

IBM Watson Advertising Accelerator Expands to Bring AI to Fast-Growing OTT Media and Streaming Landscape

As brands and agencies look to diversify their media portfolios in ever-changing traditional web, IBM offers Watson AI for OTT market, where industry collaboration is critical to achieving scale

NEW YORK, April 29, 2021 /PRNewswire/ -- IBM (NYSE: [IBM](#)) today announced the expansion of IBM Watson Advertising Accelerator for OTT and video, designed to help marketers move beyond contextual relevance alone. Accelerator aims to leverage artificial intelligence to dynamically optimize OTT ad creative for improved campaign outcomes at scale, not dependent on traditional advertising identifiers. While compatible with most streaming platforms, IBM is partnering closely with Xandr, an industry leader in programmatic and converged video solutions, to help scale adoption of Accelerator.

According to eMarketer, in 2020 streaming households outnumbered traditional cable households for the first time, and 27% of cable households are expected to switch in 2021.[1] With this growth, many brands may seek to increase their streaming ad budgets to better target their core groups. [According to a survey](#) conducted by the IAB, at the end Q1 2021 media buyers plan to increase U.S. spending for digital video, including CTV/OTT, to 20% of their total media budgets this year. IBM Watson Advertising Accelerator allows brands to tailor ads at the individual impression level, enabling personalization to the viewer in the moment with the goal of improving campaign outcomes for brands, translating into a win for consumers, platforms and advertisers.

Originally designed for display advertising, IBM Watson Advertising Accelerator now also brings powerful AI-driven capabilities to video and OTT campaigns. It uses IBM Watson AI to process and action real-time data signals and to dynamically assemble ads to help brands improve campaigns and time-to-value three-fold:

- Accelerator takes manual work out of dynamic creative setup. Creative assets such as different music tracks, video sequences, voice overs, and end cards for video, are organized and fed into Accelerator.
- Accelerator leverages AI to predict and generate impression-level ad variations. It uses Watson Machine Learning to analyze cookieless data signals to predict and subsequently assemble a customized video creative for each impression based on the likelihood of a consumer converting against a KPI.
- For OTT, the KPIs span video completion rate (VCR), various brand site actions and app installs.

All of these capabilities can help marketing teams to test and derive audience insights from a multitude of different creative variables to improve campaign performance.

"Brands continue to follow their consumers to OTT and CTV, especially now as streaming audiences grow across all age groups. However, brands are too often faced with creative resource constraints, fragmentation, and measurement and frequency challenges. The market is in need of advanced technology to help deliver optimal creative at scale, and IBM sees AI as the solution," said David Olesnevich, Head of Product at IBM Watson Advertising. "Accelerator is designed to help brands make their campaigns effective, perform against business goals and derive measurable results and insights. All at scale – which requires working together with industry leaders. Using Watson AI, marketers can now develop personalized OTT creative for each user and ultimately help improve campaign performance over time."

Xandr [recently announced](#) 75% YoY growth in digital video platform spend and 235% YoY growth in Connected TV platform spend for Q1 2021. Brands and agencies can leverage the Xandr Invest DSP to pilot the Accelerator OTT product today.

"The fragmentation of media consumption habits in an evolving identity landscape underlines the need for intelligent, data-driven technology solutions," said Doug Hurd, Head of Corporate Strategy and Business Development at Xandr. "Xandr and IBM's first-to-market capability will power more relevant ad experiences in Converged Video, Connected TV and OTT environments for brands, publishers and consumers alike."

Accelerator is an award-winning technology, on average driving +127% lift in display performance over the length of a campaign.[2] In initial Accelerator for video internal tests on The Weather Channel O&O digital property, IBM exceeded its own VCR benchmarks by nearly 20%.

About IBM Watson:

Watson is IBM's AI technology for business, helping organizations to better predict and shape future outcomes, automate complex processes, and optimize employees' time. Watson has evolved from an IBM Research project, to experimentation, to a scaled set of products that run anywhere. With more than 30,000 client engagements, Watson is being applied by leading global brands across a variety of industries to transform how people work. To learn more, visit: <https://www.ibm.com/watson>.

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¹ eMarketer, US Digital Video 2020. Subscription-only report. See executive summary and report access here: <https://www.emarketer.com/content/us-digital-video-2020#page-report>

² Based on results calculated from the initial group of display Accelerator campaigns that have run so far. The performance data discussed herein is presented as derived under specific operating conditions. Actual results may vary.

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