



THREE SIDES TO THE OVER-THE-TOP STORY

By, Julian Clover

Ever-increasing broadband speeds are changing the TV landscape forever. On the one hand there is the threat of viewers being lured away to spend time on their PCs or smartphones when they were previously slumped on the sofa watching pay TV. On the other there is the opportunity that broadband offers to existing and new entrant operators that can harness the power of broadband for the benefit of the consumer and the finance director.



Most major metropolitan areas, and increasingly the more far-flung regions, can now support the delivery of broadcast quality pictures over the Internet to a greater or lesser extent. If you are delivering pictures to the TV screen there is no point in tying up broadband capacity with channels that can already be received over the air, so like BT Vision in the UK or Telstra's BigPond service you can use existing DTT channels and blend them in to a wider offering. Monaco Telecom has done much the same, but in its case the linear channels are transported using its established cable infrastructure.

TV AS A SERVICE – CREATING THE VIRTUAL IPTV OPERATOR

There is a genuine demand from consumers for TV as a service, be it to the mobile phone, the lap-top, or that device in the corner of the living room still known as the TV set. The difficulty is that viewers are not entirely sure what they want, using their PC to catch-up on TV shows they may have missed and often directed there by the broadcasters themselves, until a similar service is introduced on the TV itself.

The Apple iTunes Store has a wide selection of video, divided by studio and broadcast channel, but to date this has been largely confined to Apple Mac, PC and iPhone, the Apple TV device remaining a minority sport. Only now is there the realisation and the technology to bring together the personalisation of the web-based services with the familiarity of the TV set.

Over the past few years television manufacturers have sought to integrate the increasing consumer appetite for home networking by producing their own Connected TVs. Initially this allowed the consumer to pull in family photographs from a collection held on the bedroom PC, but with the arrival of Yahoo! Widgets began to broaden out. Arguably, the widgets concept is nothing more

than a variation on the teletext services Europe has enjoyed for the past three decades. In many ways, the widgets have created a series of desktop applications on the TV screen.

But there is more to the Connected TV than just family photos and widgets. The combination of ongoing revenues, not

to mention the possibility of speeding up the television replacement cycle, has led manufacturers to increasingly bundle in content. This has manifested itself in the availability of catch-up TV services, such as the BBC iPlayer or iView from the Australian public broadcaster ABC. Coupled with the addition of movies on demand from the major Hollywood studios, and integrations with YouTube and Facebook, manufacturers have been able to turn themselves into virtual IPTV operators.



Emphasising TV's transition into a service across a number of devices, the same technology can be incorporated into standalone devices, or as a benefit feature to existing peripherals such as the DVD player or gaming consoles. Such a fact has not been lost on the Microsoft X-box or Nintendo Wii that already offer connectivity to popular TV services.



MONACO TELECOM – THE TRANSITION FROM CABLE OPERATOR TO TV PROVIDER

With retail analysts GfK anticipating Connected TV penetration to reach 60% by 2013, the need to ensure that your system is up to the mark cannot be lost on even the smallest of operators. Already there is evidence that DTT offers, particularly those in markets where the majority of the content is available free-to-air, can whittle away at cable customers on the lowest tiers. If their Connected TV can offer a top selection of the latest movie titles, there is a danger that they may be lost.

Ten years after it first introduced digital TV services, the 17,000 subscribers Monaco Telecom is aware of the problems. An outdated TV system without any interactivity or VOD was in serious need of updating to meet the needs of the operator's well-heeled client base.

Supported by Netgem a hybrid set-up was deployed that takes the live channels from the existing HFC network and all the on demand content from the DSL without any change to the back-up system.

This freed Monaco Telecom to only invest in the new interactive features of the TV service, rather than replicate what was already in place. This combination of the latest technologies deployed in the customers home, combined with the utilisation of the existing network was able to cut Capex costs by half.

Monaco Telecom launched its IPTV service in June 2010 offering subscribers a package of up to 180 linear channels, including 30 in high definition, video on demand, multilingual soundtracks, radio and Dolby Surround Sound. A number of popular websites considered to be TV friendly were also main available within the Monaco Telecom-branded portal.

The hybrid service was created using the combination of Netgem's middleware and intelligent set-top box technologies that blend broadcast and broadband content with multiplatform interactive TV services.

In the medium term at least the platform operators can turn their ability to move faster into a major competitive advantage. In the case of Monaco Telecom, when the subscriber turns on their set-top box they are in a specially created environment that gives them the same look and

feel, regardless of whether they are checking the primetime TV schedules or exploring the video-on-demand library.

Localisation remains key wherever you are, and while Monaco is far from large enough to support its on TV channel, intelligence from within the set-top box can be used to pull in relevant on demand content from the web. It also uses RSS feeds to create an interactive Monaco Telecom channel that aggregates local weather, traffic and news services. With many local newspapers running video news bulletins, operators have the chance to recreate the cable channels that were once a familiar part of the landscape.

Features such as this underline the importance that cable, and IPTV operators do not just become a dumb pipe, but instead consider themselves a part of the entertainment business. There is little that can be done to stop subscribers pulling out the lap-top and surfing the web - even if the operator themselves is supplying the connection - but there are means to create the stickiness that ensures once they are in front of the TV screen, viewers stay there.

This can be achieved by incorporating some of the most familiar web properties, YouTube or its Francophile equivalent Daily Motion; Facebook, Twitter, etc onto the TV. The jury may still be out on whether social networking sites like Facebook, really do have a place on the television display itself, or whether they should be confined to a handheld device like an iPhone or Google Android-enabled mobile phone. Arguably the same could be said for the electronic programme guide, but integrations like that set-up by Netgem for Monaco Telecom makes it possible for one viewer to scroll through upcoming programmes, while the other continues to enjoy the show. Such implementations make full use of the IPTV network and the broadband Internet on which it sits.





SMART THINKING – IN AND OUT OF TELSTRA’S T-BOX

The ability to deploy major service upgrades without the need to put time or expenditure into a major network upgrade is key to over-the-top solutions. Having already developed a slate of local channels for its web-based broadband TV service, it was an easy step for the Australian Telco Telstra to then move that to the living room through the Netgem-manufactured T-box.

Key to the deployment has been the reversioning of the content in a format suitable for display on the television. There is a clear difference between the type of reskinning you might do for a children’s channel and giving your customers a jolt as they head into a new service that turns the navigation inside out.

Generally speaking, over-the-top technologies are agnostic to the network on which they run, allowing operators to extend their reach into areas that might be too expensive for standard build.

By combining with the digital terrestrial television (DTT service), Telstra is able to take pressure of its network, making it able to cost effectively deploy more services while addressing larger in audiences. On demand content is delivered to the receiver over the Internet. In addition the use of progressive download technology in the core of the Netgem device it is possible for Telstra to extend its footprint into lower bandwidth areas.

BigPond has been able to demonstrate the flexibility of Netgem and its role as an enabler of multiple business models. It is the first time that a Telco has used over-the-top delivery in favour of a full-blown IPTV service. By working with Netgem’s technology solutions, Telstra has been able to sidestep the complicated regulatory position in order to provide a compelling, relevant service.

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