

Vindicia Solutions for Entertainment and OTT

Vindicia Subscription Billing and Recurring Revenue Solutions Help Entertainment and OTT Providers Monetize Services, Build Subscription Revenue, and Reduce Customer Churn



Solution Brief



The Challenge

In the entertainment industry, the over-the-top (OTT) video services market has seen unprecedented growth in terms of users and revenue over the past few years. The remarkable success of online video subscription services such as Netflix, Hulu Plus, and Amazon Prime Video have helped push the worldwide OTT market to new heights. As the OTT industry continues to grow, strategic monetization strategies will be a key factor in determining which companies are successful in attracting and retaining the new breed of cord-cutting consumers. To succeed, communications service providers, multichannel video programming distributors (MVPDs), content owners, publishers and broadcasters must be able to monetize their digital assets by implementing flexible billing solutions and best practices that will allow them to:

- Create agile, recurring revenue OTT business models that respond to customer demand
- Maximize ongoing revenue streams through innovative pricing, packaging, bundling, campaigns and promotions
- Retain customers longer by implementing frictionless payment strategies that reduce subscriber churn
- Leverage subscriber analytics to gain knowledge about cord-cutting customers and understand key trends, thereby enabling faster and improved decision making

The Solution

Vindicia's cloud-based, enterprise-class subscription billing and recurring payment platform drives higher levels of customer acquisition, retention, and satisfaction for entertainment and OTT businesses. Designed to support the entire subscription lifecycle, Vindicia SaaS-based solutions will help your company launch new OTT services, retain and grow your customer base, and maximize ongoing revenue and profitability. In addition, Vindicia solutions deliver the back-office finance, tax, and anti-fraud automation you expect from an enterprise-class solution.

But don't just take our word for it. Our valued clients include some of the leading entertainment brands across the globe, such as:



A Review of OTT Monetization Options

What's the best way to monetize video content for the OTT market? Most industry experts favor a subscription-based business model, but there are alternative monetization strategies to consider:

TV Everywhere. This approach makes the TV content that consumers have subscribed to available over-the-top as well. While this strategy turns OTT content into a feature of the MVPD distribution model, it fails to monetize OTT delivery. The idea is to stem the flow of paying customers away from traditional pay-TV, but a feature is not a product. Today's cord-cutters typically want to make more granular choices about what content they are willing to pay for.

Vindicia Strategic Billing Advantages

Customer acquisition:

- Support a broad set of flexible OTT business models
- Offer a variety of promotions and coupons to acquire new subscribers
- Determine which customer segments to focus on based on analytics
- Reduce chargebacks and minimize losses from fraudulent orders

Customer retention:

- Increase transaction successes with advanced retention technology
- Reduce churn with retention offers
- Integrate cross-sell and upsell programs
- Manage and automate localized communications with subscribers

Operational excellence:

- Benefit from our PCI Level 1 service provider status to reduce your PCI compliance burden
- Extend your global reach with regional payment methods and integrated tax engine
- Rely on our scalable infrastructure with 99.99% uptime
- Leverage our Network Effect for more informed decisionmaking

Ad-Based Monetization. Some providers make their video content available OTT without the need for sign-in or credentials. Consumers just need to watch the ads that accompany the content. However, cord-cutting consumers have little patience for ads in an OTT context. They are notoriously slow to load and play, providing a poor user experience. An ad-based model might work for occasional users, but ads are likely to drive away savvy viewers who want more content—or are willing to pay a premium for a superior user experience.

The Pay-Per-View Option. Some providers charge for each unit consumed. If your entertainment content is based around special events, such as concerts or sporting events, this method may work. However, the pay-per-unit model makes high customer acquisition costs inevitable. After acquiring customers, you'll have to acquire them again and again in advance of every purchase.

Subscriptions. A subscription, membership, or other recurring revenue model lets the OTT consumer establish a relationship with you. They cease to be just viewers. They choose to be your customers on an ongoing basis. What's more, subscription provides a foundation on which to build the multi-device user experience that cord-cutting consumers expect. Following an initial signup, your content follows the subscribers across whatever devices they use.

Subscription for OTT Monetization Success

Subscriptions and similar forms of recurring billing overcome the drawbacks of other monetization models. Subscriptions also offer several advantages that other approaches cannot match, including:

- **Predictable revenue streams.** Consumers who subscribe to your services pay for them automatically on a regular basis.
- **Less upfront commitment for consumers.** Many OTT subscription services start with a free trial and let subscribers cancel at any time. This makes the initial signup low-risk for the customer.
- **Price and promotion flexibility.** You can continuously refine the way you price and promote your offering to maximize customer acquisition and retention.
- **Long-term relationships with consumers.** Once consumers have subscribed, they are less likely to switch to competing offerings, provided that you maintain a high-quality user experience and continue to deliver appealing content.
- **Control over the customer experience.** You can build stronger relationships by improving the way subscribers access your content across their various devices. The option of ad-free content offers a superior experience for which consumers are willing to pay a premium.



Try Vindicia for Free

See for yourself how Vindicia's advanced customer retention capabilities can help you build added OTT subscription revenue overnight.

Completely noninvasive and requiring little or no time from your IT staff, the complimentary Vindicia Trial makes it easy for you to experience the Vindicia advantage.

We use a secure and fully PCI Level 1-compliant process to transfer 3 to 5 days' worth of your specific transaction data to our secure data center. We'll then show you exactly how much revenue uplift our advanced retention technology will deliver compared to your current processes.

To learn more, visit www.vindicia.com/solutions/vindicia-trial.

Making Billing a Strategic Weapon

While offering subscription-based services featuring compelling video content and reasonable value can put you on the road to success, your business will truly thrive if you combine your content with promotions, a broad reach, proactive retention processes, scalability, and continuous improvement. To function as a strategic weapon, an OTT subscription billing system should deliver:

- **Time-to-market speed.** Create, test, and refine promotions rapidly without requiring IT intervention. This accelerates and improves customer acquisition processes.
- **Dynamic retention.** Provide a superior user experience by managing OTT entitlements to keep customers connected to content even in the event of temporary issues. Rigid entitlement practices dramatically reduce retention.
- **Support for multiple currencies, languages, and payment options.** Allow customers to transact in their language using their currency—with the payment method they prefer.
- **Scale and reliability.** A slow or difficult initial transaction drives customers away. You must be able to process transactions quickly even on days when demand for your OTT content spikes.
- **Robust finance, tax, and anti-fraud support.** Define the way you want to recognize revenue and comply with tax requirements across the globe.
- **Intelligence for continuous improvement.** Manage with a view into the billing factors that influence revenue along with data that benchmarks your performance against other entertainment and OTT providers.

Vindicia Monetization Solutions for Entertainment and OTT

Vindicia offers two SaaS-based subscription and recurring payment solutions: Vindicia® CashBox®, a complete subscriber acquisition, billing and retention platform; and Vindicia Select™, a customer retention solution that works with any existing billing system to resolve failed payment transactions.



Our comprehensive CashBox subscription and recurring billing platform is specifically designed for the dynamic subscription business models favored by OTT providers. It features integrated marketing and best practices that boost customer acquisition while optimizing subscriber retention. CashBox lets OTT providers quickly change pricing, introduce new bundles, support SVOD and one-time VOD sales, launch flexible trial entry programs, reach new audiences through coupons or promotion codes, and take full control of their new business models with the help of detailed analytics. For more information, refer to our [CashBox data sheet](#).



For OTT providers who already have an agile billing system in place, Vindicia Select is an add-on solution that increases OTT subscriber retention to drive higher revenue and customer lifetime value. Incorporating the ART Advanced Retention Technology™ system, Select heals failed payment transactions, thereby dramatically reducing involuntary churn. The solution allows OTT providers to reduce involuntary churn by about 30% or more, boost revenue by as much as 5%, and increase customer service and customer lifetime value by keeping customers connected to OTT services. For further information, refer to our [Select data sheet](#).

The Bottom Line: Achieving OTT Success

Traditional monetization avenues are changing, and MVPDs, content owners, publishers and broadcasters must find effective and efficient ways to monetize OTT delivery. Consumers are willing and able, but they're not waiting patiently.

For many OTT businesses, Vindicia subscription billing and recurring payment solutions are the answer. Cord-cutting consumers have already shown that they value—and are willing to pay for—subscriptions to premium OTT content. Trying an OTT subscription is a low-risk proposition for consumers, and providers have significant price and promotion flexibility to entice consumers.

The subscription business model offers the predictable revenue stream that accompanies long-term relationships with consumers. And the Vindicia subscription billing and recurring payment platform excels in keeping these consumers connected to the video services they love, and OTT businesses connected to the subscription revenues they need.

Ready to learn more? Visit www.vindicia.com or [contact us](#) today and get ready to ride the entertainment and OTT recurring revenue wave to success.



We're the Subscription People

The Vindicia platform is much more than a billing system. And we're so much more than our products. Vindicia helps you acquire, bill, and retain customers. The result: greater recurring revenue. And that defines success in the subscription business.

Servicing millions of subscribers yields more data, better insights, and greater value for our clients. All made possible by the Network Effect. We provide comprehensive subscription solutions built on proprietary technology, strategic consulting and best practices for subscription businesses that we forged from big-data insights. That's why they call us the Subscription People.

The Subscription People



ABOUT VINDICIA

Vindicia, an Amdocs company, offers comprehensive subscription management solutions that help businesses acquire and retain more customers. Providing much more than just a billing and payments system, the company's SaaS-based subscription management platform combines big data analysis, strategic consulting and proprietary retention technology. Vindicia provides its clients with more recurring revenue, more customer data, better insights, and greater value throughout the entire subscriber lifecycle. That's why they call us the Subscription People. To learn more visit www.vindicia.com.

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