

5 Reasons You Should Buy, Not Build Your OTT Video Solution

The OTT (over-the-top) video space is experiencing a rapid acceleration in new services, users and revenues. [Premium OTT video](#) alone is expected to generate \$8 billion in U.S. revenues by 2018. Creating and executing an OTT strategy quickly is challenging, especially if you are thinking about building a solution in-house. Your plan must support the optimization of video assets, devices and monetization opportunities for all of the ways your audiences are consuming content. In addition, it must drive internal efficiencies, and offer technical flexibility for platform integrations.

Building and deploying an OTT solution is a costly, time-consuming process in an industry that is quickly evolving. Not only are technology requirements rapidly changing, but viewer preferences are becoming increasingly fickle as the definition of TV has come to encompass any screen at any time. However, OTT has become a critical part of any video offering today, and the market favors companies at the leading edge of video innovation.

Buying an existing online video platform through an OVP (online video provider) generates many benefits for your business, and offers an expert partner that will support you through the technological and strategy implementations.

Read on for 5 more reasons why buying rather than building an OTT video solution can help improve your bottom line and grow your business.

REDUCE YOUR TIME-TO-MARKET

Viewers globally are spending more than 5 hours watching video per day, with digital video taking up an increasingly large chunk of that [time](#). In a market undergoing such rapid growth, you can't afford to be late to the game.

As media companies launch video solutions quickly,

“Many of the technical barriers to developing a premium OTT service have come down in recent years, as off-the-shelf components and scalable cloud-based services and infrastructure have become more widely available.”

*Prospects for Premium OTT in the USA report,
July 2015*

the market is becoming more saturated and consumers are reveling in more options for their video content needs. Reducing your time-to-market with the right technology and online video partner is the key to staying competitive.

A typical in-house video solution takes—at a minimum—several quarters to plan, build, deploy, troubleshoot and streamline. Buying a pre-built online video solution which is flexible and customizable for your needs saves you this precious time, so you can get to market quickly and ahead of your competition. All you have to do is hit play.

ELIMINATE UPFRONT COSTS

As the video industry continues to evolve, the ongoing investment to keep your self-built technology on the leading edge will be substantial. You will need to keep your hardware, software and staff updated to stay on pace with industry innovation—which can have substantial, unforeseen costs.

Buying an online video solution costs less than in-house alternatives that offer the same level of functionality and capabilities, when you consider both capital expenditures as well as lifetime operating costs for staffing, routine maintenance and the continual upgrades required.

In most cases, the total cost of ownership of buying an existing online video solution is significantly less than the cost of acquiring or building your own, with the added benefit of being built for scale. OVPs have invested millions of dollars to build and maintain reliable data centers, full redundancy solutions and rigorous secure processes so that you don't have to manage that on your own.

Broadcast and media companies like **ESPN, Univision, Foxtel, and Sky Sports** have replaced elements of their own in-house solutions because they realized that outsourcing was both more cost-effective and better-equipped to keep them on the forefront of technology.

MANAGE RISK EFFECTIVELY

Deploying a large-scale video technology project is complex and involves a significant amount of risk. Managing that risk effectively against the technology strategy, as well as mitigating mistakes quickly will allow you to succeed in the market.

OVPs are able to leverage rich experience managing risk for other large media and broadcast companies, as well as an extensive partner network that is not present when you build your own solution. Purchasing an existing platform enables your provider to foresee common issues and solve problems quickly so you can focus on your business.

ENSURE FINANCIAL PREDICTABILITY

The technology, process and strategy transformation that building a video solution demands is not only challenging, but also unpredictable. It requires a strong and integrated operational approach, as well as a strict cost-minded approach. Often, unexpected technological problems can rise and costs can escalate quickly—putting your project ROI at risk.

Buying an OTT solution helps maintain cost predictability throughout the length of your deployment, and can offer customization options to fit your needs and revenue goals.

FUTURE-PROOF YOUR BUSINESS

The online video industry is changing quickly, and you need to be able to maintain your technology's edge and future-proof your in-house solution. Not only does this require a substantial commitment in terms of staffing resources, but it doesn't come cheap (or easy).

OVPs are constantly evolving their video platforms, whether by offering additional device support, new streaming technologies, analytics reporting, search and discovery options, or through partnerships with relevant technology makers. These innovations will have a direct positive business impact for you in the short and long term.

CONCLUSION

Launching a successful OTT video solution today presents many challenges and opportunities. Buying a solution versus building it from scratch offers the best foundation for OTT success today—and tomorrow.

For more information about OTT video solutions, please contact Ooyala.

