

Salon: A Case of Monetizing Video Views

COMPANY | SALON

Salon covers breaking news, politics, culture, technology, and entertainment through investigative reporting, commentary, and personal essays. One of the first online-only major media outlets, the company has bureaus in San Francisco, New York, and Washington, D.C.

(salon.com)

BUSINESS CHALLENGE

Many digital publishers have found that the days of relying solely on static display ads are long gone. Similar to other publishers, Salon was looking for new revenue streams to boost the bottom line.

VENDOR OF CHOICE: CONVERTMEDIA

Founded in 2008, ConvertMedia is an outstream video supply-side platform (SSP) that “enables publishers to strike an ideal balance between revenue goals, the exposure they afford advertisers and how they engage consumers.” Publishers use ConvertMedia’s Breakthrough Video gallery to expand their supply of quality video ad inventory. These outstream video ad units are served through ConvertMedia’s dedicated programmatic monetization platform, which the company says maximizes fill rates.

(convertmedia.com)



THE PROBLEM IN-DEPTH

The website (salon.com), with its wide array of news stories, is a regular destination for many of the nation’s internet users. In fact, the company says it has an audience of 17.6 million monthly unique visitors. That’s a lot of eyeballs, which is good news for advertisers looking for broad exposure.

And if those eyeballs see video ads—well, even better. Studies have shown, over and over, in recent years that video advertising is more impactful than static display ads. BI Intelligence estimates digital video ad revenue will come close to \$5 billion in 2016. That is up from \$2.8 billion in 2013.

Just how important is online video to advertisers? A 2015 survey of ad agencies by BrightRoll shows that 72%

of agencies polled feel online video advertising is just as (or more) effective as TV advertising.

With those eye-popping stats, it’s no wonder digital publishers, such as Salon, want to jump aboard the video train. “We are always looking for new revenue streams,” states Matthew Sussberg, VP of sales for Salon. The company had never used an outstream video SSP before, but it was eager to explore the concept and gain some incremental revenue.



THE SOLUTION

Enter ConvertMedia. Sussberg says he and his Salon colleagues met ConvertMedia at an industry event, and the company “seemed like a natural fit” for what Salon was trying to accomplish. He says “great customer service” and “a great user experience”—as well as what Sussberg

describes as “healthy” cost per mille (CPM) impressions, which is a commonly used advertising metric—stood out. Salon began working with ConvertMedia last October.

In January of this year—shortly after teaming up with Salon—ConvertMedia launched a new video ad portfolio, aimed at giving publishers customizable options for maximizing the monetization of each user session. The company felt advertisers would benefit from the new formats via increased viewability, with access to premium video ad inventory that only plays when visible or at a naturally occurring moment during a person’s use of the site.

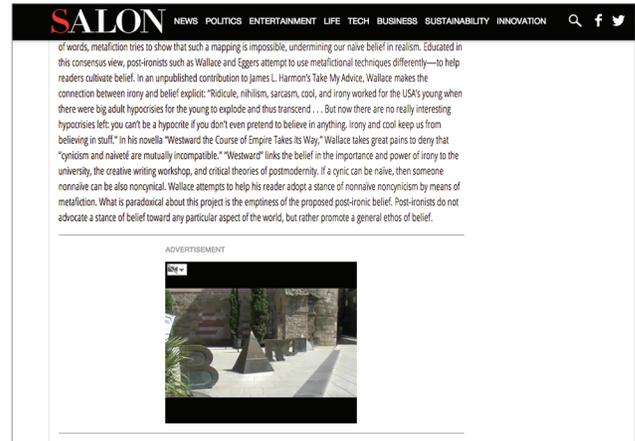
According to Yoav Naveh, co-founder and CEO of ConvertMedia, the launch was all about giving publishers choices. As more and more publishers add video advertising to their sites, Naveh feels it’s important for them to see there are many ways they can fold in that advertising: “We think that once a publisher makes a decision that they want to allow video advertising, ... they have to look at the alternatives and [address] what is the way to do that.”

Naveh says advertising is looked at as a transaction between a publisher and an advertiser. But he notes that there’s also a third part to that transaction: the consumer. He thinks publishers should look at a portfolio of different ads: some that offer a better value to the advertiser, some that offer a better value to the consumer, and some that offer a better value to the publisher. And the goal, he says, is to “find a way to measure that balance.”

“Our platform gives them the ability to decide which is the right format for that user, for that specific page, and that specific session,” Naveh says. He adds that the portfolio allows publishers to “move away from the decision of, ‘Oh, this is what I’m gonna run and this is how much I’m gonna charge for it.’ [We] actually allow them to create different options, different price points, [and] different experiences.”

‘We are always looking for new revenue streams.’

Before launching the portfolio in January, publishers working with ConvertMedia had a couple of different “breakthrough video experiences,” as Naveh puts it, to choose from. There was the video ad that Naveh feels is “the most common [one] today”—the ad that opens up in the middle of the article. The company also offered an interstitial (a full-page ad that often appears in between two content pages on a website or after a set amount of time spent looking at one page), which he says is “somewhat common” these days. Both, though, had their problems. Mainly, it was that they could be, to varying degrees, intrusive to users.



Salon is using ConvertMedia’s inline option, which features ads that seamlessly appear at the top, the bottom, or—in this case—the middle of a page.

So the company decided to create a portfolio of options, which Naveh says, it tried to build “in the way that publishers build their sites and the experiences they’re creating.” As an example, he points to the dedicated formats that ConvertMedia built for sites that run listicles or slideshows. The ads are embedded in the middle of a list of items or in between different slides. By working with publishers to develop ads that have a more natural flow for the viewers of a page, ConvertMedia recognizes that aforementioned third part of the advertising transaction: the consumer.

There are several new video ad formats available from ConvertMedia. Sussberg says that for desktop and mobile, Salon often uses the inline, which is an ad that seamlessly appears at the top, middle, or bottom of the page—or, in the case of mobile, when the page is loaded. The site is also employing the expandable format, which is a desktop or mobile ad that expands automatically after a set period of time.



THE OUTCOME

In a January press release announcing the new video ad portfolio, ConvertMedia said the new ad options let publishers “maximize their revenue per user session and advertisers increase viewability, all while keeping the user experience in mind.” Indeed, Salon has done just that. While Sussberg says he can’t share any hard data in terms of Salon’s revenue, in that same January press release, he said the partnership with ConvertMedia “has already led to significant success in terms of both increased revenue generation and a smooth user experience.” (Being an existing client of ConvertMedia’s, Salon had access to the new options before the official January rollout of the full portfolio to the public.)

And while Salon may be silent when it comes to hard data and statistics, Naveh shares that another publisher client is using ConvertMedia’s coffee break ad unit, which appears when a browser is idle and the user has stopped browsing,



Another ad format ConvertMedia offers is coffee break, which appears when a browser is idle, displaying non-commercial video content interspersed with mid-roll ads.

but the tab is still active. It displays non-commercial video content, which is interspersed with mid-roll ads. Naveh says that by using coffee break, the client was able to increase available inventory, “leading to an incremental increase in their total revenue CPM of 28% in a single month.”

How are the Salon users liking the ad experience? So far, they’ve kept their thoughts to themselves, but Sussberg points out that no news is good news. “We haven’t gotten any feedback one way or another, but that is typically a good thing,” he says. “Users don’t typically express themselves if they are enjoying the ad creative experience; they do, however, make their voice heard when something isn’t going right, as they should.”

In short, the Salon-ConvertMedia partnership has been a successful one for all involved. In fact, Sussberg says he’s already recommended ConvertMedia to others in the industry. ConvertMedia, he says, is “responsive and committed to the publisher, which makes all the difference in the world.”

Naveh returns the praise. “We love working with them,” he says. “They’re great; they’re smart.” He says he likes that Salon is willing to experiment with different things to become better. “We definitely look forward to building our partnership with them further.” 

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