

Untangling Terminology Within Streaming

Clarifying marketing topics and terms

Why do we need to simplify common 'video streaming' terminology:

Video streaming in its most basic form refers to any video content that is delivered to a video device via the Internet through a variety of access points. However, below the surface there is a constantly evolving ecosystem of devices, services, content, technology and terminology that can easily confuse or overload anyone. As marketers, it is important to understand the most used vernacular and related terminology as they navigate this complex space.

Below, we seek to simplify the frequently used terms and provide a comprehensive glossary:

Devices

- **Connected TV (CTV):** A television set that has built-in Internet capabilities (e.g., Smart TV) or is connected to the Internet via a streaming device such as a streaming box/stick, gaming console or Blu-ray player; all of which can access a variety of long-form and short-form content.
 - **Related Terms:** Internet enabled TV-Connected Device
- **Game Console:** A PlayStation, Xbox or other game console that can act as a connected device via a built-in app store for streaming video and other content to a TV.
- **Smart TV:** A television with a built-in Internet connection that provides direct access to streamed content via apps on the device itself (e.g., Samsung, Vizio, LG).
 - **Related Terms:** Connected TV
- **Streaming Box / Stick:** A small media player that can be plugged into an HDMI port on a TV set that allows access to streaming services or enables content to be cast from a smartphone or other supported device (e.g., Amazon Fire, Roku, Chromecast).
 - **Related Terms:** Dongle, Streaming Media Player, Connected TV device

Services

- **Ad-Supported Video-on-Demand (AVOD):** A free streaming service that gives users access to a variety of premium content in exchange for watching ads (e.g., Pluto TV, Tubi).
 - **Related Terms:** Advertising Video on Demand, Ad-based Video on Demand, Pure AVOD
- **Free Ad-Supported Streaming TV (FAST):** Streaming services that have content pre-programmed into linear channels with ad breaks, which the user can choose from to watch. The viewer cannot select a FAST channel and decide the show or movie to watch on it, much as one cannot begin to watch ABC and force it to play “Grey’s Anatomy” (e.g., Samsung TV Plus, Xumo).¹
- **Hybrid AVOD/SVOD:** A streaming service that offers multiple subscription levels with commercial options (e.g., Peacock, Hulu). There are typically up to 3 tiers for consumers:
 - **(1) Paid** - For a monthly fee, users can stream content commercial-free
 - **(2) Limited Commercials** – For a lower fee, users can stream content with limited ad breaks
 - **(3) Ad-Supported** – For free, users can watch certain content in exchange for a higher hourly ad load
- **Multichannel Video Programming Distributor (MVPD):** Provides pay TV services delivered either through cable TV, satellite or telco (e.g., Comcast, DirecTV, Verizon Fios).
- **Over-the-Top (OTT):** Video content that is delivered over an Internet connection through an app or connected video device (TV, PC, Tablet, or Smartphone).
- **Premium Video-on-Demand (PVOD):** new, feature films made available for rent or purchase via streaming services alongside, or in place of, a theatrical release – often, but not always, at a higher price point than traditional on-demand movies.
 - **Related Terms:** Theatrical Video-on-Demand (TVOD) – this is separate from ‘Transactional Video-on-Demand’
- **Subscription Video-on-Demand (SVOD):** A subscription-based streaming service 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).
- **Transactional Video-on-Demand (TVOD):** Allows consumers to make one-off purchases to buy or rent video content, particularly long-form movie content or live pay-per-view (PPV) content like sporting events.
- **TV Everywhere (TVE):** The ability for a viewer to watch TV and film content whenever and wherever across devices (Smart TV, Connected Device, Tablet, Mobile Device or PC) and accessed through either a broadcast or cable programmer (via MVPD authentication/user log-in) or an MVPD app (like Comcast Xfinity & Spectrum TV).
 - **Related Terms:** Authenticated Video-on-Demand, Authenticated Streaming

- **Video-on-Demand (VOD):** Enables users to select and watch video content whenever they choose to, rather than at a specific broadcast time.
- **Virtual Multichannel Video Programming Distributor (vMVPD):** Digital-only cable alternatives that offer access to both live and on demand premium video content for a subscription fee (e.g., Sling TV, fuboTV).²

OTT vs. CTV: Understanding the Difference

Over-the-Top (OTT)

Video content that is delivered over an Internet connection through an app or connected video device

Connected TV (CTV)

A TV set that either has built-in Internet capabilities or is connected to the Internet via a streaming device

“There can be a lot of confusion between Over-the-Top (OTT) and Connected TV (CTV). If you’re watching ‘The Bachelor’ on your smartphone, that is OTT. If you’re watching a cooking video via YouTube on your TV, that falls under CTV. But if you’re watching Bob’s Burgers on your Smart TV, that is both CTV and OTT.”

– Leah Montner-Dixon, Insights Manager, VAB

Content

- **Long-Form Video:** Video programming that is longer than 8-10 minutes such as TV show episodes, movies, etc.
- **Short-Form Video:** Video programming that is 8-10 minutes or under such as movie trailers, short clips, music videos, etc.
- **Premium Video:** Video content that is professionally produced, rights managed, and limited in supply.²
- **User-Generated Content (UGC):** videos or streams that have been created and posted by users of digital websites or social media platforms like Instagram, TikTok and YouTube.
 - **Related Terms:** Non-Premium Content, User-Created Content (UCC)

Content Delivery

- **Broadband-Only:** *Wireline broadband-connected U.S. occupied households without a traditional multichannel video package from an MVPD.*
- **Internet Protocol TV (IPTV):** *Instead of receiving TV programs as broadcast signals that enter homes from an antenna, satellite dish, or fiber-optic cable, viewers get them streamed (downloaded & played almost simultaneously) through their Internet connection.*
- **Over-the-Air (OTA):** *Video delivery system that does not involve a paid service like satellite transmission or cable.*
 - **Related Terms:** *Broadcast TV, Terrestrial TV, Antenna TV*

Behaviors

- **Binge-Watching:** *Viewing behavior of watching video content, usually a single program, for a prolonged period of time. A survey conducted by Netflix in 2014 found that **73%** of people defined 'binge-watching' as watching between 2-6 episodes of the same TV show in one sitting. Others have proposed that 'binge-watching' can refer to consuming an entire season (or seasons) of a show over several days.*
- **Co-Viewing:** *Consuming video / media content with multiple members of a household or with a group of people.*
- **Livestreaming:** *Professionally-produced or user-generated long-form or short-form content streamed online live as it happens (e.g., Concert - One World: Together at Home, Sporting Event - Virtual NFL Draft, Instagram Live – Verzuz TV).*

Technology / Advertising

- **Advanced Television Systems Committee Standards 3.0 (ATSC 3.0):** *Built on the same Internet Protocol backbone as today's streaming media platforms, this next generation terrestrial broadcast system is designed to bring together OTA with OTT content to deliver better video quality and immersive audio to viewers.*
 - **Related Terms:** *Next Gen TV*
- **Automatic Content Recognition (ACR):** *Smart TV technology that leverages a content database to recognize and identify video and audio content that a user is actively watching or engaging with.*

- **Demand-Side Platform (DSP):** *A technology platform that provides centralized & aggregated media buying from multiple sources including ad exchanges, ad networks and sell-side platforms, which often leverages the real-time bidding capabilities of these sources (e.g., Amobee, VideoAmp).*
 - **Related Terms:** *Buy-Side Platform*
- **Dynamic Ad Insertion (DAI):** *The process of inserting targeted ads into a content stream, allowing for different ads to be served to relevant households / audiences within the same ad break.*
 - **Related Terms:** *Server-Side Ad Insertion (SSAI)*
- **Full Episode Player (FEP):** *Professionally produced, TV and TV-like content that can appear on any device, across both apps and web browsers. Each episode is television length, typically 30-60 minutes, with commercial breaks in between (e.g., Hulu, Bravo App).*
- **Interactive Advertising:** *Tactics that encourage viewers to directly engage with an ad such as quizzes, promos or links for more information, and which utilizes technologies like augmented reality (AR), virtual reality (VR), and QR codes.*
- **Pre-roll & Mid-roll:** *Ad breaks that occur either before the content begins or in the middle of the content airing, respectively.*
- **Shoppable Advertising:** *Interactive advertising taken to the next level, allowing the viewer to purchase a product right in the ad by adding browsable product images underneath the ad or directly on the screen to drive traffic directly to a brand's products or website.*
- **Supply-Side Platform (SSP):** *A technology platform that provides outsourced media selling and ad network management services for publishers. The business model resembles that of an ad network in that it aggregates ad inventory, however they serve publishers exclusively and do not provide services for advertisers (e.g., FreeWheel, SpotX).*
 - **Related Terms:** *Sell-Side Platform*

What are the 3 things to know about video streaming:

- *Video streaming use has been accelerated by COVID-19, with **54%** and **31%** of VAB survey respondents saying they increased their usage of SVOD services and AVOD services respectively during the pandemic.*
- *Consumer and advertising expenditures on video streaming will continue to grow significantly, with total U.S. OTT revenue projected to reach **\$68 billion** by 2025.*

- *Ad-supported streaming services are coming into their own as large media companies launch their own offerings, and existing paid services add tiered subscription offerings to attract new subscribers.*

Industry Perspectives:

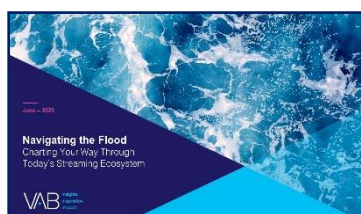
1. *“Within the next two years, it’s going to be put up or shut up for all of us” – David Zaslav, President & CEO, Discovery Inc. (regarding new streaming services)³*
2. *“I think you’ll see more experimentation from the consumer. They will decide what the new bundle is going to be. The opportunity from us is for them to have enormous options for free and enormous options on the paid side. It’s a win-win.” - Scott Reich, Senior Vice President, Pluto TV⁴*
3. *“For marketers, [AVOD] opens up a whole host of opportunities because you are on a digital platform. Lighter ad load means less ad clutter and more ways to stand out with your messaging. You have all the capabilities that data-informed advertising can provide, like data targeting that allows your ads to be more relevant to the viewer.” – Mike Reidy, SVP of Digital Ad Sales, NBCUniversal⁵*

Future Outlook:

*Video viewing continues to expand across screens while major media companies further establish their own streaming services. In the near future, we expect that video streaming will come to represent a **significant portion of ad dollars**, especially as ad-supported options increase. Staying informed on the latest terminology can help marketers understand this ever-evolving industry and plan insightfully.*

Want to learn more?

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Untangling

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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.**

Sources

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