

WORKSHOP

TELEVISÃO MÓVEL  
MOBILE TELEVISION  
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# Mobile TV Technology and Information of the Future

## Markets and Business Panel

# Mobile-TV: have you got one in your pocket ?

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- Systems for mobileTV like DVB-H (and others) are BROADCASTING services
- The equation:

**MobileTV receiver = telephone**

has very little to do with the technical reality:

- to receive such services the cellular phone functionalities **ARE NOT NECESSARY**
- even for “encrypted” or “pay” services the SIM card is a nice option, but **it is not the only one**

- Some assumptions have been used to support or justify the choice of one system or another:

- “it should be possible to have *roaming* of your preferred national TV program when you’re abroad”

or

- ... (when you are in a foreign country) you may want to watch local TV stations but in your own language

**RIGHTS**

**PRODUCTION  
COSTS**



- Building a network to provide a mobile TV service with good coverage is expensive (whatever the technical system adopted)
- Is it feasible to use it for delivery of Free-To-Air services only?
  - **Public Service Broadcasters**: could the costs be covered by the government ?
  - **Commercial Broadcasters**: can they get Return-On-Investments in reasonable time with advertising only ?

If users are a few it could be considered as a waste of public money

Yes, but only when there is a mass market

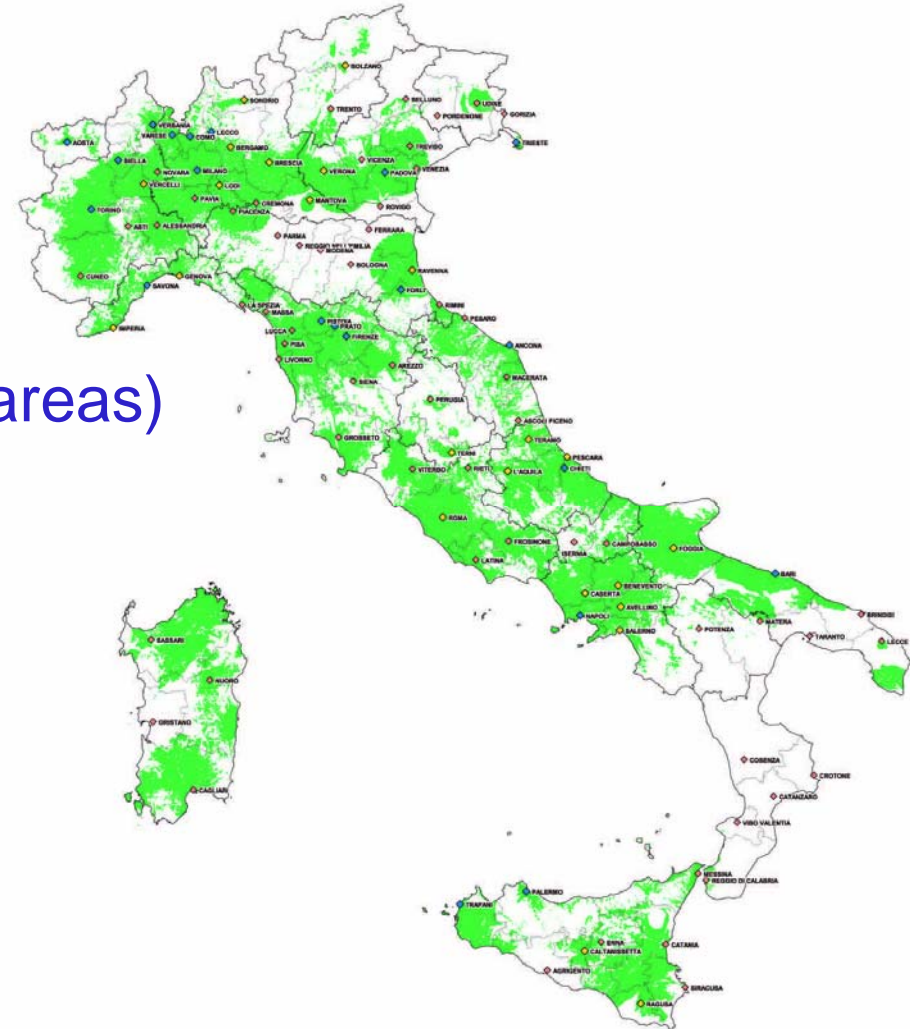
# **Mobile TV in Italy**

**Italian Mobile-TV market started, among the first in Europe, in 1964 ...**

**... but significant progress was achieved just recently .....**



- 1000 transmitters
  - 5 W to 2.5 KW
- Coverage: 75% pop.
  - mainly outdoor (GREEN areas)
  - only large cities covered



- SKY Sport
- SKY Cinema
- SKY VIVO
- SKY TG24
- LA3 Live
- Rai1 – Rai2
- Mediaset
- Premiere League Soccer
- Moto GranPrix



■ **Mobile-TV offer: 19 €/month**  
(or: 2€/day, 9€/week, 59 €/ 6 months)

■ **Full package offer: 29 €/month including:**

- + Mobile Tv
- + 1 hour/day of voice calls
- + 1 hour/day UMTS videocalls
- + Internet navigation (max 1 GByte/month)

■ Telephone is included





■ Coverage: 75% pop.

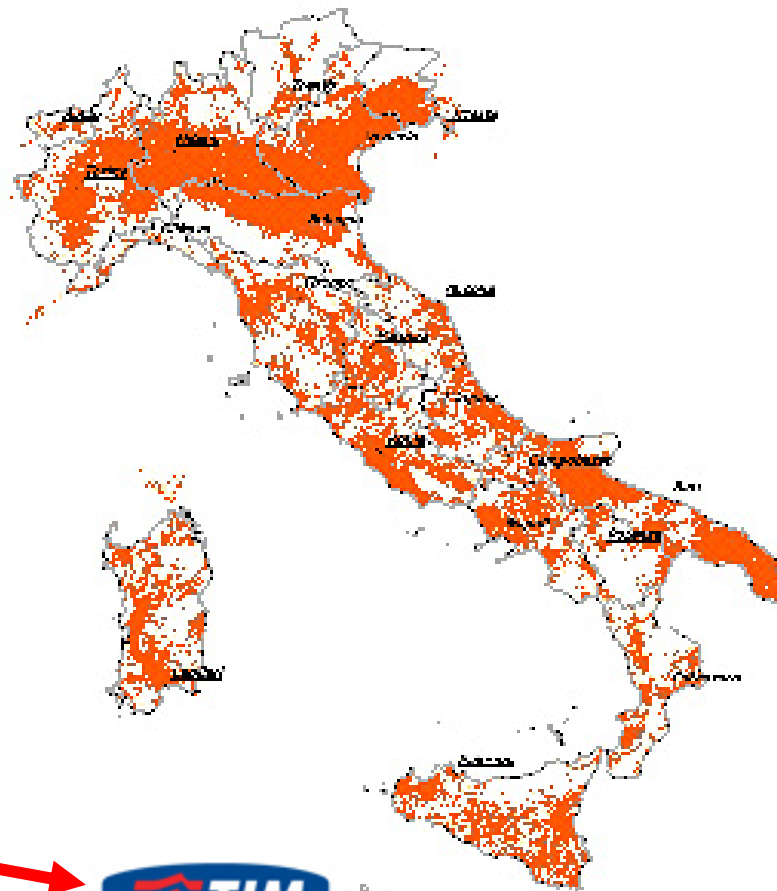
- mainly outdoor
- 100 cities

■ Transmitters

- 400 main TX
- 1000 urban repeaters

■ Modulation: 16QAM - 1/2

- Total capacity: 10 Mbps
- 2.5 + 2.5 Mbps allocated to TIM and Vodafone



■ TV Channels:



+ Soccer  
(Premiere league)



■ Commercial offers:

- Offer 1: **5€/month** + 25€/month voice calls (at least 24 months) plus telephone at **199€**
- Offer 2: **49€/month** including 16 h/month voice calls and 1000 SMS plus telephone at **99€**

■ Terminals





- **Basic Package**  
**(9.90 €/month)**

- **9 channels**  
(free until April, 22th)

- **Premium package**  
(free until June, 30<sup>th</sup>)

- **8 channels**
  - *Italian Premiere League*
  - *UEFA*

- **Terminal: 599 €**



- Till now, all the current commercial services:
  - no access to free-to-air channels
  - no possibility for broadcasters to control their brand and the access to their programmes
  - fragmentation of the offer: available channels depend on the operator you choose
  - no interoperability with other operators' terminals
    - *SW locks*
    - *different content protection mechanisms*
  - a few terminal brands (2-3) and models (4-5)

1. How to achieve a rapid growth ?  
Who has to be involved ?

**Co-operation among  
Broadcasters and Mobile Telco**

2. What are the key elements for success ?
3. What are the revenue streams ?



# 1. How to achieve a rapid growth ?

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## Marketing

- Do not confuse technical possibilities with commercial viability (don't try to sell a technology but services)
- Even if you have a brilliant product, you need to market it . . . .
- Very few products are iconic (e.g. iPod)
  - they need little marketing
- DTT failed initially in Spain and UK
  - now fastest growing digital TV platform across Europe

## 2. What are the key elements for success ?

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### Trying to predict the future ...

#### ■ Human psychology needs

- human needs may be unexpressed (but a new technology can wake them up) (think of Web, SMS)
- The human psychology is multiform and may change over the years MAKING FUTURE UNPREDICTABLE

#### ■ Mature technology

- QoS, user experience (simple to use)

#### ■ Sustainable business

- Cost of network, consumer devices
- Revenue model (service price, types of services, ...)

### 3. What are the revenue streams ?

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#### ■ For the broadcasting industry

- Access fees (for basic and premium packages)
- Pay-TV services (subscription, pay-per-view)
- Advertising (once mass adoption has occurred)

#### ■ For mobile telco operators

- Service subscriptions
- Download sales (ringtones, applications and games)
- Premium messaging (SMS/MMS revenues from viewer voting, user polls, etc.)
- Portal traffic (links and traffic for sending video clips, etc.)



- Availability of **spectrum resources** and their usage
- Risks of **vertical development of the market**,  
(terminals locked to each single operator):
  - Access to horizontal (FTA) offers ?  
(this should be mandated by the Authority as it is now for digital receivers)
  - Possibility for the user to migrate to another operator ??
- Risks of **multiple transmission of the same content** on different networks: how many times the same channel will be encrypted/delivered ?  
→ **global system inefficiency**



- Strong synergies between the broadcast and telco world are required (win-win approach)
- Consumers do not necessarily agree with the judgement of engineers
- It is OK to predict “WHAT” ...  
... but never try to predict “WHEN”

**Predicting the future is easy. It's trying to understand what's going on NOW that's hard**

**Fritz R. S. Dressler**

**Thank you ....**

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