CASE STUDY: ENABLING DYNAMIC AD REPLACEMENT FOR ALL 4

THE CHALLENGE

In 2015, major UK broadcaster Channel 4 launched a new, groundbreaking TV everywhere platform, All 4. The high profile project sought to not only replace its hugely successful on demand service, 4OD, but to add its full portfolio of live channels too.

In order to do so, an effective monetisation solution needed to be applied, and, following an extensive evaluation process, Channel 4 chose Yospace's Dynamic Ad Insertion platform. In this case study, we'll look at how Channel 4 implemented Yospace's technology and the innovations that paved the way for a truly ground breaking project.

"Monetising the live channels in All 4, in a user-friendly way, was absolutely crucial.", said David Amodio, Digital and Creative Leader, Channel 4.

Channel 4 has earned a valuable reputation for excellent user experience across its online services, a reputation built up over 10 years, and there was a strong awareness of the need to provide a true broadcast-quality service, that put the experience of the viewer first, throughout the project.

Viewer expectations of live broadcasting have been set by years of watching traditional television- a form that allows the viewer to sit back and enjoy being fed high quality programming without any discrepancies in the feed – and Channel 4 knew these high expectations must be met in order for its live streaming service on All 4 to be a success.

Therefore, well known idiosyncrasies of online video advertising, such as buffering, spinning dials, flashes of the underlying stream between ads, out-of-sync insertions and recurring stream failure, were not tolerated in this implementation – there was a need for ads to be replaced so accurately that the viewer didn't notice any change.

Once the viewer pressed play, they should perceive nothing but the single continuous live stream they expected to see.

ONE-TO-ONE

What really set this project apart from any other, though, was the level of personalisation that could be applied to replacement ads.

All 4 has over 13 million registered users, a figure that is rising rapidly, and benefits from an advanced level of audience insight that Channel 4 has developed over 10 years of innovation. Users signing up to the free-to-air service share information such as name, gender, age and location, which allow Channel 4 to provide each viewer with bespoke content and related experiences.

"We wanted to extend this principle into advertising and place the viewer front and centre of a personalised, broadcast-quality

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> **David Amodio, Digital and Creative Leader**
> **Channel 4 Television**

experience," Amodio said.

Yospace's platform was tasked with creating and delivering a stream that is unique to each viewer, a process that must be carried out in real time and at a scale that serves a national broadcast audience that is counted in millions.

THE SOLUTION

Yospace's server-side advertisement replacement solution was deployed across all live channels on All 4 (Channel 4, E4, More4, Film4, 4seven) in November 2015. The deployment marked a groundbreaking marriage of first party data and technology which allowed Channel 4 to leverage its user data and monetise All 4's live streams in a way that avoided disruption to the user experience. The attention to detail required in achieving such seamless and personalised viewing set this project apart from any others that had gone before.

"Yospace's solution stood out because of its ability to plug into so many key elements at different points of the broadcast workflow," said Amodio. "It allowed All 4 to achieve a level of seamless personalisation that had not been thought possible before."

KEY INTEGRATION POINTS

Playout: At the point of stream creation, Yospace formed a link between encoder and automation systems that allowed ad markers to be injected precisely at the point that ad breaks begin and end.

Ad Server: Yospace's integration with Channel 4's ad server, FreeWheel, was the centre-piece of the implementation, and represented a real technological break-through in television. Yospace's system polls the ad server for new ad creatives, which are then transcoded to match exactly the encoding profile of Channel 4's live streams. This approach allows transitions from the underlying stream to/from replacement ads to be seamless for the viewer. Later on in the workflow, FreeWheel's scalable ad decisioning system chooses, in real-time, which set of ads to deliver to each viewer and provides the instructions that allow Yospace to perform personalised ad stitching.

Stream Manipulation: By managing the manifest, or playlist, file for each streaming session the Yospace system is able to control the content delivered to each individual viewer. When an ad marker is detected a call is made to FreeWheel who instruct Yospace which ads to stitch into the stream.

Content protection: Another important benefit of Yospace's platform in taking this approach is that it allowed Channel 4 to replace ads without disrupting the content protection (DRM) policies applied to its live channels.

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SUCCESS

"Live streaming was a key requirement when All 4 was launched on browsers, mobile and tablet platforms, and very quickly we found a strong appetite among our viewers," said David Amodio, Digital and Creative Leader at Channel 4. "This discovery told us we were right to realise the importance of a broadcast-standard user experience."

"Yospace's world-leading technology was able to crack what had previously been an impossible task," continued Amodio. "Not only are live streams being delivered on All 4 that reflect the undisturbed continuity of traditional television, but they can be monetised throughout the duration of the viewing session, too." Through a combination of the sit-back nature of live television, excellent user experience and personally tailored advertising, the value of All 4's live inventory is greater than other broadcast mediums.

"View-through rates are reaching 98%," said Amodio. "An astonishing figure that, significantly, is higher than the Network Average."

Channel 4 is not only benefitting from the monetisation of a large element of its inventory it was otherwise unable to access, but it is safeguarding the long-term future of its live channels at a time when its tech-savvy audience, which includes over 50% of 16-34 year old "millennials" in the UK, continues to move online.

Having won broadcast rights to Formula One racing and the Rio 2016 Paralympic Games, demand for Channel 4's premium live programming is at an all-time high. In a period where online viewing records are being broken time and again through a succession of live events, the broadcaster is well placed to point the way forward for the industry as a whole. The All 4 project goes a long way towards reaching the Holy Grail of TV advertising – a strategy for personalised advertising for live simulcast. It also secures Channel 4's position as a major player in online broadcasting for many years to come.

CONNECTED CONSUMER AWARDS

On 5th May 2016 Yospace and Channel 4 were awarded a prestigious Connected Consumer Award by Mediatel for the innovative ad insertion project in All 4. In recognising the achievements of the project, Mediatel Newsline's editor David Pidgeon said:

"The judges were right to see such good things in Yospace's submission for its work with Channel 4 – as the company has since gone on to win contracts with Sky and ITV. I feel this is the start of something very big."

CONNECTED CONSUMER AWARDS 2016 | WINNER Connected Content Service of the Year

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