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OTT Trends:

8 Shifts Changing the Industry



The streaming landscape is amid a constant revolution. Forget the one-size-fits-all approach of the past – viewers are demanding experiences that are customized, engaging, and interactive. This eBook delves into eight key trends reshaping the OTT industry and how these trends impact the way we consume and create entertainment. We hope these will help OTT brands stay ahead of the curve and capture viewers' hearts (and screens) in the years to come.

01

Live Streaming: captivating audiences in real time

Live streaming is exploding, captivating audiences, and reshaping revenue models. Viewers, especially the digital generation, crave the immediacy and shared experience of live events, concerts, and interactive shows. This insatiable demand presents an excellent opportunity for OTT platforms to elevate engagement, attract new subscribers, and unlock diverse revenue streams.



Key takeaways

- **Real-Time Craving:** Gen Z and millennials prioritize interactivity and authenticity. Live streaming delivers both, fostering a sense of community and shared excitement that pre-recorded content simply cannot match.
- **Exclusive Experiences:** Platforms with exclusive live content, like [Apple's landmark MLS deal](#), gain a significant advantage. These premium offerings attract new subscribers and [boost loyalty](#) among existing ones, as we saw in the [recently concluded ICC Cricket World Cup](#).
- **Customer Acquisition Powerhouse:** Exclusive live events and streaming opportunities are potent magnets for new subscribers, accelerating platform growth.
- **Reduced Subscriber Churn:** Live, interactive content keeps users glued to their screens, driving higher engagement and retention. Platforms with live solid offerings see reduced churn and increased subscriber satisfaction.
- **Revenue Diversification:** Live commerce, targeted advertising, and brand collaborations create lucrative new income streams beyond traditional subscription models. This opens doors for innovative partnerships and monetization strategies.

02 Bundled Entertainment: Battling Subscription Fatigue

The OTT landscape is teeming with options, but viewers are drowning in a sea of subscriptions. Combating subscription fatigue is paramount, and the strategic answer lies in bundling. By offering value-packed packages that cater to diverse preferences, OTT platforms can entice viewers, boost retention, and unlock new growth opportunities.

Two key approaches that drive bundling success are collaboration and consolidation:

- **Collaboration:** Partnerships like Spectrum-Disney leverage existing infrastructure and distribution channels to deliver bundled offerings to a wider audience.
- **Consolidation:** Mergers like WarnerMedia-Discovery create content powerhouses with diverse libraries and brand value, offering unrivaled bundled experiences.



Key takeaways

- **Customer Retention:** Bundles boast higher ARPU and lower churn rates. With a broader content library and consolidated price point, viewers are more likely to stay subscribed.
- **Acquisition Power:** Attractive deals and simplified management attract new audiences, propelling platform growth.
- **Diversification:** Bundling allows platforms to tap into new demographics and interests by partnering with complementary services.

03

Connected TV: Reshaping Entertainment in the Living Room

Gone are the days of device juggling and phone screen squinting. The humble living room is witnessing a revolution, with smart TVs transforming into immersive entertainment hubs. This shift is driven by the meteoric rise of Connected TVs (CTVs), seamlessly blending streaming services and captivating content onto the big screen.

CTVs offer a convenient and visually stunning way to access streaming platforms, fostering shared viewing experiences that unite families and friends. This enhanced user experience, coupled with the comfort of the couch and a premium viewing angle, translates to higher user satisfaction and platform loyalty.



Key takeaways

CTVs are not just entertainment powerhouses; they are revenue goldmines for advertisers. With targeted ad capabilities, platforms can deliver personalized ads based on viewers' preferences and viewing habits. This laser-focused approach leads to better engagement and higher brand conversion rates, making CTVs a lucrative platform for advertising dollars.

04 Free Ad-Supported Streaming TV (FAST): Unlocking Value and Engaging Audiences

The streaming landscape is shifting, and viewers crave choice, flexibility, and affordability. In this environment, Free Ad-Supported Streaming TV (FAST) emerges as a powerful trend, unlocking value for viewers and businesses.

FAST channels offer a curated library of on-demand and scheduled programming for free. Viewers escape the fatigue of endless subscription options and bloated fees, simply enjoying high-quality content without commitment. This resonates with a huge portion of the audience, with one in three US viewers and over 75% of CTV households already tuning into FAST channels.



Key takeaways

For businesses, FAST is a lucrative growth opportunity. The US FAST market is projected to reach a staggering \$6 billion by 2025, displaying a rapid rise in advertising revenue. This model presents unique advantages:

- **Expand Addressable Market:** FAST attracts viewers who might not subscribe to traditional OTT services, broadening the platform's reach and audience engagement.
- **Upsell Existing Services:** FAST channels can act as a gateway, introducing viewers to premium content through paid subscriptions, potentially driving conversions.
- **Extend Content Shelf Life:** FAST provides a platform for repurposing aging content, maximizing its commercial value and audience reach beyond the initial release window.

05

Communities: Cultivating Connection and Building Loyalty

In the age of algorithmic recommendations and mass-produced content, viewers are hungry for experiences that resonate on a deeper level. Enter niche streaming communities, a rising trend that caters to specific passions and identities, fostering a sense of belonging and shared experience that mainstream platforms simply cannot match.

Forget the one-size-fits-all approach. Niche platforms like Revry for LGBTQ+ audiences and Crunchyroll for anime enthusiasts are carving out unique spaces in the OTT landscape by handpicking content that speaks directly to the hearts and minds of dedicated communities.



Key takeaways

For Viewers:

- **Deeply Resonating Content:** Niche communities provide a curated library that feels personal and relevant, sparking meaningful conversations and fostering a sense of belonging. It is a haven where shared interests and experiences form the foundation for vibrant online communities.
- **Personalized Experiences:** Niche platforms excel at understanding their audience's preferences, delivering tailor-made recommendations, and fostering deeper engagement beyond passive viewing.

For Platforms:

- **Market Differentiation:** Platforms stand out in a crowded market by specializing in a particular genre or interest. They become the undisputed champions of their niche, attracting passionate advocates, and establishing lasting loyalty among their subscriber bases.
- **Content Advantage:** A deep understanding of their audience allows niche platforms to curate a library of high-quality, highly relevant content that keeps viewers engaged and returning for more.
- **Unveiling New Opportunities:** Catering to underserved demographics presents immense potential for growth and differentiation. Platforms like Kweli TV, celebrating the global Black community, demonstrate the power of tapping into niche markets with high engagement potential.

06 Portrait Mode: Vertical Video Takes Center Stage

Forget squinting at landscapes on phone screens. Vertical video reigns supreme in the age of doom scrolling and mobile dominance. Vertical videos utilize the natural orientation of our mobile devices, filling the entire screen with an immersive experience. The 9:16 aspect ratio of vertical videos provides an immersive experience, fitting modern phone screens optimally.

Media giants like Disney+ Hotstar are adapting, with their successful "MaxView" feature for the 2023 Cricket World Cup displaying the format's ability to enhance engagement across diverse audiences and content types.

Platforms like TikTok and Instagram have become hotbeds for vertical video success. Their intuitive features and algorithms, tailored for this format, foster unprecedented user engagement and interaction. Instagram's "Reels" and "Stories" stand as testaments to the power of vertical storytelling, driving higher click-through rates and brand recall compared to traditional horizontal content.



Key takeaways

- **Driving Engagement:** Immersive experiences and higher completion rates translate to deeper audience connections and improved brand messaging.
- **Boosting Advertising Impact:** Click-through rates and brand recall soar with vertical videos, leading to more effective marketing campaigns.
- **Staying Ahead of the Curve:** Adapting to evolving user preferences is crucial for long-term success, and vertical video is here to stay.

07

The AI Revolution: Unlocking Hyper-Engagement

The impact of AI in the media and entertainment industry has been significant, with many companies utilizing AI to improve their platforms. AI injects intelligence and personalization into every facet of the industry, shaping a hyper-engaged future for viewers and platforms.

AI's impact transcends mere recommendation algorithms. From optimizing content discovery and tailoring advertising to automating tedious tasks and powering immersive experiences like Disney's Magic Bench, AI fundamentally transforms how we interact with and create entertainment.



Key takeaways

- **Personalization Powerhouse:** AI-powered recommendations and content creation tools cater to individual preferences, driving higher engagement and retention. Imagine binge-worthy playlists curated just for you or captivating stories woven around your unique interests – that is the power of personalized entertainment.
- **Advertising Efficiency Unleashed:** AI-powered targeted advertising based on user behavior and preferences leads to laser-focused campaigns, maximizing ROI and delivering relevant ads to viewers. No more intrusive, irrelevant interruptions – with AI, advertising becomes a seamless part of the experience.
- **Enhanced Efficiency, Unleashed Creativity:** AI automates mundane tasks like content tagging and genre segregation, freeing up human resources for the things they do best – creative storytelling, content development, and innovating the future of entertainment.

08

Interactive Storytelling: going beyond passive consumption

The age of passive screen time is waning. Today's viewers crave to watch and participate, influence, and shape their entertainment experience. These yearnings fuel a powerful trend: interactive storytelling in OTT.

Interactive elements like gamification, live commerce, quizzes, and multi-camera options are redefining the once-linear world of streaming. Shows like Netflix's "Black Mirror: Bandersnatch" and Bear Grylls' "You Vs. Wild" have become cultural touchstones, blurring the lines between audience and protagonist. Platforms like Disney+ Hotstar's "Watch'NPlay" further demonstrate how interactive features can drive engagement, attracting millions of active participants.



Key takeaways

The benefits extend beyond viewers. The heightened receptivity fostered by interactive experiences presents an excellent opportunity for advertisers. Imagine quizzes woven into the storyline, offering rewards alongside brand messaging. Or viewers are seamlessly scanning on-screen QR codes to purchase featured products. Interactive content creates fertile ground for brands to connect with audiences in engaging and non-intrusive ways.

About Us

Robosoft Technologies is a proven digital transformation partner with a track record of crafting 10+ leading OTT streaming platforms, enjoyed by millions across the globe. Our services include Digital product strategy, Customer Experience Design, Platform Engineering, Testing, QA and Data Analytics.

Robosoft empowers Media and Entertainment brands with digital solutions that unlock deeper customer engagement and boost revenue. We translate end-user needs into feature-rich, cross-platform experiences that elevate them from the ordinary to the extraordinary.

We deliver end-to-end solutions in OTT streaming for media & entertainment brands at every stage of the brand journey: (a) build from scratch (b) revamp an existing platform or (c) re-imagine and scale an established platform.

We work with Media, News & Entertainment brands in:



Platform strategy



White-label applications



Out-of-the-box Video CMS



Cross-platform application development



Smart TV app



Monetization strategies



We are chosen for our expertise in:

- Digital product strategy and design thinking-led workshops
- Customer Experience Design including seamless UI/UX across devices & platforms
- GTM Strategy
- Native and Cross-platform Application development & maintenance across mobile, web & tablets
- Testing-as-a-service
- Data and Analytics

Our engagement models include:



Digital Centre of Excellence



Offshore Technology Centre



Customer Team Augmentation



Managed T&M



Package implementations



Turnkey Projects

Brands you trust, **trust us**



Connect with us to kickstart the journey of crafting delightful digital experiences.