Limitations and Strengths

An Ingredient Technology to Ease Second Screen Pain

Support Customers' Second Screen Experience

Scene Setting – UK and US Markets

How to Cope with Second Screen

Use the key ingredient, real-time data distribution, to capture second screen revenue opportunities and ensure dynamic customer satisfaction

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1. Scene Setting – UK and US Markets

United Kingdom

Ofcom, the independent regulator and competition authority for the UK communications industries, reported in its Communications Market Report 2013[1] the following:

- **TV** – 91% of UK adults view TV on the main set each week.

- **Smartphones** – Second screen activities are mostly carried out using smartphones, with over half of adults (51%) now owning these devices, almost double the proportion two years ago (27%).

- **Tablet** – Tablet ownership has more than doubled in the past year, rising from 11% of homes to 24%. The average household now owns more than three types of internet-enabled devices, with one in five owning six or more.

- **Media Multi-Tasking** – 53% of UK adults are now media multi-tasking while watching TV on a weekly basis.

- **Media Meshing** (doing something else but related to what they are watching on TV) – 25% are regularly 'media meshing'. Examples include talking on the phone (16%) or texting (17%) about what they are watching, using social networks (11%) or 'apps' to communicate directly with programs (3%). Younger people are most likely to use other media while watching TV (74%) with 44% media meshing.

- **Media Stacking** – 49% of people use their smartphones and tablets for completely unrelated activities while watching TV every week - such as surfing the net (36%), social networking (22%) or online shopping (16%).

United States

Nielsen Holdings, a leading global provider of information and insights into what consumers watch and buy, reported similar findings[2]:

- Nearly half of smartphone owners (46%) and tablet owners (43%) said they use their devices as second screens while watching TV every day.

- More than half of smartphone and tablet owners visited a social networking site while watching TV, and at least one-fifth spent time reading social media discussions about the program they were viewing.

- More tablet owners than smartphone owners used their second screens to interact with the show (13%) or to post about it (13%). Some multi-screen users even said they watched a program because of something they read in social media; about 15 percent of tablet users responded this way.

- 20 percent of tablet owners said they use their device to shop for what was advertised on TV, providing advertisers another opportunity to connect with consumers.

Smartphones –Second screen activities are mostly carried out using smartphones, with over half of adults (51%) now owning these devices, almost double the proportion two years ago (27%).

Media Multi-Tasking – 53% of UK adults are now media multi-tasking while watching TV on a weekly basis.

Social media can help increase tune-in to programming, which can lead to increased ratings as well as increased ad revenue.

[1]http://stakeholders.ofcom.org.uk/market-data-research/market-data/communications-market-reports/cmr13/uk/
[2]http://www.nielsen.com/us/en/newswire/2013/action-figures--how-second-screens-are-transforming-tv-viewing.html

Introduction

Why the need for scene setting? As smartphone and tablet consumption increases and the use of mobile and web applications consequently increases, so too does the need to support customers in whatever way they decide to engage with your business. One of the biggest trends to engage with your customers is second screen or companion screen; the use of an additional screen e.g. tablet, smartphone while watching television.

Consumers are at home media multi-tasking, media meshing and media staking. They are also on the go digesting the information sent over mobile and web applications anywhere and everywhere. They are watching TV, shopping, betting and engaging socially with organizations and individuals on their smartphones and tablets. Engaging across devices and TVs, and keeping the two in-sync is essential for a customer to have a rich application experience. One of the key ingredients to a successful second screen experience is data distribution. If done properly, there are plenty of significant revenue generating opportunities as illustrated by GigaOm[3]:

One of the key ingredients to a successful second screen experience is data distribution.

- "For advertisers, second screen advertising can help to increase engagement and reach of their brands by bringing consumers more personalized and targeted ads. As consumers watch more on-demand TV, advertisers are finding innovative and engaging ad opportunities by incorporating ads into the second screen, **synchronizing content into smartphones or tablets, or creating interactive experiences for consumers."**

- "Content owners can take advantage of increased engagement with their TV shows from their core fans. Many TV shows are already heavily incorporating social media and other second screen activities into their programming by **inviting viewers to vote or tweet about what's happening on the screen**. In addition, social media also can help increase tune-in to programming, which can lead to increased ratings as well as increased ad revenue."

- TV operators worldwide are also embracing second screen but doing so by helping their subscribers to control and discover new programming. Cable, satellite, and IPTV operators have released apps that **allow smartphones and tablets to act as remote controls or control and record shows on DVRs, for example**."

Highlighted above are some key phrases. For second screen to be successful, organizations must have the ability to synchronize content, interact with viewers in real-time on the screen (whatever that screen might be) and deliver instant control from smartphones and tablets to TVs.

Furthermore, as big data offers increasingly more insight into customers, the ability to combine this information in a personalized way for a two way, instant, dialogue with customers, becomes another essential tool for second screen.

Information must be distributed in real-time so that it is delivered as 'live' as a verbal conversation.

What does this all mean for the organization and the mobile or web application developer? It means that information must be distributed in real-time so that it is delivered as 'live' as a verbal conversation.

[3] *Opportunities for the Second Screen, http://pro.gigaom.com/report/opportunities-for-the-second-screen/*

This whitepaper addresses some of the issues with second screen data distribution and seeks to resolve these by proposing an ingredient technology that can ease the pain of meeting consumer demand. By reading this whitepaper, you will understand how an efficient, scalable and instant data distribution strategy can resolve some of the limitations of second screen.

Limitations and Strengths of Second Screen Scenarios

Second screen is an integrated part of the entertainment experience, but it comes with limitations. Some of the limitations boil down to the development side. How can organizations support the data distribution requirements with peaks and troughs in demand and in real-time?

Interestingly, as we moved through 2013, some networks in the US, particularly ABC, decided second screen apps were distracting for network shows. ABC conducted a number of second screen application tests that pushed out contextual information for shows like Grey's Anatomy. The result was that end users found the content interesting, but not essential. Because the network's main moneymaker is serialized content, ABC decided it was not the right strategy.

So while one network moves away from second screen, it does so recognizing that second screen apps can work for some kinds of content, including sports, news, reality programming and awards shows. That is exactly the type of opportunities where revenue generating second screen opportunities await:

Second screen apps can work for some kinds of content including sports, news, reality programming and awards shows

Sports Entertainment – Engaging Facts
Delivering sports enthusiast customers with interesting and engaging facts while advertising or encouraging sports betting is opening up new revenue streams.


Live Advertising & Online Shopping
When watching a cooking show or program, a network can offer insight into the type of cookware being in use and give special discounts to buy it immediately.

Live Targeted One-to-One Advertising

Offer viewers a personalized experience by making the data presented on the second screen specific to them. This will vary by end user so that two people on the same couch might have different experiences – e.g. advertising or information specific to his or her interests.

Offer viewers a personalized experience by making the data presented on the second screen specific to them
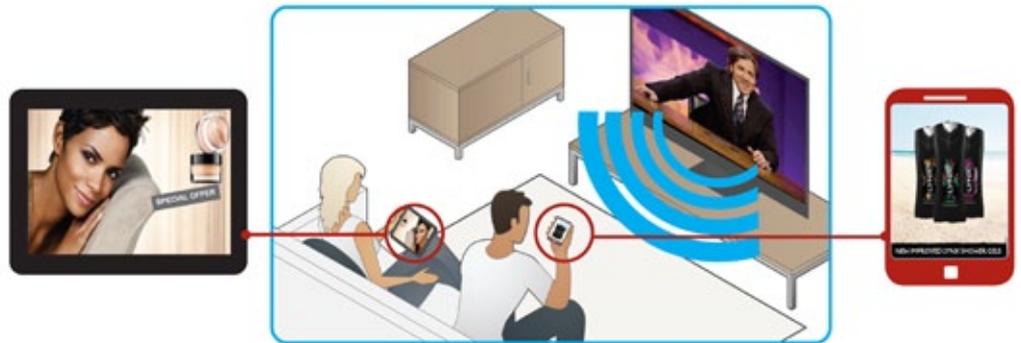
Mass Audience Live Show Participation

Give end users the ability to vote and engage with a live show. Revenue opportunities come from various sources – advertising and voting – but also in keeping that person engaged with your show and the knock on effect for ratings.

What's the impact of all this? Ofcom[4] reported that during the 2013 Wimbledon Men's tennis final, 1.1 million people worldwide tweeted 2.6 million times using hashtags associated with the tennis final. Of these tweets, around 80% came from mobile devices.

What if your business was able to capitalize on just some of those end users engaging on their mobile device with a sporting event? Now look to the future with the Sochi 2014 Winter Olympics, 2014 World Cup in Brazil and the Rio Summer Olympics in 2016. These emerging markets offer a great opportunity to engage and reach new audiences more than ever before. As smartphone and tablet consumption increases and the sophistication of mobile and web applications become smarter, this is one area where organizations need an aggressive strategy.

In addition, where big data plays an increasingly greater role in understanding your customers, distributing this insight to employees and end users becomes essential. Consider research from Gartner[5] which shows that 39% of media and communications companies have already invested in big data. If your big data engine can churn out relevant information so that you are marketing to your customers appropriately, with the right data distribution capabilities, you can then easily apply that insight to deliver a more personalized experience, in real-time, across the second screen experience.

How to Support Customers' Second Screen Experience

What do you need to support a customers' second screen experience? It starts with the key ingredient – data distribution. An intelligent data distribution solution has the ability to greatly impact the success of your second screen strategy. A data distribution solution should include:

- **Really, really, really fast distribution** – You need a solution to support real-time distribution of data, whether it's new data or big data, to your customers.
- **Rich application experience** – While you need to ensure that customers are getting information, at the right speed, you also need to maintain a high quality of service ensuring the end users are getting the right information, at the right time, rather than receiving out of date or redundant info if internet connectivity is an issue.
- **Scalability** – With these types of services you need the ability to scale and handle potentially millions of interactions at the same time.
- **The ability to have a conversation** – You need the ability to engage conversationally back and forth – bi-directional – with your customers.
- **Location and activity aware technology** – You also need to know what your customer is doing. Are they watching the football match? Are they shopping at their favorite store?
- **Support for any device** – It shouldn't matter what device your customers are using to engage with you; you need to support it through your web and mobile application.

You need speed, performance, an engaging conversation, location and activity aware technology and the ability to rapidly scale. This needn't be badged as a second screen solution; it should be your only solution to supporting customers on any screen of their choice.

For most though, this ability to just support customers with the above is a challenge, but one that can be solved.

An Ingredient Technology to Ease Second Screen Pain

Regardless of whether you work on the business side or the development side, the above points should resonate. Organizations require a way to ease the pain of meeting consumer demand on the second screen. This includes the technology to supply an efficient, scalable, instant and high performing data distribution strategy to resolve the limitations of second screen.

Push Technology's Diffusion™, is the ingredient required to resolve the limitations of second screen by speeding up the delivery of content, enabling rapid scale and optimizing data sent and received. With Diffusion, organizations can cope with second screen because the hard part of delivering data is solved. Developers can then focus on differentiation and innovation whereas the business can focus on identifying new revenue opportunities. Diffusion offers:

An intelligent data distribution solution has the ability to greatly impact the success of your second screen strategy.

Speed	Send initial topic page (snapshot) and then deltas of change
Scale	Allows high throughput and scalability on commodity hardware
Intelligence	Adaptive to bandwidth, device, network, geography
Optimize	Low bandwidth requirement due to protocol efficiency
Interactive	Real time 'Bi-directional' interactions
Any Device	Streaming support for all Desktop, Mobile and Web Apps

Push Technology's Diffusion™, is the ingredient required to resolve the limitations of second screen

[4] http://stakeholders.ofcom.org.uk/market-data-research/market-data/communications-market-reports/cmr13/uk/
[5] http://www.computerweekly.com/news/2240205882/Two-thirds-of-CIOs-have-big-data-on-agenda

6. Conclusion

Consumption of content on second screens will only increase. Organizations must be at the forefront of innovation to capture market opportunity and end-user engagement. For eGaming organizations, the sports betting opportunities are major, for advertisers, second screen delivers new revenue streams and for TV networks the second screen helps to also generate revenue, maintain audiences and thus improve ratings.

While there are limitations of second screen, particularly in relation to distributing data in real-time, at scale, efficiently, all while ensuring a high quality experience, Push Technology's Diffusion technology can help you resolve these. Turn second screen into a strength of your organization.

About Push Technology

We make the Internet work for our mobile-obsessed, everything-connected world. Leading brands like 888 Holdings, DAB Bank, IBM, and William Hill leverage our technology to power applications critical to revenue growth, customer engagement, and business operations. Learn how to deliver apps at scale and speed at **www.pushtechnology.com**

For further information
Visit **www.pushtechnology.com** or contact **sales@pushtechnology.com**

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