MoMo Melbourne

Mobile TV – It's a Hit!

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Broadcast Mobile TV – What is it?

Digital media received by an intelligent device:

- Terrestrial, Satellite, Mobile
- Cellular carriage or Broadcast
- Integrated with feedback channel
- Integrated with other digital content

What it is NOT is old “TV” on a mobile.

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What Mobile TV IS, & IS NOT

It IS NOT:

- The TV experience on your mobile
- Youtube on your mobile – “bite-sized TV”
- Attention-demanding full-viewing

It IS:

- Full downloads & streaming
- Attention-free content alerts and storage

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It’s not about “TV”

“Mobile TV” is not about mobile TV

- It is about **digital broadcast of data** which means everything and everything in combination - music, TV, data downloads, time-shifting on the handset, content purchase of screensavers, music, ringtones, highlights of preset events and people and actions, video snaps, shorts and long capture, radio, etc. ***and*** reshaping the distribution channels.

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What is “The Service”

Broadcast Digital Mobile TV features include:

- Live, on-demand Media Ingestion;
- Time-shifted Presentation;
- Electronic Programming Guide - personalised by the subscriber;
- Premium Channel Purchase;
- *Personalised Real-time and Stored Interaction, and Programmed Alerts*;
- In-Stream Advertising and Mobile Commerce;
- Integrated Music Content;
- Integrated Location-Based Services,
- Unified Billing, Provisioning and Authentication.

Personal, Personalised, Community, Lifestyle Integration.

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Fad or Fantastic?

Typical headlines illustrate the controversy:

- *Mobile TV due next year*
- *Mobile TV trial shows strong support*
- *Users turned off by mobile TV*
- *BT claims successful mobile TV pilot*
- *Nokia's attitude to mobile TV 'ridiculous'*
- *TV Dab-hander from LG*
- *Virgin brings TV for the mobile*

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Why Bother – The Answer

Digital TV to mobile is a major disruptive force:

- New medium for content distribution
- Not [necessarily] controlled by mobile operators
- Part of a $42b mobile entertainment market by 2010 (Informa 2005)
- Market ramp-up in 2007 and boom in 2008

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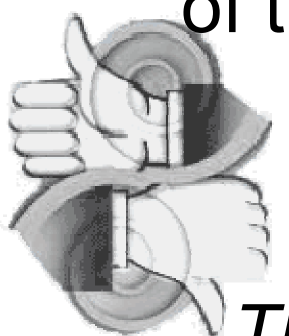
Why All the Jockeying

Media and entertainment players are looking at ways to target the consumer in a more **personal and direct way** without **losing** their **revenue share** of the lucrative mobile entertainment market to the **mobile operators**.



The concept of mobile TV is potentially one of the most disruptive technologies on the horizon for mobile operators, and could dramatically reduce mobile data revenues.

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Winners and Losers

Potential for:

- Every portable device owner to be exposed to a new form of broadcast TV
- Entirely new breed of content organization, the mobile broadcaster
- Operators may lose control of these mobile TV content networks
- Strengthens the hand of device makers (Nokia) and media & middleware software platforms (Microsoft)
- *Can you imagine a handset made by Apple where we will have an "iphone" that listens and watches satellites, DTV and Digital Radio and also connects to your voice and data?*

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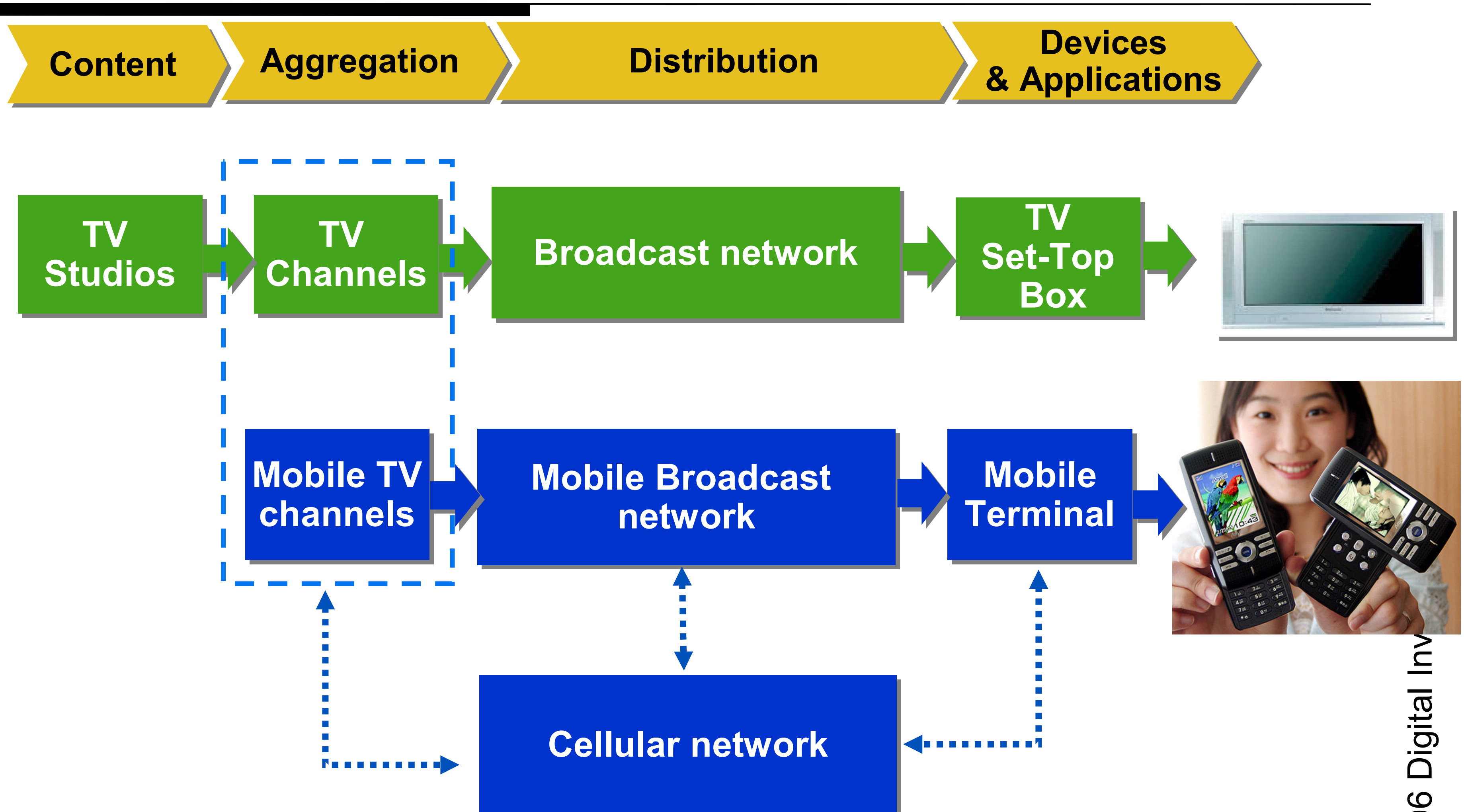
Mobile TV Industry Structure
Collaboration is Key



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Cellular Vs Broadcast

- Cellular and broadcast networks address different usage scenarios.

While, broadcast and multicast technologies will clearly address concentrated demand for the most popular content, cellular networks provide a dedicated connection which enables carriers to offer personalized content, niche “long-tail” type channels and integrated mobile-commerce.

Cellular has a key role to play.

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Critical Planning Factors

Besides **content** and **pricing** these are the issues:

- Metadata – critical to success – quality, quantity and cost
- Devices – capability to interact with the metadata
- Interactivity – messaging, mcommerce, video interaction
- Integration – with websites, communities, portals

Understanding all these – their capabilities and roadmap and the value of their combined interaction, is crucial to understanding how the business will evolve and the money flow

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Explosive Potential

- Mobile TV success is about building **Interaction, Involvement, Integration**, and through **Content, Community and Communication** (IM voice etc) – this requires device intelligence and the cellular feedback loop.
- Those *3I 3Cs* are where the profit is and where the whole purpose of the mobile content industry is heading.
- Your mobile, as we here all know, is **3P** - **Personal, Personalisable, Private**, and **3I** - **Intimate, Immediate and Integrated** (meaning *integrated* into your life and lifestyle).
- The combination of these mobile phone characteristics with digital broadcast and the content and entertainment world is simply an explosive combination, unheard of in the annuals of the world so far.

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If So Hot – Why So Slow?

Entrenched players & standards holding back:

- Multiple competing standards - DVB-H, MediaFLO, DMB, TDtv, IPTV
- Players jockeying for a controlling role:
  - Mobile carriers e.g. Telstra (revenue and billing issues)
  - Broadcasters e.g. Channel 7
  - Content providers e.g. NineMSN
  - Content aggregators e.g. Slice Wireless
  - Infrastructure & technology providers e.g. Digita

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Is It Really Happening?

YES – Digital TV to Mobile is breaking out all over:

- Korea – satellite and terrestrial mobile TV
- Japan – One-Seg terrestrial mobile TV
- SlingPlayer Mobile (watch TV from any mobile)
- Motorola and Legend Silicon (China)
- Mobile TV subscribers in China will grow to **94m** by 2009
- Virgin Mobile TV and BT Movio
- Digita to reach 29% of Finnish population by end of 2006
- 3 Italia purchases regional Italian TV broadcaster Canale 7

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Conclusion

The Mobile TV Winners need to build on these SIX Cs:

1. Collaboration
2. Costs (pricing to consumers)
3. Content (and metadata)
4. Channels to market
5. Communities (and interactivity)
6. Customer Experience

Which ***revolve around the value chain***.

Mari Matsugana, Co-inventor of i-mode

Success requires that the Winners have an intense understanding of the fragmentation and laying of the new value chain and that they partner with early adopters.

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i-mode Content Forum

visiongain *forecasts that if Mobile TV is priced and packaged correctly, there could be up to 270 million subscribers worldwide with TV functionality on their mobile phones by 2009.*

Attachment
Japan 1Seg Mobile TV

1Seg uses the terrestrial digital broadcast system:

- Launched April 2006
- Strong feedback capabilities - mcommerce
- Carriers partner with TV broadcasters

1seg broadcasting utilizes H.264 video and AAC audio codecs in an MPEG-2 transport stream. Additional data, such as e-program guides, interactive services, etc., are delivered via BML (Broadcast Markup Language).