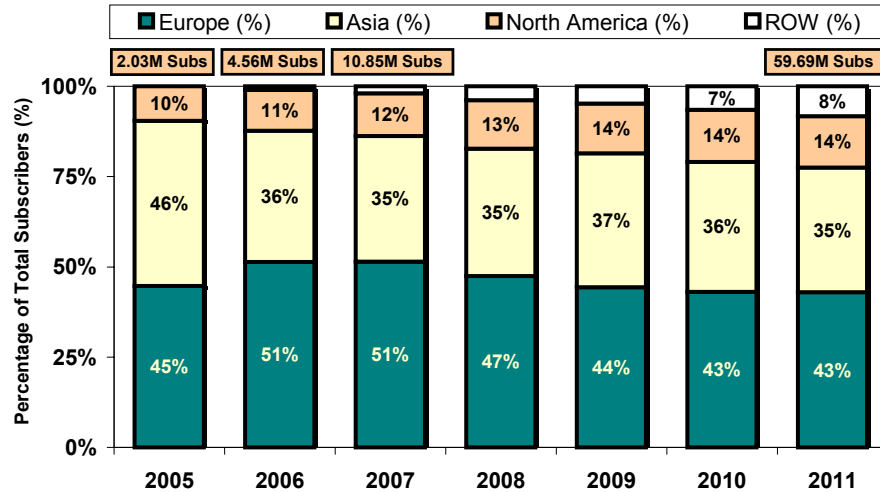


Synopsis

This report provides analysis and forecasts on the worldwide IPTV market. It specifically covers IPTV deployments in 20 nations and profiles nearly 60 providers. It also examines key IPTV technology, including middleware, applications software, and conditional access providers. The report also provides worldwide forecasts for subscribers and set-top box shipments through 2011.

Forecast: U.S. Digital Pay Services

Regional Share of IPTV Subscribers
(Percentage of Total Subscribers, by Global Region)



Source: IPTV: From Quadruple Play to Multiplay
© 2007 Parks Associates

Publish Date: May 07

"On a global scale, the IPTV experience is going to provide widely-varying levels of success and challenges," said Kurt Scherf, Parks Associates' vice president and principal analyst. "Market forces are pushing European incumbents to enter nontraditional markets. Asian markets have, in many cases, the necessary infrastructure to support incredible television experiences, but providers may struggle to differentiate their offerings from competitors. Finally, the North American model for telcos is going to have to shift very quickly from a defensive to an offensive posture for Tier 1 providers to establish a foothold and actually build revenue per subscriber."

Contents

The Bottom Line is a concise, executive-level summary of the current state of the market, evolutionary path, and the implications for companies doing business in this space.

A Parks Associates' **Resource Book** contains a wealth of consumer survey data and company profiles—a must-have reference for product/market planning.

The Bottom Line

1.0 Notes on Methodology

- 1.1 Consumer Data
- 1.2 Definitions
- 1.3 Scope of Report

2.0 IPTV Service Market Snapshot

- 2.1 North America Market: Playing Catch-up
- 2.2 Europe: Momentum is Building
- 2.3 Asia and Pacific: New Promises
 - 2.3.1 Japan
 - 2.3.2 South Korea
 - 2.3.3 Taiwan
 - 2.3.4 China
- 2.4 Global Service Trends and Competitive Environment

3.0 IPTV Software and System Integration

- 3.1 Middleware: Integration Engine for IP Video Delivery

- 3.2 Content Protection and Subscriber Management
- 3.3 Application Software: Service Differentiators
- 3.4 Enabling End-to-End User Experiences
- 3.5 Standards Issues

4.0 IP Set-top Boxes: The In-Home Media Gateway

- 4.1 Analysis of Form Factors and Functionalities
- 4.2 The Set-top as a Home Media Server: Prospects
- 4.3 Bringing Intelligence to STB: Service Provisioning and Network Management

5.0 Monetizing IPTV Services: Consumer Demand and Business Models

- 5.1 What Do Consumers Want: Services, Features, and Prices
- 5.2 Quad-Play: Telcos' Showtime
- 5.3 Business Models for On-demand and Time-shifting
- 5.4 iTV: Revenue Generator or Churn Reducer?
- 5.5 Advertising: An Under-tapped Revenue Source
- 5.6 Looking into the Future: Outside-in Applications and Fixed/Mobile Convergence

6.0 Market Forecasts and Recommendations

- 6.1 Forecast of U.S. and Canadian Subscribers
- 6.2 Telco TV Forecast for Europe and Asia
- 6.3 Recommendations

Resource Book

Section I: Consumer Preference for TV Services and Features

Section II: IPTV Service Provider Profiles

Asia-Pacific

- PCCW (Hong Kong)
- Hong Kong Broadband Network (Hong Kong)
- Hutchison Global Communications (Hong Kong)
- Softbank BB (Japan)
- KDDI (Japan)
- NTT (Japan)
- Hanaro Telecom (South Korea)
- Korea Telecom (South Korea)
- Chunghwa Telecom (Taiwan)
- Advanced Datanetwork Communications (Thailand)
- True Digital Entertainment (Thailand)

Europe

- Telekom Austria (Austria)
- Belgacom (Belgium)
- Telefonica O2 Czech Republic (Czech Republic)
- TDC (Denmark)
- Dansk Bredband (Denmark)
- FastTV/Nesa (Denmark)
- Aland Datakommunikation (Alcom) (Finland)
- TDC Song/Maxisat (Finland)
- Finnet (Finland)
- Elisa (Finland)
- Club Internet (T-Online Subsidiary) (France)

France Telecom (France)
Free (France)
Neuf Cegetel (France)
Telecom Italia France (France)
Deutsche Telekom (Germany)
HanseNet Tlekommunikation (Germany)
FastWeb (Italy)
Telecom Italia (Italy)
KPN (The Netherlands)
Tele 2-Versatel (The Netherlands)
NextGenTel (Norway)
Lyse Tele (Norway)
Telefonica (Spain)
Jazztel (Spain)
B2 (Sweden)
TeliaSonera (Sweden)
FastTV (Sweden/Norway/Denmark)
Canal Digital (Sweden/Norway)
Swisscom (Switzerland)
British Telecom (UK)
HomeChoice (Owned by Video Network Ltd) (UK)

North America
SaskTel (Canada)
MTS Allstream (Canada)
Bell Aliant (Canada)
Telus (Canada)
AT&T (USA)
Verizon (USA)
Qwest (USA)
SureWest (USA)
Pioneer Telephone Cooperative (USA)
Consolidated Communications (USA)
D&E Communications (USA)
Warwick Valley Telephone Co. (USA)
HickoryTech (USA)
Matanuska Telephone Association (USA)

Section III: IPTV Middleware Vendors

Digeo
Espial
DreamPark
Kasenna
Microsoft
Minerva Networks
NDS
Orca Interactive
OpenTV
Siemens/Myrio
Thomson

Section IV: Application Software and System Solution Provider Profiles

ANT Software
BIAP Systems

IPTV: From Quadruple Play to Multiplay

By Kurt Scherf, Vice President, Principal Analyst; Harry Wang, Research Analyst; and Yilan Jiang, Research Analyst

2Q 2007

BigBand Networks
C-COR
Integra5
SeaChange
Streaming21
Tandberg Television
Terayon Communications

Section V: Content Protection Technology Vendors

Cinea
Conax
Irdeto Access
Latens
Microsoft
Nagravision
NDS
Verimatrix
Viaccess
Widevine

Figures

The Bottom Line

Deployment of IPTV Services in North America
Cable MSOs' Network Efficiency Strategies
Cable MSOs' Value-added Features
Status of Video Franchise Rights by Telcos
Deployment of IPTV Services in Europe
Attractive Price for IPTV Services in Europe
Deployment of IPTV Services in Asia
South Korean Cable TV Subscribers and Industry Milestones
Growth Drivers and Inhibitors of China's IPTV Market
China's IPTV Operational Models
Growth of IPTV Subscribers: 2005-2006
Middleware Vendors by Technology Background
End-to-end Approach to IPTV Deployment
Types of IP-based Service Applications
Choice of In-home Networking Media for IPTV Deployment
IPTV Standardization Efforts
Features Roadmap for the TV Set-top Box
Consumer Interest in New Content Uses
IPTV and Whole-home DVR Implementations
The IPTV Service and Customer Support Value Chain
"No-New-Wires" and IPTV Implementation
Pay-TV Service Penetration: Consumer Survey Results
Consumers' Preferences for Triple-play Service Providers
Preferences for IPTV Features (1)
Preferences for IPTV Features (2)
Preferences for IPTV Features (3)
Market Penetration of Multi-Play Services among Broadband Subscribers
Factors Influencing Satisfaction Level with a Multi-Service Provider
Interest in Value-added iTV Services among Different Consumer Segments
Additional Services Desired in a TV-based Service Bundle

Ad Formats and Revenue Opportunities for IPTV Service Providers
Interest in Different Applications, Including "Place-shifting"
Consumer Solutions for Outside-in Applications
Home Network VoIP Clients
Additional Services Desired and Willingness to Pay: Mobile Phone-based Bundled Package
Examples of Service Providers Implementing Outside-in and Fixed/mobile Applications
IPTV Subscribers: 2006-2011
IPTV Set-top Box Shipments: 2007-2011

Resource Book

Consumer Interest in Triple-play Services: 12-country Comparison
Consumers' Preference for Triple-play Service Providers: 12-country Comparison
Interest in Advanced TV Features among U.S. Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: U.S.
Interest in Advanced TV Features among U.K. Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: U.K.
Interest in Advanced TV Features among French Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: France
Interest in Advanced TV Features among German Consumers who Prefer Telcos as Triple-Play Providers
Figure 10: Interest in IP-based TV Features among Three Consumer Groups: Germany
Interest in Advanced TV Features among Italian Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Italy
Interest in Advanced TV Features among Spanish Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Spain
Interest in Advanced TV Features among Canadian Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Canada
Interest in Advanced TV Features among Japanese Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Japan
Interest in Advanced TV Features among South Korean Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: S. Korea
Interest in Advanced TV Features among Taiwanese Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Taiwan
Interest in Advanced TV Features among Chinese Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: China
Interest in Advanced TV Features among Australia Consumers who Prefer Telcos as Triple-Play Providers
Interest in IP-based TV Features among Three Consumer Groups: Australia

IPTV: From Quadruple Play to Multiplay

By Kurt Scherf, Vice President, Principal Analyst; Harry Wang, Research Analyst; and Yilan Jiang, Research Analyst

2Q 2007

Market Penetration of Different Bundled Packages: U.S.
Estimated Size of Bundled Service Market: By the Number of Subscribers
Reasons for Not Subscribing to a Bundled Service
Satisfaction Factors for Multi-Service Providers
Consumer Segments for Triple-play Customers
Profiles of Triple-play Customer Segments (1)
Profiles of Triple-play Customer Segments (2)
Interest in Additional Video Services among High Intenders of Bundled Package
Interest in Additional TV Services among High Intenders of Bundled Package
Interest in Additional TV Services among Four Consumer Segments
Average Monthly Fee Subscribers Are Willing to Pay for TV-based Services
Interest in Additional Mobile Services among High Intenders of Bundled Package
Interest in Additional Mobile Services among Four Consumer Segments
Average Monthly Fee Subscribers Are Willing to Pay for Mobile Value-added Services
PCCW Now TV Service Information
HKBN Digital TV Service Information
HGC Service Information
Softbank BBTB Service Information
KDDI Hikari one TV Service Provider
NTT OnDemand TV Service Information
HanaTV Service Information
KT HomeN Service Information
Chunghwa Big TV Service Information
ADC Buddy TV Service Information
True TV Service Information
Telekom Austria AonDigital TV Service Information
Belgacom TV Service Information
Telefonica O2 TV Service Information
TDC TV Service Information
Dansk Bredband IPTV Service Information
FastTV/Nesa IPTV Service Information
Alcom IPTV Service Information
TDC Song/Maxisat Maxinetti Service Information
Finnet IPTV Service Information
Elisa Viihdekaista Service Information
Club Internet IPTV Service Information
France Telecom Orange TV Service Information
Freebox TV Service Information40
Neuf TV Service Information
Telecom Italia France Alice Box Service Information
Deutsche Telekom T-Home Service Information
HanseNet Alice Home TV Service Information
FastWeb TV Service Information
Telecom Italia Alice Home TV Service Information
KPN Mine TV Service Information
Tele2-Versatel TV Service Information
NextGenTel BroadPark Service Information
Lyse TV Service Information
Telefonica Imagenio TV Service Information
Jazztelia TV Service Information

IPTV: From Quadruple Play to Multiplay

By Kurt Scherf, Vice President, Principal Analyst; Harry Wang, Research Analyst; and Yilan Jiang, Research Analyst

2Q 2007

B2 IPTV Service Information
Telia Digital TV Service Information
FastTV IPTV Service Information
Canal Digital IPTV Service Information
Swisscom Bluewin TV Service Information
BT Vision Service Information
HomeChoice TV Service Information
SaskTel Max TV Service Information
MTS Allstream TV Service Information
Aliant TV Service Information
Telus TV Service Information
AT&T U-Verse TV Service Information
Verizon FiOS TV Service Information
Qwest Choice Video Service Information
SureWest InfiNet Service Information
Pioneer DTV Service Information
Consolidated Communications DVS Service Information
D&E Digital TV Service Information
WVT Digital TV Service Information
HickoryTech Service Information
MTA DTV Service Information
Digeo Middleware Solution
Espial Middleware Solution
DreamPark Middleware Solution
Kasenna Middleware Solution
Microsoft Middleware Solution
Minerva Networks Middleware Solution
NDS Middleware Solution
Orca Interactive Middleware Solution
OpenTV Middleware Solution
Siemens/Myrio Middleware Solution
Thomson Middleware Solution
ANT Software
BIAP Systems
BigBand Networks
C-COR
Integra5
SeaChange
Streaming21
Tandberg Television
Terayon Communications
Cinea
Conax
Irdeto Access
Latens
Microsoft
Nagravision
NDS
Verimatrix
Viaccess
Widevine

Attributes

Parks Associates
5310 Harvest Hill Road
Suite 235
Lock Box 162
Dallas TX 75230-5805

800.727.5711 toll free
972.490.1113 phone
972.490.1133 fax

parksassociates.com
sales@
parksassociates.com

Authored by Kurt Scherf, Harry Wang, and Yilan Jiang
Executive Editor: Tricia Parks
Published by Parks Associates

© May 2007 Parks Associates
Dallas, Texas 75230

All rights reserved. No part of this book may be reproduced, in any form or by any means, without permission in writing from the publisher.

Printed in the United States of America.

Disclaimer

Parks Associates has made every reasonable effort to ensure that all information in this report is correct. We assume no responsibility for any inadvertent errors.