

Local Broadcaster Elevates Ad Sales with AI

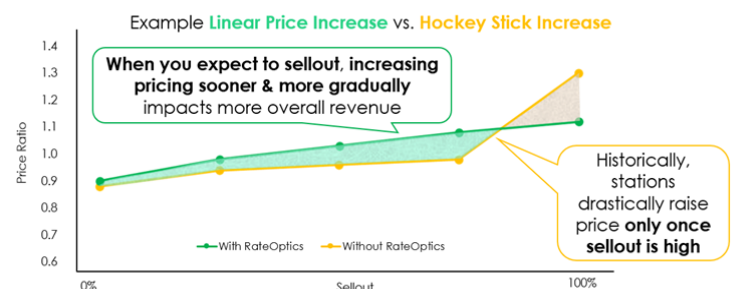
Leading broadcaster known for tech innovation drove pricing automation with RateOptics

A leading US TV and Radio Broadcaster with a strong focus on ad tech innovation set out to improve inventory yield and increase automation around their pricing decisions. Too much variability in both processes and people were making it difficult to standardize operations. The company realized that investing into areas like AI-enabled pricing and standardization of pricing processes and systems would enable better scale and growth.

The Challenge

The broadcaster started to take notice that inventory yield was highly variable across markets and primarily relied on gut-based pricing. The broadcaster noted several issues:

- The ability to maximize revenue through pricing and inventory fell solely on sales managers. And since skill sets and processes varied widely across markets, results were inconsistent
- Sales managers were spending too much time manually pulling and analyzing data, taking time away from other key sales activities
- Sales managers were waiting until programs were 80-90% sold out before driving up rates, leading to lost revenue and high preemption levels
- No central repository for rate cards, which hampered the company's ability to monitor and track pricing decisions across all markets



Analysis across customers and markets demonstrates that a **LINEAR** price increase drives up revenue & increases sales adoption



Figure 1 shows how revenue increases and sales adoption improves if stations gradually raise rates when predicted to be constrained vs. drastically increasing rates late when already constrained.

The Requirements

The company explored a few solutions to address the decentralized nature of the pricing decisions, and ultimately selected RateOptics to bring AI, automation, and standardization to their pricing processes.

Pricing Powered by AI

The broadcaster needed a product that not only leveraged best-in-class AI and machine learning, but also knew the complexities and challenges associated with local broadcast TV and radio. And since most users of the application would be sales managers, the system needed to be intuitive and not require users to have a high level of technical or analytical expertise.

Better Automation

The broadcaster also needed a system that would automate their pricing and provide their sales managers with key data and insights to help them make better decisions. Additionally, the system needed to integrate with downstream proposal systems to minimize any disruption to existing workflows.

Standardization

Lastly, this broadcaster needed a system that would streamline their pricing processes and serve as a central pricing hub, allowing them to move away from data being managed in spreadsheets and bring much needed tracking and accountability to their pricing decisions.

The Results

Once RateOptics was implemented, the changes were noticeable right away. Not only did RateOptics transform their legacy pricing processes, but it also captured new metrics that brought better visibility and monitoring of pricing decisions.

High Adoption

The broadcaster's commitment to change was unwavering. With the support of the RateOptics team and key market champions, they successfully rolled out RateOptics across all markets and exceeded their target rate acceptance of 95%.

Maximized Yield

By making pricing decisions faster and sooner, the broadcaster was able to achieve more than 1.5% revenue uplift. They were also able to leverage Rate Performance to identify and take appropriate pricing action on under-indexing advertisers and agencies.

Less Time Wasted

The ROI metric was welcomed, but the success they really appreciated was standardizing pricing processes across their markets and reducing time spent by sales managers manually pricing inventory. Now they have the confidence that all markets are maximizing their inventory yield and are focusing on higher-value sales activities to drive additional growth.

While the broadcaster has successfully rolled out RateOptics across all their stations, the journey with RateOptics continues. As the broadcaster looks to move towards converged selling based on CPMs, RateOptics remains the trusted partner to not only help price linear and OTA inventory but will also support their digital products. And thanks to the broadcaster's continued commitment to change, they remain a driving force in pushing the industry forward through automation and AI.



It would take someone a large chunk of time to pull this data each week.

- Large Midwest Station Sales Manager



Having this information makes our inventory meetings more efficient.

- Southeast Station Sales Manager



Seeing this is a red flag that prompts me to email everyone with demand in that segment.

- West Coast Station Sales Lead



This helped us identify an opportunity to drive rates higher farther out.

- Mid Size Southern Station Sales leader