IPTV Services:
Monetizing the Crisp Viewer Experience

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Panel

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IPTV: Monetizing the Crisp Viewer Experience

» IPTV is experiencing high subscriber growth—now approaching 20M subscribers worldwide

» But it is a substantial investment from the Operator:
  ▪ Building out headend
  ▪ Content acquisition
  ▪ Video processing for high quality and reliability
  ▪ Managing the service
  ▪ Installing the service
  ▪ Marketing and selling costs
  ▪ Network upgrades for bandwidth

» And the Operator must meet subscriber needs
Consumer Behavior

Television Features with the Highest Appeal (Q3/08)

"How appealing would you find the following features?"
(Percentage of U.S. adult home broadband users rating feature as 5-7, n=2,720, ±2%)

- Primetime Anytime: 55%
- Catch-up/Start Over Primetime: 53%
- Multi-room DVR: 43%
- Caller ID on the TV Screen: 42%
- Channel Video Thumbnails: 36%
- DVR Place-shifting: 35%
- External Hard Drive for DVR: 34%
- Simple Single-player Games: 33%
- News and Information Widgets: 33%
- Interoperability between STB and PC: 33%

Source: Parks Associates
IPTV: Where will the profits come from?

» Five of the top ten have to do with time and place shifting

» But:
  ▪ Delivering time and place shifting from the network consumes a lot of bandwidth
  ▪ Doesn’t have an apparent revenue model (subscription fees?)
  ▪ Content providers place restrictions on operators (because of advertising contracts)
About Pilat Media

Next Generation Business Systems for Media

- Over 50 customers
- $20 billion managed Ad revenue
- Programming for hundreds of millions
From IPTV to the Multi-Screen Experience

- Content everywhere
- Services that cross screen boundaries
- Cross-platform promotions
Deploying Relevant Advertising

- Relevant to your viewers
  - Network
  - Geographic
  - Audience Profile and multi-screen

- Relevant to your Business
  - Direct Sale and wholesale
  - Inventory and profile modeling
  - Business Analytics
IPTV Services: Monetizing the Crisp Viewer Experience

L. Ken Durand
Software Product Management
General Introduction

• Ken Durand, Video Software Product Management

• The Ericsson / TANDBERG Combination*
  – Over 225 IPTV Installations Worldwide and product presence in 15 of the top 20 IPTV deployments
  – 90% of all Video on Demand Content passes through an TANDBERG product
  – Over 60 Mobile TV deployments
  – 31% Market Share in IPTV HE deployments globally

*Current Analysis, April 2009
Delivering the Individual TV Experience

• The Individual TV Experience incorporates the fundamental consumer desires for ‘TV that is personal’, ‘TV that connects me to everything’, ‘TV that is high-quality’ and ‘TV that is value for money’.

• Converged multimedia that ultimately delivers ‘any platform, to any device™’.

• On a joint NAB 2009 booth (#SU5108), Ericsson and TANDBERG Television will show how our latest on-demand and content management systems are enabling greater efficiencies, as well as generating extra revenue with new consumer experiences with next-generation IPTV, End to End Content Management Solutions, Time-Shifted TV, and Personalized Advertising.
Providing Profit Generating Solutions

Innovative solutions and applications designed to help companies offer new services and deliver compelling user experiences to their subscribers.

In a recent ON24.com online poll, 50% of the respondents replied that “Introducing New Services” was the most problematic issue today in IPTV deployments.

- **Time-Shifted & Place-Shifted TV**
- **Advanced Advertising Solutions**

As the personalized television experience gains momentum and HDTV becomes a mass market service, TANDBERG Television is enabling the management, distribution, and delivery of an ever increasing amount of video to a growing community of consumers and a plethora of new devices around the world.

- **Content Management Solutions**
- **IMS Enabled IPTV Middleware**
Orange: one of the world’s leading telecom operators, a world class communications brand

- 220 countries and territories
- €53.5 Bn revenue
- #2 mobile operator in Europe
- #1 broadband operator in Europe
- #2 broadband operator worldwide
- #1 IPTV operator worldwide

- 122 M customers worldwide
- 26.7 mobile broadband
dsl
- 2.1 IPTV
- 182
network limitations vs. high investments: a chicken and egg problem pour IPTV operators…

multiplay broadband services needed to pay back high investment in IPTV

TV distribution only can hardly amortize IPTV investments

IPTV needed to boost multiplay services adoption
Orange generated €1.5 Bn revenue from the content and advertising space in 2008 - to double by 2011
abundant, exclusive TV content is key for Orange to acquire educate and keep fixed and mobile broadband customers

**all inclusive bouquets**
50 TV channels, including DVB-T

**high definition channels**

**exclusive channels**
sports rights

**interactive channels**
Orange Sports: simultaneous broadcast on mobile, web and TV

**on network DVR**
catch up TV: “Rewind TV”

**thematic bouquets**
Orange bouquets
- series
- movies
- kids
- sport
- ethnics

**3rd party partners’ bouquets**

**VOD, SVOD**
“24/24 Video” on web and TV: 3,000 titles from majors’ catalogues

**exclusive events**
Orange production company

**party partners’ bouquets**

**orange**
Orange Cinéma Séries, an interactive premium TV service on the 3 screens, is re-inventing television experience

exclusive films and series from major partners:

- multi-screen: TV + mobile + web
- 1 month programs catch-up
- on demand access
- editorialized VoD
- start-over
Orange TV the key component and driver for the full range of Orange digital home services.

- powerful ...
- content centralization
- anytime anywhere delivery
- home automation services

ENTERTAINMENT
- Liveradio
- Set top box Range
- Livephoto
- BB Internet
- Livephone

LIFE MANAGEMENT
- Home Library
- WiFi extender
- Liveplug HD
- Remote access

COMMUNICATION
- Orange livebox range

COVERAGE
- DSL, FTTH, HSDPA

Orange livebox: a user-friendly Digital Home gateway, 7.8 M users
remember our chicken and egg problem?

... the little chick finally grew up!

- bundle IPTV within multiplay offers to make it profitable
- premium content and ad selling to complete revenue
- control the roadmap to build our own services ecosystems
- be pragmatic and adopt a flexible but secure solution
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Thank You!