

Innovative thinking to make a lasting impact on your business growth.

2022

Episode 1

The FAST and the Curious

What is Free Ad-Supported Streaming TV (FAST)?

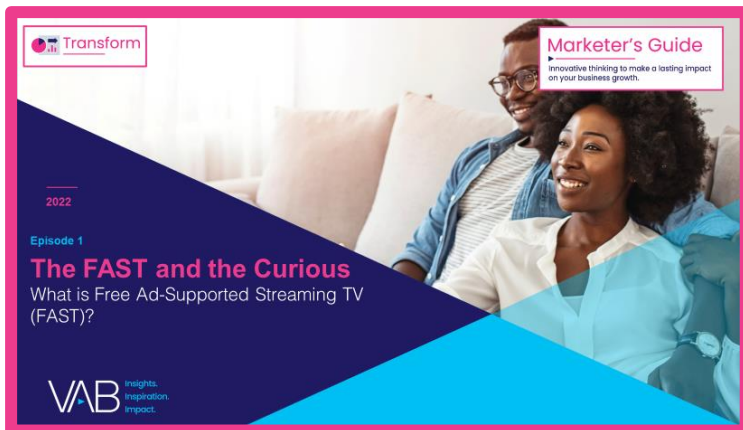


Over the last few years, FAST (free ad-supported streaming TV) has emerged as a promising new video platform for audiences and advertisers.

Many consumers are increasingly feeling "maxed-out" with their number of paid subscriptions, yet they still crave video content. As a result, the ecosystem of ad-supported streaming options, including FASTs, is rapidly growing.

This **4-part** guide, **The FAST and the Curious**, equips you with what you need to know about the growing opportunity of FASTs.

What is Free Ad-Supported Streaming TV (FAST)?



Who is the FAST viewer and how do they compare to other streamers?



How do FASTs meet the 6 entertainment 'need states' for consumers?



How can marketers harness the rapid growth of FAST?

While consumers have embraced the flexibility of on-demand video, ‘choice overload’ has brought about a **renewed desire for channel surfing**

Depending on the type of experience they are looking for audiences can choose between...

On-Demand Viewing

Viewer actively selects what they want to watch on their own schedule
(e.g., SVOD & AVOD services, Linear VOD, TV Everywhere)



Unplanned Channel Surfing

Viewer browses available live channels and chooses from what is currently airing
(e.g., traditional MVPDs, vMVPDs, FAST services)



With many on-demand and paid video services available, **FAST** presents a ‘frictionless’ viewing experience at no cost with no sign ups needed

	<u>SVOD</u>	<u>AVOD</u>	<u>FAST</u>	<u>vMVPD</u>	<u>Linear TV</u>	<u>MVPD VOD</u>	<u>TV Everywhere</u>
<u>Viewing Experience</u> On-Demand vs. Live Scheduled Programming	Stream content on-demand on viewer’s schedule	Stream content on-demand on viewer’s schedule	Option to stream either live linear channels or on-demand content	Option to stream either live feeds of linear channels or on-demand content	Watch live or time-shifted content through an MVPD or antenna	Watch content on-demand on viewer’s schedule through an MVPD	Option to stream either live feeds of linear channels or on-demand content
<u>Ad Experience</u> Ad-Free vs. Ad-supported	Ad-free	Ad-supported (‘limited ad’ options also available)	Ad-supported	Ad-supported	Ad-supported	Ad-supported	Ad-supported
<u>Business Model</u> Paid vs. Free	Paid monthly or annual subscription	Some services are free & ad-supported, while others are offered as part of a SVOD / AVOD hybrid service at a lower cost with limited ads	Free to watch in exchange for viewing ads (Log-ins are available but not necessary)	Paid monthly or annual subscription	Paid MVPD subscription or free channels through Over-the-Air (OTA) access	Paid MVPD subscription	Paid MVPD subscription

MVPD (Multichannel Video Programming Distributor) reflects a cable, telco, or satellite provider.

What is **FAST** (Free Ad-Supported Streaming TV)?



Free ad-supported streaming TV (FAST) services enable audiences to **stream video content via a broadband connection in a linear TV-like environment** without needing a subscription.

As the name implies, the content is free to watch because it is ad-supported.

FAST platforms' defining feature is an “unplanned channel surfing” viewing experience via **live scheduled programming delivered to viewers across designated channels**.

Note: The first documented use of the acronym 'free ad-supported streaming TV' is attributed to Alan Wolk at TVREV in 2019.

What does **FAST** look like?

To **access**, the viewer simply opens their preferred FAST service app using their Smart TV or other connected device and **chooses a channel to watch** by **scrolling through what is currently airing** using an interface that looks similar to a program guide.

The types of ‘channels’ available range from dedicated **live news** (e.g., CBS News, Newsy) to **series-based** or intellectual property-based channels (e.g., Survivor, The Walking Dead) to aggregated content across **curated genres** (e.g., home improvement, true crime, reality, etc.).

Additionally, some FAST services **also offer on-demand content**, which viewers can browse via interfaces that look like those of SVOD or AVOD services.



Note: Above screenshots reflect a sampling of FAST service interfaces.

FAST services are a relatively new part of the broader streaming ecosystem, differentiating themselves from the others by offering linear-like channels

Other Streaming Models vs. FAST

FAST (Free Ad-Supported Streaming TV): Free streaming services that allow viewers to watch live scheduled content via a broadband connection on ad-supported linear-like channels **without an account or subscription** (e.g., Pluto TV, Xumo).

SVOD (Subscription Video on Demand): **Subscription-based streaming services** that gives users access to a wide range of premium, usually ad-free, video content for a monthly or annual fee (e.g., Disney+, Netflix).

AVOD (Ad-Supported Video on Demand): Streaming services that offer content with advertising that can **either be free or at a discounted subscription tier** for registered users (e.g., HBO Max, Peacock).

vMVPD (Virtual Multichannel Programming Distributors): Digital platforms that provide multiple linear TV channels packaged together as an OTT service **via a subscription** (e.g., Fubo TV, Sling).

'TV Everywhere': Network & MVPD apps with **authentication access through a pay-TV provider** (e.g., ESPN app, Spectrum app).

Unlike other streaming models, FAST services **do not require viewers to have a subscription, contract or log-in**

FAST Services



AVOD / SVOD Hybrid Tiered Services



vMVPD Services



'TV Everywhere' Apps



SVOD Services



Note: the above reflects just a sampling of services by segment. Netflix ad-supported tier expected launch date: 11/3/22. Disney+ ad-supported tier expected launch date: 12/8/22.

Media companies and device manufacturers have **increased the footprint of FAST** by acquiring existing services or launching their own

▶ These services are further solidifying their position thanks to a growing number of content providers seeking wider distribution and new audiences

FAST Services

Media Company-Owned FAST Services

pluto tv (Paramount) **xumo** (Comcast) **tubi** (Fox Corp.) **peacock** (NBCUniversal)
optimum stream (Altice) **ViX** (TelevisaUnivision) **STIR** (Sinclair Broadcast Group)
Sling Free (Dish) **CANELA.TV** (Canela Media) **redbox.** (Chicken Soup for the Soul) **local now** (The Weather Group LLC)

Device / OEM-Owned FAST Services

Roku Channel (Roku) **LG Channels** (LG) **SAMSUNG TV Plus** (Samsung) **prime video** (Amazon)
news (Amazon) **freevee** (Amazon) **Watch Free+** (Vizio) **TIVO** (Xperi)

Independent FAST Services

plex **Distro TV** **Haystack News** **SPORTS TV**

Associated Devices & Providers for FAST

Devices

can be used to access FAST services

<h4>Smart TV OEMs</h4> <p>SAMSUNG LG</p> <p>VIZIO</p>	<h4>Connected Device Manufacturers</h4> <p>Roku amazon Apple</p> <p>Google Microsoft</p>
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Content Providers

distribute their programming to FAST channels

Note: the above reflects just a sampling of providers.

Content is focused around professionally-produced, premium, long-form programming across a mix of popular contemporary and classic favorites

Examples of 'Contemporary' Programs

Modern TV shows that are either currently airing or aired in recent years

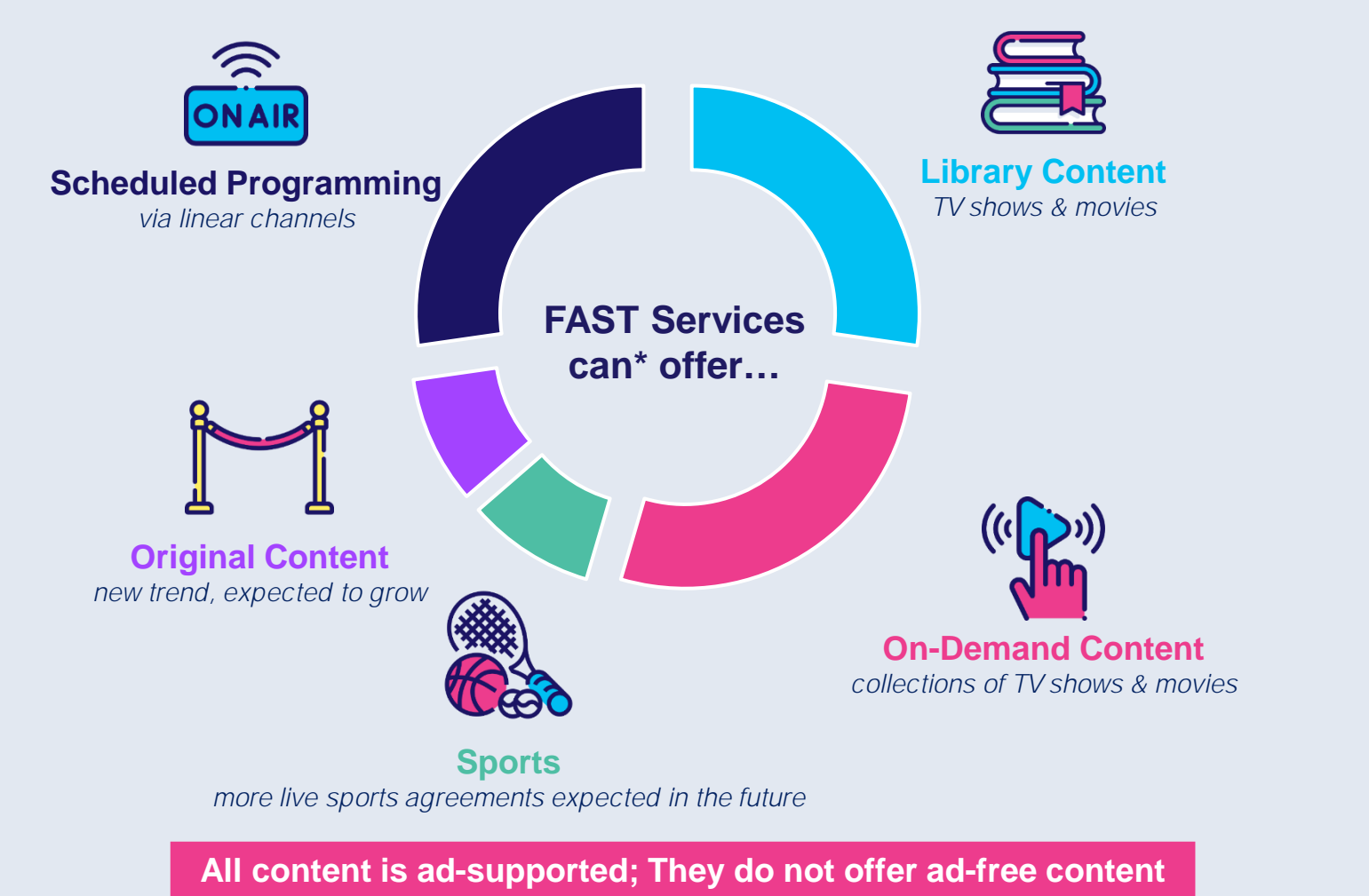


Examples of 'Classic' Programs

Nostalgic TV shows from previous decades that hold a special place in viewers' hearts and minds



FASTs offer a breadth of programming that can be viewed live or on-demand, while more services are also offering their own **exclusive originals** in addition to **linear channels with library content**



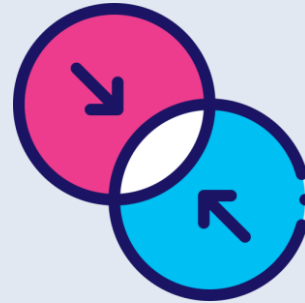
*Note: Not all available FAST services have all these features.

Key Takeaways For Marketing Plans



FASTs can complement a holistic video campaign

FAST is a free, purely ad-supported, long-form, premium video streaming destination that has recently emerged as an alternative viewing experience to paid subscription services



FASTs connect advertisers to an engaged viewer

Combining the best of both linear TV and streaming, FAST gives the viewer control by allowing the flexibility of either 'channel surfing' or 'leaning back' depending on their mindset, mood or interests



FASTs are relevant to a variety of brands and target audiences

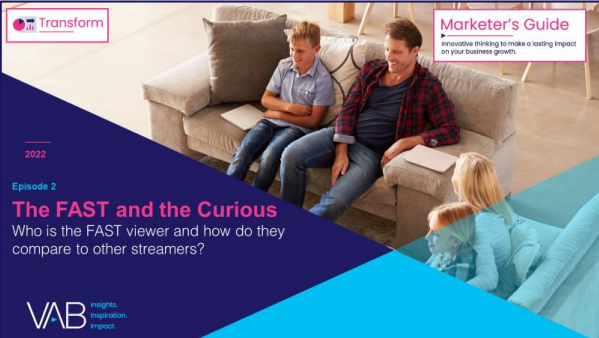
FAST provides something for everyone through a variety of highly-engaging, brand-safe contemporary and classic programming featuring a mix of mainstream and niche content that appeals to audiences across genres

Download all four releases of VAB's 'The FAST and the Curious' series to learn about FAST, their audience, the opportunities and the future

Download VAB's entire 'The FAST and the Curious' series to get up to speed on FAST and its audiences



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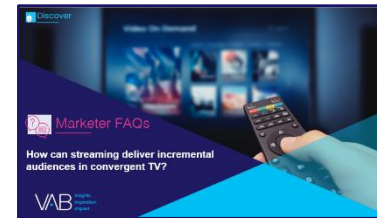
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What is convergent TV and why is it happening?



How can streaming deliver incremental audiences in convergent TV?



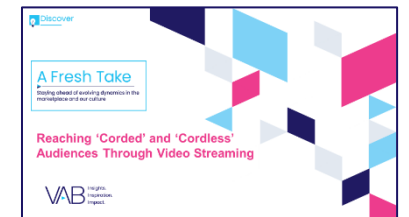
A Fresh Take On
The Opportunities to Engage
Adults 50+ in Streaming Video



How might customized, targeted video ads help me create stronger engagement?



How can a convergent TV strategy drive business results for my brand?



Reaching 'Corded' and 'Cordless' Audiences Through Video Streaming

About VAB

VAB is an insights-driven organization that inspires marketers to reimagine their media strategies resulting in fully informed decisions.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



We are committed to your business growth and proud to offer VAB members, brand marketers and agencies **complimentary access** to our continuously-growing Insights library. **Get immediate access at theVAB.com.**

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