3. What's Next

It's no secret that advertising on your site alone will not deliver all the revenue you need.

Here are some other options to explore as you look to flesh out your digital revenue formula.

Distributed Content

Strong Value Proposition

Most high-profile players in the social media and internet big brand space know that consumers want content, and they want it from a trusted source

1

But they also want to keep their users within the boundaries of their services so they can continue to monetize them through the display of advertising and other means.
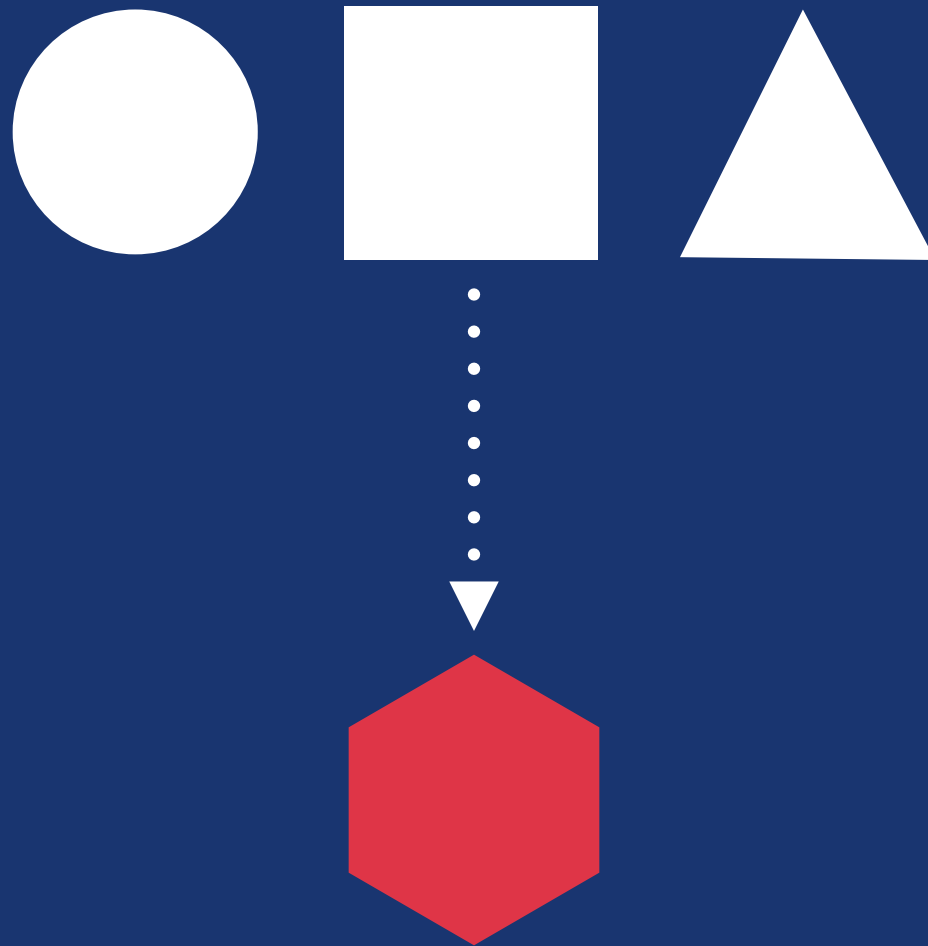
2

This means that Google, Facebook, Apple, Twitter and more NEED publishers to distribute content into and through their ecosystems, and they're willing to pay for the use of that content.
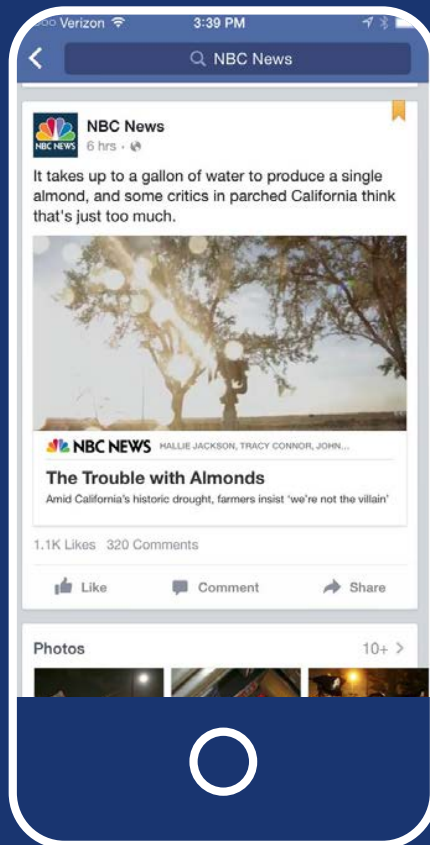
Social Media Aggregation Platforms

Changing Face

Content aggregation has been around as long as the web has existed, but social media has accelerated the use and demand for consolidated content platforms

Facebook Instant Articles

Allows publishers quickly to create in-depth, interactive articles within Facebook
https://instantarticles.fb.com

Facebook Instant Articles

1

Loads much faster than mobile web calls within Facebook

2

Piggybacks onto current publisher workflow

3

Publishers can sell their own ads or leverage Facebook Audience Network

4

User and sales data integrates with publisher's analytics tools, providing a good cross-platform picture of consumption
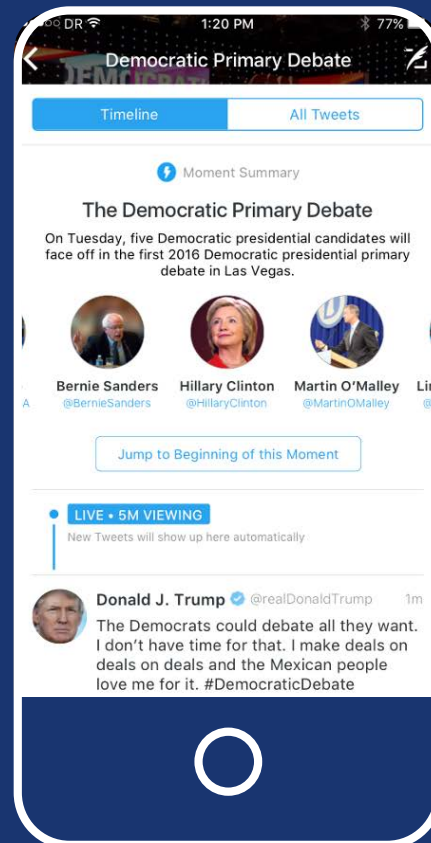
5

Optimized for mobile

6

Core Audience: 30 to 60 year-olds

Twitter Moments

A more formalized, and content-rich headline feed drawn from trusted content sources https://twitter.com/i/moments?lang=en

Twitter Moments

1 Repackages headlines from trusted news sources in a richer format utilizing photos, short videos and styled text

2 Connects to supporting tweets which link through to source sites

3 Designed for mobile but also works on desktop browsers
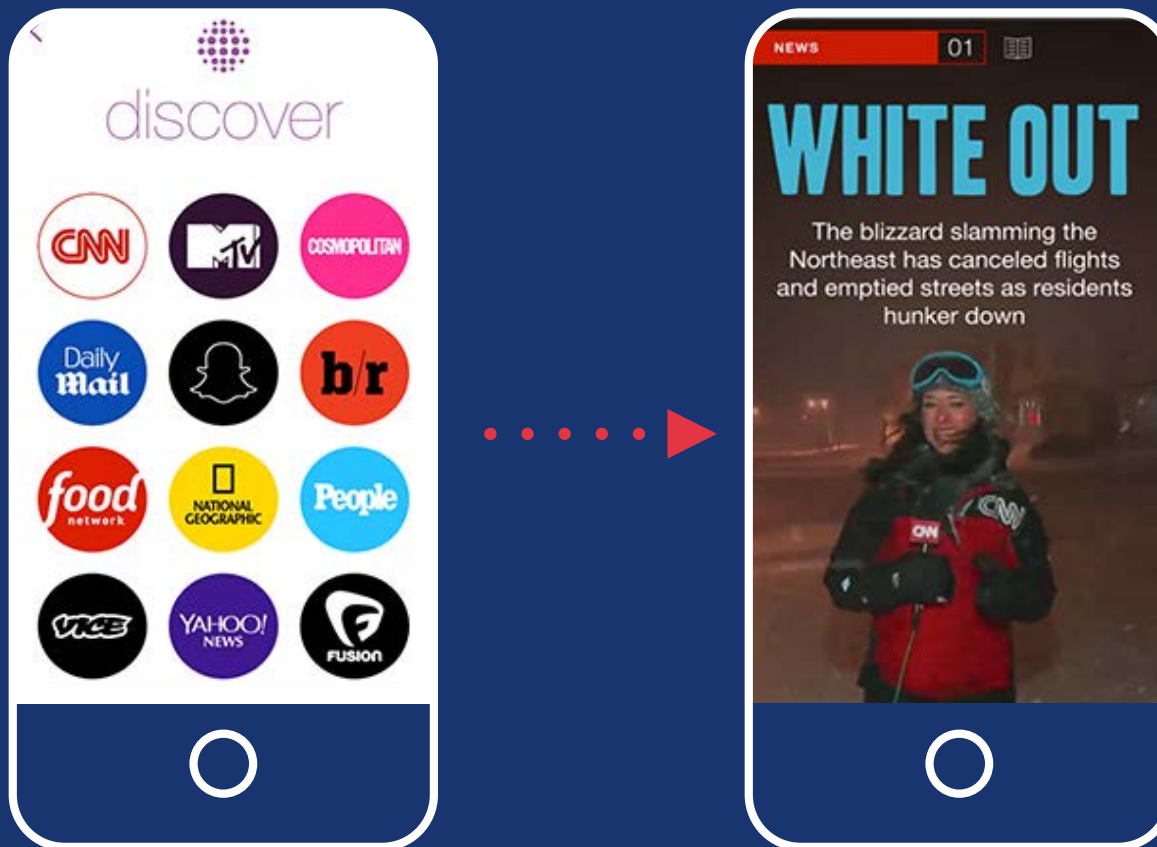
4 In early stages, not clear how publishers can leverage Moments for their own content yet

5 Core audience: 25 to 55 year-olds

Snapchat Discover

Channel-based video news aggregator carrying small number of curated stories from each publisher, encourages sharing with friends

Snapchat Discover

1

Targeted to the youngest audience among such types of aggregators

2

Currently just 15 content partners, including CNN

3

Early results show Discover drives large amounts of traffic to the publisher sites

4

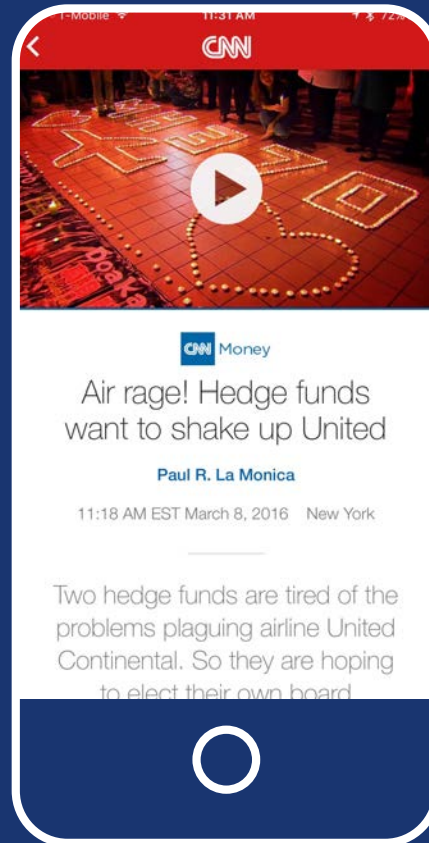So far advertising is not a focus

5

Optimized for mobile

6

Core Audience: 18-to 25 year-olds

Big Brand Aggregators

Apple News

News aggregator designed primarily for mobile, some articles stir wholly within Apple's app while others link back to the publisher in more traditional aggregator fashion

Apple News

1
Aimed at users who want a contained environment of trusted sources

2
An iPhone and iPad app with a fast, consistent user experience

3
Vast array of high-quality publisher choices, though it is easy to be overwhelmed

4
Starting from scratch but potentially enormous audience since app is preinstalled in latest mobile operating system

5
Currently does not collect or share user data

6
Core Audience: Not disclosed

Google AMP

"Accelerated Mobile Pages", a push to increase speed and improve the experience for mobile users on the open web

Google AMP

1 Loads much faster than traditional mobile web pages, up to 85% according to Google

2 Featured prominently on Google search results pages

3 Designed for rich content and paired with smart ads that load quickly and don't interfere with content

4 Publishers control which ad networks are supported, as well as ad format if it meets specifications

5 Supported by many content management system to fit with current workflow

6 Core Audience: 18-54 heavy mobile users

Questions Facing Publishers

All these services raise some common questions that publishers need to ask themselves

1

What's the right service, or services, for the audience I'm trying to reach?

2

How do these distributed content opportunities fit in to my total brand strategy and the other platforms available to me, including my own?

3

What's the context in which my content will be viewed and how I can use it to further my editorial and business goals?

4

Where do I put my attention first? It's hard to ignore content initiatives by behemoths such as Facebook and Google. But does Twitter's focus on breaking news and current events make it a better first choice? Does Snapchat help me reach an audience I'm having trouble finding now?
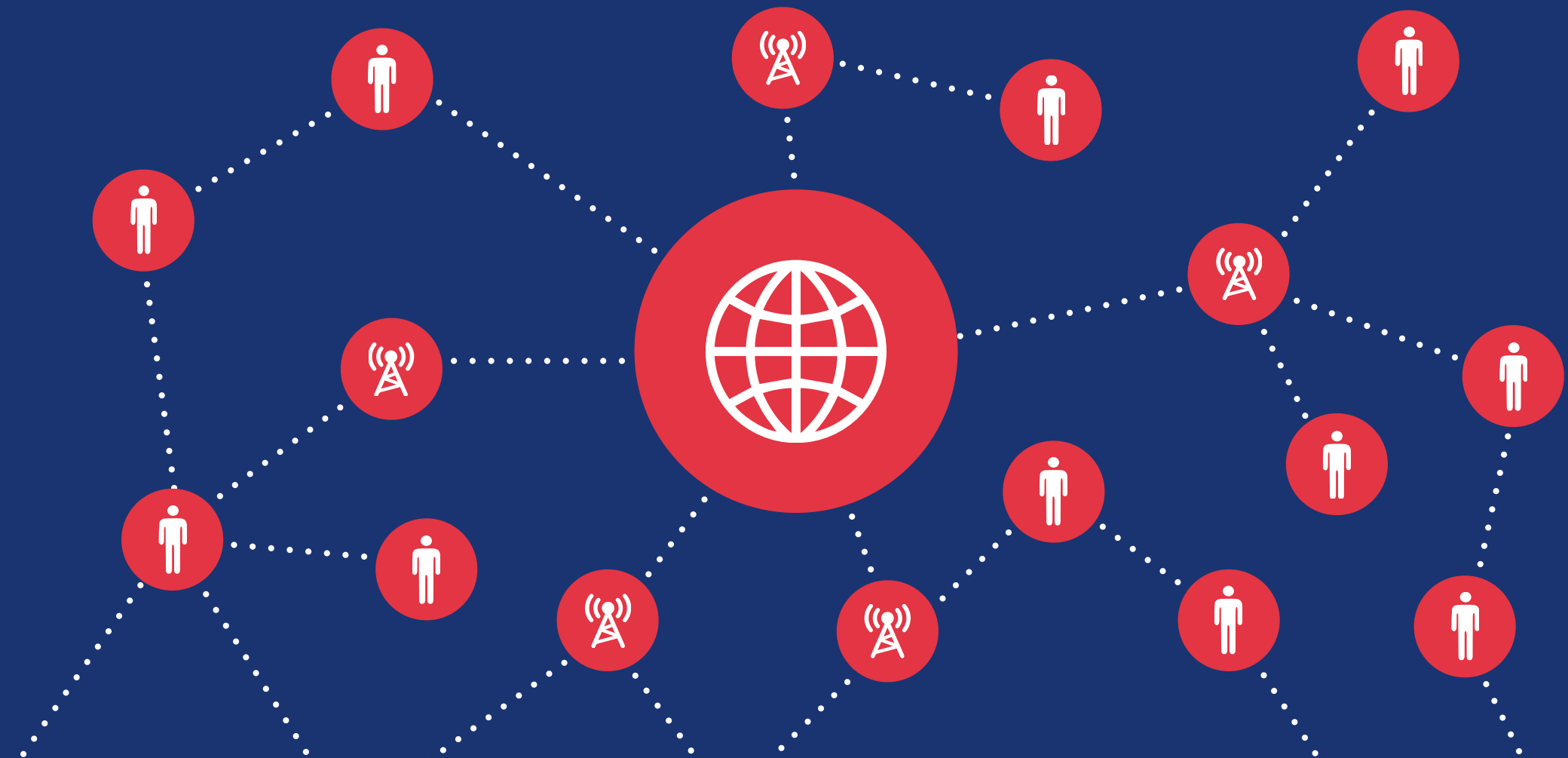
And Don't Forget Syndication

Our last point of view focused on content distribution and syndication.

Let's review the major points you need to remember about generating revenue by sharing content.
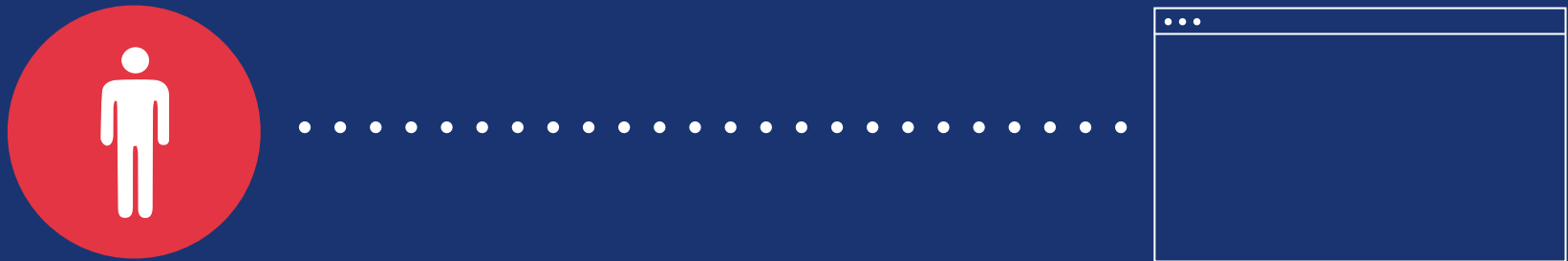
Distributing Content

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
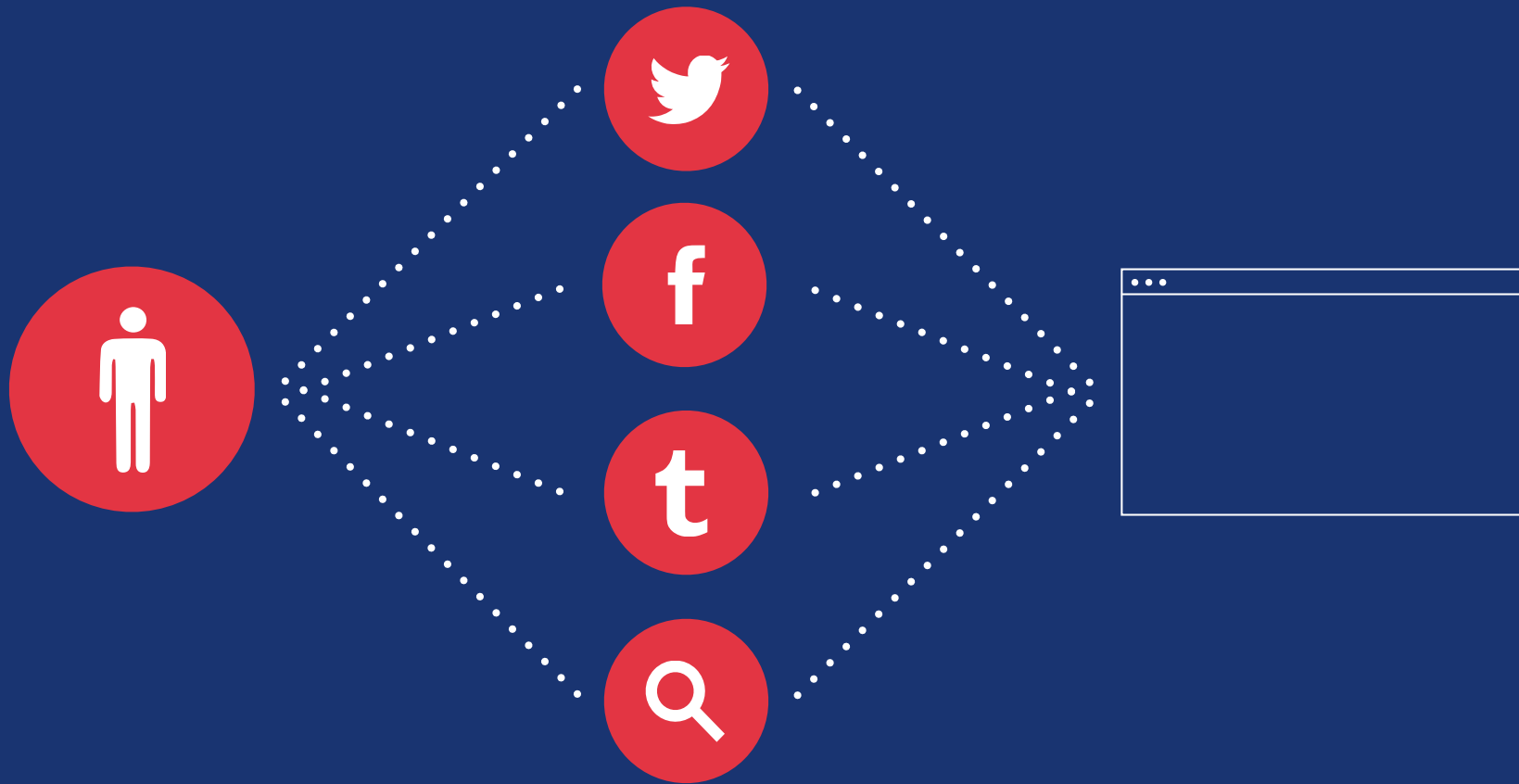
First There Were Destinations

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 adversing dollars and the best rates
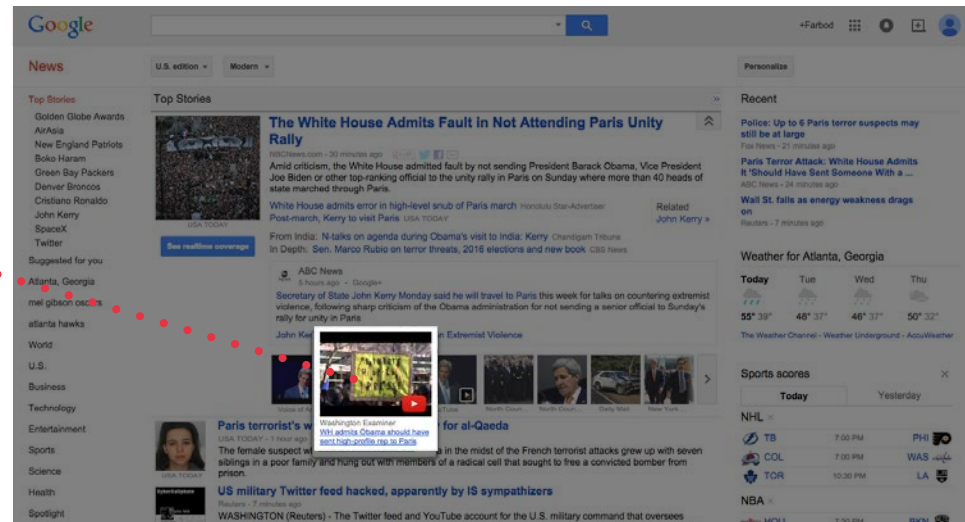
Local Content Not as Scarce

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

All these services raise some common questions that publishers need to ask themselves

1

Free Syndication

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

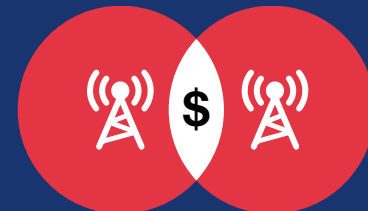**2**

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.

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 news gathering 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

CNN Content

Local News Content

VAN

Group News Portals

Local News Websites

CNN Ad Sales

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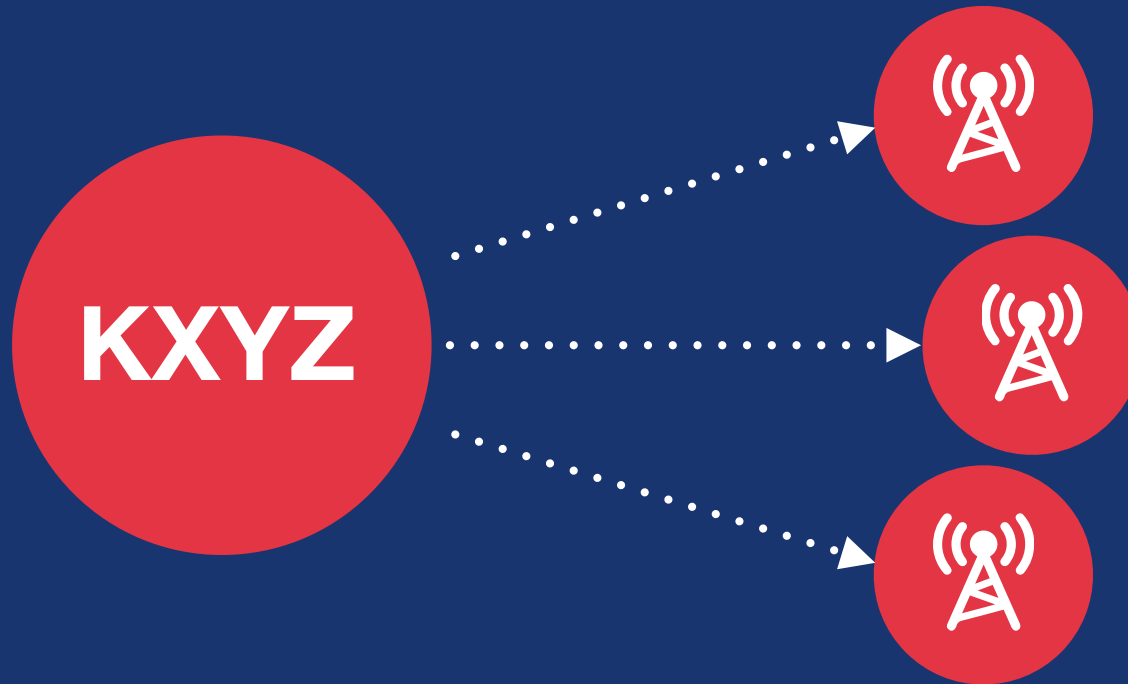
Content Hub

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

Local News Orgs

Manage their own local inventory and monetize at their discretion.
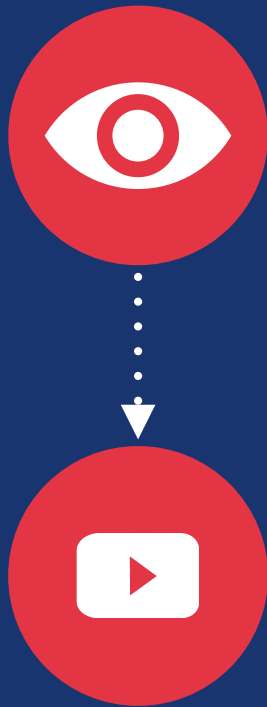
How Does it Work?

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.
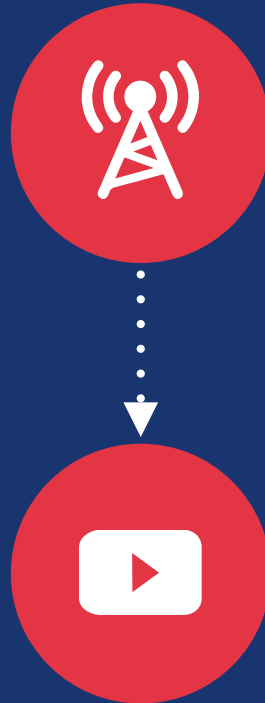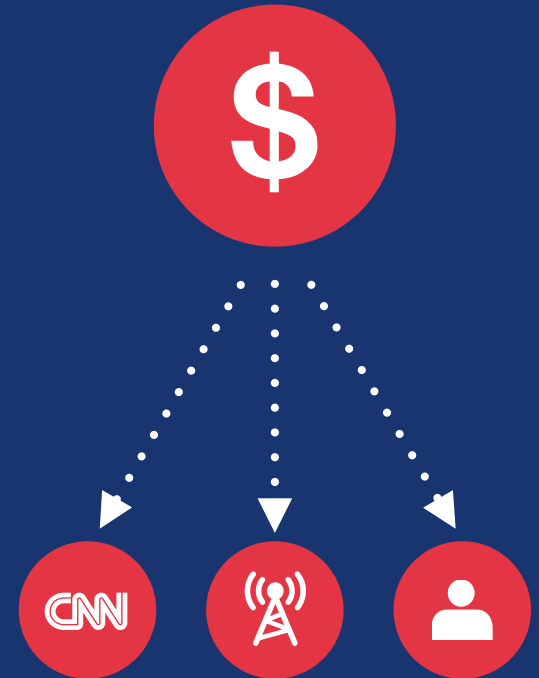
How Does it Work?

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.

Native Advertising

Matching Form & Function

Native advertising, also called content marketing, is digital advertising that matches the platform on which it appears

For example: a text "article" that fits within the style and function of a web page, but is a message from an advertiser

Matching Form & Function

Native advertising is digital advertising that matches the platform on which it appears

Sometimes the story is part of a specially labeled section of the site.
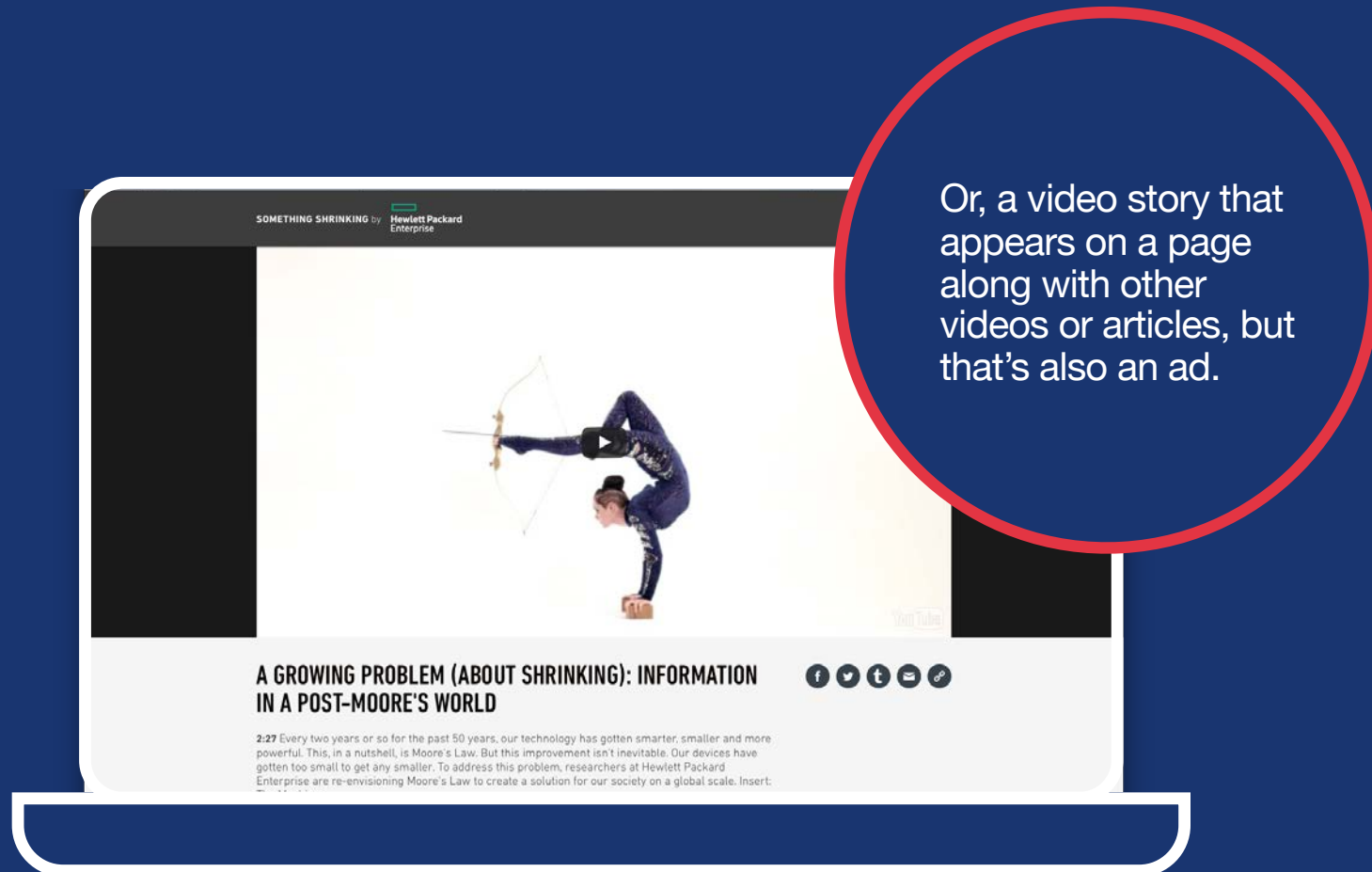
Matching Form & Function

Native advertising is digital advertising that matches the platform on which it appears.

SOMETHING SHRINKING by **Hewlett Packard Enterprise**

A GROWING PROBLEM (ABOUT SHRINKING): INFORMATION IN A POST-MOORE'S WORLD

2:27 Every two years or so for the past 50 years, our technology has gotten smarter, smaller and more powerful. This, in a nutshell, is Moore's Law. But this improvement isn't inevitable. Our devices have gotten too small to get any smaller. To address this problem, researchers at Hewlett Packard Enterprise are re-envisioning Moore's Law to create a solution for our society on a global scale. Insert:

Or, a video story that appears on a page along with other videos or articles, but that's also an ad.

Popular and Effective

An overwhelming number of CMOs say that native advertising is one of the best ways to engage an audience

95[%]

…of Fortune 500 CMOs surveyed said that native advertising is important to their business

87[%]

…said that social media was the most engaging platform to to serve native advertising

66[%]

… said they expect native advertising to yield a positive return on investment

Helps Solve Viewability Issue

Native advertising is by nature more engaging, and often sidesteps viewability problems arising short duration impressions

1

It's hard to program bots to consume native advertising in the same way a person would, so fraud is greatly reduced
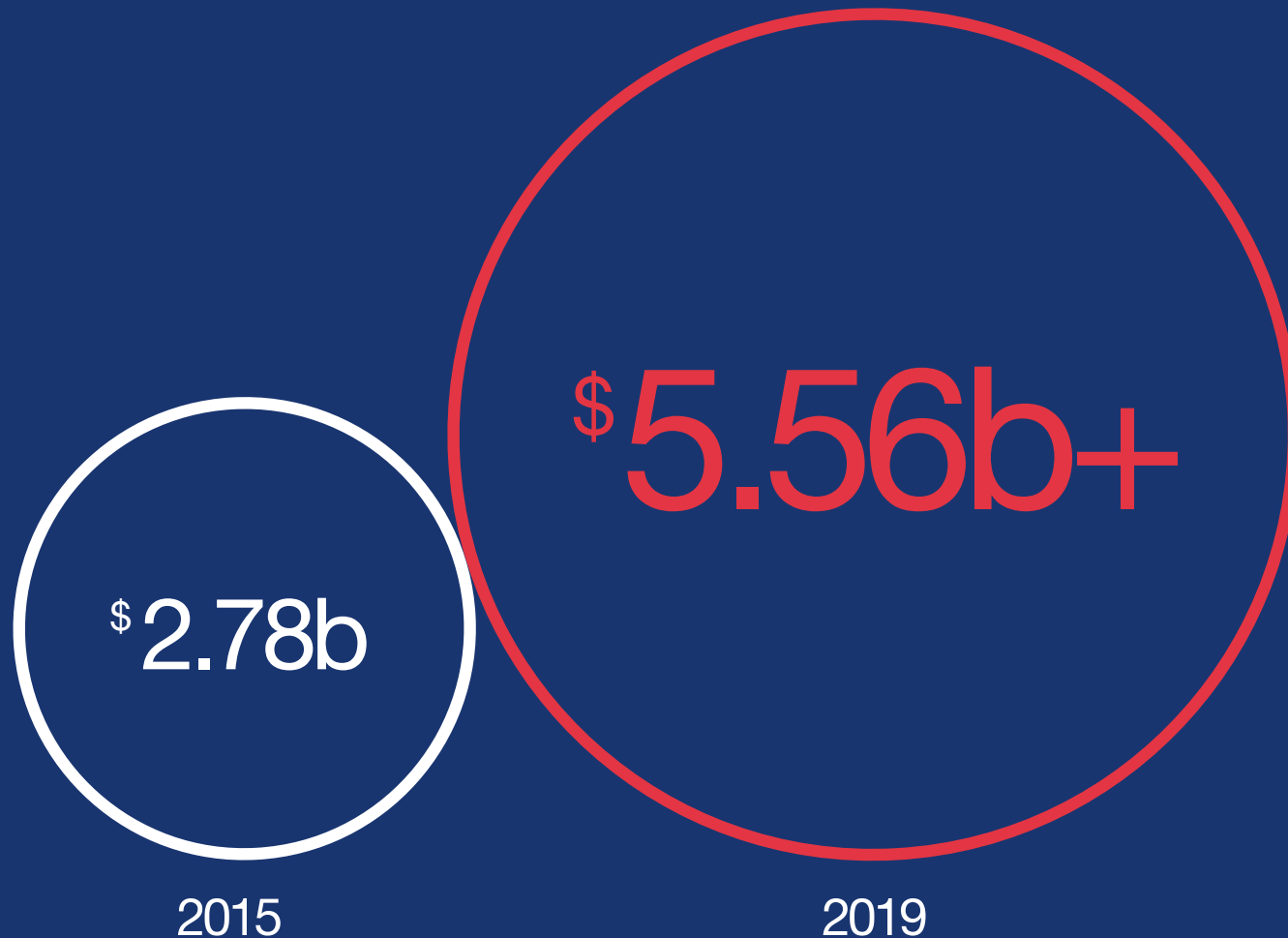
2

Native ads can embed several forms of engagement in the advertising, proving the value of the impression and viewing session
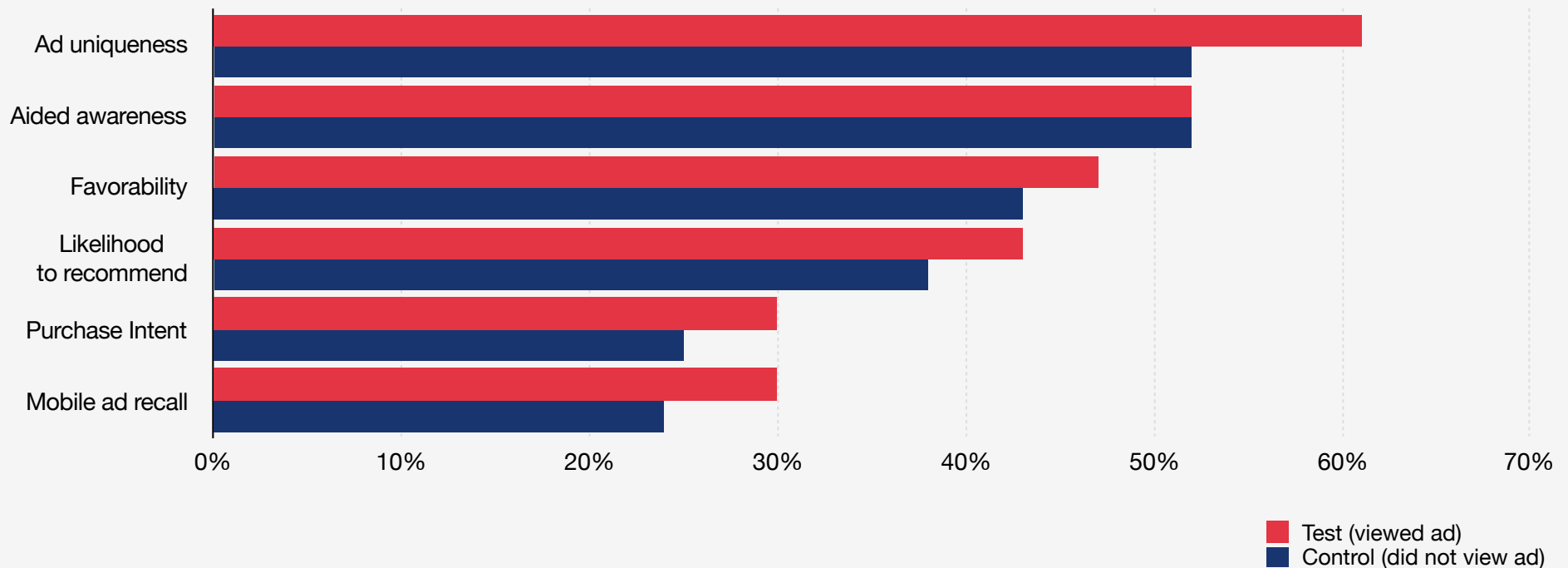
Native Mobile Grows Strongly

Studies estimate $2.78 billion will be spent on mobile native video ads in 2015, and will more than double by 2019

$2.78b

$5.56b+

2015

2019

Native Mobile Ads a Boon

Growing quickly, native video ads on mobile improve a variety of metrics across various viewing platforms

Test (viewed ad)
Control (did not view ad)

Not only did mobile viewers of native video ads shown greater favorability, recall and intent to purchase, but they often worked as a "thumb-stopper", getting users to stop scrolling and let the video and sound begin.

Performance metrics for mobile native video Ads among US Mobile users

Source: eMarketer

Case Study

Georgia-Pacific teams up with Meredith to develop custom content for core verticals

The content was placed across Meredith Digital's sites along with its social media channels. Content types included video, articles, listicles, infographics, slideshows and more.

The brands advertised had a natural fit within the verticals and often extended the messaging of the brands into the copy. For instance Quilted Northern backing an article in Better Homes and Garden's site on clever ways to store toilet paper.
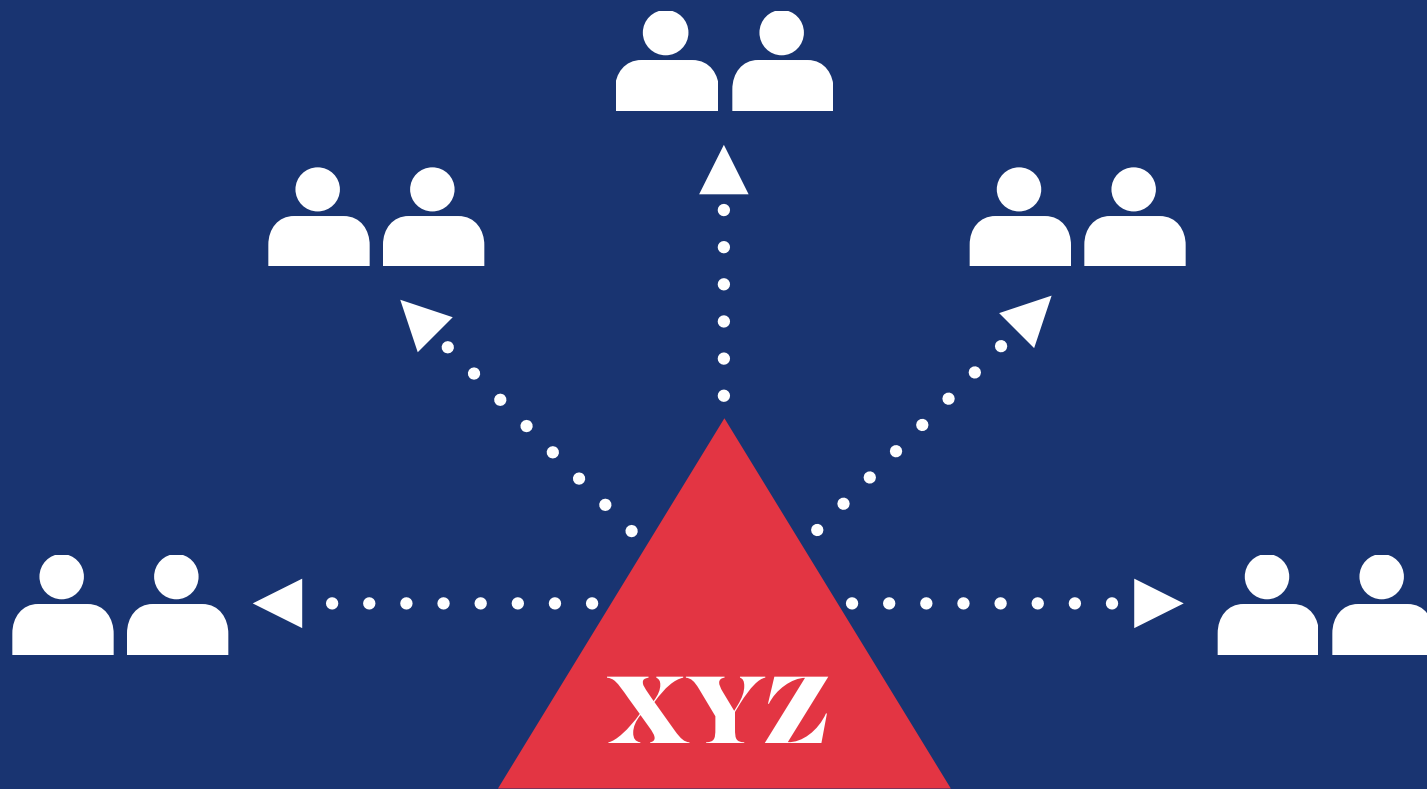
Turner Ignite

Replace pod of multiple 30-second commercials with one two to three-minute branded content ad

Turner Ignite
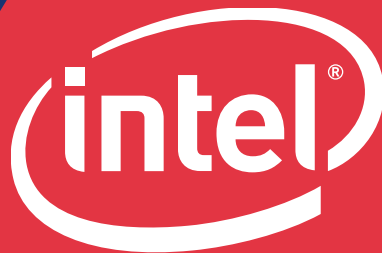
Native ads will be targeted to specific audiences

XYZ

Turner Ignite

More powerful messaging for brands, according to Turner

Turner Ignite
Intel among first marketers to sign up for Turner Ignite

CNN's Branded Content Studio: Courageous

CNN has firmly embraced native advertising as well with its new branded content studio, Courageous. Named after its bold approach to branded content, as well as Ted Turner's racing yacht, the studio is staffed by journalists, filmmakers and designers in order to bring true editorial merit and a strong narrative voice to its work.

Much of the early focus has been on video stories, like this one done with Subaru that ran as the sole advertising in a commercial break during the CNN Heroes broadcast. The video story also was distributed on the web, through social media, and Subaru was able to use it on its properties as well.

A

CNN HEROES

SUCCESS STORY

MADE POSSIBLE BY

SUBARU

The Courageous Approach

The studio has been up and running for less than a year, but has several successes under its belt, including the Subaru work and video content for The Knick on Cinemax and HP. In that short time it's developed a method for engaging advertisers and producing branded content.

Content choice

The Courageous staff of journalists and other creatives works closely with the advertiser to understand its brief and what storytelling format fits best with the desired audience.

Original productions

While the advertisers provide the brand, to date the vast majority of the content produced has been original, done with in-house talent, including writers, editors video professionals, designers and more. Material also can be pulled from the CNN archives to provide historical footage.

Measurement is key

Courageous offers traditional advertising metrics, but layers in content metric as well. The audience response can be measured very finely, as can the demographics of those who consume it.

The Courageous Approach

The studio has been up and running for less than a year, but has several successes under its belt, including the Subaru work and video content for The Knick on Cinemax and HP. In that short time it's developed a method for engaging advertisers and producing branded content.

Advertisers are receptive

They like the creativity of the content, and the performance in secondary exposures, such as through social media, have exceeded expectations.

What's next?

Courageous is working to broaden its product offering and build out its capacity through expanding the creative team.

Tips and Tactics

Some tips from creative director Otto Bell on how to approach clients with branded content.

1

Offer thought leadership. The advertiser often is thinking in a single direction. It's your job as a storyteller to explore other ideas that might convey ideas and brand better

2

Pitch bold ideas, refine the approach, then reach into your toolbox to figure out how to execute.

3

Choose your client partners wisely. It takes a certain attitude to embrace native advertising and not all brands have it. As Bell says, "We're called Courageous for a reason. Clients have to be brave to undertake this kind of work."

Church-State Divide?

Some critics have questioned CNN's role in creating native advertising content. But the Courageous teams feels it addresses the separation between editorial and advertising in several ways:

1

Courageous is a completely separate entity from any CNN newsroom, housed in a building across town in New York.

2

Staff comes from journalism backgrounds (only creative director Bell comes from the world of advertising), and understand the rules they are operating under.

3

Courageous stories are labeled as advertising and clearly differentiated from editorial content, utilizing a process it spends months developing in conjunction with advertisers. (Side note: Courageous is happy to share it's thought leadership in this area with Newsource affiliates and clients seeking to develop their own branded content.)

Recommendations

In addition to the advice from Courageous, here are some other best practices for leveraging native advertising as suggested by the MMA Mobile Native Advertising Committee

For Publishers

Publishers working with native advertising on mobile and desktop should follow these tips:

1

Relevance

The advertising content should fit organically with content and its context.

2

Placement

The ad placement should be easily viewable but not the center or focus of the page.

3

Disclosure

The content must be labeled as an advertisement. This is an opportunity to gain consumer trust.

4

Persistence

Native ads must include proper user navigation like the ability to scroll up and down the page of content

For Advertisers

Advertisers working with native advertising must focus on the creative, shaping the messaging for contextual fit and audience targeting. It's important to optimize headlines and images, especially thumbnails, to attract core users. Use at least 17% of "context" words in your headline by describing…

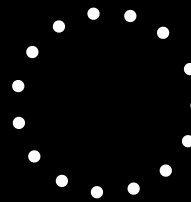## Time
(i.e. after, fast, long, prior)

Insight
(i.e. secrets, discover, relate, think)

Motion
(i.e. appear, replace, arrive, enter)

Space
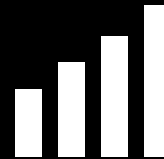(i.e. upon, above, beyond, biggest)

For Advertisers

Publishers working with native advertising on mobile and desktop should follow these tips:

Agility

Viral trends can be a great way to leverage interest in your advertisement especially since social media news feeds are often popular items users like to share with friends and family.

Measurement

Native advertising can be measured for effectiveness so it's important for advertisers to track. Behavioral tracking is applicable and similar to measuring direct response results with metrics like CTR (click-through-rate), CVR (conversion-rate), View Attitudinal tracking, inferred metrics, such as such as brand awareness, brand attributes and purchase intent are also used to measure effectiveness of native advertising.
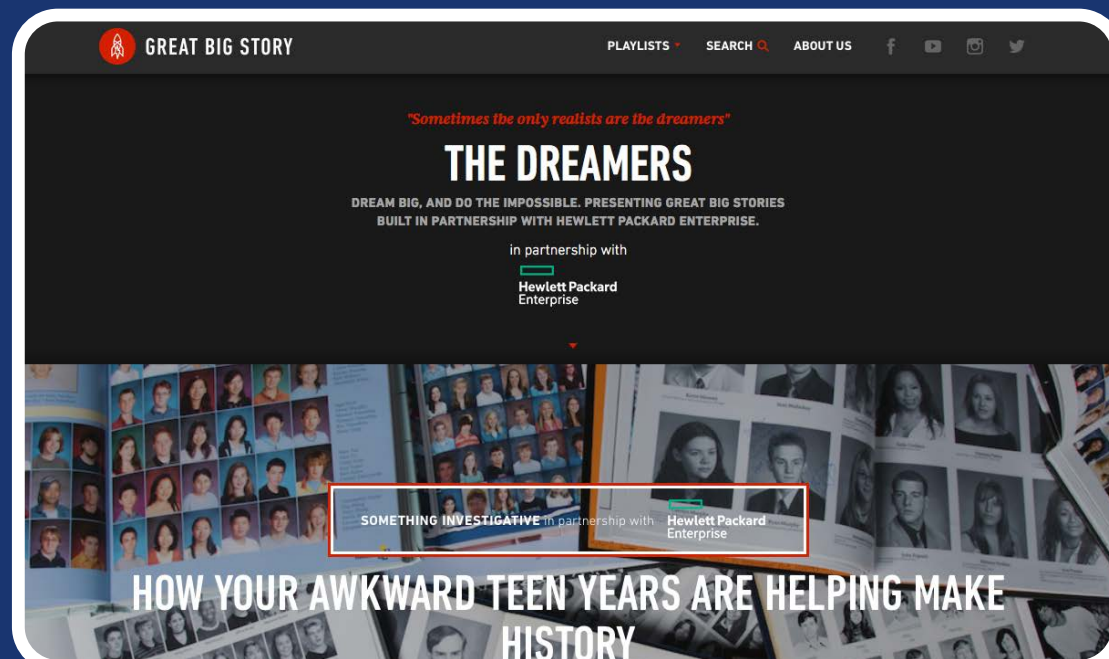
Great Big Story

What is Great Big Story?

A new brand, completely separate from CNN (though funded by it), distributed through the web. mobile, and social media, and providing a platform for native advertising

Audience-Focused, Made to Share

GBS stories are not the kind of top news you see on CNN. They're stories meant to engage people and prompt sharing

Audience-Focused, Made to Share

GBS stories are not the top news you see on CNN. They're stories meant to engage people and prompt sharing

1 99% of content is original, sometimes using archive video

2 Multiple platforms means audience is engaged as part of their regular viewing behavior

3 Doesn't rely on the news cycle, but exists outside of it, focusing on larger themes such as gender and cultural identity, nature, science, even things that are just for fun

4 Paired with smart ads that load quickly and don't interfere with content

5 Publishers control which ad networks are supported, as well as ad format if it meets specifications

6 Supported by many content management system to fit with current workflow

Measuring Great Big Success

Page views are no longer the right measure

GBS is searching for a certain level of "cultural ubiquity", part of pop culture

Viewers should know a Great Big Story when they see it, and then want to share it with their friends

SOMETHING STATUESQUE

SAVING (SCULPTED) PRESIDENTS

2:04 Not many people can say they have 43 giant presidential busts sitting in their backyard, but that's