



[IBC 2010](#)

[IBC IPTV Zone](#)

[IBC Mobile Zone](#)

[Retail Technology](#)

[C2M Website](#)

Print: Email:



The leading e-zine for the IPTV industry

Newsletter: APRIL 2010

[>> Welcome](#)

[IBE website](#)

[IBE News](#)

[BPL Portal](#)

[Contact us](#)

- [>> Homepage](#)
- [>> Viewpoint](#)
- [>> Tech focus](#)
- [>> Tech focus](#)

NEWS: Miniweb in strategic partnership with Vestel

Vestel, a leader in the global consumer electronics industry, and Miniweb, developer of converged content experiences, have announced a strategic partnership for the deployment of Miniweb's broadband content guide and services platform across a range of Vestel's connected TV devices. First to market will be set-top boxes built to the HbbTV standard for launch in Germany later this year. Via its Connected TV services platform, Miniweb provides the means to seamlessly integrate a wide range of Internet video publishers into a simple converged TV viewer experience, enabling easy content discovery and consumption. The Miniweb services platform is the key to an advanced user experience which empowers TV viewers with functionality such as global search, recommendations, related content, community,

RISE OF THE TV 'APP' STORE

With the iPhone's rise to fame over the last two years, the concept of applications, or 'apps', for mobile phones has been accepted both by the industry and consumers. The number of applications developed for the iPhone is already a staggering 100,000 - two years after its launch - and all of Apple's competitors, as well as mobile operators, are rushing to meet this untapped consumer demand for applications. At the moment, we are seeing a number of initiatives from consumer electronics companies and TV operators, launching app store style offerings for the TV viewer. Will they be as successful as the mobile app stores? What are the implications for the broadcasters?



Michael Lantz

Michael Lantz, CEO of IPTV application provider, Accedo Broadband, explores this exciting development.

Interactive TV challenges in the past

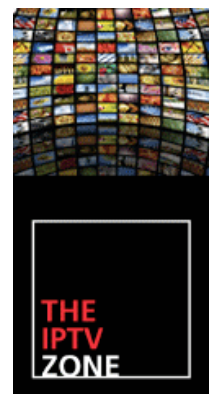
The past 10 years have seen numerous failed attempts at providing interactive TV services and applications that fulfill a consumer need, while providing business value to the provider of the application. Broadcasters and operators have experimented with TV applications, searching for the killer applications, which will transform the traditional linear TV medium to a truly interactive and modern experience. Still, interactivity on the TV has in most cases been reduced to on demand services, with the exception of a few revenue-generating or cost-reducing interactive applications, such as games and customer support applications. Interactive TV has been costly to implement, deploy and maintain, and it typically requires a significant consumer reach to justify the investment.

The mobile Internet was a failure for almost a decade

So, interactive TV has not been the success it seemed to be destined to be 15 years ago. Does this mean that consumers are not interested in TV apps? I believe that this is not the case. Let me remind the readers that the mobile Internet was essentially viewed as a failure by 2005, with the promises from the first product launches in 1998 reduced to downloads of ring tones and, once again, games - with the exception of email focused devices like the BlackBerry. The user experience was simply not good enough for users to bother with more than experimentation. The phones had slow, cumbersome user interfaces and the mobile networks were slow and costly. It wasn't until the launch of the iPhone 3G in 2008, which coincided with the widespread launch of fixed price data plans, that the mobile Internet really started to take off.

Demand for applications on TV

I believe that consumers in front of the TV have the same limited patience with the user interface as they have with their phones. If it's not immediately intuitive, beautiful and attractive,



micropayments and personalisation, all while maintaining the branding and business models of the content owner. Based in Turkey, Vestel Electronics has an annual manufacturing capacity of 15 million TV sets and 12 million set top boxes. It pioneered the development of flat panel TVs with integrated digital receivers, and was the first to develop business-to-business interactive TV solutions for hotels and hospitals. In 2007, Vestel achieved 25% market share in the European digital receiver market. "We're really excited to be partnering with Vestel at the forefront of the Connected TV era, and to be a service platform for hBBTV devices," said Jerome de Vitry, Miniweb CEO. "Vestel's leading global position in the TV market will ensure millions of viewers will be able to enjoy the benefits of a seamless internet video experience on TV via our platform." Turan Erdogan, Vestel board member and president of sales and marketing, said: "With Miniweb's Connected TV services platform, our satellite receiver will have add on features enabling users to access internet video, which will differentiate our product from other set-top boxes in the market." www.miniweb.tv

Contact

BPL Business Media Ltd
3rd Floor
Armstrong House
38 Market Square
Uxbridge
Middlesex
UB8 1LH
+44 (0) 1895 454411
sales@ibeweb.com
www.ibeweb.com

consumers will lose interest and go back to the linear TV experience they are used to and have enjoyed in the past. However, if the TV experience can be truly differentiating and engaging, consumers will rapidly pick up the concept of apps and interactive services on the TV. The mobile industry has paved the way for the TV industry and the transformation of the consumer's mindset could be quick. Consumers understand the concept of apps and understand how and why a consumer electronics device can be personalised and adapted to them.

Broadcaster-centric applications will dominate usage

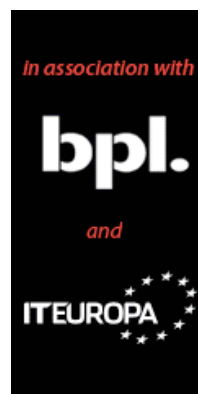
All industry experts agree that the TV experience will be gradually transformed from a linear broadcast experience to an on demand experience. The role of the broadcaster will remain important with increased packaging of the on demand experience with catch-up services and dedicated on demand sections for that broadcaster. The broadcaster will still fight to keep the viewers loyal to them with clever packaging, cross-sales and by driving consumers between the TV, the PC and the mobile experiences. Consumers will still enjoy the packaged content and attractive user experience, which only broadcasters can give them, and competition between broadcasters will be fierce. It is in this context that TV apps will be an important tool for the broadcaster in the future. It will be just as natural for the broadcaster to create an app, which extends the video experience, as it is for them to create a website dedicated to a programme today. By creating engaging, interactive three-screen experiences broadcasters will create loyalty and consumer value.

Willingness to pay

The iPhone App Store is a huge revenue generator for Apple and the developer community. The simplicity in using the iTunes account to process payments has allowed consumers to buy and download applications with a simple key press. TV offers much of the same possibilities, where a monthly invoice is sent out by the operator, and the cost for additional applications can be easily added. However, I believe that willingness to pay will be lower on the TV than on mobile phones. Firstly, the TV bill is a household bill and this typically means that the purchase decision is not as natural as on the mobile phone, especially in families. Secondly, many of the applications on the TV will be related to content in some way. In most cases, the consumer feels that they have already paid for the content with the monthly subscription and does not expect to be charged again. Of course, there will be a range of applications that will generate additional consumer revenue, but most applications in the app store will be free of charge apps.

Future challenges

The interactive TV industry shares a number of challenges with the mobile industry. The most important from a TV App Store perspective is the technical fragmentation in the market. Numerous middleware solutions are available, and a complex world has become even more complex the past 3-4 years with the advent of IPTV and new connected over the top devices which can execute applications downloaded over the Internet. To develop an application for all consumers in a market, the application might be necessary to adjust 5-10 times, which will mean both additional development costs as well as additional maintenance costs. The problem will become lower in the future with additional deployments of modern TV devices, but when the complexity of the applications grows, the challenge will remain. As an application provider, Accedo deals with this problem daily. By introducing rigorous porting processes, using a development support tool, and identifying synergies between the platforms, it is possible to deploy multi-platform applications for a fraction of the cost from just a few years ago. Only developers who apply strict discipline and processes will be able to thrive in this environment.





Media Pack

For advertisers in IBE magazine, eNews bulletins and on our website, a media pack is available to download. This provides all information specifying advertising opportunities and mechanicals for the magazine as well as for our eNews and web site. This one convenient document also includes details of the latest magazine readership audit by the BPA together with the magazine content features list. [Download Media Pack](#)

