IABM OTT Conference

Hassan Ghoul, IABM MEA Director
Agenda

● 10:00  Welcome and ‘update from NAB’
  – by IABM’s Hassan Ghoul, Director MEA

● 10:25  Artificial Intelligence & Machine Learning applied to OTT
  – Ali Amazouz, Head of Solution Engineering MEA, Ateme

● 10:50  Ensuring Accurate, Reliable and Quantifiable QoE for OTT Services
  – Kanishka Tongya, Sales Director, MEA & APAC, Interra Systems

● 11:15  Coffee Break

● 11:50  Enabling new consumer experiences over OTT
  – Nayla Nassar, Sr. Manager – Commercial Partnerships, Dolby

● 12:15  Interview and Q&A session with Mr. Tony Saab, VP Products & Content, Intigral

● 12:45  Networking lunch
Market Trends

- Consumer Viewing Trends
- Media Business Trends
- Buying Trends
Consumer Viewing Trends
Changing Viewing Habits
Linear TV continues decline

Average daily media consumption per person worldwide (minutes) 2009 – 2018*

Desktop versus mobile share of global internet users (%) 2010 – 2019*

Source: Zenith
Media Business Trends
Competition intensifies

Big Tech investing in content

- Big Tech is entering the competition for consumer attention
- Apple and Facebook set to spend $1bn each on content this year
- Netflix is investing $8bn in original content while Amazon invests around $5bn in 2018
- Technology companies also recruiting top TV talent
- Competitive pressure is driving consolidation among traditional broadcasters and media companies
- As content moves online, advertising also goes digital

Source: IABM, The Wall Street Journal
End-User Consolidation
Search for Scale

- Disney to buy Fox entertainment assets for $66.1bn (including debt)
- Deal includes Fox’s stake in satellite broadcaster Sky
- Disney to launch its streaming services

- Fox has been trying to buy the remaining 61% stake in Sky for £11.7bn
- Deal has been caught up in regulatory hurdles
- Fox’s acquisition of Sky is included in the assets Disney will purchase

- Sky has been described as Fox’s “crown jewel” by Disney’s CEO, Bob Iger
- Sky has previously supported Fox’s bid
- The recent bid by Comcast could start a bidding war

- Comcast made an £22bn official bid for Sky
- Complicates the plans that Disney has for Sky is Fox is unable to acquire Sky
- Sky recently withdrew its recommendation for the Fox bid
Buying Trends
Efficiency First
Always No. 1

Most important factors affecting purchase decisions besides costs and technical specification

- Makes us more efficient / saves money
- Total cost of ownership
- After sales service & support
- Interoperable with other products

Source: IABM Buying Trends Survey
Purchasing Priorities

Multi-Platform Content Delivery takes the lead

What are the most important priorities in your broadcast and media purchasing strategy?

- Multi-Platform Content Delivery (mobile, web, etc)
- 4K/ UHD Production/ Delivery
- Media Asset Management
- IP infrastructure
- Social Media Broadcasting
- Cloud-Computing/ Cloud-Based Services
- Cyber Security
- Big Data Analytics & AI
- VR Production/ Delivery
- Back Office Systems (scheduling, billing, etc)
- News Operations
- Upgrading Operations to HDTV
- Programmatic Advertising
- Analog Switch-Off

Source: IABM Buying Trends Survey
UHD
UHD set to accelerate

What is the most likely timeline for the launch of UHD offerings in your organization?

- Already launched UHD offerings: 14%
- 1 to 3 years: 43%
- 4 to 6 years: 9%
- 7 to 10 years: 9%
- No plan to launch: 9%

Which of the following technology infrastructures does/ has your organization plan to deploy/ deployed for UHD content?

- 12G SDI: 39%
- IP: 43%
- Quad 3G SDI: 9%
- Hybrid SDI-IP: 9%

Source: IABM Buying Trends Survey
UHD
Better pixels > More pixels

Which of the following UHD formats is your organization interested in launching/has launched?

- HD + Enhancements: 50%
- 4K + Enhancements: 30%
- 4K: 20%
- 8K: None
- None of the above: None

Which of the following enhancements is your organization interested in/has launched?

- HDR: 92%
- WCG: 10%
- HFR: 8%
- None of the above: None

Source: IABM Buying Trends Survey
Cloud Adoption
Growth continues

How likely are you to deploy some sort of cloud-based technology over the next 2-3 years?

We are already doing it today
Very likely
Somewhat likely
Unlikely
Not at all likely

Source: IABM Buying Trends Survey

In which of the following categories of broadcast and media workflows are you most likely to deploy cloud-based technology?

Delivery
Content Management
Content Distribution & Publishing
Post-Production
Production
Monetization
AI
At early stages of adoption

How likely are you to deploy some sort of artificial intelligence (AI) technology over the next 2-3 years?

- At early stages of adoption
- Increased number of end-users likely to deploy AI in the next few years
- Most applications in content management
- AI can be used in conjunction with cloud technology for deeper insights into data

Source: IABM Buying Trends Survey
How likely are you to transition all or part of your infrastructure from SDI to IP technology over the next 2-3 years?

- IP adoption increasing gradually and set to grow in 2018
- The finalization of SMPTE ST 2110 this year will accelerate adoption of IP
- Cost of upgrading infrastructure from SDI and culture changes are significant challenges
- Many end-users adopting a gradual approach similar to cloud technology
Importance of interoperability is growing

How important is interoperability between systems when evaluating products for your organization’s next generation media technology infrastructure?

- Very important: 45%
- Important: 35%
- Moderately important: 15%
- Not important: 5%
- Not at all important: 0%

Source: IABM Buying Trends Survey
OTT offerings on the rise

Does your organization provide or plan to provide any OTT offering/s to customers?

- Yes, we already provide OTT offering/s to our customers: 60%
- Yes, we plan to provide OTT offering/s to our customers: 28%
- No, we do not provide OTT offering/s to our customers and do not plan to provide any in the near future: 12%

For the provision of OTT offering/s, what is your preferred deployment strategy?

- Build internal OTT platform: 45%
- Outsource to external OTT service provider: 50%
- Don't know: 5%
- Other - Write in: 0%

Source: IABM Buying Trends Survey
OTT

OTT offerings on the rise

Top 5 features when building/choosing an OTT platform?

- Support for live streaming
- Multi-device coverage
- Quality of service/delivery (CDN, encoding etc.)
- Social media integration
- Advanced analytics/reporting capabilities

Source: IABM Buying Trends Survey

9-10 (Very important)  7-8  5-6  3-4  1-2 (Not important)
OTT & Multi-Platform Delivery

New media activities to generate revenues

Average percentage revenue from traditional broadcast operations versus new activities such as web, mobile, streaming, multi-platform content delivery

- OTT & multi-platform delivery continues to disrupt traditional broadcasting
- New media offerings driven by consumer viewing habits and increased competition
- Finding a balance between traditional and new media offerings continues to drive search for efficiency
- End-users continue to invest to bring skills in-house

Source: IABM Buying Trends Survey
Digital Chaos

Direct-to-consumer offerings on the rise

- Media companies are increasingly launching direct-to-consumer offerings
- HBO, CBS and Showtime have all launched direct OTT services
- Disney decide to pull its content from Netflix to launch its own streaming service in 2019
- Increasing number of streaming services creates an environment of confusion for consumers
- Agility and personalization are key
NAB Show 2018 Update

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