



CONSEIL SUPÉRIEUR DE L'AUDIOVISUEL

Personalization of services in TV

The French story sofar

Personal TV summit, Barcelona

Arnaud DECKER
Head of Research
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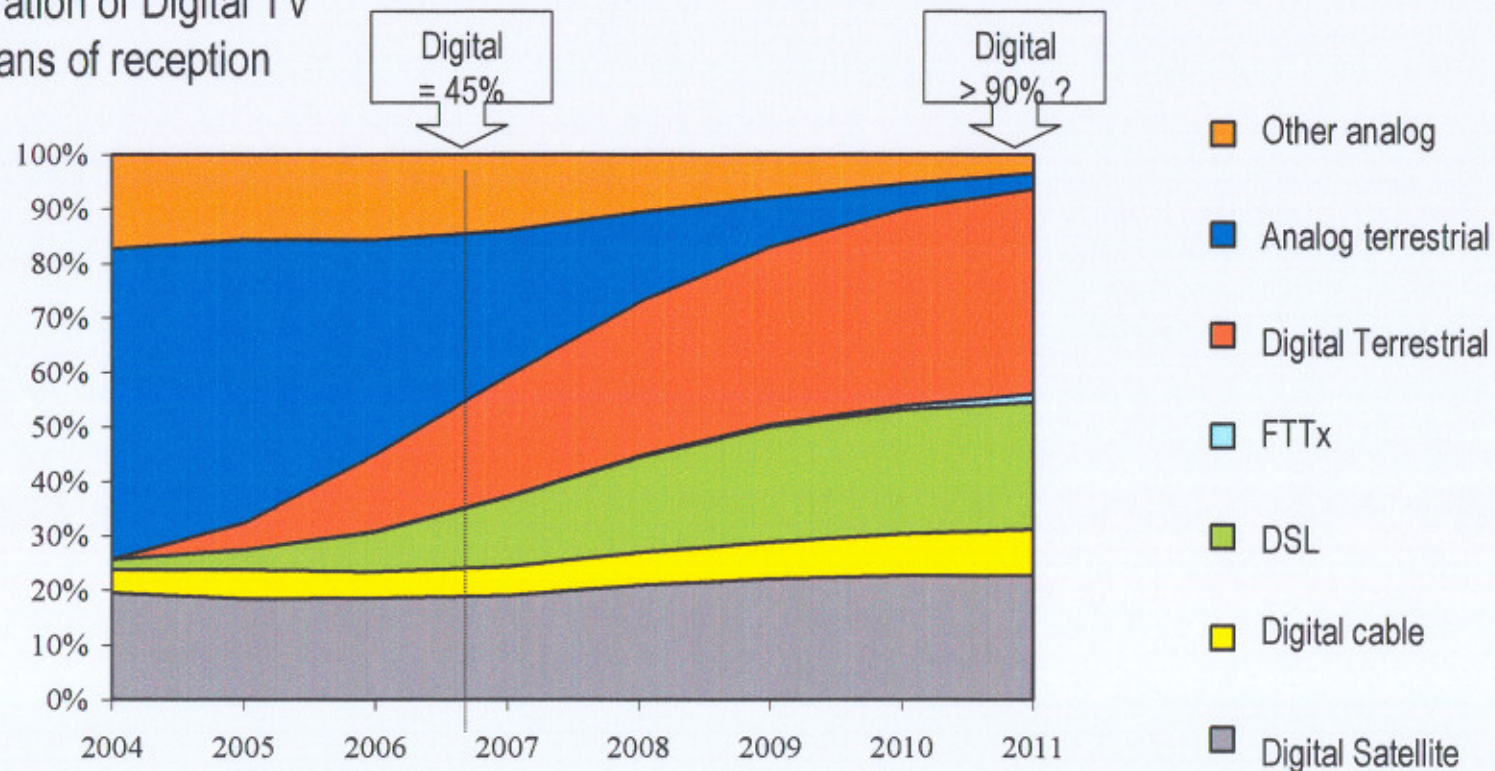
Agenda

- The French context
- Personal services: the strategies of the broadcasters
- What's next: personal mobile television

The French context: recent boom in multichannel TV

- Multichannel: France used to lag behind most European countries
- France now leads the way in IPTV and in DTT growth
- Digital TV penetration is now in excess of 40% (2005 : 30%)

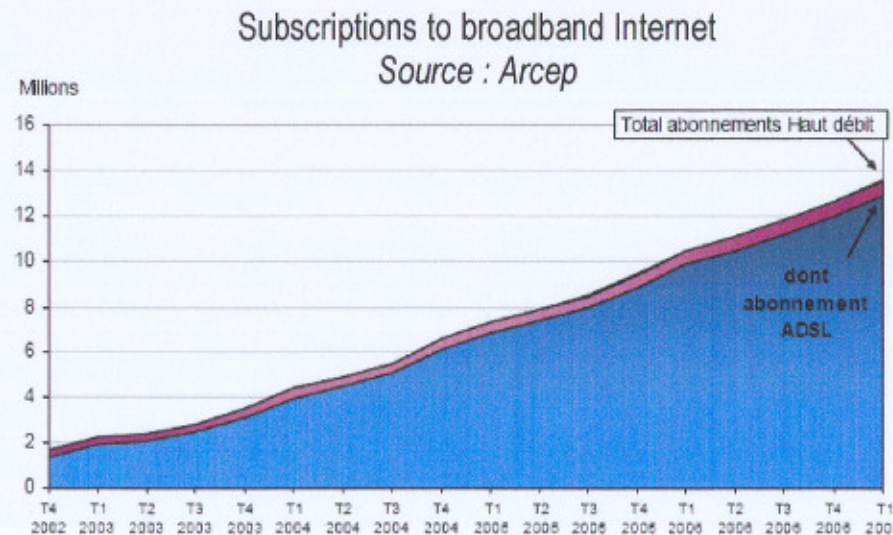
Penetration of Digital TV
by means of reception



Source : various estimates

The French context: broadband Internet still growing strong

- 13,5 M subscriptions (+ 3 M in only one year) ; 50% penetration



- Among them, 2,6 M households are already eligible to TV over DSL ; 1,8 M of them are active TV consumers
- IPTV players typically offer a free basic TV tier, optional pay-TV packages, VoD offers, boxes featuring PVR functions

Broadband consumption: troubling facts

- Numerous “Web 2.0” sites offer a wide access to audiovisual content
- Key target group of the youngsters change their media consumption
- Some key TV content may be “stolen” through illegal uploads (Canal+ is suing Kewego)
- A new chapter in the competition for eye balls ?
- Who will be the main providers of personal audiovisual content ?

Top 10 Online Properties
Ranked by French
Unique Visitors, Age 15+
Total France (Home and
Work Locations)

Source: comScore World
Metrix

	Apr.-07 (000)
Total French Internet Audience, Age 15+	25,388
Google Sites	17,683
Microsoft Sites	16,254
France Telecom	13,886
Iliad/ Free.fr Sites	12,322
Groupe Pages Jaunes	10,668
eBay	10,644
Yahoo! Sites	10,577
Skyrock Network	8,562
Wikipedia Sites	8,515
Groupe PPR	7,602

Broadcasters strategies: VoD services

- All the main TV players offer VoD services (professional content)
- The way content is being offered to consumers gets smoother and smoother:
 - Free to watch, PPV, sometimes SVOD (e.g. kids channel Canal J)
 - Price depends on the way you access and whether you store the program
- These services are available on the Internet ; more and more of them are also available via the boxes of the DSL players.

	Service	Main features	Business models
Canal+	Canal Play	Films, Kids	PPV ; download to own
TF1	- Video section of TF1 website - TF1 Vision	- Mainly Free to view - Catch up TV ; PPV ; download to own	PPV ; download to own
M6	M6 Video	Series episodes, music, M6 shows (& bonus of)	Free to view ; free bonus ; video podcasts ; PPV
France TV	France TVOD	Series episodes, docs, magazines	Catch up TV ; PPV ; download to own

Broadcasters strategies: UGC + communities

- Big players already launched several UGC based or community services

	TF1	M6	SkyRock (FM network)
Community sites and blogs	- Over-blog (blog portal) - WAT (« We are talented »)	- Yootribe	Skyblog (a European leader)
Video sharing	Partnership with Dailymotion	Wideo	

Source : CSA

- Broadcasters initiate several trials, looking for the soundest solutions
- Some UGC is used for FTA broadcasting: the case of WAT
- In terms of audience, these services are way behind Google's Youtube and the likes.

Broadcasters strategies: high stakes

- Entering the land of personalization may not be (only) a defensive move:
 - Program extensions
 - Covering all the targets
 - Exporting a leadership into new media
- However the way is steep for broadcasters:
 - Can they compete with the leaders of the Internet ?
 - Can they recoup the additional costs ?
- KFS for broadcasters:
 - Strong brands
 - Knowledge of content packaging
 - Leadership in ad sales
 - Program acquisition know-how + status of incumbent

2008 outlook: towards personal TV via Digital terrestrial

- DTT is a success story
 - Launched in March 2005 (DVB-T MPEG 2 for 18 FTA channels)
 - Present technical coverage: 68% of the population
 - A penetration of more than 16% as at Q1 2007
- However no personal service available on DTT sofar ...
 - No PPV
 - Some DTT boxes integrate PVR functions
- ... But the prospect of a short-term launch of Personal Mobile TV on DTT (DVB-H)
 - Mux # 7 covering the main cities
 - starting with a target coverage of 30% of the population

2008 outlook: towards personal TV via Digital terrestrial

- Specific pattern for the development of mobile TV in France:
 - Authorizations are to be allocated to publishers through a “beauty contest” procedure (content undertakings will have an important weight)
 - Mobile phone operators may take part to the management of the mux in proportion of their contribution to the costs of the network roll-out
 - Mutual must carry / must deliver principle
 - Necessity of a close cooperation between publishing & distribution
 - The business model still has to be clarified
- Potential schedule:
 - Call for tender during 2nd half of 2007
 - Selection of the services during 1st half of 2008
 - Launch of the services + transmission network deployment : 2008 (>)