

“GETTING IpTv RIGHT”



“Getting IpTv Content Right”

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Hello

GARY HAYES -

- BBC from 95-04 as **Senior Producer/Manager**, BBC Interactive
 - Produced first interactive TV services on Digital, first Broadband TV services and earlier first video and audio on bbc.co.uk
 - Chaired Business Models Group** of TV-Anytime 99-03 (leading PVR & on-demand standard)
- 2004 in West Coast USA devising/producing new on-demand programmes with networks, AFI & consultant to UK
- Now Project Director of LAMP with AFTRS in Sydney



Hello - Getting IpTv Content Right

Gary's Talk

- The Genie is out of the Bottle
- The battle has begun
- Killer-app, beat-em-all Bundle
- Creating the new
- How to win the war



The **GENIE** is **OUT** of the **BOTTLE**

The natural communication evolution

- 1.2 million years BC - we first spoke
- 28 000 BC - we created **visual art**
- 4600 BC - we learned to **write**
- 868 AD - we **printed** (**publishers were born**)
- 1839 - we made **photographs** (**more publishers**)
- 1895 - projected the **first film** (**film distributors born**)
- 1946 - **scheduled TV** appeared (**broadcasters were born**)
- 1990s - the **internet** arrives (**self publishing begins**)
- 2000s - control shifts to consumers who both 'publish and select' from the publishers they want...

The GENIE is OUT of the BOTTLE

- IPTV - The final countdown, the last battleground, but the content-over-broadband war **may already be over!**
 - IPTV (the triple play part - not the technology part) will not fly without **something more compelling** than “cheaper if you buy a pack of three” or “more choice”
 - Giving consumers the triple play is like giving them 3 wishes,
 - **1st wish TV**
 - **2nd wish Telephony**
 - **3rd wish “Have as many more wishes as you like!”** True, uncapped, broadband can provide that. **NB: Cap it and fail**
 - *“Australians spend on average 23 hrs a week using broadband internet – more than 13-39 year olds spend watching TV” – AFR, Ericsson Nov 04*
- BUT**
- *There were only 0.7 mill digital free-to-air TV receivers and 0.5 mill Foxtel digital receivers sold to December 2004*
 - *In Australia only about 40% of those left actually want broadband, so what about the rest*

Killer-app?, Beat-Em-All Bundle?

THE ROAD I'M ALREADY ON

- Already have Free TV
- Not really interested in web
- Already have a telephone (home and mobile)
- Not really interested in Digital TV

THE IPTV ROAD

- TV
 - Broadband web
 - Telephone
- And some of the cool stuff??
- Video-on-demand! - um, already got DVD
 - More channels you are interested in - um, had a look at satellite, not impressed

THE BATTLE HAS BEGUN

PEOPLE TV - FREE, NICHE, RELEVANT, REACTIVE, ORGANIC

- Podcasts, VideoCasts/Blogs, GoogleVideo, iVideo...
- Communities of interest on Broadband - eg: Filmmakers TriggerStreet, AtomFilms
- Free broadband TV from webcasters eg: BBC, AOL (5 mill Live8)
- Non-profit IPTV - publishing community video eg: current.tv, creative commons
- Open source internet TV (eg: participatory culture.org with tools such as Broadcast Machine)



Internet TV is almost here...

Coming Tuesday, August 9
Preview Beta of DTV for Mac OS X.

THE WINDOWS VERSION ARRIVES SOON AFTER

THE BATTLE HAS BEGUN



Al Gore (Current TV) – 1 August 2005
“The internet opened a floodgate for young people whose passions are finally being heard, but TV hasn’t followed suit. Young adults have a powerful voice, but you can’t hear that voice on television... yet,”

“We intend to change that with Current, giving those who crave the empowerment of the web the same opportunity for expression on television. We want to transform the television medium itself, giving a national platform to those who are hungry to help create the TV they want to watch.”

THE BATTLE HAS BEGUN

"Already there is more data downloaded for video over the Internet than there is for music... What happens when a 14-year-old creates a BitTorrent browser that's easy to use and plugs right into your TV? You go from 500 channels to 50 million channels."

•Mike Ramsay, cofounder of TiVo.

Hardware competition

- HomeMediaCenters
- PVR's
- XBox360, PS3
- TV cards for PC's
- FTA HD boxes
- HomeCinema, DVD
- HD DVD, BluRay



THE BATTLE HAS BEGUN

Still massive investment in IPTV in USA

- THE ROADS - SBS are spending **\$4bill** to reach 18 million homes within 3 years. Verizon are spending **\$700mill**
- THE CONTENT - Verizon have deals with NBC Universal, Discovery and Starz Ent - bundled DirecTV, 230 channels. And the other direction - Akimbo today announced '**long tail**' content for cable companies'
- THE OS - Microsoft already testing BellSouth, Verizon and SBC

Large numbers of IPTV users in Asia

- Expected to grow to **20 million** by 2009 - already over 1 million
- Thirteen regions already trialing these services

Italy

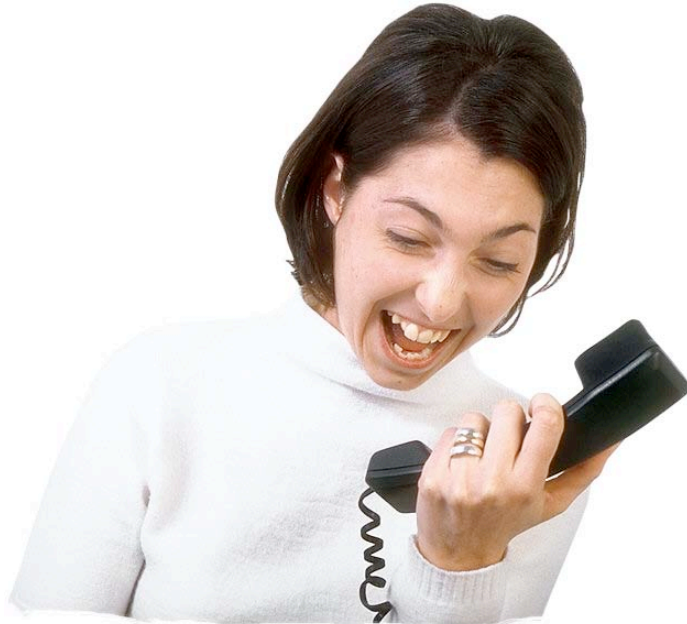
- FastWeb - tripled its subscriber base, **tripled its revenues**, the average revenue per user (ARPU) rose to over **780 Euro annually**



THE BATTLE HAS BEGUN

Where is the Triple-Play in Australia?

- SkyNetGlobal's apartment based service
- Adelaide's Adam Internet (partnership with MoviesOnline)
- iiNet is looking to next year for a start.
- Telstra? Optus?
- Any more with deep pockets?



Killer-app?, Beat-Em-All Bundle?

Triple-play +

- Wireless – one-pipe in, home distribution
- Games – console power (not pacman on TV!)
- Personal Video Recorder – 1) as standard STB, 2) in the network 3) Able to burn off to DVD 4) Personalisation
- Email over TV – for the 60% who don't want web
- OK sure – lots of VOD, movies, niche channels etc:

LAST BUT NOT LEAST THE REAL OPPORTUNITY – The IDEAL content platform for ALL

- the 'BIG-HYBRID' services. Return path, TV and voice communication. Brand new 'combination' services – yet to be devised!

- Enhanced TV – multi-streams, voting, play-along quiz shows, karaoke, involvement, relationship



Killer-app?, Beat-Em-All Bundle?

[Video examples](#) of successful (gary related) interactive services

- Olympics - multi stream 60% reach, **9 million used it**
- Test the Nation - nearly 2 million play along together, **do not leave**
- Hull Broadband TV - People stories **more popular** than broadcasters
- Pyramid, Xcreatures - **New form programming** reach over 64%
- Lword - combining PVR and TV to **extend experience**
- Top of the Pops - something simple generates **stickiness**

The real opportunities for 'new entry' content providers

- Compelling interactive services
- Niche, localised, relevant content
- Sticky games & unique formats
- Create the new...

Creating the new

“The best way to predict the future is to invent it.” Alan Kay

It is critical to make sure IPTV services have:

- Strong presenter **Call to Action**
- **Simplicity** & clarity (the core interactive idea)
- Audience focus - **understand THEM** & create loyalty
- Participation & **reward**
- **Choice** around landmark events
- **Localisation** and personalisation
- *Have **TV centric design** - not web on TV and not plain TV on broadband*
- *Have **pre launch prototypes** so everyone can see, user test and buy into - inspire people with possibilities they can see. **LAMP@aftrs***

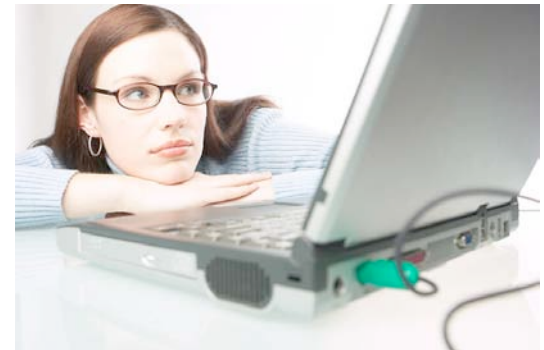
How to win the war - finally!

Goes without saying

- Compelling range of content - that CHANGES, churns. Niche (medium to long tail)
- Quality of Service (QoS) - robust networks, TV doesn't crash!
- Right service bundle - see earlier
- DRM and usage rules - no protection, no content

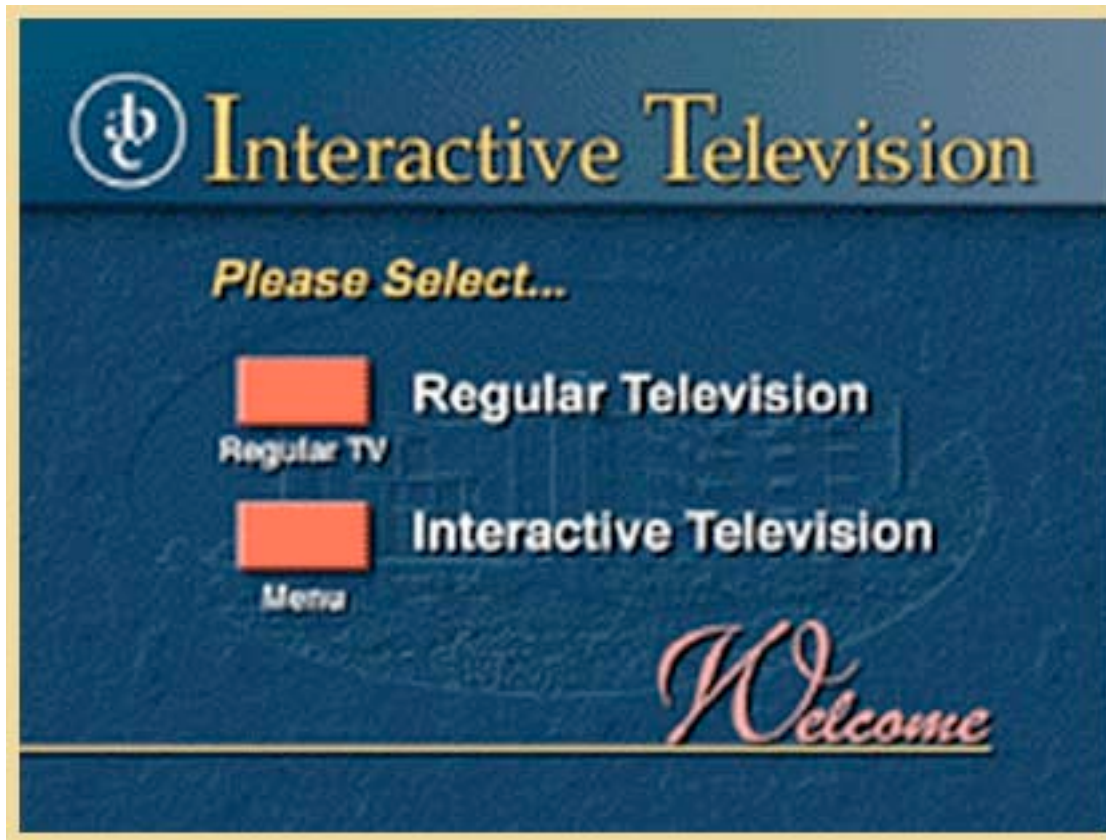
But likely to get overlooked -

- Think BIGGER. “**Standardisation for globalisation**”
- Global **metadata** to interoperate & expand (see TVA) - Niche & well tagged content will deliver long term
- Make the triple, quadruple or septuple(!) play services interoperable...
- **Interface** - often left to the end, deep content but POOR navigation



How to win the war

- Lets sort out these interfaces!!



How to win the war - create the new

How to prepare for this '**ON-DEMANDING**' IPTV world in Australia...

- Key is to have focused prototyping & pilots for all emerging media
- The Laboratory for Advanced Media Production (run through AFTRS) will become a premier incubator for cross-platform services in Australia
- More details about how to apply online at www.lamp.edu.au
- Call for projects, mentor interest and rapid format developers**

Thankyou for listening - gary.hayes@aftrs.edu.au