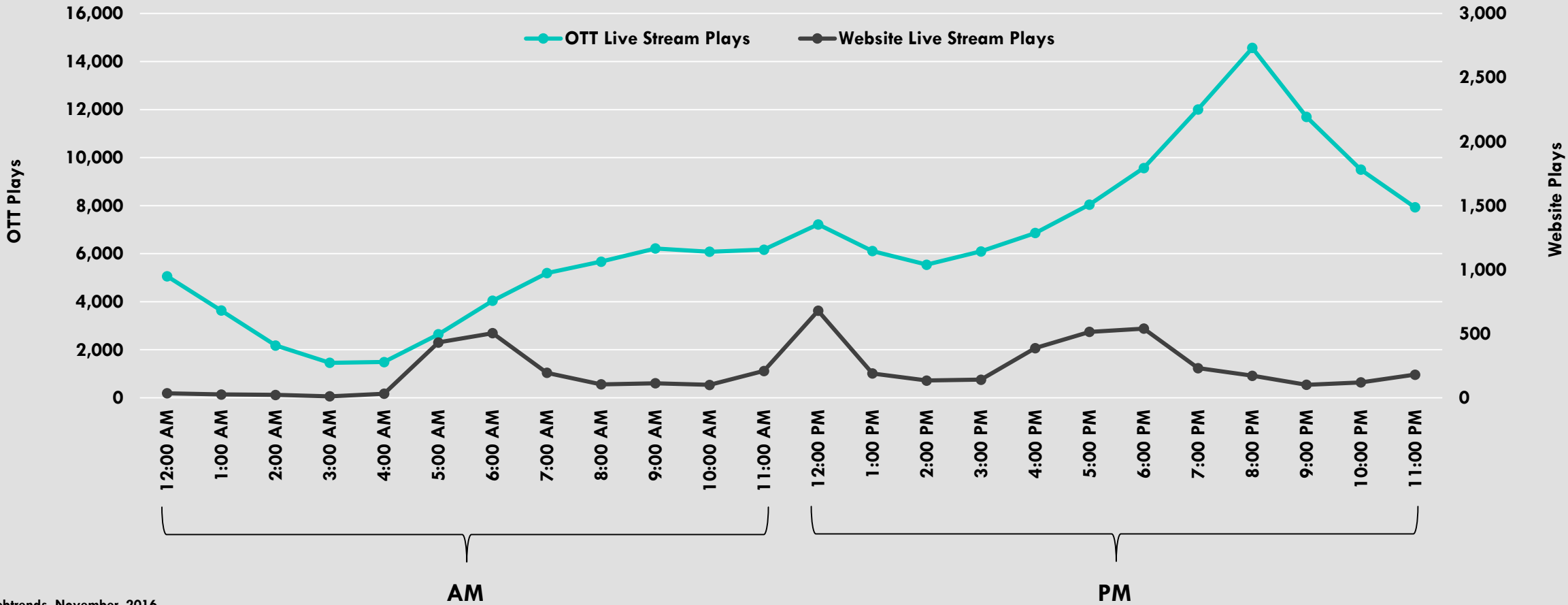


Share of Total Time  
(with avg. view time per session)



# 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

The screenshot shows a ShoalsTV broadcast interface. On the left, there is a 'NATIONAL NEWS' section with the headline 'Conservative U.S. justices skeptical in cross-border shooting case'. A red arrow points from the 'Headlines' label to this section. In the center, there is a white banner for an event: 'Huff 'N' Puff on the Bluff 15K'. A red arrow points from the top text 'Billboards, Announcements, Headlines, Tweets, Factoids, Trivia, Events, Weather' to this banner. Below the banner, there is more text about the event: 'Sat. 11 Mar, 2017 8am - 11am, Sheffield. Presented by The Junior League of the Shoals and Tennessee River Athletics Club (TRAC). All proceeds from the race will benefit local community organizations and projects of the Junior League through their grant giving programs. More info: www.huffnpuff15k.com'. At the bottom, there is a 'NATIONAL NEWS' section with the headline 'U.S. conservatives cancel invitation for firebrand commentator'. A red arrow points from the bottom text 'Events/Announcements' to this section. In the bottom right corner, there is a weather widget showing 'New Hope 3:55 pm 62°' and a scrolling event ticker at the very bottom: 'TERWORKS - SUN. FEB 26, 3P - NORTON AUDITORIUM - UNA CAMPUS, FL'.

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?**