



Summary: This summarizes the first report in the 2009 ITVT Industry Intelligence Program (IIP), a collaboration of *tvstrategies* and *[itvt]* InteractiveTV Today.

Title (Tentative): ***IPTV Middleware and Beyond: Platforms for Operator Growth and the Millennial Generation***

IPTV is maturing. As a service category, it has long passed the point of being a speculative or untried technology and is now capable of scaling to serve millions of subscribers in large, multi-regional, and nationwide service deployments. As the core enabling technology for IPTV services, IPTV middleware has evolved according to the needs of operators to deliver high-quality video services at scale, with features that their incumbent competitors can't match. The latest advances in middleware are quickly bringing Telcos past the point of replicating competing pay TV services, placing them in a position to beat their best efforts. This conclusion is among those made in a new report, researched at the end of 2008 and early 2009 and released in March.

The report recognizes that the driving force behind the evolution of communications carriers is the latest generation of consumers who are roughly in their teens and twenties. More so than earlier generations, Millennials consume video services and other content on their own terms rather than by appointment and they insist on being in constant contact with their own communities of interest.

Consequently, IPTV middleware has evolved to embrace service delivery platforms that use the "Web 2.0" technologies and emerging standards-based network architectures and protocols, to link services across fixed-line and mobile networks. Such common management gives operators a single view of the subscriber, content, entitlements, security, consumer devices and transactions, helping them enable multiplay services across a spectrum of devices that includes the TV, PC, mobile smart phones, game consoles and dedicated home communications centers; creating new revenues while helping contain operating expenses.

This report provides an in-depth view and current examples of the features and use-cases being implemented in the current generation of IPTV middleware platforms, which are being deployed by Telcos around the world. It details the complex and sophisticated platform technologies and standards behind multi-play IPTV, and asserts that, together with IPTV middleware, advanced interactive applications and service delivery platform technologies, the secret weapon that will push Telcos past service and ARPU parity with competing pay TV operators will be their networks.

The report also compares in detail the video and multi-play functionality of ten IPTV middleware platforms which are sold globally, and it demonstrates how the leading telecommunications network suppliers have leveraged client-server middleware architectures to assemble entire IPTV service delivery "ecosystems." Each of these suppliers cooperated directly during the research process. As Telcos implement IPTV middleware and other enabling technologies, they are hungry for collaborators that can help them develop, launch and refine interactive television applications that harness the power of their networks in an effort to drive new revenue and increase consumer loyalty. The tools are already available.

This report summarizes and details the business and technology trends that are driving the evolution of IPTV middleware and service delivery platforms, including trends in the broader telecommunications industry, IPTV service provider trends, and the features and services that are capturing the attention of consumers. It also makes a range of broad and detailed recommendations for service providers that intend to launch IPTV services. It will be of direct interest to service providers, technology suppliers, investors and other broadband content stakeholders that are making high-impact strategic decisions in challenging economic times.

"IPTV Middleware and Beyond: Platforms for Operator Growth and the Millennial Generation" was researched and written by Steven Hawley, principal analyst of *tvstrategies*TM, an IPTV consultancy, and is published and distributed by Tracy Swedlow's InteractiveTV Today [*itvt*], as part of the [*itvt*] *Industry Intelligence Program* (IIP).

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IPTV Middleware and Beyond

Platforms for Operator Growth and the Millennial Generation

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