

TV Online or on Your Cell : The Experiments Falter

What should you expect from the new video competition? The established networks are timidly experimenting. But can they match Web-only providers long-term?

By Michael A. Kashmer ■ *Broadband Properties Magazine*

We are all aware of what happened to the music industry and how its written-in-stone business model came apart over the last few years. The industry just didn't understand or adapt to the changing marketplace or recognize how powerful a force technology is.

Is television headed in the same direction? IPTV or cellular viewing can be a boon to content owners, and some big nets like ESPN are trying program formats and technology to take their content to new platforms. Given their primary demographic, ESPN's foray would seem like a no-brainer. But that isn't the case for all nets, despite the impression given by reading newspaper business pages.

Losers... and Few Winners

Clearly, fewer people watch traditional network TV each year. This year saw the first defensive moves by networks to offer mini-videos for the short-attention-span audience and full-length free on-demand episodes online. Results so far have been encouraging. But volume of paying ads, and piracy, are issues.

Generally you can view certain programs online the day after they are broadcast. You are supposed to be connected to view. But some techies boast that they can illegally download shows, for exchange and off-line viewing.

Apple iTunes offers TV shows at \$2 an episode without ads. This model doesn't go over well with the networks, which may pull their programming until the dust settles.

Advertisers and their agencies have a great deal to ponder as well. Their busi-

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ness model will be turned upside down, and many still remain wary of this new technology.

With the right Internet connection, the video and sound quality of the TV on network Web sites is excellent. And, it is all available on demand. There are ads that cannot be skipped over – much to the relief of nets and advertisers. However there are fewer of them (one 30-second commercial) compared to regular TV.

There are experiments underway to increase the number of ads, with front and back 10-second bumpers as well as during the show itself, as long as it doesn't take away from the viewing experience. This is especially true of sports programming.

The latest – and some say the hottest – online viewing experience can be sampled on Joost, which offers more than 150,000 TV episodes and Web videos free. (See www.joost.com.) Its Web site was recently opened up to everyone after an exhaustive year-long test. With all this content there is a lot of clutter, but once you are able to cut through I am sure you can find something of interest. Joost is clearly in the advanced development stage.

Video Interactive

Major broadcast networks like ABC, FOX, NBC and CBS offer some shows but overall the list is not compelling. What's more, the episodes are only available for a few weeks. This is the networks' attempt to get programmers and advertisers used to this new way to watch TV. Advertisers are especially interested in the interactive features and will pay handsomely for leads.

These shows cannot be downloaded but there is some experimenting going on which would allow limited downloading. It remains to be seen just how quickly this will move along.

After all is said and done, do you really want to watch TV on your computer or get your computer's image on your trusty TV? Some say that this is all too much trouble and the seamless merger of TV and Internet is still a "work in progress."

Others think that this is the wave of the future and once the kinks are ironed out and more content owners and advertisers sign on, this will be the place to be. They cite research from the coveted 18-34 year old males who make this transition without much hesitation. Online or cellular viewing is not competing with traditional network television – it is enhancing their total viewing experience as they live their very busy lives.

For additional information about content aggregators see www.videolantern.com For additional programs to sample see www.video.aol.com. **BBP**

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