

[tv that's worth the money]

Converged TV

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Are you my televisionary?



”Mobile Content 2008:
VAS on the verge of 3G”

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Converged TV - Agenda

- Changes in user preferences and behavior
 - A shift in TV viewing habits
 - *New Television* and the role of telecoms
- 3G (and other broadband) possibilities
 - How TV solutions will develop
 - Ericsson TV experience with operators
- Case studies, lessons learnt
 - NRK
 - Vodafone Iceland
 - Free, PCCW



Future calls - new media experience

Personalization
(it's about me)



Interactivity
(part of the prog.)



Communication
(chat while watching)



"I want the entertainment and information most relevant to me, whenever I want, wherever I am, on whatever device I have"

"I want to watch, share, and participate – to be a part of something. My life is on TV, and I'm the star"

"I love watching TV with my friends...when they don't sit on my chair 😊"

This requires New TV

Telecoms can lead, or just carry

“Linear TV”

“On-demand TV”

“Podcast TV”

IPTV

3G Unicast

3G Broadcast (MBMS)

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Dedicated Broadcast
(DVB-H, MediaFLO, ISDB-T)

- Traditional scheduled TV
- Selection by brand/channel
- Fast Channel Switching

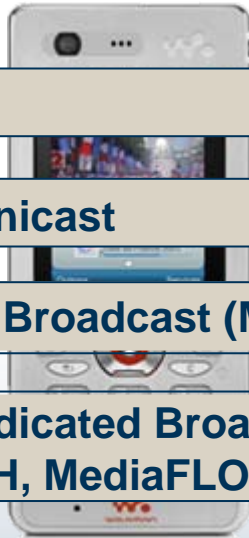
- Streaming/download
- Selection by content/search
- Rewind, fast forward

- Offline consumption
- Subscription based
- Automatic updates

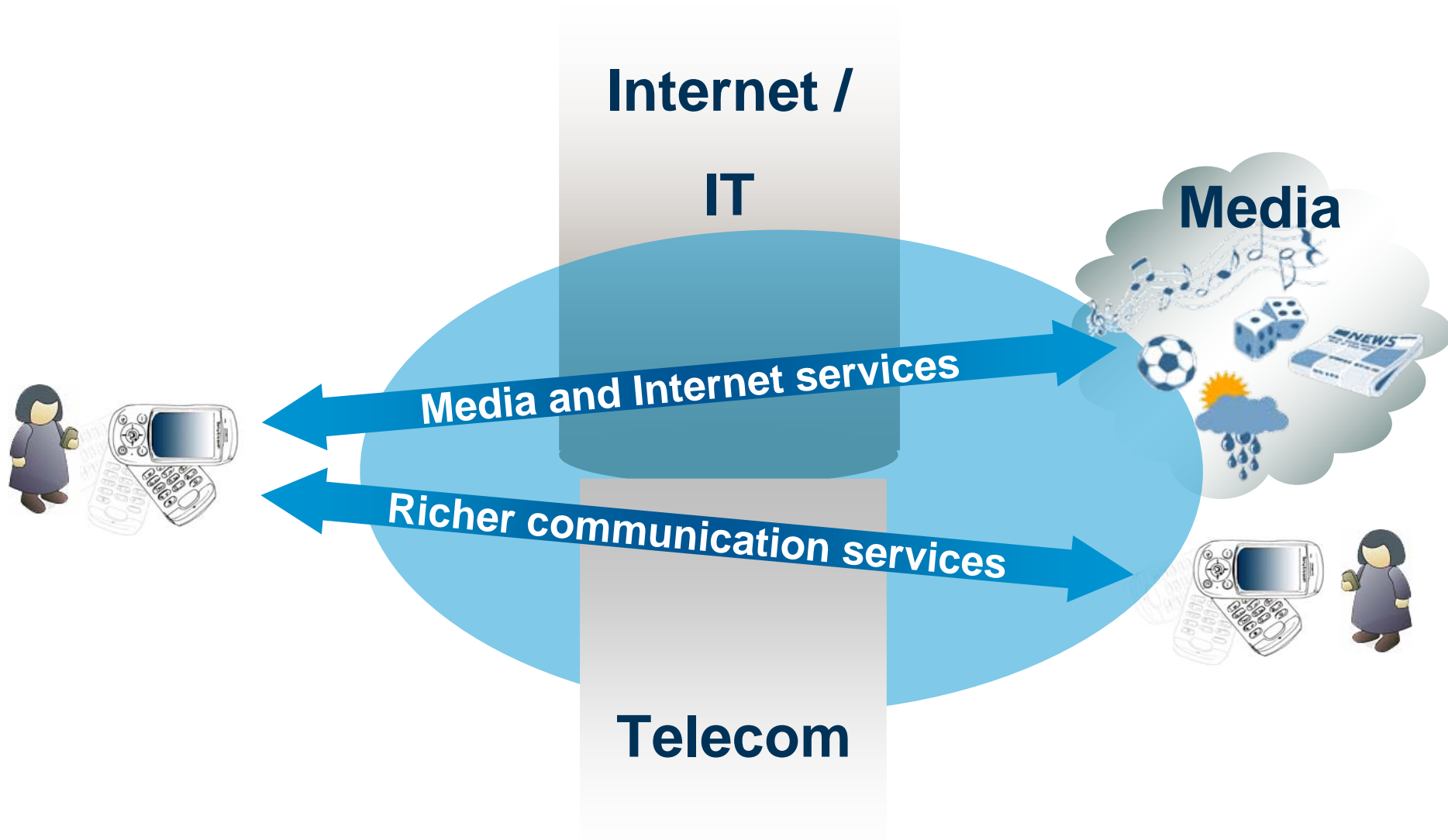
▪ Electronic Service/Program Guide (ESG/EPG)

▪ Personalized & Interactive

▪ Advertising



Because it's not just TV any more



The "box in the corner" is changing

Passive



Traditional
scheduled TV

Active

Personalization

Chatting

Mobility

Voting

Podcast TV

Sharing

On Demand

Advertising

User generated
content

3G / Broadband allow us to provide e2e enriched TV services

Different “TV” for different needs



And telecoms can enable – charging, customer knowledge, reporting / statistics, IMS, PVR, push-to-share, roam

So many ways to grow share of wallet



€
Subscription
"Cable (pay-) TV Model"

€
Impulse content
"VoD Model"

€
Shop
"M-commerce Model"

€
Interaction
"Vote / Greet Model"

€
Chat
"Telecom / Presence Model"

€
Transaction
"Ring tone Model"

€
Advertising
"Free TV Model"

Interactivity is here



- Ericsson and NRK launch interactive mobile TV

Results

Viewing time doubled from 2.5 to 5 min

The most used feature was chat

20% of users that downloaded client watched daily



TV screen

Services provided

SMS Voting window for Music Video

Scrolling chat window (premium SMS)

additional services were added later...

Another driver - first personalised mobile TV advertising in the world



- Clicking on ads increased average TV sessions from 2.73 min to 6.51 min
- Average click through rate of 13%
- Ringtones and Music topped the click rates
- 80% of clicks initiated by male users
- 25% of users watch 10 times/month or more



Split-screen
image banner



Split-screen
scrolling ticker text



WAP site
(full-screen)



Full-screen
SVG User Dialog

Over the line - IPTV in Iceland



Background

- Population – 316,000 inhabitants, half (and our focus) basically in rural areas
- Highest penetration of IPTV in the world

Customer/offering

- IPTV services bundled with broadband access and voice
- 70 SD Channels and 2 HD Channels



Solution

- Complete IPTV delivery and systems integration.
- Portal customization

Benefits

- A strong vision and a roadmap towards IMS
- A pre integrated end-2-end solution with short time to market



Lessons learnt

free

■ Aggressive marketing

- Market analysis
- Pricing (clear)
- “Packaging”

Bundles - unlimited free calls to fixed lines in 49 countries
Free fax

Prepaid as payment

Theme bundles

Telefonica

■ Exclusive content

- Football essential!
- Lever formats

Channels a la carte

The same content via cable TV, mobile TV and Internet, with common guiding

Reminders

-Marketing (it costs!) and education are critical
- Value prevails over cost

Lessons learnt

- Differentiation
 - Personalization (individualization)
 - Interactivity
 - Controls
 - Convergence
 - M-commerce



**Gambling
functionality for
racing programs**
**Capability to book
cinema tickets and
order snacks**
Parental control



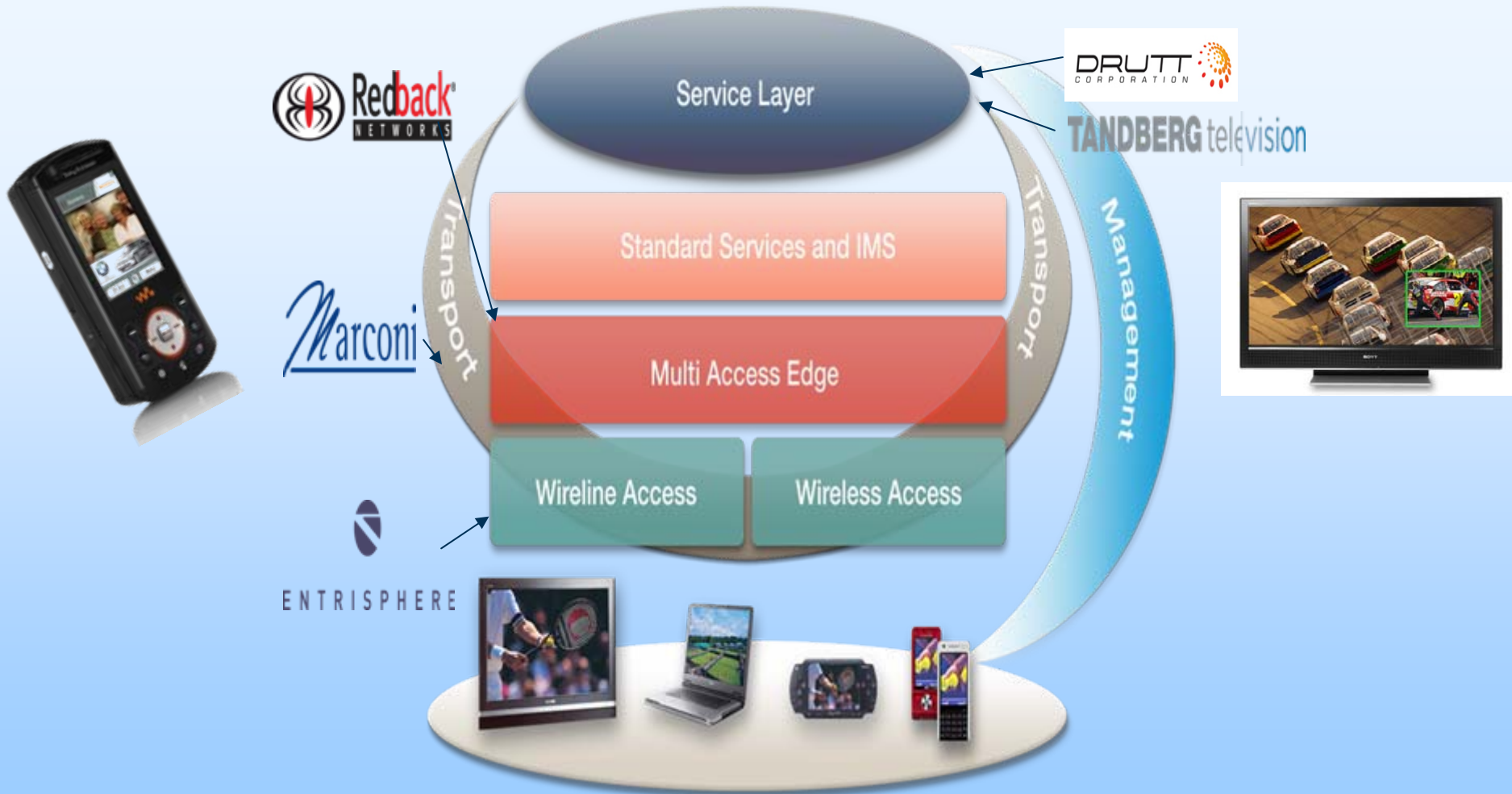
free

- Easy, familiar interfaces are key
 - Simple DVR



- **Leading content should be produced by professionals**
- **Personalization sustains loyalty**

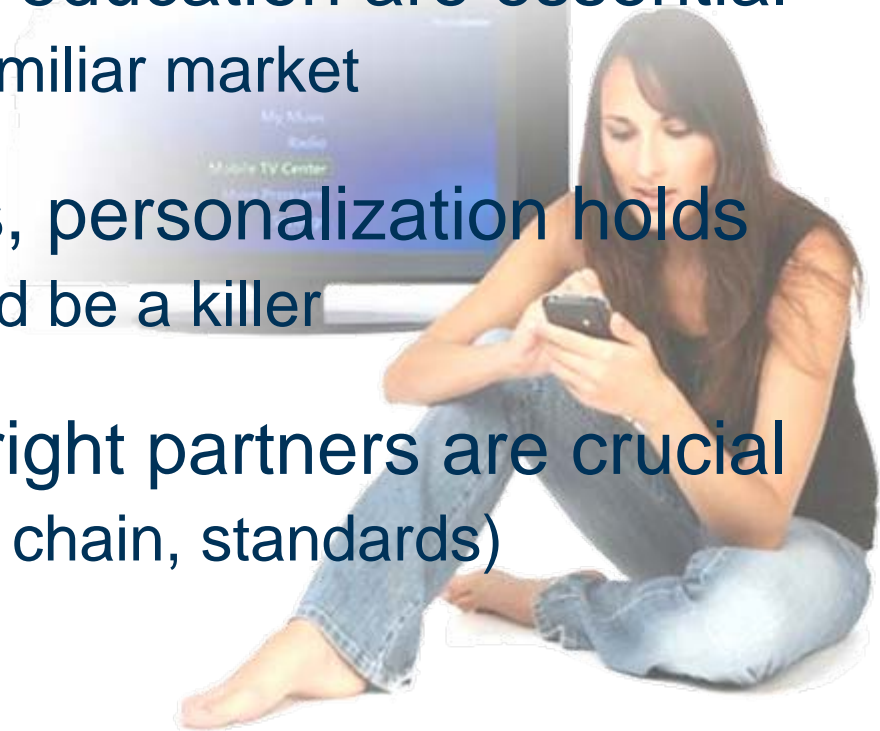
Ericsson's role



e2e TV offering based on Fixed and Mobile Broadband

Conclusions

- "TV" is changing, and telecoms can be part of a new 60B+ game (huge ARPU potential)
 - Keep that sense of reality
- Aggressive marketing and education are essential
 - Entry offers to open unfamiliar market
- Right content opens doors, personalization holds
 - Roaming of settings could be a killer
- Several industries meet - right partners are crucial
 - End-to-end (users, value chain, standards)



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