

More Consumers Are Ditching Cable: Here's How Video Content Providers Can Benefit

In early May, an important milestone was reached that signals a sea change in how consumers prefer to access their favorite content: Among Comcast customers, the number of internet subscribers surpassed cable TV subscribers for the first time. Granted, the majority of that bandwidth is not being used to post to Facebook or shop on Amazon. It's predominantly the pipeline for streaming video. Consider that, globally, IP video traffic will comprise 79% of all consumer internet traffic in 2018, up from 66% in 2013, per Cisco.

Traditional linear and broadcast TV programmers are feeling the fallout, as scores of Americans are joining the ranks of the cord cutters, cord shavers, and cord nevers who are increasingly turning to over-the-top (OTT) devices and content models, including streaming apps, players, channels, and services—from giants such as Netflix and YouTube, as well as the thousands of small-fry channel offerings on Roku.

And yet, despite the proliferation of online and OTT entertainment choices for consumers, experts say smart

content creators with the right strategies and appealing video stand to benefit from the cord-cutting movement and compete successfully for viewers' attention.

If you've been following the evolution of programming during the past few decades, it's easy to see how and why viewing habits have changed. In the '80s and '90s, sitcoms ruled. However, before long, reality television infiltrated the landscape, and consumers became more accepting of unscripted content produced on-the-fly, using cheaper video cameras that could be positioned virtually anywhere. In recent years, digital and short-form video became all the rage. Now, thanks to lower-cost technology, the widespread availability of broadband, and easy-to-use platforms to host content, low-budget players producing videos from their basement can suddenly compete with industry behemoths for eyeballs.

"Consumers have grown quite fond of the on-demand model, a shift that has turned all media industries on their head," says Matt Chun, VP of digital strategy at PCI. "With music, we only want to pay for that one hit single, rather than buying the entire album. On TV, we only watch our DVR'd programs or binge watch on Netflix. We're extremely selective with our time and money, making our cable TV bills feel obscenely high for a bunch of channels that we don't even watch."

Millennials and Generation Z viewers are the primary drivers of this change. Most of their viewing is done entirely without a traditional cable cord and via Wi-Fi and LTE data connections. "They are accustomed to having



Netflix is one of the biggest players in original, over-the-top programming.

News & Product Briefs continued from page 5

content in the palm of their hand, on-demand and at the touch of a finger,” says Matt Smith, chief evangelist for Anvato. “Shows like *House of Cards*, *Bloodline*, *Orange Is the New Black*, and the new NBC show *Aquarius* have offered their entire seasons up for immediate consumption in one fell swoop. This is a rapidly evolving distribution model that caters to the whims of viewers today, who don’t want just a bite, but rather the entire candy bar.”

Indeed, the days of a TV network controlling what and when you watch are gone, says Larry Namer, co-founder of E! Entertainment Television and president, CEO, and co-founder of Metan Global Entertainment, LLC. “Time-fixed linear TV is a thing of the past—except for sport and news. The consumer now can decide how and when they want to consume media products,” he states.

‘Consumers have grown quite fond of the on-demand model. ...’

The good news for content creators is that viewers are becoming brand agnostic. Whether you are a TV producer or Michael from Hoboken, N.J., many consumers will give you the same sniff test. “Original content creators everywhere can now enjoy an increasingly even playing field in getting their content out there,” says Chun, who cites YouTube stars such as Michelle Phan and PewDewPie as evidence of this phenomenon.

Today, it is possible for anyone with content to create her own channels and engage with her viewers immediately, without the need for traditional carriage or exposure, Smith says. “With a large enough audience, these offerings can drive revenue in the way of subscriptions or with ad support,” Smith notes. “Call it the video gold rush—the challenge is on to stake out a spot on the new frontier.”

Steve Belk, who runs cutcabletoday.com, agrees that there’s room for smaller digital content creators to exist and thrive in this new paradigm. “Just look at how many streaming channels are on Roku—more than 2,000 and counting,” says Belk. “Online, a la carte content is absolutely the future of TV. Consumers want the ability to pick and choose exactly what content they’re paying for. If you provide content people want at a reasonable price and allow them to

continued on page 8

While OTT service offerings are in the early stages, consumers are beginning to move in that direction, choosing to get the content they want directly from the content owner over the internet rather than from a pay-TV service provider. In fact, 90% of respondents said they either don’t have cable or would be willing to cut the cord for reasons such as price increases or the ability to subscribe directly to the channels they want. Two main drivers of this shift are the flexibility of watching on demand and cost.

On average, Millennials view 4–7 hours of online video a week, nearly twice that of all other age groups surveyed. Despite the popularity of mobile devices and smartphones, personal computers are the top choice for consuming online video across all age groups. However, younger viewers are 10% more likely to watch on a smartphone than any other age group.

(limelight.com/services/video.html)

Cloudwords Automates Translation Process

Cloudwords, a provider of cloud-based translation management and automation, announced new platform capabilities to simplify and automate the process of localizing web, desktop, and mobile applications for global markets. Designed for developers to integrate with all source code version control systems, Cloudwords’ continuous integration capabilities enable companies to readily deliver localized product experiences to global users.

Product internationalization enables companies to increase their target audiences in new and existing markets, as well as expand their customer base. Integrating Cloudwords’ enterprise-grade translation management platform with the version-control systems developers use to manage their product strings optimizes product internationalization and accelerates product release cycles.

(cloudwords.com/apps)

Lexalytics Unveils Wizard for Text Mining and Sentiment Analysis

Lexalytics, a provider of cloud and on-premises text and sentiment analytics solutions, announced the availability of a wizard and graphical user interface (GUI) for its Semantria SaaS platform and Excel plug-in. The new wizard, SWIZ, is part of the Semantria Online Configurator (SWEB 1.3).

In addition to SWIZ, the new version of the SWEB includes layout changes and updated functionality. The updated SWEB 1.3 and SWIZ are immediately available for all Semantria SaaS subscribers. To use the wizard, customers simply input the type of content they are processing (e.g., social media, blogs, and news articles, etc.) and what language it is in, and Lexalytics does the rest.

(lexalytics.com)

These items are top stories featured in our twice-weekly newsletter, *EContent Xtra*. To receive news like this—and much more—as it breaks, subscribe at econtentmag.com/ecxtra.



(How People Really Search, from page 5)

arsenal, and your content marketing should contain a mix of head and long-tail keywords.” For marketers who have access to human resources, Garvin says, “it helps to poll a group to see how they would describe the product or service in question. An agency worker used this exercise during an intro to an SEO course, and it was interesting to see the varied collection of keywords and phrases people came up with, and thus would use for search.”

One of Blue Nile’s most interesting findings involved search fragments. Exactly 50% of survey participants used fragments to search, rather than queries, which state the problem more completely. Meanwhile, 27% of these fragments were formed as questions of “how,” “why,” “where,” “what,” and “which.” Of the searchers who asked the search engine a question, 44% asked “how,” while only 12% asked “what.”

Garvin explains how and why these fragments matter. “How” questions indicate a searcher is looking for a direct answer to a problem. Furthermore, an article written by David Mogensen on thinkwithgoogle.com states, “Searches related to ‘how to’ on YouTube are growing 70% year over year. ...” How-tos, especially on mobile, are growing in popularity on search.

Marketers and content creators cause this information to “join the conversation the searcher is having in their head,” according to SEO consultant Michael Cottam.

Garvin says marketers can “use searcher intent to determine where users are in the ‘buyer’s journey’ or purchase funnel.” For example, the search term “guitar” indicates interest, while “Dean Boca 12 String” indicates a searcher preparing for a purchase. Garvin agrees with Safran: “This creates an opening for opportunistic marketers to create content that educates and informs, and accurately caters to the place in the buyer’s journey that the buyer is in.”

Formulating “how” questions when developing content—and answering those questions on the page—helps sites position their content not only to rank well in search engines, but also to help searchers when they arrive on the site. Using a combination of keyword tools, real-person research when possible, and knowledge of how people search and how they move through a product funnel, marketers and content creators can answer the questions searchers have.

Blue Nile’s study highlights how different people are in searching, as in other aspects of life. Marketers who keep this principle in mind will attract more searchers than those who rely solely on keyword research. ■

(More Consumers Are Ditching Cable: Here’s How Video Content Providers Can Benefit, from page 7)

consume it on their terms—on multiple devices, whenever they want, and with no contract—they will flock to it.”

The key is to create compelling content, reduce the barriers through which viewers access it, and use technology—including social media—to build excitement. “In many instances, our company’s traditional-type shows are first online,” says Namer, whose Metan Global produces its video content in China and offers both traditional TV shows and internet content. “In producing our shows for online, we consider all the possibilities up front for extending our stories, so we build in the social media and ecommerce components into the fabric of the story.”

Alexander Ruggie, PR director for Milestone SEO, says the formula for video content success is relatively simple. “Create ideas that are easy to produce, that capture a large audience of a certain demographic, and just start producing. If you have a vision, it will come through, and that alone

will be enough to get a grassroots audience going. This will auto-catalyze, and the rest is just monetizing whatever you’ve created for people to watch for free,” Ruggie says.

However, content creators aiming to appeal to cord cutters need to be aware of the challenges. “There’s just that much more noise out there, raising the bar of what consumers expect. It’s additionally difficult for (content providers) to express themselves, as nuance and subtly can be more of a liability than a rich layer to the art,” Chun says.

Because the landscape is becoming inundated by new video content voices, “the key is to be original and specific,” says David Fannon, EVP of Popcornflix. “Today, because we have the ability to reach specific audiences, there’s no use in being safe and trying to speak to the lowest common denominator.” Also, create a business model that’s flexible. “Have a solid monetization scheme, and be prepared to adjust as needed,” says Smith. ■

Copyright of EContent is the property of Information Today Inc. and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.