

Digital Video & the Future of News

Chapter 4: Digital Video Syndication & Key Takeaways

4

Digital Video Syndication

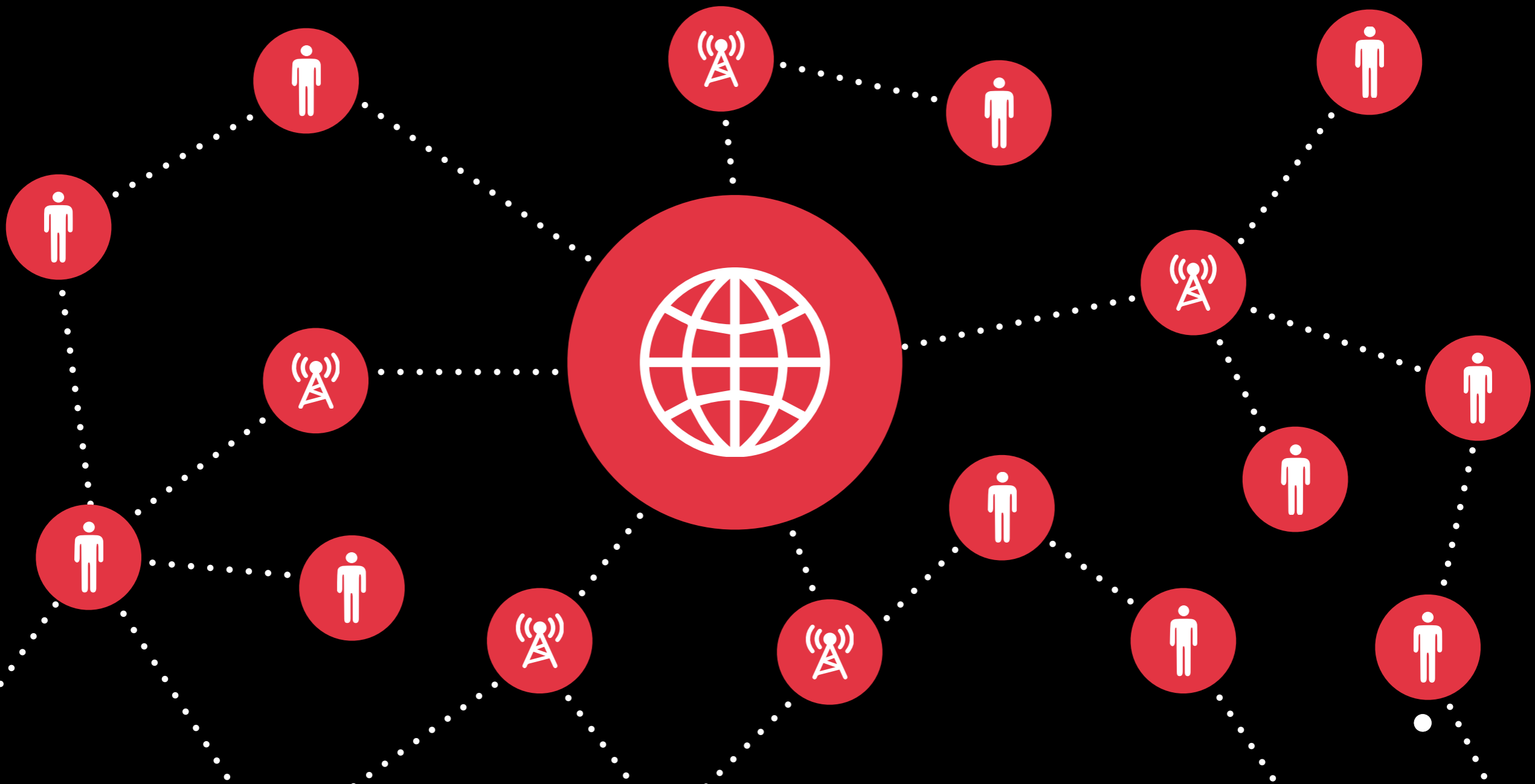


**Finding
the Right
Audience with
the Right
Content**

What is Digital Video Syndication?

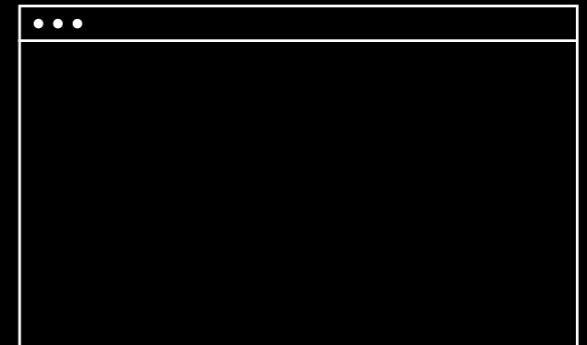
Distributing Content

Digital Video Syndication is the practice of distributing a creator's content to many sites instead of displaying it on just one, with the intent of collecting a wider audience and more views, and by extension, more revenue and brand recognition.



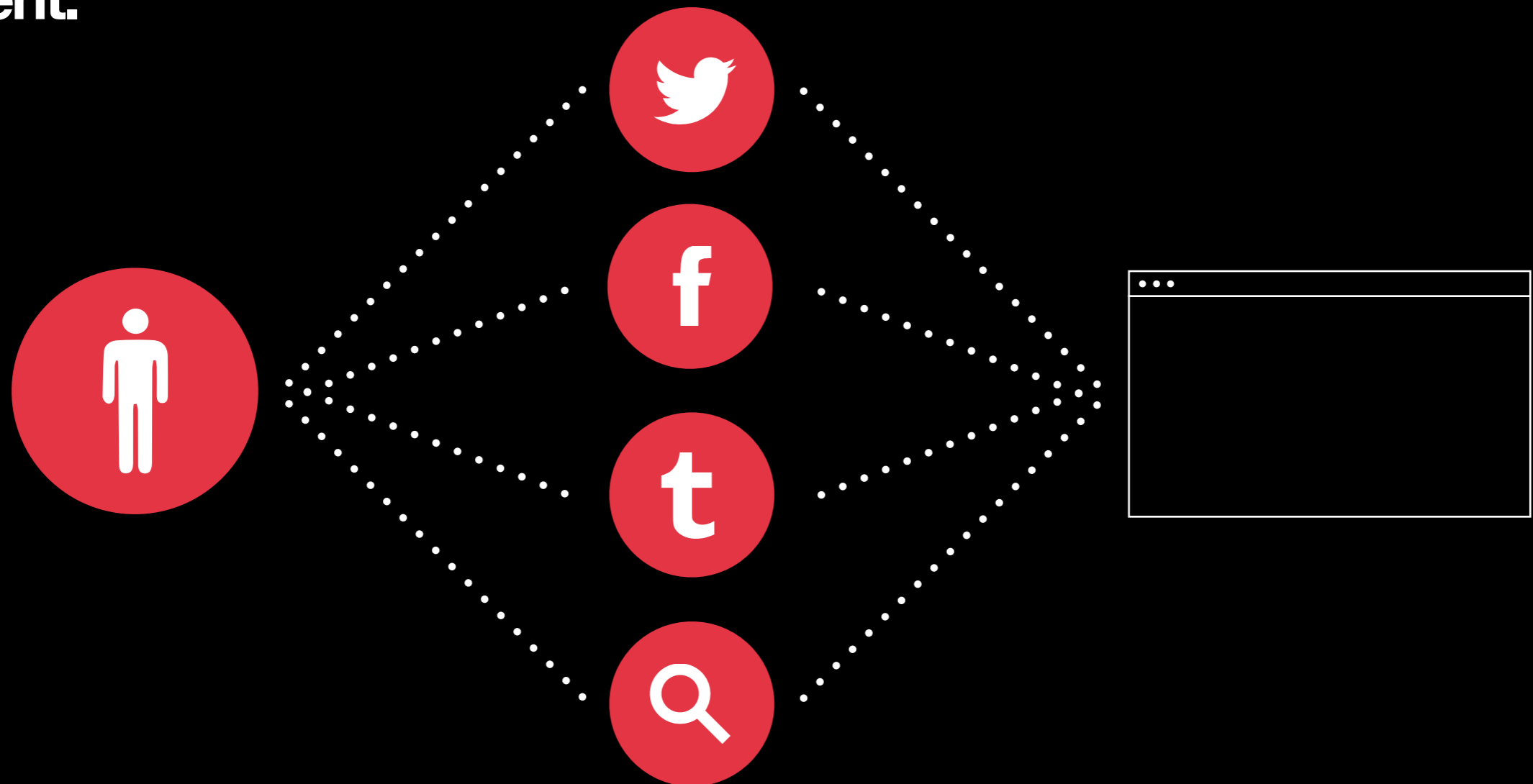
First There Were Destinations

When the web started, all content sites were destinations. The only way those sites got users to consume their branded stories and video was to get them to come directly to their own sites.



Control vs. Convenience

But as the web and other platforms evolved, particularly in the areas of search and social media, it became important for content providers to loosen the grip on their brands and start to distribute content to where the users already were—portals, social media platforms, and, of course, other related sites with complementary content.



This has caused a shift from aggregating eyeballs to accessing eyeballs.

Now it's the revenue that's aggregated and shared with those who provide the content.

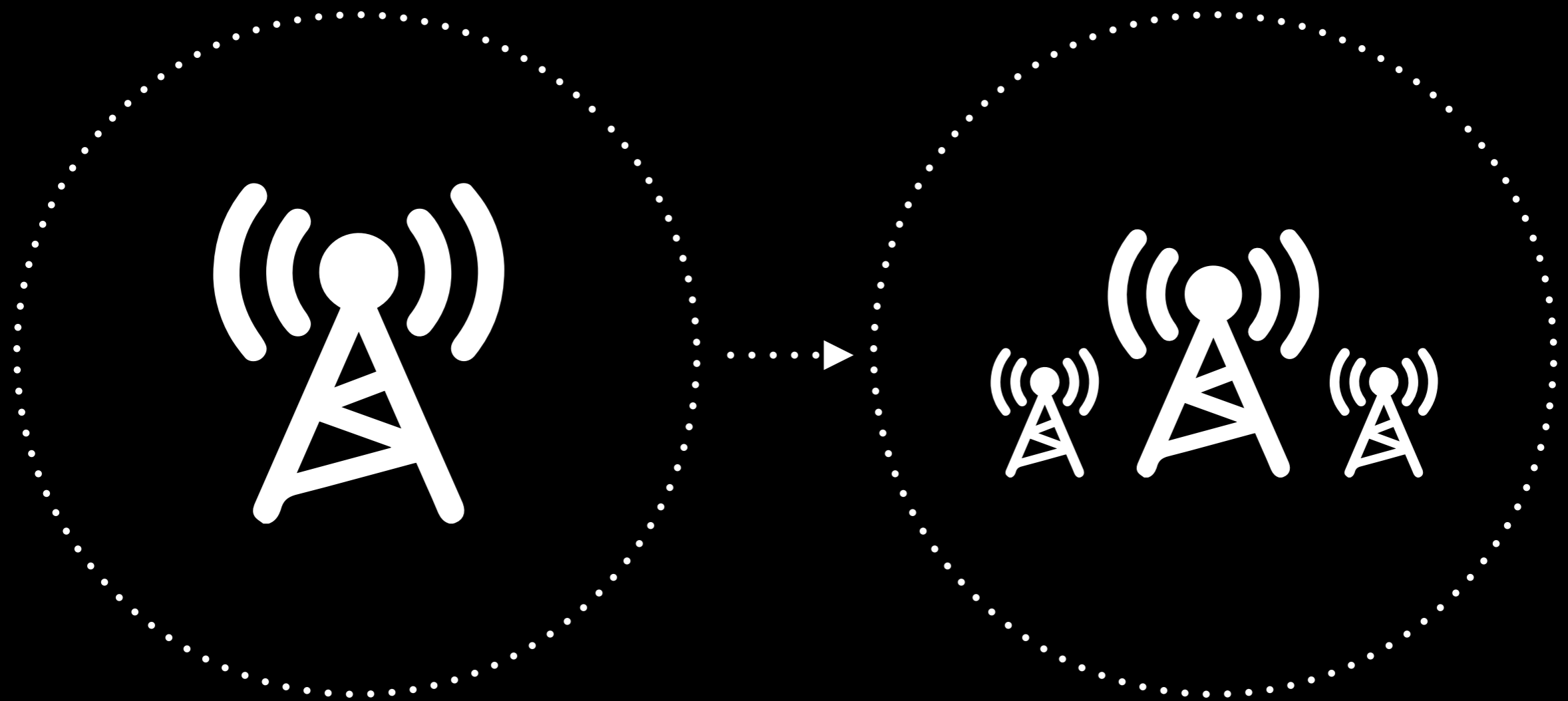
Advantages of Scale

This model of aggregating revenue works particularly well because the bigger an audience the more power it has to command advertising dollars and the best rates.



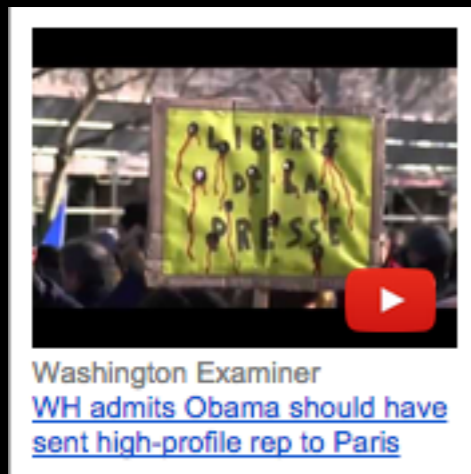
Local Content Not as Scarce

Local sites have had an advantage up to now because the content they produce is unique to their markets. However, as aggregation of content grows, local content will become less scarce, driving down its value as a destination.



Video is a Natural

As a distributed model emerges, all types of content finds its way from site to site and platform to platform. While text and image stories were the first to be distributed, video lends itself well to the process due to the engaging nature of the content and its ability to stand out and attract users.

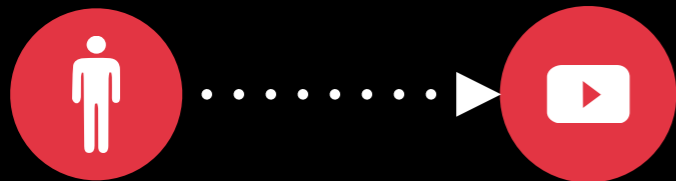


Types of Video Syndication

1

Free Syndication

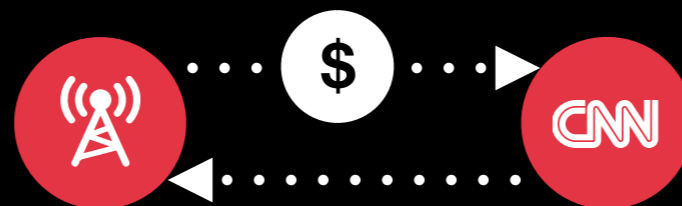
Such as what most YouTube users engage in when they upload and share their videos.



2

Direct-Paid Syndication

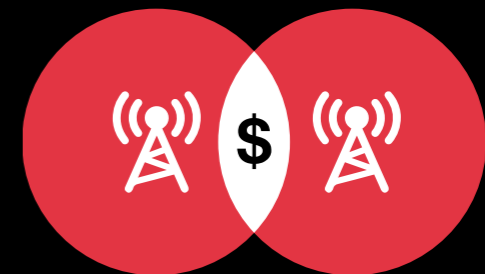
A model where a company pays a fee to a content creator to use its content and monetize it, usually through the sale of ads. The traditional Newsource model, where stations pay CNN for the right to use its video on their newscasts, falls under this category.



3

Shared-Revenue Syndication

A model where a host site displays video from a third party, revenue is generated through ad sales or other means, and the parties share the revenue together as content provider and host.

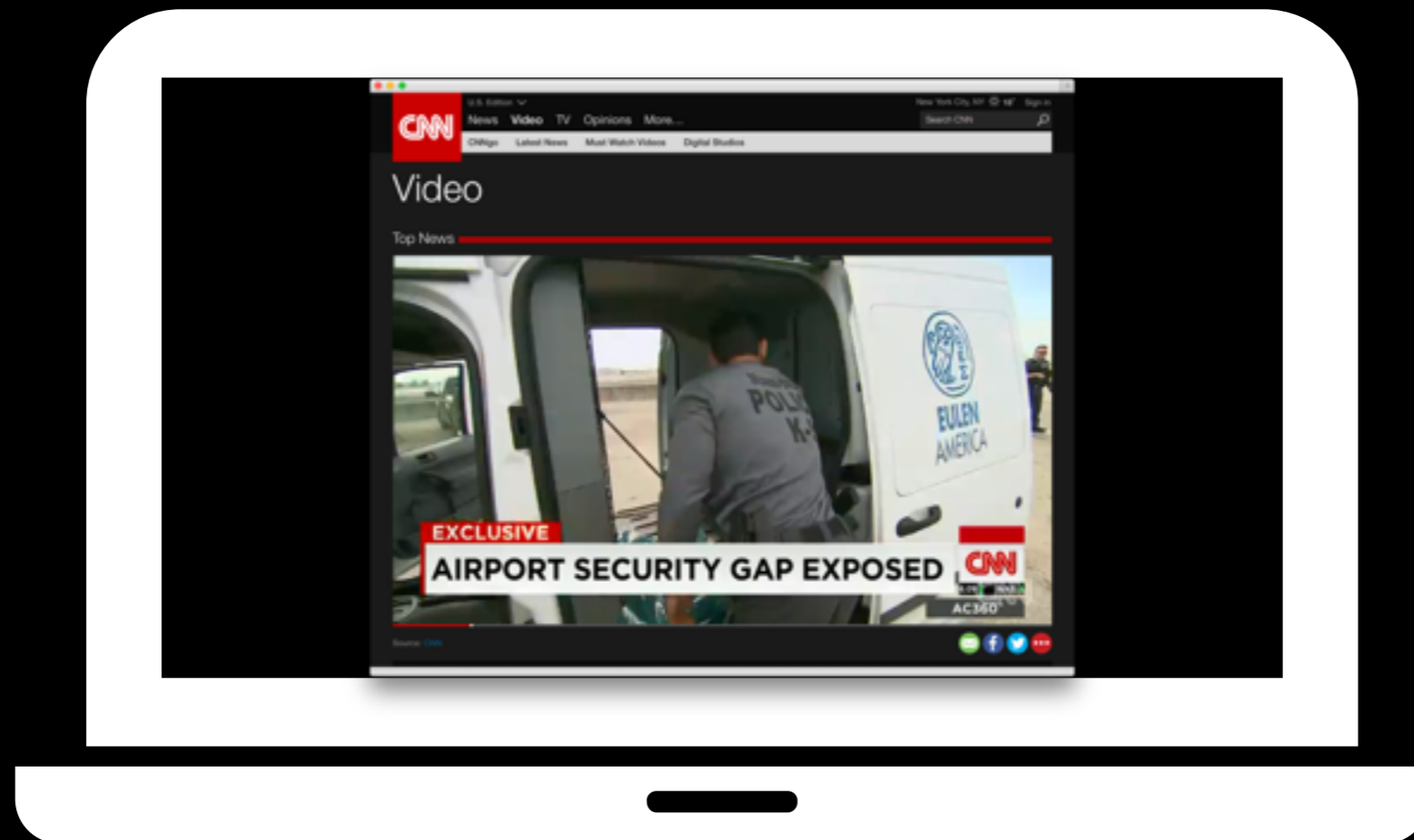


This last model can be particularly useful to a station looking to get more revenue out of its existing audience. Later, we'll look at how CNN can help you achieve this goal.

The Market for News Video Online

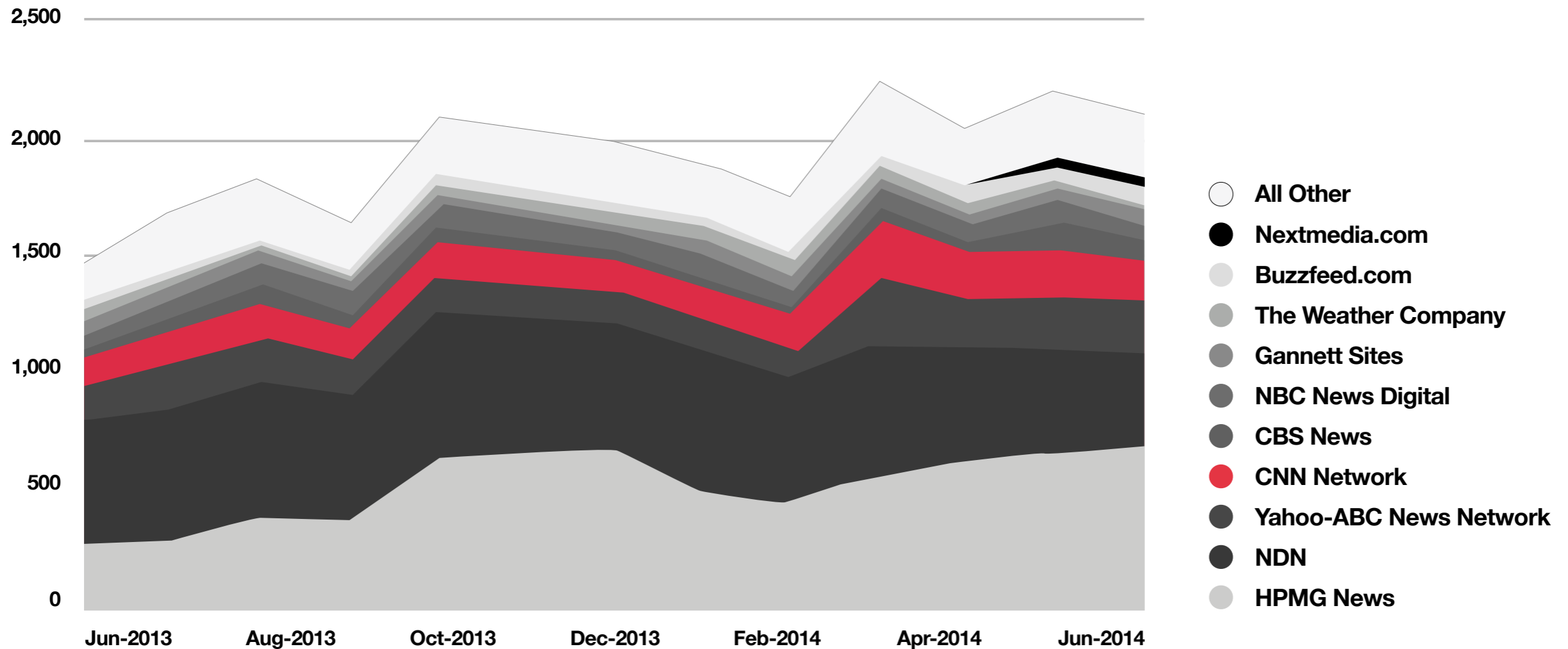
Digital Video and News

As we indicated earlier, digital video advertising has been growing strongly for years, and is expected to continue increasing for years to come. But what about news video?



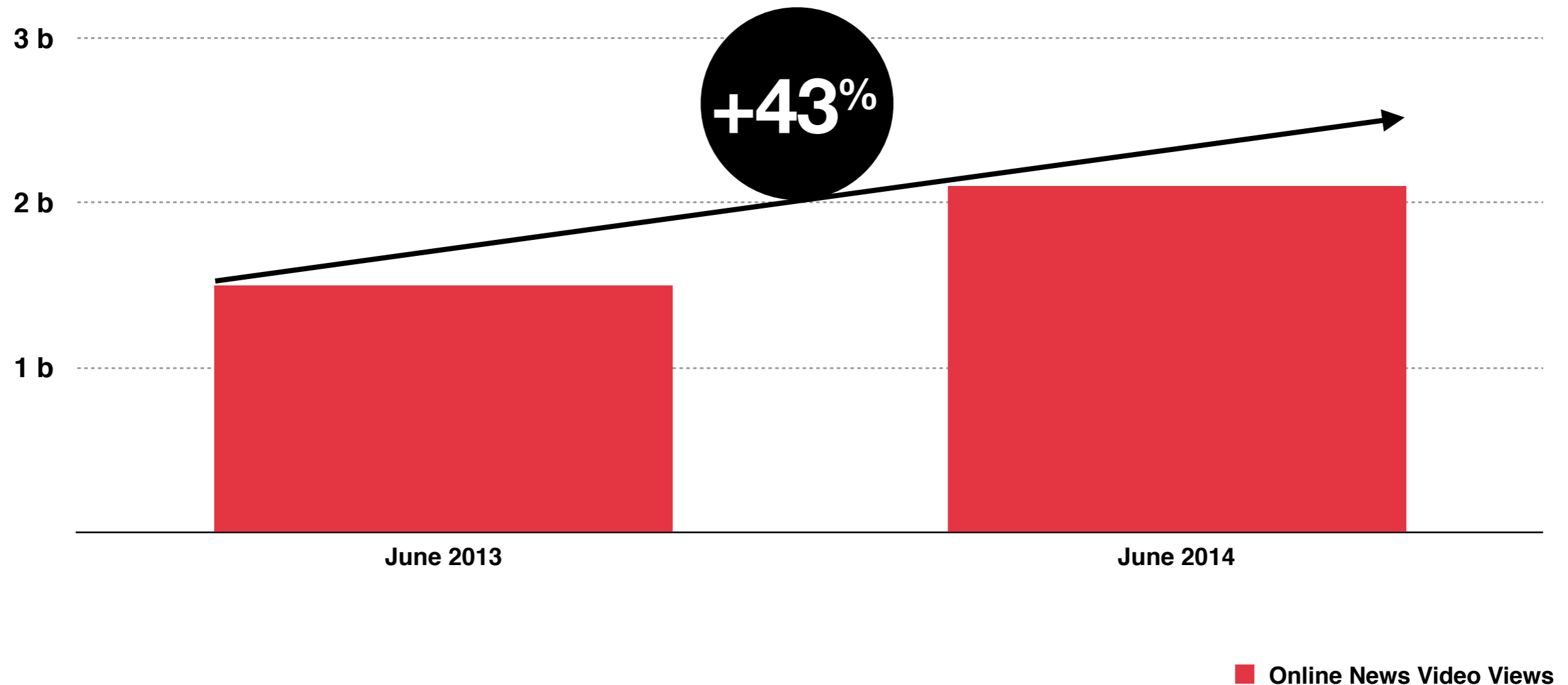
Content Networks

Online news video remains a highly concentrated market with five players controlling **76%** of video views on the desktop. This makes it difficult for a station to go it alone in the video syndication market.



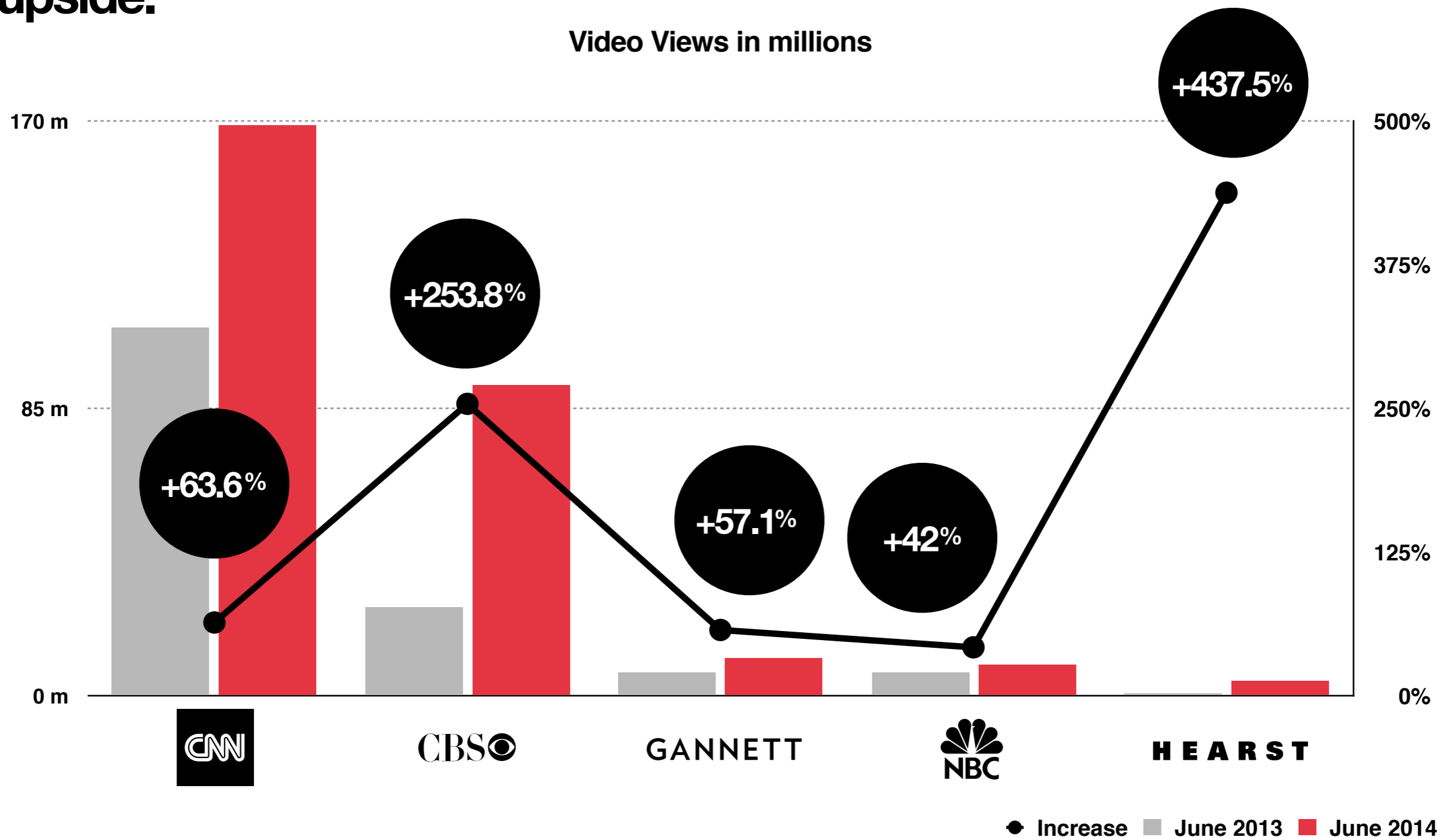
Growth in Viewership

Digital video news views grew a robust **43%** year over year, driven both by a **6%** growth in the audience, but also a **36%** increase in videos viewed per unique user. In other words, more people are watching a lot more video.



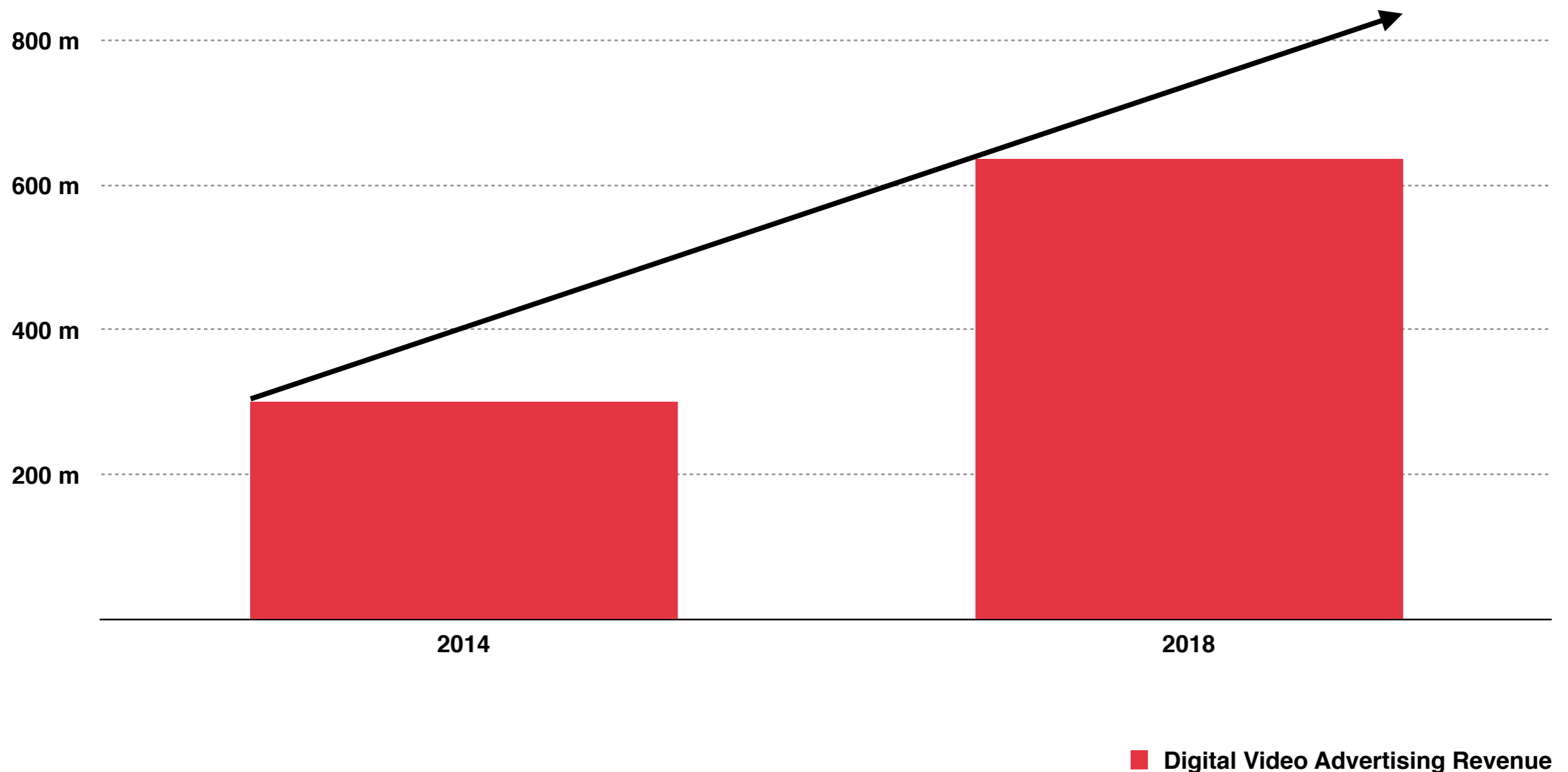
Growth in Viewership

Explosive growth shows that even smaller players have a big upside.



Growth in Revenue

Along with the views, the advertising revenue generated is projected to grow strongly over the next four years.



Benefits Beyond Revenue

In addition to the audience and revenue benefits there are others as well:

- **Expanding reach for your content into verticals and other markets**
- **Associating your brand with other high-value brands in the eyes of the consumer**
- **Leveraging technology developed by partner in the areas of video player, advertising network, social media extensions and more**
- **Reaching new audiences without spending marketing dollars**

**CNN
VAN**



Video Affiliate Network

The CNN Video Affiliate Network (VAN) is a powerful digital video syndication network providing our partners with video content from CNN and 900+ trusted local news providers and enabling them to earn additional advertising revenue.

Why CNN VAN?

1



**Compelling, pre-
curated video content
across multiple verticals
to fill your digital
platforms**

Why CNN VAN?

2



**Industry-leading advertising
sales to generate new
revenue from high-quality
advertisers for your
content**

Why CNN VAN?

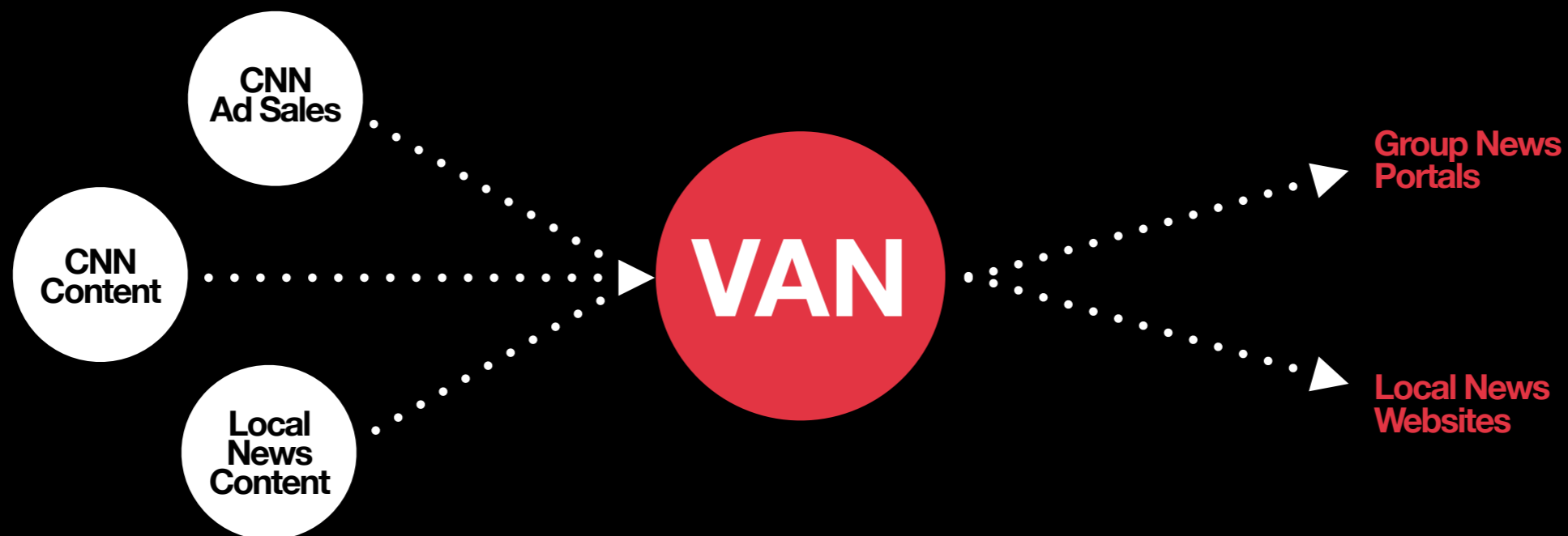
3



**Usage of CNN's proprietary
player technology, offering
HD, responsive design,
recommendations,
galleries and
more**

How Does it Work?

CNN receives video content from our Newsource affiliates via our standard newsgathering process. CNN sells advertising against the video inventory and makes it available to VAN members to publish. Revenues are split between content owner, publisher, and CNN ad sales.



CNN Ad Sales

Bundles and manages all available inventory into a national network to sell to national advertisers.

Content Hub

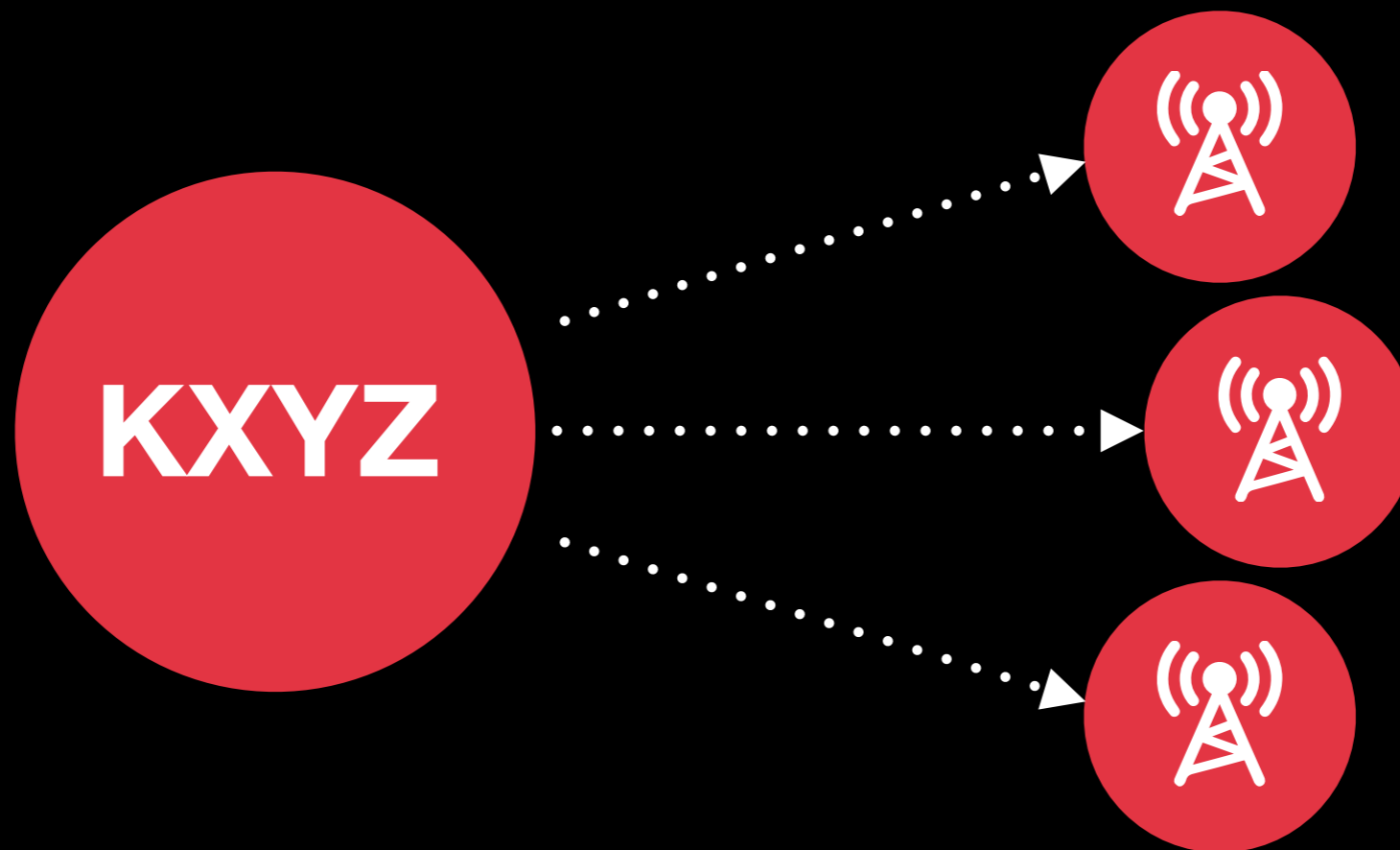
Aggregates, normalizes and synchronizes content from CNN and local news providers.

Local News Orgs

Manage their own local inventory and monetize at their discretion.

How Does it Work?

Content originating from Newsource affiliates and CNN.com is aggregated into the VAN system, ready to be published on other affiliates' digital platforms. In this example, KXYZ owns a video that WQRS would like to publish.

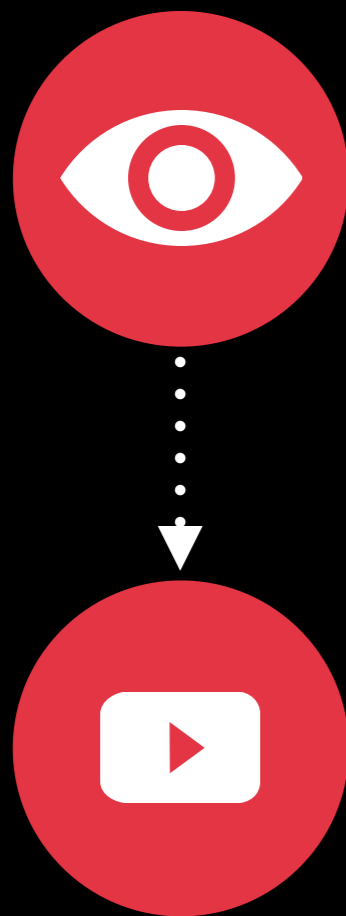


How Does it Work?

An Example:

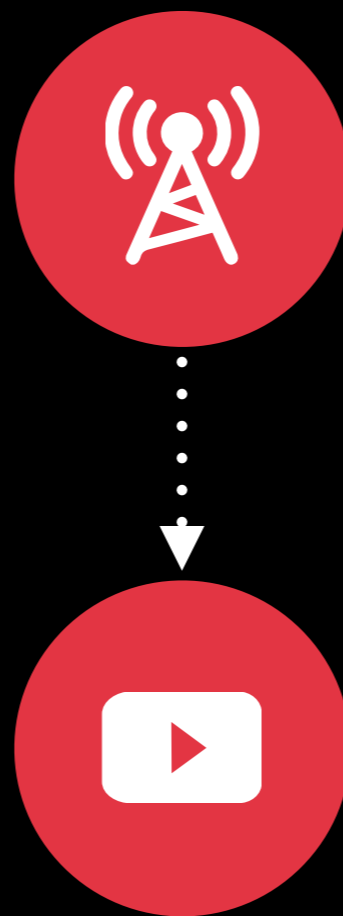
Video Viewed

Consumer watches KXYZ's video on WQRS.com



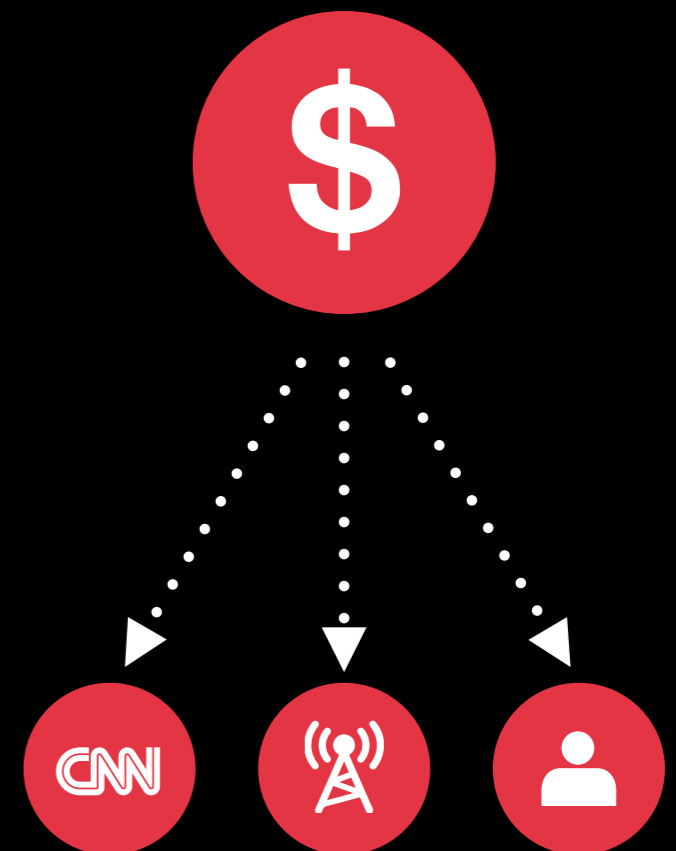
Ad Served

Player fetches video from syndication platform and ad server displays a pre-sold ad.



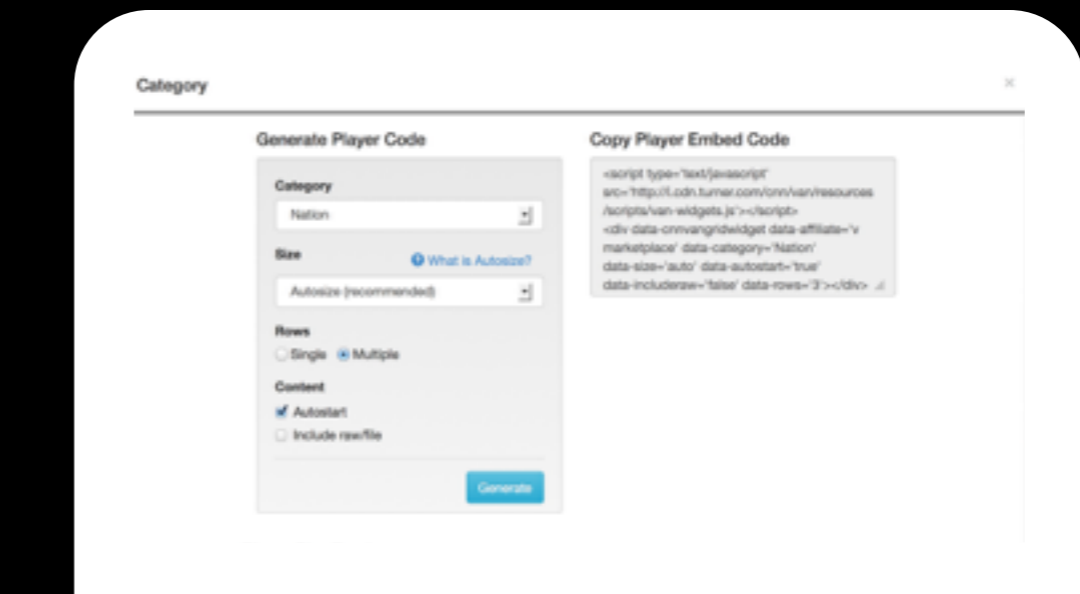
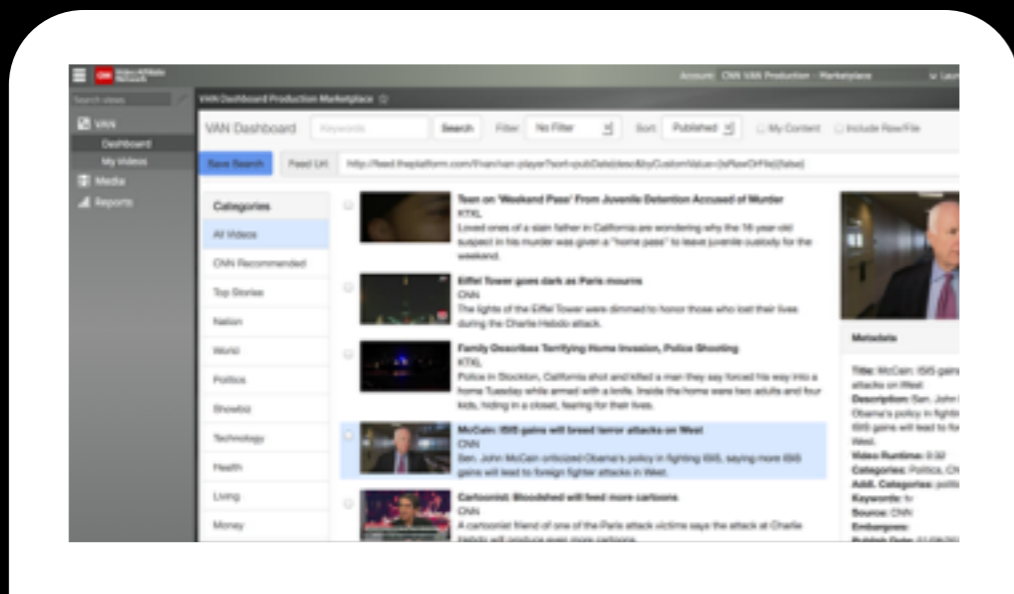
Revenue Split

Revenue is shared between CNN ad sales, publisher and content owner.



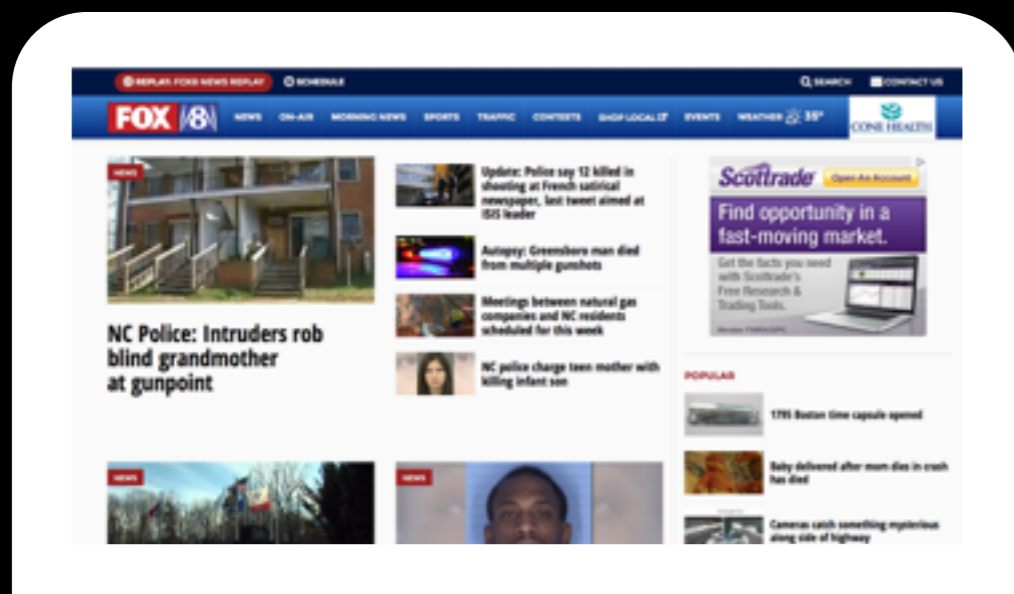
Easy to Use

VAN utilizes powerful but simple technology to make selecting and embedding video as simple as copy and paste. And the CNN video player even can become the full video experience on your site, as it allows you to upload your own video content in addition to VAN videos.



Large and Growing

VAN offers thousands of clips, with hundreds of new clips added each day, from CNN and other leading news organizations. Pair a single video with a CNN Wire article or your own text, or create category feeds based on popular topics.



Topical Section Content

Use VAN to populate vertical sections on your website, such as National, Politics, Entertainment and more. VAN offers multiple pre-curated video categories to use on your sites.



Ready for Mobile

And of course VAN's technology is designed for optimal performance on smartphones and tablets. Currently more than **50%** of VAN's video views come from mobile devices.

50+
%
mobile



Ready for the Future

We're ready when you are – make CNN a part of your digital video strategy. We are always working to leverage new kinds of advertising, technology and user preferences to help make your brand stand out.



Key Takeaways



1. Consumption is Changing

TV is declining but digital video is on the upswing, both in volume and types of content, as well as demographics and advertising revenue.

2. Follow the Trends

The advantages that come from producing robust digital video content are best earned by following best practices in how you produce, promote and monetize your video.

3. Distribution Disrupted

The days of expecting all your viewers to make your channel or website a destination are coming to a close. Now you have to put your content and brand in front of where they already are. That means distributing your material across many sites and platforms. This is particularly true for digital video content.

4. Syndication Solution

There are several places you need to place your content. But the CNN Video Affiliate Network offers a turnkey approach to both produce and monetize digital video content in a way that works for you and your audience.

“

**How can you squander even
one more day not taking
advantage of the greatest shifts
of our generation?**

”

Seth Godin

Author and Entrepreneur

Thank You

CNN Newsource