



STATE OF AFFAIRS

2025 already shows several signs of being a tough year for video advertising, especially for TV stations, networks, streamers and MVPDs. The political trough will have dried up for an off-year and the economy will likely play 'wait and see' with the results of the 2024 elections. With a limited opportunity to grow top-line revenue, media companies will focus more attention on the net, scaling back areas where greater efficiencies are achievable.

THE CHALLENGE

The challenge to the cost-cutters will be how much is left before striking bone? Headcounts have been pared already. Remaining operators are currently holding down the responsibilities multiples handled in the past. Stress levels are running high even now.

THE OPPORTUNITY

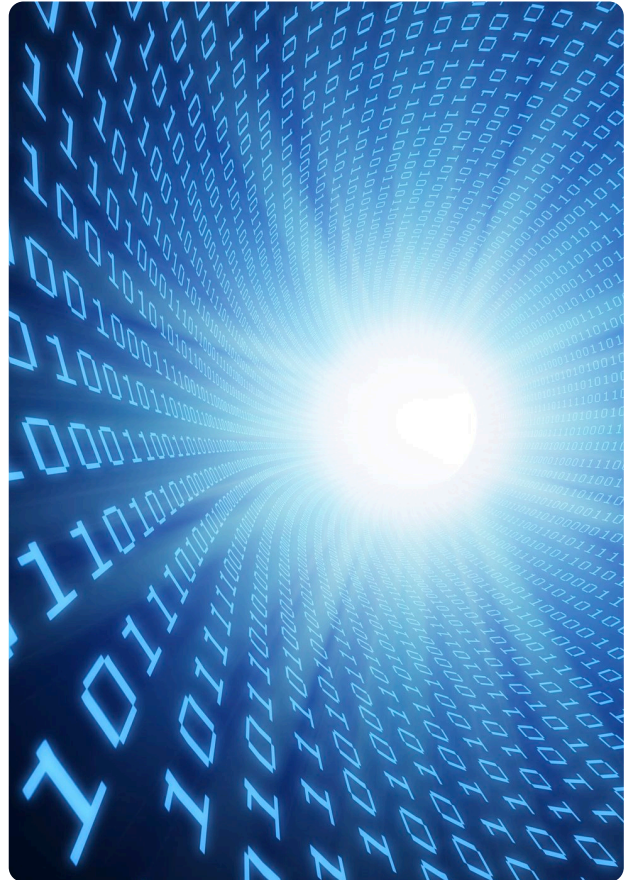
Media companies are increasingly anxious over the search for greater efficiencies and better tools in advertising workflows. This could be an environment ripe for disruption – a game-changer with the promise of a significantly improved ROI after an initial investment in transformative change management. The disruptor could be a supplier, an application, or both!

Why an OMS?

OMS is an acronym for Order Management Solution. Our consultancy has charted the business, operational and data flows for several major media companies over the past few years. These visualized workflow landscapes share a common characteristic: a mishmash of highly manual processes required to get from 'pitch to pay'; in other words, moving advertiser RFPs all the way through contracted orders being executed by downstream ad servers. This is the case for all platforms, digital, addressable, linear and hybrid.

Content distribution has certainly advanced digitally in access, delivery, and monetization in the past decade. Which has put even more pressure on the ad tech community to keep pace. A commitment to tackle real change management is often a blocker. Media companies have operated each of their distribution platforms as similar but separate businesses. A broadcaster might have national, local, and digital advertising arms using different sales teams, products, and tech stacks. Another media company may have linear, OTT, and digital businesses that operate separately from one another.

The technologies and processes that support revenue management are not built to handle the dramatic increase in data, volume, and detail that goes into every step of the process, from proposal to IO to fulfillment, invoicing and reporting. Sales and operations teams, in particular, find themselves overwhelmed with manual work to assemble information from disparate systems and align their business to serve advertisers' campaign needs.



These separate operational units present challenges in unifying media businesses into a seamless ecosystem. Companies know a unified model could help them sell more effectively, reduce overhead, and optimize their inventory, but legacy systems with organizations and processes created around these systems can make it difficult to change.

We have seen that to achieve real and effective change requires a commitment to unification across processes, technologies, and data.

- **Process** – Sales, operations and analytics teams need to work together across platforms
- **Technology** – Systems need to be integrated and fluently share common work and data flows
- **Data** – Integrated flows need to be normalized providing better access and accuracy in generating stronger insights into your business and revenue.

A disruptor in this cumbersome and highly manual business, operations and data management area would be called a cross-platform Order Management Solution, or OMS. An OMS is a next-generation software application that provides a 'command-and-control' layer above all downstream ad servers (or traffic systems), that fluently shares contractual data with multiple RFP methodologies using RESTful APIs and advanced approval/routing capabilities. Yes, there are a handful of intrepid pioneers now out in the marketplace, mostly in early stages or beta/POC form.

They have met with limited success and a fair share of blockers. The challenge to any wannabe ad tech disruptor is to skillfully blend business as well as technology advancements. The days of 'off the shelf' solutions are most likely over; the disruptors need to provide solid, proven components that can be architecturally configured to the way their clients do business and attempt to gain competitive advantage. And they must be capable of managing the ad tech processes from campaign RFP to cross-platform invoice.

From what our consultants have witnessed, here are the basic building blocks an OMS disruptor should check off:

- An ability to package and manage sellable products in all ways Sales will uniquely define them (for competitive advantage, of course)
- An ability to profile all forms of available inventory in clear, graphical, time-sensitive, and accurate representations
- An ability to transact in multiple trading currencies simultaneously doing accurate translations between unit count, audience impressions and costs-per-x.
- Automated cross-platform campaign creation and optimization, measured against standard or custom currencies.
- An orchestration ('command and control') engine that can package and direct units of work and data to deliver against campaign requirements.
- A highly automated workflow and approvals engine, "no-code" configurable
- An on-demand calculation of delivery against contracted according to multiple yardsticks
- An effortless sharing of key data – both intake and output being accomplished through next-generation handshakes with secure permissions
- A highly intuitive and customizable UI/UX pegged to a user's role in the ad operations ecosystem
- A seamless output of key data fields to a client's preferred repository for analytics and visualized dashboards

The disruptor application would also require a formidable provider, one that:

- Practices a business model that consistently invests >25% of revenue in product development
- Has an agile dev-ops throughput that is nimble to changing market conditions
- Has a 'client-centric' services orientation
- Has the courage to adopt a pricing model that reflects the true value to customers in terms of impact on revenue and profitability.
- Can quickly scale with ubiquitous integration capabilities and attitudes
- Committed to driving innovation and efficiencies with an eye towards the promises of machine learning and AI

At the 2024 National Association of Broadcasters' convention, we had the privilege of talking about OMS with several senior executives at media clients and vendors.

Two themes emerged that confirmed our perspective: the need for flexibility and the efficiency of automation. Every media client looks to sell their advertising assets uniquely and with competitive advantage.

Therefore, their OMS footprint has evolved into one with key differences from another's. Configuring an arsenal of components and integrating them seamlessly with existing applications and workflows will lead to a successful business transformation, taking a pragmatic approach to implementation.

The quest for OMS should only accelerate as 2024 deepens and 2025's urgency heightens. Yet, achieving an OMS should be looked at as a journey with several key steps. Depending on your organization, they could include:

- Careful charting of the current and future states of business and operations, out a minimum of five years
- Architectural landscapes of process and data flows that identify key nodes for people, process and technology
- A realistic Minimum Viable Product (MVP) destination within 12-18 months
- Scrupulous sourcing and selection of applications and providers (choices made for the right reasons)
- Efficient business process redesign and change management practices
- Agile-defined program and project management at the enterprise solutions level
- A phased transitional approach where the success of each redefines and green lights the next



OmniMedia Solutions Group has worked with a variety of major media clients in several of these transformative phases. Our clients achieving the greatest success have carefully planned at the outset for a journey, and we stand ready to assist your organization in plotting a step-by-step quest for the right OMS.

CO-AUTHOR'S BIOS

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