

Mobile TV gains global traction

Mobile TV is going from strength to strength and more than 120 operators around the world have already launched a commercial service. This growth is set to continue as operators expand, or start leveraging, their existing infrastructure to deliver increasingly sophisticated services that provide a richer experience to the consumers. Meanwhile, consumer interest in mobile TV is also growing and content providers are adapting content, program formats and interactivity specifically for the mobile phone.

The evolution of mobile TV

Mobile TV involves bringing TV services to the mobile screen – predominantly to mobile phones. It marries the services of a mobile phone with television content and represents a logical, complementary merging of technologies.

Mobile TV allows viewers to enjoy personalized, interactive TV with content specifically adapted to the mobile medium. The services and viewing experience of mobile TV differs in a variety of ways from traditional TV viewing. In addition to mobility, mobile TV enables a variety of services including video-on-demand, podcasting as well as traditional and live TV programs.

Preliminary mobile TV usage figures from operators are encouraging and indicate that consumers are embracing mobile TV services. For example, the mobile TV service MobiTV passed the 1-million-user mark in North America and Europe in April 2006. In the UK, user-generated content TV channel SeeMeTV reported generating 1.25 million downloads a month by October 2006.

Ericsson offers leading end-to-end mobile-TV and video solutions including traditional, on-demand and podcast TV and Ericsson is also partnering with almost half of the world's 120-plus operators that are either trialing or have launched a commercial mobile TV service.

Mobile TV – the opportunity set

Mobile TV provides a significant revenue opportunity for network operators, as well as related industry stakeholders, such as content providers or advertisers.

Increased network traffic and data revenue are the two immediate revenue opportunities for operators. Content fees, advertising and paid interactions – such as games, videos, greeting or shopping – translate into additional revenue potential and are an opportunity for operators to deliver a richer service to their customers.

Mobile TV also offers consumers an array of benefits, including personalized, interactive and on-demand content.

Interactivity is a key feature of mobile TV. For example, interactive services such as voting allow the viewers to interact with their favorite TV programs, and even contribute by uploading content. This represents an entirely new type of mobile interaction and can provide a more personalized, engaging experience.

Services can also be tailored to suit individual tastes, and consumers can choose to subscribe to selected services and programs that reflect their interests. Consumers also benefit from specialist programs geared towards the smaller mobile screen, with content producers developing content specifically for the mobile.

Another potential opportunity for mobile TV is podcasting, where content is delivered to a user's mobile by request or subscription. The content is then stored locally on the handset and can be viewed even if there is no network connection. This also allows providers to schedule delivery during off-peak hours.

Looking forward, consumers can expect to have the option to further personalize content by choosing to receive selected advertising to ensure they receive the latest offers and updates from their trusted brands. In 2006, Ericsson and the Norwegian Broadcasting Corporation (NRK) launched a world-first trial of personalized mobile TV advertising. Under the trial advertisers employ customized marketing to volunteer mobile TV viewers. Advertisements are interactive, customized to ensure their relevance to individual consumers, and tailored to the age, gender, location and personal interests of the consumer. Advertising content spans an array of formats, including videos, banners, ticker texts and branded downloadable content.

The news on the street

The second *Mobile TV Screenings and Awards ceremony*, held at the 2006 MIPCOM conference – a key forum for the TV and audio-visual content industry – showcased a host of new mobile content from around the globe and recognized a series of world firsts that have redefined the boundaries of mobile TV.

The overall winner was Soccer Addicts, an interactive weekly football talk show that allows fans to provide their opinions using the video capability of their mobile phones. Its interactive video format creates a forum for fans, celebrities and sports stars to interact, creating an audio-video mobile football community. Consumers can provide comments by sending in video clips of their opinions via their mobile phone and have the chance to see their clips sitting alongside video comments from sporting idols and TV presenters.

User-generated content is also an important and growing aspect of mobile TV. For example 3 UK has launched its pioneering SeeMeTV, a service that pays customers for their video clips. It provides opportunities for budding stars to upload their clips and potentially earn money when others download them. Since its launch in October 2005, there have been more than 12

million downloads and 100,000 uploads to the service, generating more than GBP 250,000 (USD 380,000) for contributors.

A trial conducted by Ericsson and the Norwegian Broadcasting Corporation in 2006 showed that average use of interactive mobile TV was double that of regular mobile TV usage. Additionally, 40 percent of participants who used the downloaded client – software that supports interactive functions – used the service daily, while the most used feature was chat. This highlights that mobile TV is an attractive option for consumers, operators and broadcasters alike.

Consumer traction – from strength to strength

Mobile TV provides a different user experience from traditional TV. Research from Ericsson ConsumerLab shows that mobile TV has broad appeal; people can envision themselves watching mobile TV in a variety of situations, such as on a train or bus, or during breaks at school or work.

Studies show that consumer interest in mobile TV is either situation-based or content-based, meaning mobile TV is an attractive option for filling in time or for a specific reason, such as wanting to view live events or watch a traditional TV program they would otherwise miss. The common denominator among consumers is an expectation of a high-quality, reliable mobile TV service offering an array of features.

As the viewers may be watching the service during breaks or while on the move, their viewing session is shorter than when watching TV at home. A typical viewing session is currently about three minutes, however the viewers often enjoy several sessions per day and the indicators are that the frequency of these sessions is increasing.

Time-poor viewers want relevant content immediately, and mobile TV is an enabler of “push” content, whereby viewers request the content that meets their individual tastes. For example, they can elect to receive an update on football scores or a summary of the news.

In more mature mobile TV markets, such as Korea, consumer behavior is gradually shifting as consumers start to watch longer programs, such a soap operas, on their mobiles. They are also watching mobile TV at home.

Since the average time spent watching mobile TV is typically shorter than traditional TV, a fast, user-friendly channel-switching mechanism is important. Similarly, as consumers become accustomed to personalized, interactive and time-shifting services in their living room, they expect similar services when they are on the move. Ericsson provides a channel selector capability that provides a convenient, easy-to-use tool for consumers.

Delivering mobile TV

Using existing 3G (WCDMA/HSPA) networks is the fastest and easiest way for operators to launch a mobile TV service. It allows them to leverage and capitalize on their current investment and utilize existing spectrum allocations and network coverage.

Capacity can be significantly increased at minimal cost via the introduction of High-Speed Packet Access (HSPA). HSPA supports increased numbers of users and a diverse range of high-quality mobile TV services.

Multimedia Broadcast Multicast Service (MBMS) is also a key enabler of mass market mobile TV penetration, and will facilitate broadcast over 3G networks. To be commercially launched by Ericsson in 2008, MBMS will allow an unlimited number of concurrent consumers in the same area to use a service. Existing 3G networks can be smoothly migrated to MBMS without additional spectrum and systems requirements, other than software upgrades and dimensioning.

Operators also have the possibility to optimize mobile networks by combining different delivery mechanisms such as unicast and broadcast.

Unicast content is transmitted separately from a single source to a single destination, for example from a server to a mobile device. It enables consumers to access the content they want. With broadcast, the same content is delivered to a very large number of mobile devices in a single transmission. Broadcast can be used for popular programs that have lots of viewers, such as a live sporting event. In turn, a virtually unlimited number of additional programs and on-demand content can be delivered using unicast. In this way, an operator can make archived and niche programs available to consumers on demand, as well as let them upload and view consumer-generated content.

At the consumer end, 3G handsets currently on the market already have all the components needed to deliver mobile TV. Given that at the end of December 2006, there were about 2.7 billion mobile subscribers worldwide, there is an attractive and large market opportunity for operators. Added to this, the low investment cost, plus strong consumer interest, points to a strong business case for operators to introduce mobile TV over 3G networks.

If an operator decides to use a dedicated broadcast network such as DVB-H as a complement to its cellular network, Ericsson, with its network knowledge, and Sony Ericsson, with its handset expertise, are well suited to help operators integrate and optimize the combination of these technologies.

Fast facts

- Ericsson is a pioneer in mobile TV and video solutions and ran the world's first successful trial of Multimedia Broadcast Multicast Service (MBMS) in 2006.
- More than 120 mobile operators globally have launched a commercial mobile TV service; 90 percent of them are based on mobile networks.
- The milestone of 100 commercial HSPA networks was passed in March 2007, and more than 250 HSPA devices have been launched.

- HSPA, the first step in the evolution path of WCDMA, enables operators to introduce new services such as mobile broadband with mobile TV, mobile music, high-speed internet connectivity and fixed wireless services. Ericsson's HSPA solution offers ADSL-like peak data speeds for the downlink, up to 3.6Mbps, and potentially up to 14.4Mbps. Ericsson's Enhanced Uplink, which employs HSPA technology, has delivered uplink speeds of 1.4Mbps, more than triple the previous rate.

Ericsson is shaping the future of Mobile and Broadband Internet communications through its continuous technology leadership. Providing innovative solutions in more than 140 countries, Ericsson is helping to create the most powerful communication companies in the world.

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