



VOD Resource

# GUIDE





## Video on-demand — A true marvel of the modern world.

While others have been off building bridges, splicing genes, and exploring the solar system, those clever cable engineers have been designing lightning fast networks so the rest of us can kick back like never before.

For the first time, our television is a gateway to a library of choice, what we want, precisely when we want. Armed with nothing but the remote, that genetic engineer, or burrito maker, can cruise blissfully through an interactive netherworld of video alternatives. At least, we're almost there.

At the other end of that lightning fast broadband network, just south of interactive bliss, is your VOD System. Nestled quietly in your cable headend, this tightly integrated little beauty is actually a lot smarter than its good looks belie. Oh sure, it can store thousands of video files, tons of movies, sitcoms, documentaries, even those Scottish Highlander competitions in High-Definition. And it never really fills up, because you can always grow it bigger. But its true ambition is to be your Sancho Panza, your Tonto, your trusted ally, in blowing the doors off television as we know it.



**THIS BEAUTY HAS THE BRAINS TO FULFILL  
YOUR WILDEST MARKETING FANTASIES.**

Your VOD System is more intelligent software than it is whirring disk drives. Contemplative and considerate, it's a marketer's dream. It has more features than a Swiss Army knife and is just about as easy to use. With this tool on your side, you can take your subscribers to new heights.

Consider this little booklet as a handy guide to the amazing things that cable marketers can do with their VOD Systems. Essentially, VOD is in your hands now. You folks just might like to package up some enticing programming. Or promote something, perhaps? Or give your loyal subscribers a 3 for 1 deal on their movie buys. Or sell a DVD, or a car, or a new...well, who knows? You probably do.

The options are limitless.  
And we're just getting started.

What is  
VOD?

**CREATIVE CONTENT SELECTIONS,  
MAKE SUBSCRIBERS CONTENT.**



VOD doesn't just mean movies – a whole bunch of content can be delivered to subscribers. This content runs the gamut from local interest and weather to live events. In fact, one of the very first VOD subscription promotions happened last year as local radio station WDCG-FM in Raleigh, NC added the wedding of one of their popular DJ's to Time Warner's VOD library.

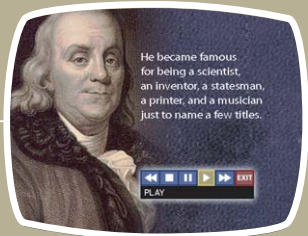


SVOD (subscription VOD) is a big hit and premium on-demand services from *HBO*, *Showtime* and *Starz*, and others are a no-brainer. And tiers of FOD (Free on-demand) from new and established brands bring a pretty dramatic ROI\*.

Sources for this content can come from a variety of places, including DVDs. New technology makes it possible to take an existing DVD and convert it into a complete VOD experience. And your viewer gets all the extras — including menus, director's cuts, subtitles and more. The DVD interface makes it easy to insert promos too. "DVD on-demand" could be the angle that really pulls them in.

Use VOD to extend "Cable in the Classroom" efforts. VOD libraries can have content timed with what students are learning in their classes. Imagine kids being able to see a documentary on Ben Franklin just as their class is learning about early U.S. historical figures.

*\*Give John a buzz at  
1-978-889-3098 or email  
johnc@schange.com  
to get a copy of the new  
business model for VOD*



# Content OPPORTUNITIES

## IF YOU'VE GOT IT, FLAUNT IT.

Now that you have VOD, you want to promote it to subscribers. One easy method is to dedicate a channel toward running continuous trailers and promotions about VOD. Just create a loop of compelling stuff and it runs continuously from your VOD System.

Another good way to build VOD awareness is to use that familiar program guide. Take advantage of it so viewers can see what you've got on. On-demand, that is.

In addition to program guides and custom VOD portals, another vehicle for driving users to VOD content is "channel overlays." Hit the remote and these attractive interfaces pop-up over the broadcast channel so users can quickly see what VOD content is available. The overlays can be customized to help direct users to content specifically related to what they are currently watching. For example, if the viewer is watching *Discovery*, the overlay would list all the other great content that *Discovery* has available on-demand. Overlays are easily sent along with the existing video and can be customized for a group of channels, a single channel, program, or even an advertisement.

Finally, use your broadband network to its full extent. Go cross-media. The Internet can be an excellent platform to promote VOD services and content. Give high-speed users access to movie trailers and other content via their home computer and cable modem. The top VOD servers stream to both set-tops and PCs.

### ● VOD BARKER CHANNEL

**Show** Subscribers how to get the most from their VOD

### ● AD INSERTION

**Drive** viewership with cross promotion

### ● PROGRAM GUIDE

**Raise** awareness with program guide banners

### ● VOD PORTAL

**Leverage** your brand by showcasing your complete VOD offering

### ● PROGRAMMER OVERLAY

**One click** from network channels to related VOD offerings

### ● CROSS-MEDIA (WEB)

**Give** Broadband users a taste of VOD



# Promote IT!

## WHEEL AND DEAL THE VOD IDEAL.



VOD offers exciting new ways to package content for viewers. You're in control. Create programs that get viewers psyched about a movie or a VOD subscription package. And let them scratch that itch with dynamic television sign-up screens that require no phone call.

Create new packages designed to put together content based on themes like genres or actors. Make packages on the fly like "Action Week" or "Julia Roberts Month." It is easy to quickly create these packages and change them with each fresh idea.

Your own Cable Channel also can create a sense of "Destination VOD." These custom-designed VOD areas will be filled with hours of related content enabling programmers to cement their relationship with viewers.

Provide powerful loyalty programs like "Buy 3 and Get One Free." You can even deliver levels of service for your customers so the more they use VOD, the more value-added benefits they get. VOD can be a perfect tool to build a relationship and reward your best customers on a daily basis.



Buy <sup>3</sup>  
Get One  
**FREE!**



TV ON SUBSCRIBER'S SCHEDULE,  
ON YOUR TERMS.

# Package IT!



## MORE WAYS TO PROFIT FROM VOD.



As you generate new revenues with pay-per-play and innovative subscription services, you can also offer your advertisers a wealth of new opportunities. VOD is a terrific platform for advertising. If you're using SeaChange systems to manage your current advertising insertions and billing, that's good news. VOD and advertising are tightly integrated, which means that any ad stored in your ad insertion system can be used in VOD placement.

Personal streams offer advertisers new ways to pinpoint audiences by program or demographic. Forget ad skipping. Viewers will appreciate a *relevant* 30-second spot. Or long-format videos providing detailed information to aid consumers on making major purchasing decisions like cars, houses, colleges, etc. Home Depot just might have great stuff on building a tree house; real estate folks could go nuts here; and those cool BMW ad-itude films will have them flying off the lots.

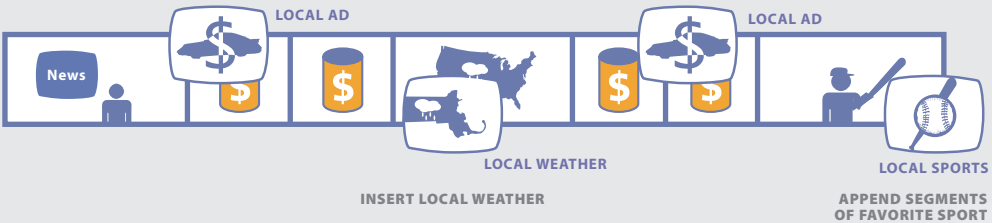
Want to update the ads in existing content? No problem. This digital technology makes it easy and cost-effective to replace advertising included with last night's ball game, with more timely spots and promos — even for the original advertisers.

Targeted, relevant programming and information... it's like a magazine. Throw in the excitement of full-motion video...wow, you've gotta see this!

### CUSTOMIZED AD REPLACEMENT AND PROGRAMMING ASSEMBLY FOR EACH SUBSCRIBER

REPLACE NETWORK SPOT WITH  
CUSTOMIZED NATIONAL AD

REPLACE ORIGINAL SPOT  
WITH CUSTOMIZED LOCAL  
OR INTERCONNECT AD



# MonetizeIT

## I WANT "MY" VOD.



Gosh, where is this all going? While those technology guys are tweaking their algorithms and splicing their digital files, you guys will be working on the TV experience. In a year or so, some of you will be leading us down the primrose path toward the real promise of personal television. Those smart VOD Systems will be like TV stations, with each stream a collection of personal preferences.

Donna will watch the *Lifetime* movies, get her favorite beach forecast from *The Weather Channel*, and check out that new Pontiac Firebird.

Bronco, transplanted to Des Moines, will still get his beloved Gator games. He'll catch up on local school issues with the kids. And even appreciate those spots on golf, minivans and those cute little Hummel figurines. Really, Bronco?

Anyway, the point is on-demand television will enable cable to brand and bond with viewers in phenomenal new ways. DBS can't touch it. Even DVRs will fall way short. And in terms of advertising, it looks like you folks will take a big chunk out of the \$50B direct mail biz. Entertainment, news and infomercials (not the boring kind) will all be easily assembled on the fly by that VOD System.

The world is your oyster,  
but, shucks, you knew that.



# The FUTURE

SEEING IS BELIEVING.



SeaChange International's Digital Television Experience Tour is on the road again bringing advanced software and systems demonstrations to television operators, networks and other content producers. With VOD already available to millions of television households, SeaChange is rolling with its new Digital Television Truck to highlight better ways to streamline television's "content pipeline."

**This 78-foot,  
15-liter, diesel  
powered television  
facility reflects  
the vast changes  
rolling through  
the television  
industry.**



This year, the Digital Television Truck is showcasing SeaChange's comprehensive coverage for digital television opportunities, spanning content origination to television viewers' experience. At nearly 80 feet in length, the truck features a multimedia theater flanked by a broadcast facility and a digital cable headend, including SeaChange's software and systems. Visitors see integrated on-demand and advertising systems in a variety of cable and telco settings; online and on-air systems for broadcast operations; and digital set-top applications and viewer interfaces.



> For additional information or to schedule a truck visit, contact our Digital Television Tour Manager, Kathi Chiango, at 978-889-3074.

Are you  
**EXPERIENCED?**

WORLD CLASS SOLUTIONS.



SeaChange International (Nasdaq: SEAC) drives the on-demand business with highly automated and fault-resilient digital video systems. Today, SeaChange VOD Systems provide hundreds of thousands of on-demand streams for North America's largest cable operators including Adelphia, AOL Time Warner, Cablevision, Comcast, Insight, Mediacom, RCN and Rogers.

With its Emmy-winning MediaCluster technology, thousands of SeaChange systems are helping broadband, broadcast and satellite television companies to streamline operations, expand services and increase revenues. SeaChange is headquartered in Maynard, Massachusetts and has product development, support and sales offices throughout the world.

Visit [www.schange.com](http://www.schange.com) today.



About  
**SEACHANGE**



Now if you really want to  
get into the hairy details  
of all the tech stuff, talk  
to your cable engineer.

Or, we'll be happy to stop by.

The folks at  
SeaChange International  
[www.schange.com](http://www.schange.com)  
1-978-897-0100

TV Turns

US ON