



# HOW TO CREATE THE VIRTUAL OTT SERVICE PROVIDER IN THE CLOUD

DECISIONS TO BE MADE AND  
CHALLENGES TO BE SOLVED

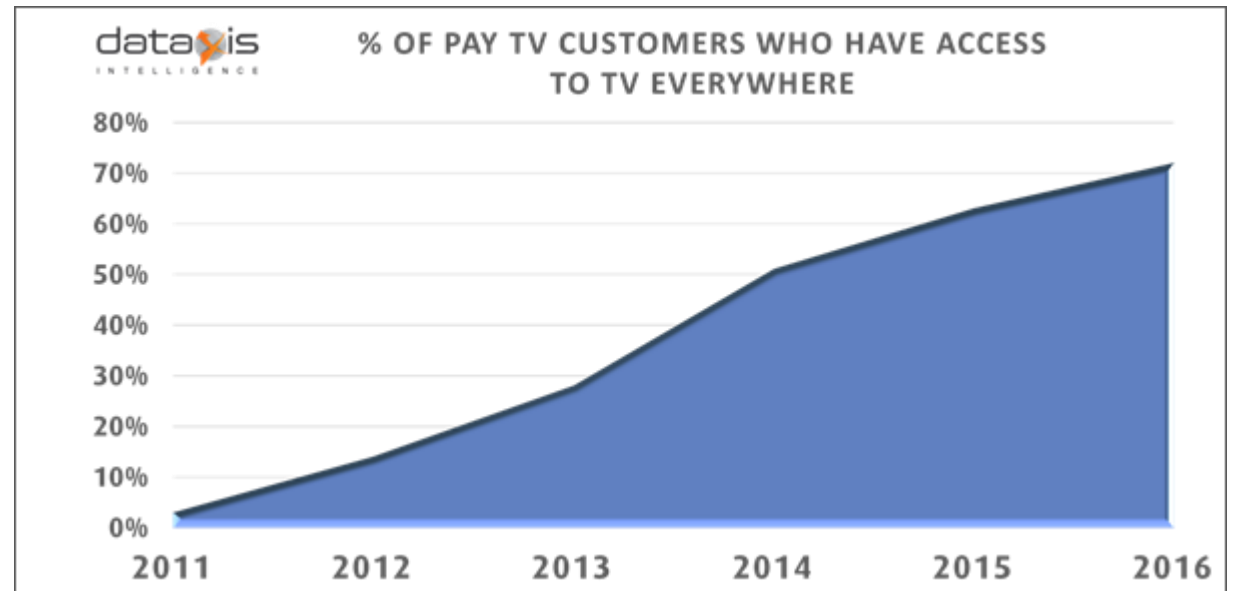
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**WHY OTT IS  
IMPORTANT?**

# INTRODUCTION

- 72% of PayTV subscribers had OTT service by end of 2016 in Europe
- Next step – OTT as primary delivery
- Benefits of OTT
  - Wider audience
  - Almost unlimited reach
  - Internet is ubiquitous
- Challenges
  - Speed/quality
  - Content protection



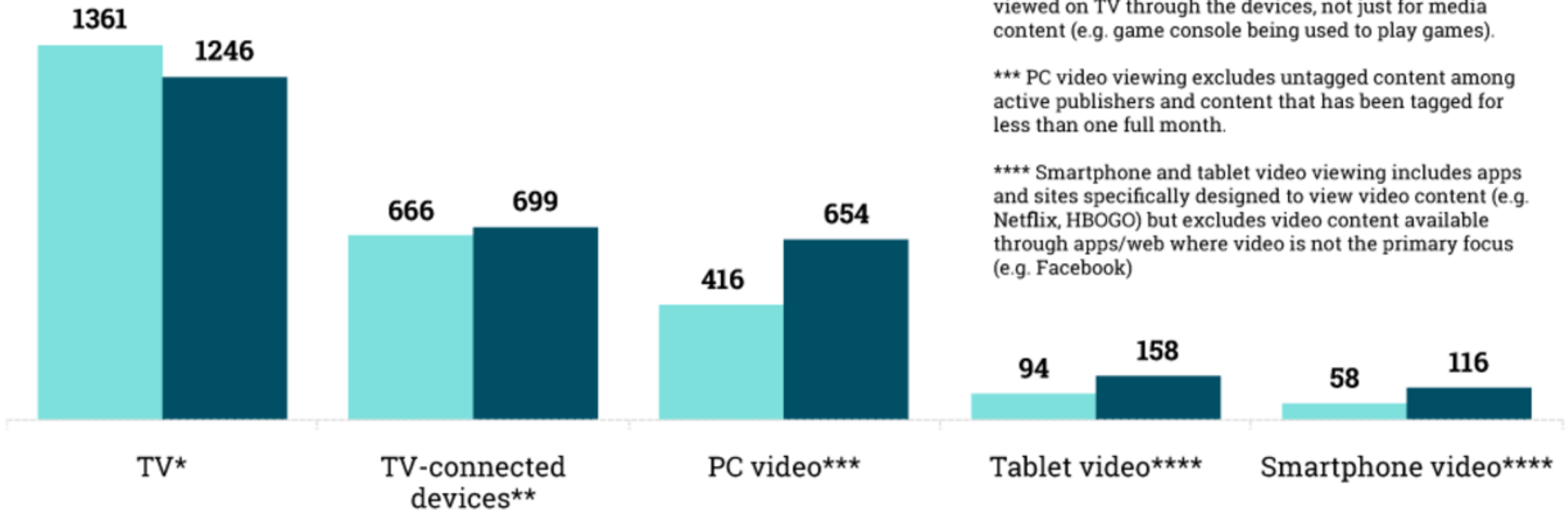
Source: Zoé Macheret, Market Research Analyst at Dataxis



# Video Viewing Trends Among 18-34-Year-Olds, by Device in Q4 2016



■ Weekly average (mins/user) during Q4 2015  
■ Weekly average (mins/user) during Q4 2016



\* Traditional TV refers to all live + DVR/time-shifted TV viewing during the measurement period.

\*\* TV-connected device viewing includes content being viewed on TV through the devices, not just for media content (e.g. game console being used to play games).

\*\*\* PC video viewing excludes untagged content among active publishers and content that has been tagged for less than one full month.

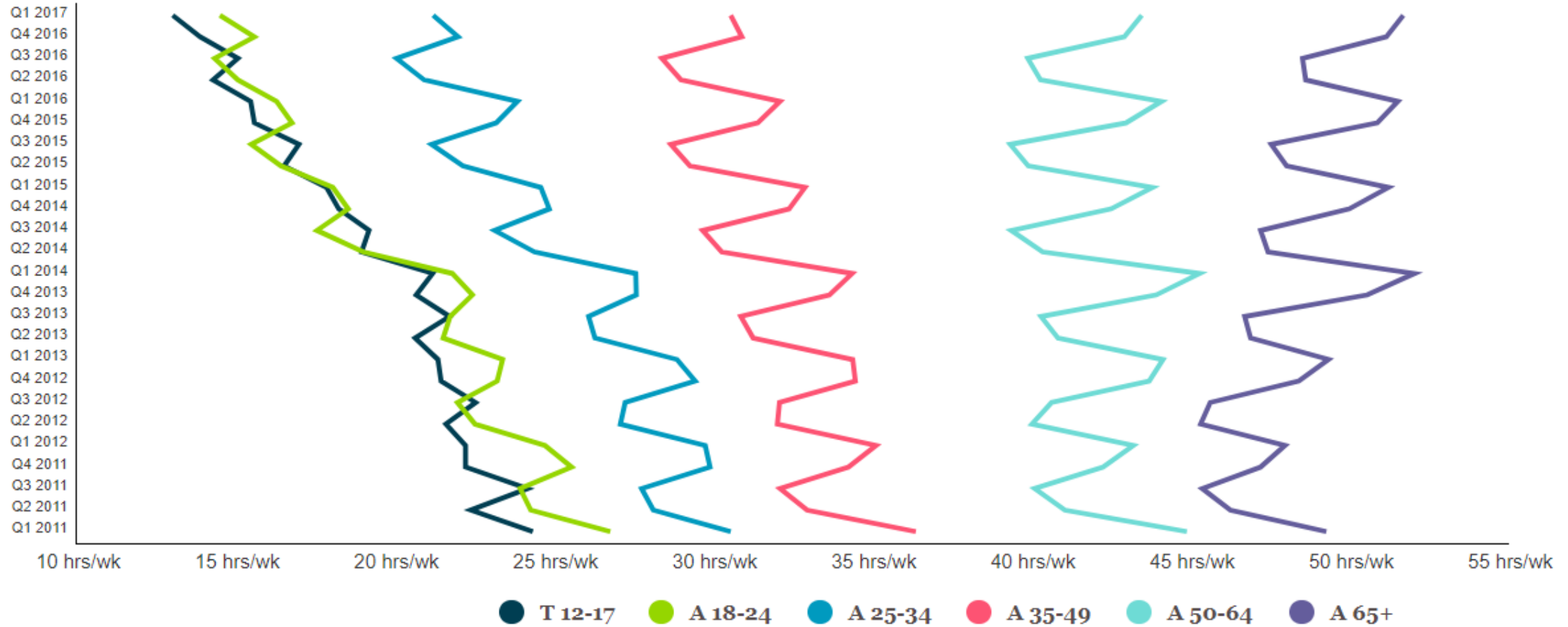
\*\*\*\* Smartphone and tablet video viewing includes apps and sites specifically designed to view video content (e.g. Netflix, HBOGO) but excludes video content available through apps/web where video is not the primary focus (e.g. Facebook)



# Traditional TV Viewing, by Age

weekly time spent in decimal hours, based on total population

Q1 2011 - Q1 2017



Data source : MarketingCharts.com analysis of Nielsen data



# HOW TO IMPLEMENT OTT?

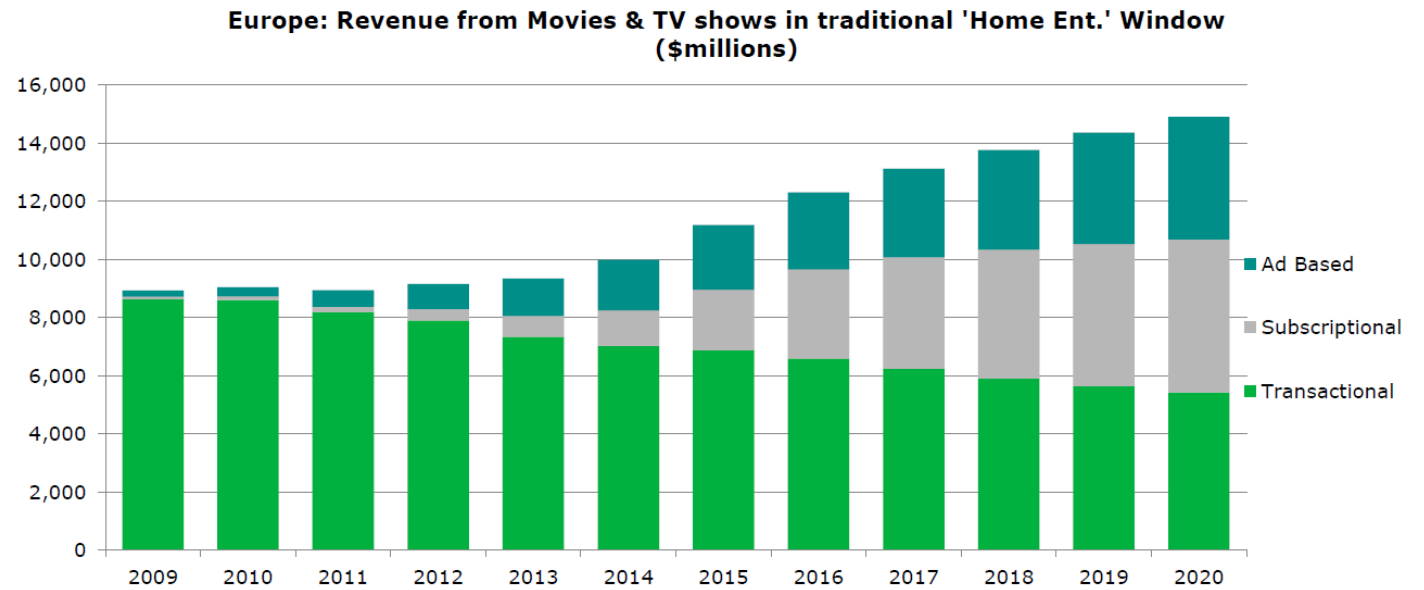
# VALUE PROPOSITION

- Content = the most important competitive factor
- Types of the content
  - Linear (TV) channels, popup channels, event live streams
  - VoD, Catch-up
  - Corporate – guides/educational/promo
  - User created
  - Interactive content
- Buy/produce your own
- Additional features of the service
- Audience - ages, genders, territorial, language, values/beliefs/interests



# MONETIZATION

- Subscripton/Transaction/Ad-supported
- Packages
  - Service level – like Netflix
  - Theme packs – IPTV operators
  - Transactional
- Payment methods
  - Carrier, wire-transfer, bank links
  - Paypal, credit-card, SMS
- Billing/accounting



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Source: Jonathan Broughton (IHS Markit), presentation at Streaming Forum 2017





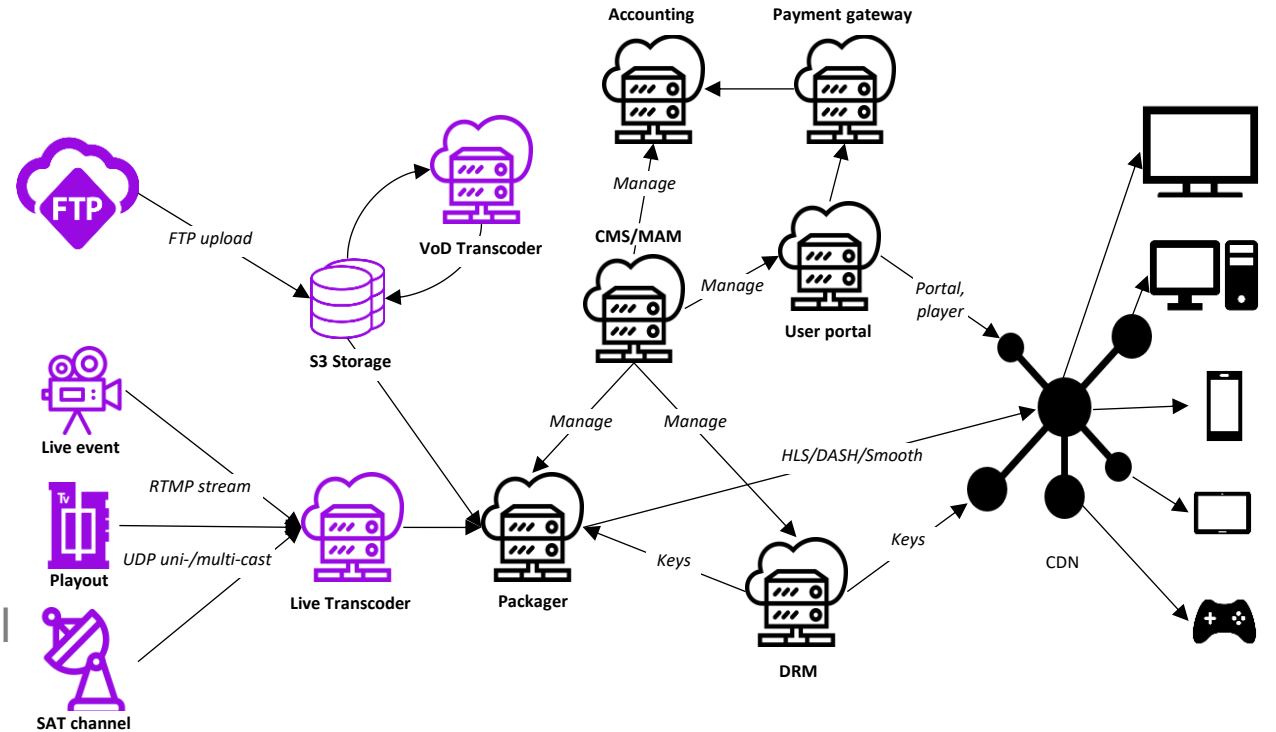
# TECHNOLOGY SELECTION

- OTT platform as a service
  - OPEX vs. CAPEX
  - Focus on core business
  - Differentiation by customization
  - No excess investment
  - Flexible costs
- Service provider selection
  - Trusted partner – ability to perform
  - Security is important - ISO 27001, PCI-DSS and other certifications
  - Tailor-made solutions



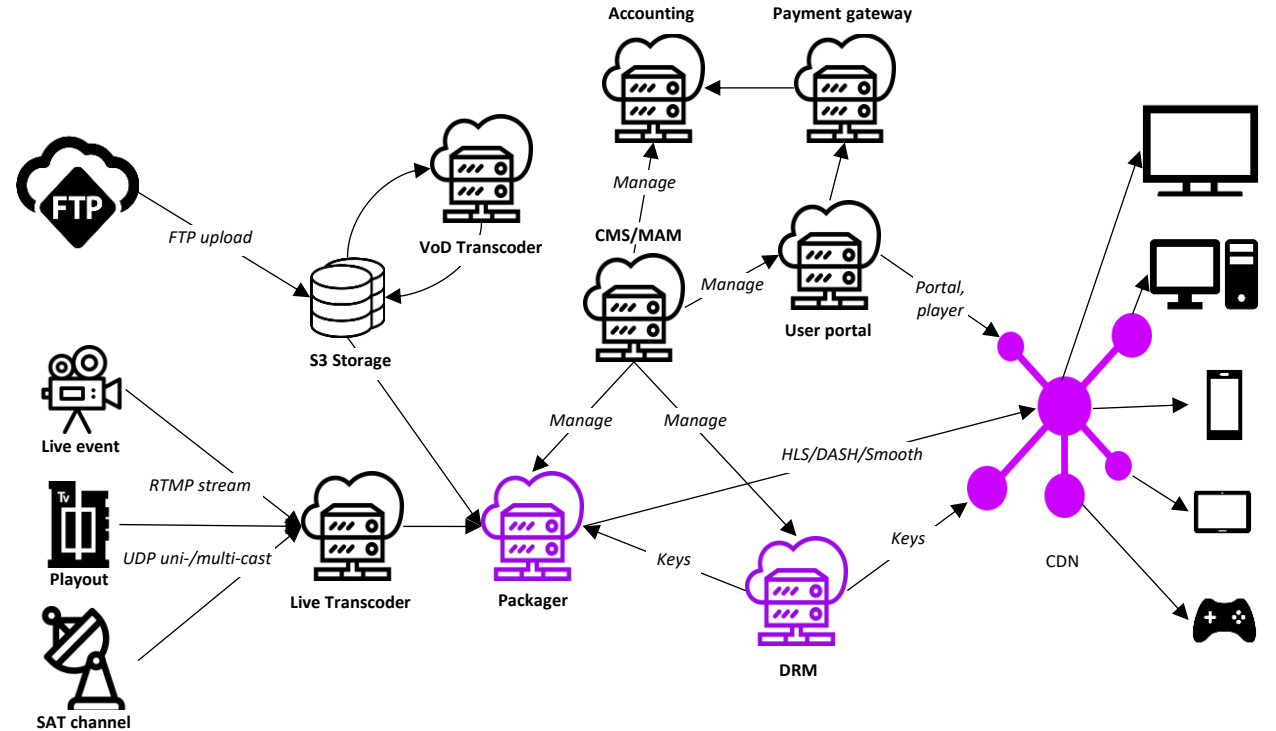
# TECHNOLOGY FOR OTT (1/3)

- Content ingest
  - Live – IP streaming, SAT reception
  - VoD – upload/download
- Content Storage
  - Reliable and redundant, not expensive
- Playout
  - Create your own linear or popup TV channel
- Encoding/Transcoding
  - Optimization, format change
  - Adaptive streaming



# TECHNOLOGY FOR OTT (2/3)

- Security (DRM)
  - Secure storage, DRM
  - Access, publishing, expiration
- Packaging for HTTP
  - Pre-packaging
  - On demand packaging
- Delivery/Streaming
  - Redundant content origin systems
  - CDN - offload peaks, no need to keep capacity, security



# TECHNOLOGY FOR OTT (3/3)

- Presentation

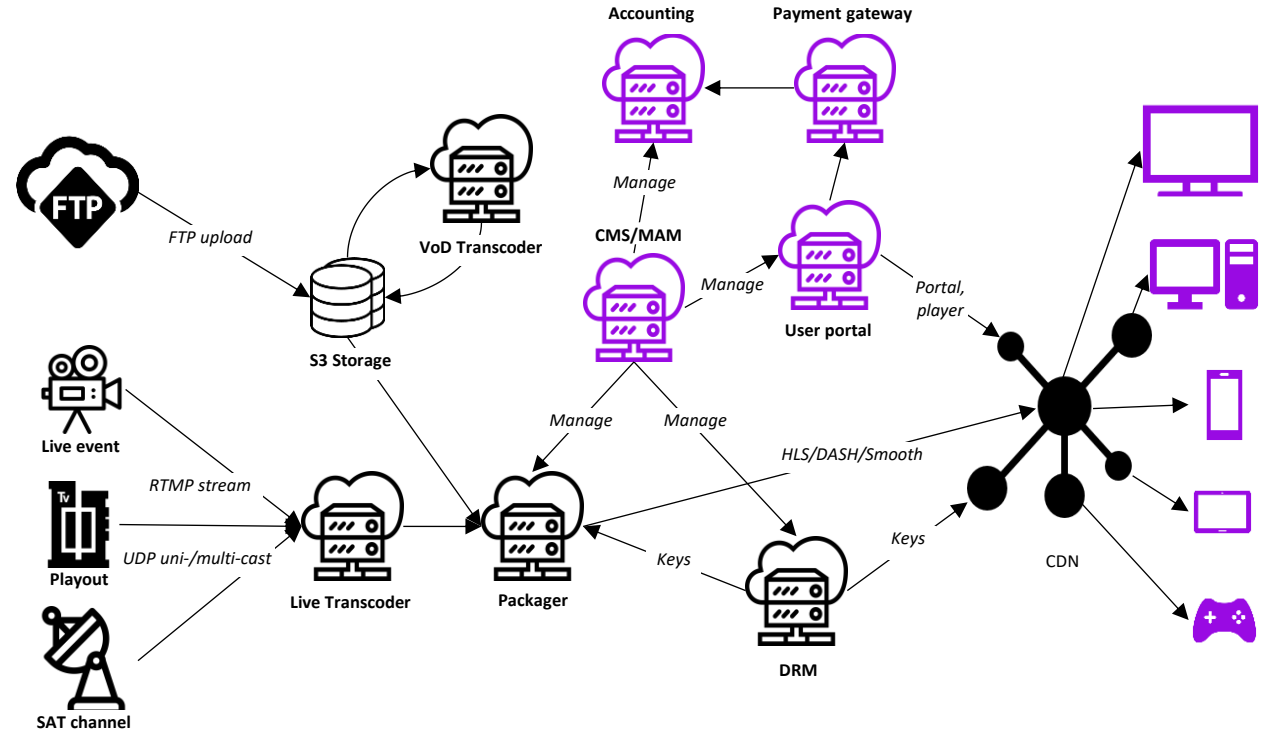
- Devices
- PCs, STBs, mobile, smart-TVs, consoles
- Web site/applications

- Monetization

- Payment portal

- Syndication

- Website embed code
- Push to Facebook/Youtube



# TELIA CLOUDY BRANDED PRODUCTS

- CDN and video platform
- S3 object storage
- IaaS (virtual servers)
- Backup
- Network connections
  
- Veset Nimbus – partner product
- Videolevels – partner product



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HALL 14, BOOTH P21





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