- a thinkpiece from pjb Associates

Creating a roadmap for the development of sustainable IPTV-based services

OK, you know your company has to move towards developing IPTV-based services but which way do you go in order achieve this?

The "land-grab" rush has already started telcos, ISPs and a few new players are already in the race. Technical infrastructure upgrades and the end of financial re-structuring mean that the cable companies are either ahead of the race in some regions of the world or are just off the starting line in other regions. The satellite pay-TV service providers are starting to see their often first move competitive advantage become eroded and are starting to think about how to use broadband.

The Hollywood studios are in deep negotiations with all these players, but happily holding the cards and determining their cut of the revenue streams – high enough to ensure that it does not under-cut their DVD market and lower enough to ensure that the video-on-demand service providers will hardly make any revenue from this stream. It may reduce broadband churn and maintain ARPU but not create new value-added revenue streams.

So which direction do you go to create these new value added services? Here are six things to consider: -

>   ***Understand your customers*** - Think about your existing of your potential customers? What are their lifestyles? What communities are they part of? Everyone has multiple communities of interest that may last a few hours at a concert, many years for a particular passion and a lifetime with friends and relations. Tap into these communities of interest, design and market your offerings around them.
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>   ***Capture your customers' needs and wants*** – With existing and future users do you have customer management systems in place to capture their needs and desires and aggregate these wants so that you can rapidly identify market opportunities for offering value added services? Do your customer call centres have the tools and skills to turn complaints and comments from non-productive interactions into productive ones that not only help to collect knowledge of needs and wants, but enable them to sell value added services? Do your customers have access to self-service help systems that are easy to use but not frustrating to use?
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>   ***Empower your customers*** – The interactively offered through broadcast TV and the wide open web-based environment of the Internet has enabled customers to have control over a vast amount of content so what is different about your offerings? Create an environment that enables them to easily personalise and customise your offerings to their needs and enable them to produce and publish their own content. There should be flexibility to enable

people to start with a simple user environment, yet add components so that it can be customised for their needs.

Increase quality time - You will be competing for people's time which is increasingly becoming very important for many people. Create an environment that enables them to have what they want around their areas or communities of interest thus enabling them to use their time more efficiently.

Pick and mix – have the ability to easily pick and mix video-rich content around communities of interest and also additional applications as consumers demand additional services beyond just video-on demand. Is your sales team totally integrated within your customer management and technical teams to enable needs to be rapidly identified and implemented?

Plug and Play – enable current and future application software, middleware and hardware to be easily plug and play so that you can adapt it quickly and easily to your system so you can cater for increased or changing demands from your users. Do you have a culture of "yes, we can" amongst your technical staff? Can you second source components and thus keep costs down? Do you have quality of experience measurement systems in place linked to service level agreements?

Overall, what you are going to need to do is to differentiate your services and content offerings from all the other players entering the game. This will require you to be agile and flexible in order to quickly adapt to your customers needs. This is going to need a change of thinking from the more traditional top-down approach. However, all this will create complexities from concept through design onto implementation and full skill-deployment. Is your roadmap flexible enough for rapid changes in market developments?

We can offer you a flexible and independent team of people who have a wide range of skills and expertise to that will be able to work with you to develop, implement and manage a roadmap from concept to full deployment and growth. We can help you decide what will be the appropriate service and content partners for your needs and in particular the needs of your customers.