



Winning Strategies to Monetize your OTT Content the Right Way



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Diana Prince lives quietly among mortals in the vibrant, sleek 1980s -- an era of excess driven by the pursuit of having it all. Though she's come into her full powers, she maintains a low profile by curating ancient artifacts, and only performing heroic acts incognito. But soon, Diana will have to ...



Table of Contents

1. The complete guide to monetizing your OTT platform

10.1 Why is it important to monetize your OTT platform?

10.2 How to monetize OTT content?

10.3 Exploring the various ways to monetize content

10.3.1 Subscription Video on Demand (SVOD)

10.3.2 Advertisement-Based Video on Demand (AVOD)

10.3.3 Transactional Video on Demand (TVOD)

10.3.4 Coupons & Promotions

10.3.5 Catch-up TV

The Complete Guide to Monetizing Your OTT Platform

Every piece of content is valuable and can yield millions when launched right. Especially when the content is unique to the streaming platform, the demand grows even higher compared to a movie or TV show that is available on multiple forums.

OTT is a competitive and fast-growing arena where one who has a smart monetization model wins over the ones that pressurize the user to buy content that he's unlikely to watch.

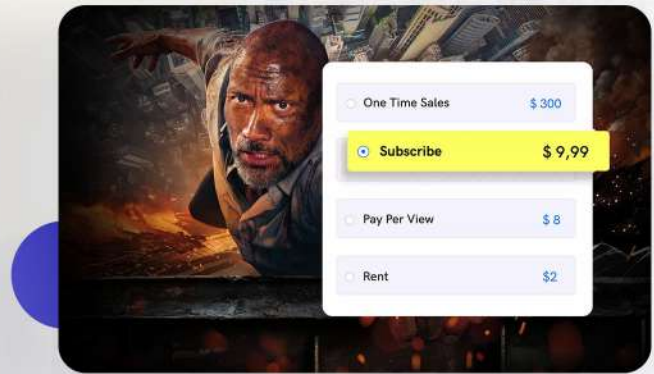
Monetization of OTT platforms simply means the adoption of a particular model to sell content. Based on the type of content showcased and the business needs of the service provider, the monetization model can be subscription, ad-based, or pay-per view. However, the subscription-based model has proven to be the most successful among the three with market leaders like Netflix adopting the same.

Why Is It Important to Monetize Your OTT Platform?

The quality of content in OTT is heightening with every passing day. The streaming war is no joke as the market players are coming up with newer strategies to expand the viewer base. While freebies could easily help you achieve oodles of audience, there is little hope about the business fetching a decent ROI.

Monetizing your OTT platform helps you

- sustain in the streaming industry
- invest in new/ original content
- create a 'content demand' among the viewers



How to Monetize OTT Video Content?

Here are some of the key requisites for monetizing your content library.

1. Build an OTT platform with features that can accommodate monetization through a payment gateway that allows multiple payment methods.
2. Choose a monetization model (SVOD, AVOD, or TVOD) based on your business needs.
3. Decide over the inclusion of commercials to your existing monetization model in case you have opted for either subscription or transactional video-on-demand structures.
4. Set financial goals for your content.
5. Fix the rates for each piece of video content in your library.

Should You Monetize Both Live and on-Demand Content?

The logic is quite simple! Any content that can reach the masses can be monetized. With the increasing popularity of streaming live events, celebrity interviews, breaking news, award shows, etc, it is one of the best ideas to monetize live content. The pay-per-view model can be used for the same wherein the user pays a fixed fee to watch the show live. An OTT platform can also broadcast the live content for a membership user or a user who has adopted a monthly subscription package. Whatever be the selling structure, live content can sure be monetized just like the videos that exist on demand.

Exploring the Various Ways to Monetize Your Content

Monetization is highly crucial in determining the success of an OTT platform. A well-doing streaming service with a massive viewer base can still fail if it doesn't generate revenue. So, it is extremely paramount that a content owner/ distributor makes wise decisions in picking the right way to sell their VOD content online.

The three major monetization models are

1.SVOD (Subscription Video on Demand)

Being the most triumphant monetization model, SVOD is widely adopted by several streaming service providers. A monthly or annual subscription fee is charged for the user to access the entire library of content available on the platform.

Pros- The subscription-based revenue model is highly rewarding as the viewer pays a recurring fee in fixed intervals if he is satisfied with the type of content on the OTT platform. This kind of passive income greatly benefits the content owner for a profitable ROI.

Examples of market players who have adopted SVOD are

NETFLIX

hulu

Disney+

sling

HBOmax

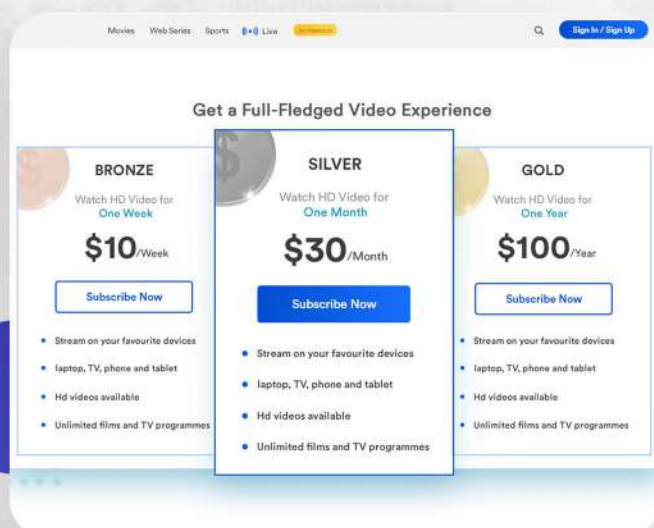
2. AVOD (Advertisement-based Video on Demand)

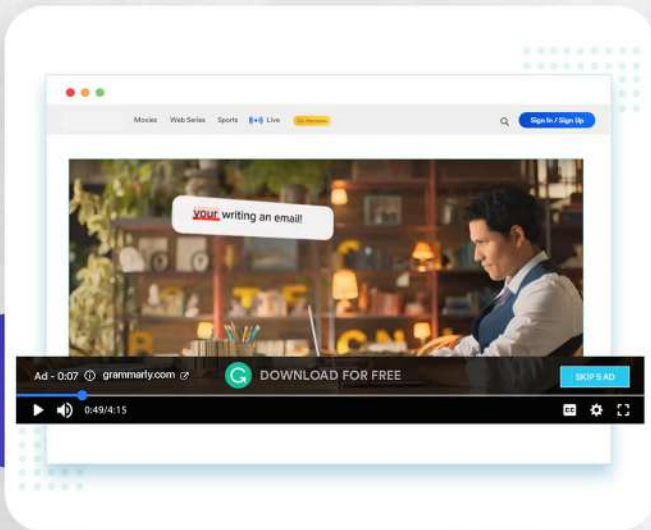
Unlike the subscription-based model, viewers get to enjoy free content on platforms that have adopted the AVOD revenue structure. The OTT platform relies on advertisements to cover its costs and doesn't charge any fee from the user. [Learn the difference between SVOD and AVOD in greater detail!](#)

AVOD is somewhat similar to traditional television channels that provide free content that are powered by commercials. These ads can be inserted from the server end or using a third-party tool.

Pros- Since users don't have to pay anything for the content they watch, streaming services that adopt the AVOD model have a huge advantage over SVOD-based market players. Free content not only attracts a huge audience base but also helps the platform grow in terms of popularity.

But, one major stumbling block when it comes to ad-supported platforms is that the viewers could get annoyed by the innumerable advertisements they are forced to watch while waiting for their desired content.





AVOD based OTT players include



Why Do Advertising Companies Prefer OTT?

Marketing goods and services have come a long way with the emergence of the Internet. Companies and ad agencies are making use of every possible opportunity to make consumers aware of their products.

1. Huge Audience Base

Marketers can reach a wider audience base with OTT platforms which may or may not be possible with other types of media advertising.

2. Facilitates MicroTargeting

Based on the user analytics the streaming service provides, it is easy for marketers to narrow down their target customers and come up with ads that interest them.

3. Economical

The cost-effectiveness of placing ads on OTT platforms is another reason why marketers prefer OTT advertising to their conventional counterparts.

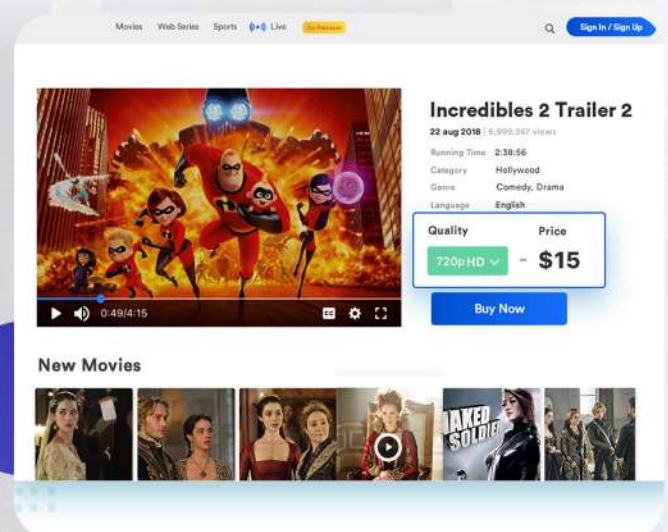
4. Easy Revenue Tracking

Marketers can track their revenue from OTT platforms accurately based on the number of clicks and conversions which is hard to track in other types of advertising mediums.

3. TVOD (Transactional Video on Demand)

Transactional VOD is when the user pays-per-view i.e a small fee is charged to own a particular piece of content. There are two options when it comes to TVOD-based platforms. The viewer can either rent the desired content for a specific period of time or buy it for viewing at his convenience.

Pros- Being an extremely simple revenue model for videos on demand, the streaming service that has adopted TVOD attracts viewers who like to pay only for the content they wish to watch.



Some classic examples of TVOD platforms include



Another evolving TVOD model that is slowly gaining popularity is PVOD.

PVOD (Premium Video on Demand)

Premium Video on Demand is one of the newest monetization models that came into existence in recent times. The idea here is to charge the users a premium fee for early access of a specific piece of content. It is like the user paying a fee to stream a recently-released movie that is still running in the theatres. But, the access is given only for a window of 24 or 48 hrs.

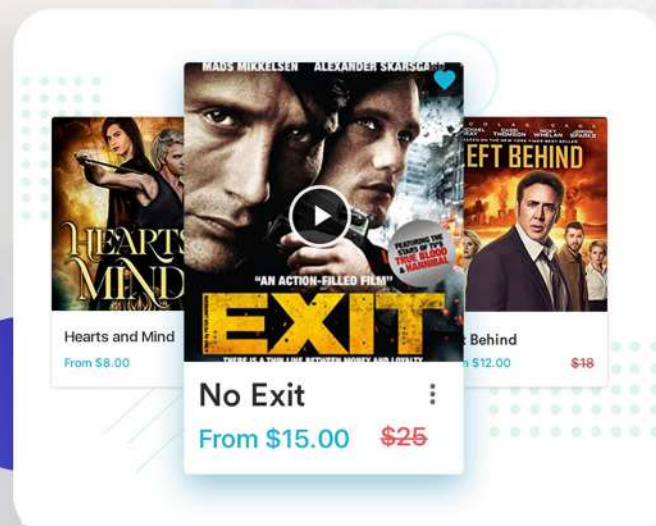
The PVOD model took off majorly during the lockdown when several production houses went on to launch their movies on OTT platforms besides releasing them in the cinemas.

In addition to the three major monetization models mentioned above, here are a few other means to generate revenue from your OTT platforms.



4. Coupons and Promotions

Offers and discounts always attract the end-user. By providing one-time use coupon codes and promotional vouchers for streaming content, distributors have an edge over gaining a good number of audiences to engage on their OTT platforms. In fact, this is a fool-proof way to achieve streaming success quite easily.

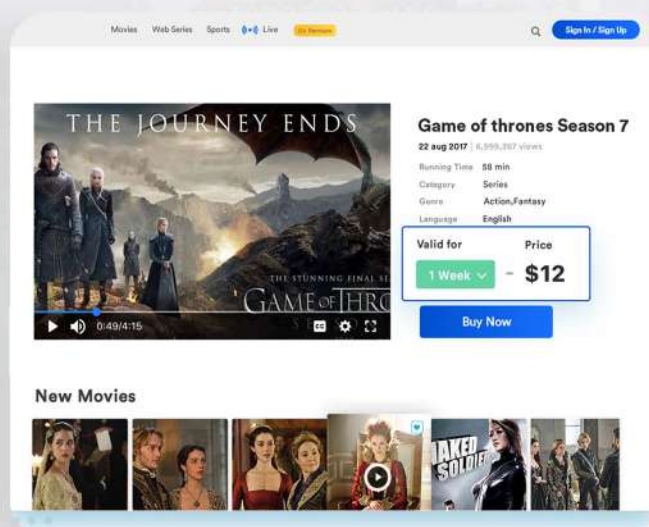


The coupons can either be made available on the

- OTT platform
- Third-party coupon website

5. Catch-up TV

Broadcasters are finding newer ways to market/ sell their content online and catch-up TV is one such innovative find to attract user attention. As the name suggests, Catch-up TV lets viewers catch up on TV shows that they've missed out on. Streaming services these days come up with Catch-up TV options on their OTT platforms to deliver TV shows that were way earlier broadcasted on mainstream television channels.



Distributors charge a fixed fee for the offline viewing of these shows for a certain window of time.

Bottomline

There are a whole lot of independent creative artists/ distributors with oodles of rich content that are stagnant. A piece of content is considered valuable only when it reaches the audience and can generate revenue. And this can be achieved in full only when you [host your own videos](#).

Filmmakers, independent artists, educational experts, fitness trainers, sports clubs –OTT is just for everyone out there!

Now that you have planned to build your own OTT platform, it takes a lot of time and effort to create one that benefits you in the long run. This is when you can opt for cutting-edge video streaming solutions like CONTUS VPlayed. This white-label solution not only lets you build your own OTT platform but also helps in selling your content for maximized revenues.





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