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DIGITAL CONTENT NEWFRONTS 2019

THE MAJOR THEMES YOU
NEED TO KNOW

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Marking it's 7th year on the scene, this year's Digital Content NewFronts, hosted in partnership with the Interactive Advertising Bureau (IAB), was all about the three C's: **Content, Commerce & Consolidation**. From original programming and long form content to enhanced audience reach and the rise of retail, NewFronts 2019 notably blurred the lines between digital newfronts and the TV upfronts they were designed to complement.

A forum to sell digital programming and video opportunities to advertisers as viable alternatives to television spend, the Digital Content NewFronts offer marketers and its agencies a chance to connect with digital publishers and platforms to learn about their latest offerings.

This year's NewFronts saw newcomers like Walmart, Vudu, Target and Verizon Media featured alongside stalwarts like YouTube, Hulu and Vice. While previous years have seen as many as 30+ events, this year sported only 16 (though, 2019 will also see the launch of a West Coast NewFronts, running later this year with separate partners).

For those who could not make it to the Newfronts this year, we've broken down the need-to-know highlights within each of our three C's.

CONTENT: DIGITAL PLAYERS, TV STORYTELLING

This year saw a surge in TV style content production from a range of partners, both traditional and non-traditional. With consumers demonstrating a bottomless appetite for video, digital players have finally started to move away from replicating TV's upfront ad structure and instead focus on more closely mirroring its episodic storytelling approach to content creation and distribution. Most notably, we saw:

- **Meredith** touting #SeeHer Story with Katie Couric, an inspirational weekly video series spotlighting 'often overlooked women', tied to its *People* brand, as part of its new OTT offering.
- **Condé Nast** moving towards a TV-style “pilot” model for video content series with over 175 digital pilots and 50 returning series.
- **Walmart** positioning its Vudu streaming service as a place for new content and exclusives, including a partnership with Viacom's Nickelodeon.
- **New York Times** launching docuseries *The Weekly* on Hulu and FX in July.

WHAT THIS MEANS FOR MARKETERS

- **Greater opportunity for brands to co-create episodic IP** that can be distributed in partnership or independently across multiple platforms and viewing types (such as OTT, social, or on-demand digital).
- **Ability to leverage digital first targeting ad types against brand-safe TV environments** such as Hulu's “Binge ads” and “Pause ads”, that mirror real streaming behavior. Also, shoppable ads coming to Vudu that bring the best of Walmart to streaming, allowing users to interact directly while enjoying original content.
- **An increased need for digital branded content and content integration** programs to reach across platforms, while tailoring content for the environment it's intended to be consumed within.

CONSOLIDATION: JOIN IN OR GO HOME

Partners like Verizon, Viacom, Meredith and Hulu showed off their new found scale and size thanks to the acquisition of new properties or themselves becoming part of even larger conglomerates. This has not only added scale from a distribution standpoint, but its creating the opportunity to leverage data in new ways and elevating the conversations on measurement capabilities and more. From enhanced partner programming harnessed via sibling media brands and entities to how data is being used to create new products, we saw:

-- **Hulu**, now fully part of Disney, adding a slew of Marvel-based shows and is also getting Zoe Kravitz's High Fidelity, originally slated for Disney+. While its Chief Data Officer boasted about its granular measurement capabilities that far exceed linear TV.

-- **Verizon** touting the strong data legacy they have from Yahoo properties, ranging from e-mail to Finance and existing Verizon data, to create better targeted, optimized and measured ad experiences across properties like Huffington Post and TechCrunch.

-- **Viacom** looking to AwesomenessTV to produce content across digital and linear channels, leveraging its OTT acquisition PlutoTV as a home for content from across their expanded brands and as a leverage in carriage fee negotiations with cable providers.

WHAT THIS MEANS FOR MARKETERS

- **Consolidation is bringing us closer to the dream of big audiences**, inherently brand-safe from rivals of Facebook and Google (even if there's still silos and gaps for now).
- **An opportunity to leverage richer targeting to get to audiences** at many different stages of their journey, coupled with sequential messaging.
- **More pressure on independent or smaller partners**, like Vox Media, to connect with other partners— such as Vox's deals with Re/Code and Hulu to distribute new shows — or risk getting squeezed out.

COMMERCE: THE INVASION OF RETAIL

With Amazon's media network being a NewFronts hot topic over the last few years, it's no surprise that this year's NewFronts saw the rise of other retailers creep into this new territory. Rumored to be developing more of an agency facing product offering for years, Target and Walmart were the frontrunners using the Newfronts to announce their mobilization towards media partnerships. In a rare move, both retail giants got in on the action alongside heavy hitters Google, Hulu and Verizon, with an implicit aim to compete for increasing digital spend. We saw:

-- **Target** unveiling new branding for its media network, Roundel (formerly Target Media Network). Roundel will leverage Target's shopper insights to create personalized campaigns that run across 150 brand-safe environments, including PopSugar, Pinterest, and NBCU.

-- **Walmart** adding 11 original shows with family-focused original content to its Vudu OTT service. Vudu will offer shoppable ads (similar to YouTube's shoppable ads) that will display an on-screen banner for viewers to click via their connected-TV remote and add a product to one's Walmart shopping cart – an attractive offer for CPG brands. Walmart will also offer an audience extension for OTT, allowing advertisers to leverage Walmart Media Group's first party data across multiple OTT providers outside of Vudu.

WHAT THIS MEANS FOR MARKETERS

- **An alternative to membership-based subscription buying.** Vudu will be to Walmart as Prime Video is to Amazon. As Walmart gets serious in its quest to increase its digital footprint as a retailer, it may quickly become a family-friendly, ad supported alternative in the OTT space. And with Walmart monetizing its valuable data both within and outside Vudu in the OTT space, marketers may soon be able to connect buying behavior for better audience targeting and content creation.
- **More personalized experiences along the purchase journey.** While Target may still be in early stages, similar to Walmart, its buying behavior data may soon be leveraged, even on a smaller distribution scale, to create more connected experiences outside of its media network



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