

A Message From Ooyala

2012 was another historic year in online television.



<http://klessblog.blogspot.com/2012/09/ottconversations-sean-knapp-ooyala.html>

The world watched a man jump to the Earth from outer space, the London Olympics broke online records, and the first video to hit a billion views on YouTube taught us all how to dance "Gangnam Style."

Live streaming for major sporting, political, and music events became the norm, as people tuned in to Wimbledon, the Tour de France, and the U.S. Presidential debates online. Throngs of connected viewers also watched the monumental "12.12.12" Benefit for Hurricane Sandy Relief.

Tablet TV continued to surge as mobile, social and video converged on a growing number of smart screens built for personal media consumption. Data from this report reveals the share of tablet video viewing more than doubled last year.

People streamed more movies and TV shows through game consoles than ever before. Microsoft reported that Xbox users spend more time watching video than playing games on the device. New findings in this Video Index show how viewing patterns on gaming systems and Smart TVs change seasonally.

Online video revenue increased along with viewer engagement in the last four quarters. Video ads were the fastest-growing category of online advertising in 2012, with U.S. ad spend increasing 46 percent to \$2.9 billion*. While that's still a far cry from traditional TV ad budgets, marketers and brands continue to move aggressively into the online video space. Expect even more of this growth in the coming year as audience insights become more sophisticated and financial returns more apparent.

***Source: eMarketer September 2012**

Ooyala was founded five years ago to help media companies, marketers, brands and TV networks earn more money from online media and connect with their viewers around the world. Driven by a vision of personalized media, simplified discovery, advanced social sharing, and robust analytics, Ooyala is committed to keeping our customers ahead of the technology curve.

There's still a lot of work to do. The industry has yet to agree on standards for online video ad measurement, making it difficult to demonstrate the efficacy of paid streaming content. Network speeds and data-caps also create institutional barriers between viewers and videos. In order for "online video" to fully transition to "online television," media and technology companies must work together to find common ground in this new media landscape.

About Ooyala's Global Video Index

Ooyala measures the anonymized viewing habits of nearly 200 million unique viewers in 130 countries every month. We process billions of video analytics events each day. Our market-leading video analytics help media companies and consumer brands grow their audiences and earn more money from mobile, multi-screen broadcasting.

Ooyala works with TV networks, cable and satellite providers, movie studios and online media companies to put premium video content on tablets, smart phones, connected TVs and PCs all over the world. **One in every four Americans watch video on an Ooyala player, and more than half of our traffic comes from outside of the U.S.**

About Ooyala Video Publishers

Ooyala video publishers include hundreds of forward-thinking brands, broadcasters and operators like Bloomberg, ESPN, Telefonica, The North Face, Rolling Stone, Dell, Pac-12 Network, Sephora, Caracol TV, CJ Entertainment, and Yahoo! Japan.

This report reflects the anonymized online video metrics of these publishers. It does not document the online video consumption patterns of the Internet as a whole. But the size of the Ooyala video footprint, along with the variety of our customers, means this report offers a statistically representative view of the overall state of online video.

Executive Summary

Key findings from Ooyala's 2012 Year In Review Global Video Index include:

Branded Video Viewing Surges Between Black Friday and Christmas

Conversion rates for branded videos jumped 91% from the start of the quarter to their peak in mid-December.

There's a huge opportunity for retailers, e-tailers and consumer brands to connect with online audiences between Black Friday and Christmas Day. **rapid increase in tablet + mobile video in 2012**

Measured together, the share of all hours spent watching streaming video on tablets and mobile phones increased 100% in 2012. want to engage viewers online? go live!

On desktops, viewers watched live video 18 times longer than VOD content in Q4. premium content rules

About one third of the total time spent watching tablet video last quarter was with premium, long-form content running more than 60 minutes. **The percentage of time spent watching long-form video (over 10 minutes) on tablets increased 37% from Q1 to Q4 in 2012.**
the phone wars: iOS VS. android

Although Android phones are outselling iPhones globally, last year Apple users watched twice as much online video on their mobile phones. home (and online) For the holidays

Short-form video* viewing spikes on Black Friday and Christmas, presumably because people are unpacking and tinkering with new connected devices.
The amount of time people spent

Turning Information Into Insights

When you optimize digital revenue strategies for each viewer, device and location, you deliver more relevant ads to the right screen at the right time.

The result is more money for online video publishers. Ooyala uses Big Data and real-time video analytics to help you understand your audience like never before, and connect with them in meaningful ways.

Only Ooyala delivers a more personalized and profitable media experience that benefits viewers and content publishers alike. That is the power of information. That is the power of Ooyala.

Methodology

DATA SOURCES & SAMPLE SIZE

The data sample used in this report covers 2012, from January 1 through December 31. All data was taken from an anonymous cross-section of Ooyala's global customer and partner database—an array of broadcasters, studios, cable operators, print publications, online media companies and consumer brands.

These firms broadcast video to over 130 different countries from more than 6,000 unique domains. Nearly 200 million unique viewers watch an Ooyala-powered video every month.

This data sample is not intended to represent the entire Internet, or all online video viewers.

DATA COLLECTION

Ooyala's video analytics technology collects all anonymized video data in real time. During playback, Ooyala's video player gathers information continuously and relays it to an analytics module, which then stores the data in a distributed file system, Hadoop. Viewer statistics are then compiled and stored in a Cassandra data cluster, where the information is made readily available for analysis.

ANALYSIS & METRICS

Ooyala's video analytics module tracks a range of standard variables, such as:

Displays, plays and time watched
Viewer engagement and video completion rates
Sharing by social network
Geography (region, state, city, Designated Marketing Areas)
Device type (mobile, desktop, tablet, connected TV devices and game consoles)
Operating system (Windows, Android, iOS)
Browser (Safari, Chrome, Firefox, Internet Explorer)

GloSSary

CONVERSION RATE:

The ratio of plays to displays. 10 displays with 1 play is a conversion rate of 10%.

COMPLETION RATE:

The rate at which viewers watch a specified portion of a given video. Sometimes used interchangeably with "play-through rate."

DISPLAY:

Each (and any) time a video is loaded in a browser and displayed to the viewer

MOBILE DEVICES:

All smart phones, including iOS, Android, Blackberry, and others.

VIDEO PLAY:

Each time a video starts playing.

CONNECTED TV DEVICES & GAMING CONSOLES:

Set-top boxes and OTT devices, including Wii, Playstation, Boxee, Roku, Xbox and Google TV.

TABLETS:

All media tablets, including iOS and Android.