



Social Media TV: A *frostt* update

"Social networking sites are the reality television of the Internet"

- Jon Gibs, senior director of media, Nielsen//NetRatings

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WEB 2.0 AND THE PATH TO PROFITABILITY IN IPTV

OK. You've rolled out an IPTV service, and now you're introducing the next generation of interactivity with an enhanced applications platform. You're positioned to finally bring the innovation of the Web to the TV. What services should you look at first?

Hmmm. Youtube? Self service or self help applications? Home media sharing? MySpace TV?

The opportunities are many, and increasing as Web 2.0 catches fire on the Net. But let's take a minute to explore one major trend and what it could mean for the TV: Social Networking and Social Media.

Social Networking sites are growing an average of 47% per year.

THE SOCIAL MEDIA EXPLOSION

If you were going to list the top few recent innovations on the internet, Social Media and Social Networking would have to be close to number one. It's arguably the fastest growing Web 2.0 trend today. Facebook alone grew by 125% over the last year globally --- and a whopping 458% in Asia Pacific. More than half of adult online users are a member of some social networking site. And increasingly, social networking platforms are becoming one stop multimedia entertainment portals, where you can watch video, share photos, and chat with your friends about the latest SNL skit.

Social media is providing users with a new entertainment experience. Enhanced control. Niche content. A collaborative experience. And the power of community, in a world where the online community is an increasingly important aspect of life.

If you're in the business of providing a broadcast TV service, this has to be worrisome. All those eyeballs watching MySpace instead of NBC... That can't be good, can it? But hang on. People haven't stopped watching TV. They're bringing their laptops into the living room, so they can look up that actor's name, vote on the next American Idol, or Twitter that they're watching Lost.

There is a big opportunity here. The TV entertainment space and the social media/social networking world are begging for integration. The question is: What will that integration look like?

SOCIAL MEDIA AND THE TV

Social Media will morph to fit the TV experience.

First of all, we're not likely talking about porting your favorite social network to the TV, at least not in its current form. If you think about it, present social networking is largely a private, individual experience. You probably won't curl up on the couch with the kids to write humorous notes on your buddy's Facebook funwall. No, social networking is more likely to morph into applications that have relevance to the TV.

Like what? Well, for example:

Personalized communications applications will enable enhanced TV collaboration.

Integrated TV messaging – This is the basic communications application that has been on the IPTV books forever --- the ability to chat back and forth with your buddy while you watch TV. It's the real time equivalent of the conversation around the water cooler at work. As instant messaging becomes integrated with the TV, it's likely that it will evolve somewhat to align with the TV users experience. You likely want a translucent UI so that the message screens don't obscure the football game. And it would be good if you could see what your friends are watching in the status line, rather than just "online" or "be right back".

Of course, TV communications won't be limited to personal conversations. Those Survivor parties cry out for a chat service, where you can agonize together about the latest backstabber or vote on who's going to get kicked off tonight.

(The power of online collaboration offers some other interesting possibilities, by the way. Maybe your friend invites you to watch the show he's watching, and instead of searching for it in a program guide you just join your friend. Maybe your friend invites you to follow him as he takes you on a video clip tour, and you relax and let him do the clicking...)

Interactive program guides will evolve Social Media Community characteristics.

Social Multimedia Program Guide – If you can see what your friends are watching, then a next logical step is a program guide based on that --- Maybe sorted by viewership so you can see what's hot. What are the members of your on-line book club watching? Or that kayak group you joined? What are the highest rated shows in your community? What does your local church recommend for your eight year old?

Social Media TV will offer new revenue possibilities for the TV Provider.

And there's no reason to limit a program guide to broadcast content. A true multi-media program guide will integrate all content into a unified view, so you can select that Youtube clip that's just gone viral, or that newly released VOD movie. Or for that matter, non-video content like audio clips or your community's favorite blogs.

For the TV service provider, social media TV offers new revenue opportunities. You may ignore an ad telling you what a great deal that new premium package is, but if your friend recommends it instead... well, you trust your friend, right? Throw a self service, zero touch purchase capability into the mix and you've got a potential for increased revenues without either advertising or fulfillment costs.

And potential cost savings. How much content are you carrying that no one watches? With tools that show you what people are really watching in your area, you can make informed content purchasing decisions based on true data.

SUMMING UP

The bottom line... Whatever form it takes, social media will be part of the TV experience. But it's likely not going to be a direct translation of today's social networking platforms. It will be customized to fit and enhance the TV experience. And just like the Web's social networking applications, it's bound to morph and evolve at Web speed.

For you the service provider, here's the key to success: An IPTV infrastructure that lets you leverage interactivity out of the gate. And an applications development platform that lets you rapidly deploy Web 2.0 applications into a seamless TV experience.