



SEVENTH FRAMEWORK PROGRAMME
ICT-1-1.5
Networked Media

Specific Targeted Research Project

My-e-Director 2012

(FP7-215248)

**My-e-Director 2012 - Real-Time Context-Aware and
Personalized Media Streaming Environments for
Large Scale Broadcasting Applications**

D2.6 Business models

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1 Introduction

This document provides an overview of the business models for the My-e-Director 2012 project and especially to the implementation of the overall My-e-Director's 2012 platform and other project results, which we will describe in different model definitions.

We have decided to focus this document on those elements of the product that will affect our business strategies that will be fully developed in the business models.

Therefore, we have reviewed the activities of the entities identified in the previous project documents from WP2 and WP8.

Finally, in the conclusion the findings obtained from the research and analysis activities carried out in the development process of this document are summarized.

The My-e-Director 2012 project is related to advanced interactive content that transmits via interactive digital television infrastructure, and in order to provide the full potential of the solutions that currently are under research, this document focuses on the study of interactive digital television with real time content.

For the purpose of this study, we have categorised the business models taking into account their further commercial relationship and differentiating them according to their degree of deployment.

In general terms, distribution technologies, basically digital real time content television supporting interactive services, are the enablers of the My-e-Director 2012 platform. Their development is related to the list of scenarios where My-e-Director 2012 can possibly be exploited and these scenarios helped define possible revenue streams and business models.

2 **The Business Model for the Olympic Games**

This business model has been elaborated after presenting the My e-Director 2012 view and partial results to key players, and main stakeholders. Nowadays, most of the Olympic revenues come from the broadcast and therefore the business and technology supporting these events come from a traditional broadcast scheme. Although, as we have included in the Marketing Analysis deliverable (D8.2), there are several experiences of new media in and around the Olympics, the business behind these sports major events is only evolving slowly.

The potential market for the results of the My-e-director is very large (see D8.2) but the very nature of this market severely limits the potential business models that may be applied. The only potential business models involve either individualised solutions for each of the (up to) 220 RHB (Rights Holding Broadcasters) or to provide more or less generic solutions. It seems clear that if the possibility for generic solutions exists then that route should be taken. At the same time, there already exists one broker who, by definition, deals directly with all of these 220 RHB and that is the Olympic Broadcasting Service. Therefore it would seem that to be successful at a global scale, in practice, necessarily requires working directly with the OBS. At the same time, the nature of the OBS business model (and client base) requires the use of packaged solutions which, of course, goes well with the preference for the use of generic solutions that was explained earlier.

The nature of the Olympic Games requires having a very solid and structured relationship between the so called "Olympic Family". In fact most providers are not considered providers but partners and invest a lot of the revenues that these contracts generate back as Olympic Games sponsors. In this scenario, the IOC relays only in the services of those companies that they "trust" such as Atos Origin and OMEGA. In the deployment, all services are converted into packages and included in the "ratecard" (the list of services offered to the Rights Holders). All services are disaster-proof reliable solutions with several layers of redundancy and disaster plans.

Therefore the My e-Director 2012 platform is foreseen to be sold for the next Olympic Games as an integrated, but at the same time, personalised solution to the RHB's. The best approach to do this is, as has been said, creating new packages for the OBS so that they can include it in their "rate card" for the London Olympic Games (and for the following Olympic Games). Following this approach we have defined a basic business model where we are able to follow the revenues streams and the provision of services to different actors.

We understand that Atos Origin will be the industrial partner responsible of the deployment and provision of the services from My eDirector 2012, while the rest of organisation of the consortium will collaborate in this effort and share the revenues.

We plan to extrapolate this business model to other major events. These of course would be the main sporting events, but also other types of large scale events.

Product Mix

The proposed solution (iVoP – interactive video online platform) can be divided in two parts, first a set of packetized solutions which will be defined and fine tuned with the OBS and included in the OBS portfolio for the London 2012 Olympic Games and the following Games. Depending on the needs of each Broadcaster, we expect the OBS to offer two package for the new media solution; *Basic package* and *Advanced package*.

The second part of the proposed solution is the integration of the packetized solution with the broadcaster's IT infrastructure. Depending on the IT infrastructure and the degree of integration desired by the broadcaster, we have defined two degrees of Integration named *Minimal integration* and *Full integration*.

In this sense the proposed solution can be presented in the following matrix:



Basic package

This package will be offered as a service, where a microsite with basic templates to adjust the appearance will support the centralisation and allow the Olympic portal to semi-automatically access static content as well as audiovisual distribution over the platform for WebTV. Atos Origin will host the microsite and be in charge of the communication between the Olympic System and the microsite, which will automatically be populated with the results, schedule etc. Atos will centralise the complete service including connecting to one or more CDNs (whose cost has not been included in the budget).

Advanced package

This package is a premium version of the previous package, but it would include automatic recommendations for the consumers, access to additional cameras feeds, possibility to cover Microsoft and Flash users, advance UI functionalities like athlete identification, and integration with social networks.

Minimal integration

In this case, the solution provided will require a minimum interaction with the broadcaster and non-localised services other than the translation of the micro-site. We will ensure they have a basic functionality accessible from the Broadcaster infrastructure to update static content manually, without a real integration with their CMS for the delivery platform. The solution will include the support of Atos Origin for the necessary contract between the broadcaster and the CDN(s).

Full integration

In this case, the proposed solution will be integrated with the broadcaster's CMS and other IT infrastructure at the broadcaster headquarters as well as the operational teams at the Olympic Games site.

Package Business Model

The business model described is related to the package that will be offered through the OBS, which would also be the trigger for the additional services. The idea is for the OBS to operate basically as they do now, but with upgraded new media services in their portfolio. Those new services will be in fact been delivered by Atos Origin, acting as representative of the My-e-Director consortium, who would receive revenues from the OBS.

The following figure shows the overall relationship between the main actors of the business model:

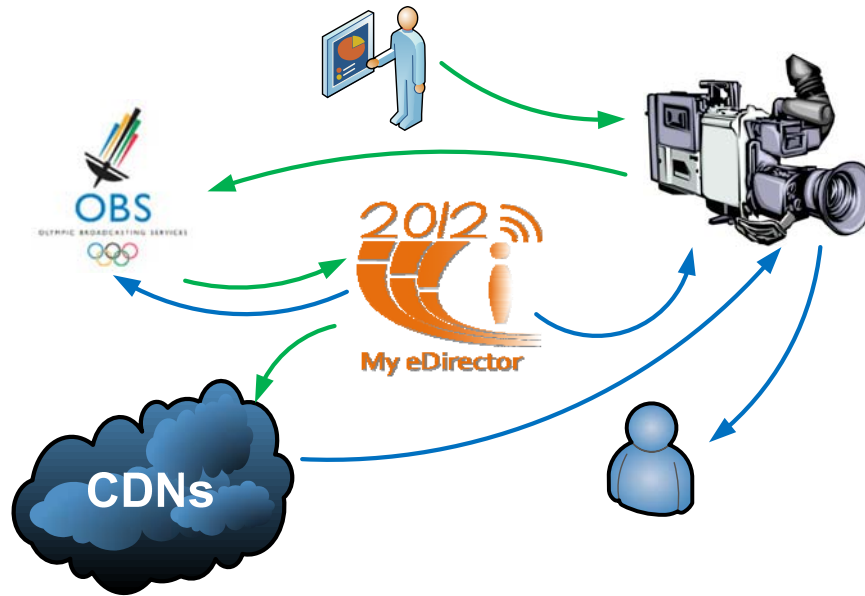


Figure My eDirector 2012 Business Model



This relationship with the OBS requires having very packetized solutions as the OBS operates in a standardised way to ensure the successful coverage of the Olympic Games by all broadcasters. Atos Origin will act as an intermediary between the CDN's and the broadcasters. However there would have to be a legal bond between the broadcaster and the CDN (or CDN's) in order to reduce the financial risk for Atos Origin. The CDN would be responsible of the content distribution including the live audiovisual content, the VoD content and the Website published by Atos Origin (Management Operations). This deliverable should support the agreed platform which might include mobile operators.

Therefore the Broadcaster (or Olympic Games Rights Holders) will pay the OBS for the services and to the CDN (or CDNs) selected by Atos Origin. Atos Origin will deploy the packetized solution and integrate it (depending on the degree selected by the broadcaster) with the broadcaster infrastructures and processes.

We expect the Broadcaster to receive revenues from their regular sources which would depend on the nature of the Broadcaster business models. In most cases, those revenues would probably be generated by advertising, however in some cases the revenues would come from public sources. Within the complete offering, we will include a solution for increasing these revenues with notification services (SMS/MMS and others – see the complete list of services below).

Finally, the consumers will perceive that the content will be provided by their broadcaster although the actual distribution will be in charge of the CDN(s).

3 **Additional Services**

Other than the product mixes explained above, this venture is expected to foster new business opportunities, with services oriented to broadcasters oriented to improve not only their coverage of the Olympic Games but also their regular offering. These services would be offered by the My-e-Director consortium directly to the broadcasters who contract the packaged services through the OBS.

The following figure shows the list of these additional services that we have identified:

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| Post production archive | Deploy and support the timestamp based annotation of Olympic Audio-visual content with the SIS information which can be integrated with other metadata sources and stored within the content and/or with the metadata repository. This annotation will provide a header describing the event, athletes, teams, officials etc. Partial event results with timestamps will be included. Depending on the automatic and/or manual additional source tool used, the metadata can be enriched with a description of the scene (where, who, colour histogram, voice to text etc.) |
| CMS | Some broadcasters, especially the smaller ones, may be interested in taking advantage of the Olympic Games to update / upgrade or just deploy a CMS, therefore we expect that our activities to trigger the deployment of CMS to broadcasters worldwide, which would be totally compatible with the proposed solutions for the Olympic Games. |
| Website improvements | This service will improve the Internet presence of the broadcaster in such things, for example as graphic design, accessibility, content sources, etc. |
| Premium Messages Platform (SMS / MMS) | Within the related offer to the broadcaster for the Olympic Games, that in some cases could go beyond the OBS package, we will be in a position to offer them a complete solution including the generation of alerts, a subscription platform and message distribution (this probably would only be offered within the EU, while outside of the EU a partner would have to be found). The sales proposition of this service towards the broadcaster is that this platform will pay for itself as well as generate additional revenues to partially cover the Olympic Games operation. The idea is that these alerts will be managed automatically by integrating the messaging alert systems with the SIS. |
| Professional production tools | Taking into account the My-e-Director experience, the consortium will be in a position to offer professional tools to be implemented in the broadcasters control rooms. These tools would include live information from the Olympic Systems, production archive recommendations, configurable alerts etc. |

Pre-production tools | Pre-production tools can be provided that will facilitate the preparation of material that can be used in the Olympic broadcasts.

Multiplatform distribution support | For London 2012, we will be in a position to offer a complete multiform distribution platform as most of the current visualisation devices will be able to reproduce H264. In some cases we can consider changing the video coding. The solution would cover Olympic content on WebTV including Microsoft state of the art scalable technology (smooth streaming) and Flash scalable solutions. The solution can be compatible with Microsoft PCs, Macs, Linux, video consoles (Xbox 360, Wii, and even possibly Sony PS3) and mobile phones (Microsoft with the smooth streaming, iPhone (dedicated application) and in general of other mobile devices capable of reproducing H264 streams.

We would also be able to integrate the multiplatform solution for DVB-T/H and WiMax scenarios as well as IPTV.

The Multiplatform distribution support will provide the Web front capable of identifying the device and/or the access technology in order to deliver the content in the most appropriate format while the content will of course be delivered by CDN's. We will also provide a backend to manage the distribution platform which should be integrated with the CMS.

Package platform adaptation | There may be clients who prefer to change the packages being offered to better suit their needs. These cases would be studied case by case to assess their feasibility.

Support metadata relay to third parties | This service would provide support for the broadcaster to be able to provide third party information systems with the information from the SIS so they can relay structured information, deciding which information and when to relay it. This would allow third parties to automatically generate specific content and to populate research databases.

The broadcaster would be able to obtain a benefit either because they charge for this service to a third party or because they exchange information or something else with the third party.

We will offer a managed environment to forward this information, which should probably include a delay in the delivery of the information.

Support for personalised advertising

One of the most promising sources of revenue for broadcasters is the possibility to include personalised advertising. In My-e-Director platform users will be registered with a large amount of profile data that would be very interesting for advertisers – age, sex, nationality, preferred events/athletes, etc.

Simply with the information of age+sex+nationality advertisers can begin to provide targeted advertising but the addition of preferred events and/or athletes would greatly increase the possibilities. Sports such as horse show jumping, female beach volleyball or snowboarding could allow advertisers to infer very important information about the viewers. And of course there may be athletes whose fans fit a very specific advertising profile.

The business models to be applied here by the consortium could be pay-per-click, pay for each placed ad or a lump sum payment for the service. Targeted advertising can increase broadcaster revenue and so would be a strong argument for them to use the My-e-Director platform.

Besides the basic My-e-Director platform there are a number of technologies being developed in the project that will probably have exploitation potential. The applicable business models for these technologies have not yet been defined. Some examples would be the following:

Personalized & interactive broadcast

In order for a user to be able to have access to the personalization services over the DVB-T/H, a user must first log in (register) into the My-E-Director 2012 platform and create a profile with his sports preferences. After creating a profile the provision of the service is simple. The user uses his terminal like a pda or laptop to login to the DVB live service page and from this page he can change automatically his television channels. While watching a channel, if an athletic event takes place in another channel which according to his user profile the user would like to know about it, in this page he takes the recommendation of this athletic event. According to the importance of this specific event for the user, the service can even change the television channel automatically, after informing the user for five seconds.

WiFi Content distribution

The clients will be offered the technologies required to provide content distribution deployment through WiFi networks.

4 **Conclusions**

As explained above, the potential market for the results of My-e-Director is very large but the potential business models that may be applied are limited. The simplest and clearest of these models requires working directly with the OBS and the use of packaged solutions. At the same time these packaged solutions would serve as a point of entry in the RHB for members of the consortium to sell other associated added value services (for example services associated with archiving or CMS).

Atos Origin is the official IT provider for the Olympic Games and thus has had much previous experience with OBS. At the same time, the only commercial enterprise in the consortium is Atos. Therefore it would seem that the commercial leader of the consortium and the interface between OBS and My-e-Director should be Atos Origin.

The basic business model and structure therefore would include the following elements:

- A package solution to be included in the Rate card (list of services offered to RHB's) of the OBS
- Four different packages will be offered
 - o Basic + low integration
 - o Basic + high integration
 - o Advanced + low integration
 - o Advanced + high integration
- The commercial efforts will be led by Atos Origin with the other partners providing support
- Other associated services will be offered by the consortium to those RHB's who contract the package through OBS. Such things as post-production archive services and personalised advertising could be very powerful revenue generators for the My-e-Director consortium.

The consortium considers that with a business model and structure of this form with packaged solutions sold through OBS, Atos Origin as commercial leader and associated services offered directly to the RHB's, the exploitation potential of My-e-Director can be maximized.