



# Online and OTT Video: What networks are for

An outline for the next steps to prepare the network to deliver your video and OTT video with good quality and how to monetize OTT video:

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## It's coming together

Our industry has been talking about mobile video for a long time, but it's only now that the **key enablers for long-form content** have all come together:

- ✓ large variety of full-length movie and TV content
- ✓ on demand
- ✓ on a tablet
- ✓ anywhere over a mobile broadband network
- ✓ for simple and affordable content and connection fees

This is what end users are currently demonstrating is most pleasing to them - particularly in North America, where the Netflix **all-you-can-stream for a flat monthly fee** has become so successful that it drove Blockbuster Video stores into bankruptcy in a few short years.

This business model is now **spreading around the rest of the globe**, spearheaded by companies such as Netflix, Amazon, Hulu, and others.

## Earning money

Operators are already **earning money from mobile video delivery now** – 39% of mobile data traffic in 2011 is already video streaming, mostly short-form YouTube video.

The significant change is this rise of long-form content, that is, **full-length movies and tv programs**, which place an entirely different set of demands on the network in areas such as capacity, sustained quality, and the need to support content across **multiple screens**. And especially because online movie viewing tends to peak in residential areas on Friday and Saturday evenings, this kind of content directly demonstrates the need for the kind of capacity flexibility and fluid demand response that Nokia Siemens Networks is building into its **Liquid Net** functionality.

## Prepare for the new opportunity

Operators who wish to embrace this new business opportunity must first **prepare their networks technically** for increased online video, then **decide on the**

**appropriate OTT strategy** for their market and pursue it. Nokia Siemens Networks can help operators with every step on both paths, from initial consulting and planning, to carefully crafted network improvement, to the full implementation of own-content or OTT-partnered services, including leveraging existing customer data to provide the best possible user experience.

## Movies on all possible screens

Fundamentally, end users want to view their movies on all possible screens, including the ones served by the mobile data networks, and operators who enable this in intelligent, planned ways will be the ones who benefit monetarily from this new consumer desire. Failing to prepare for it will ultimately just inspire customers to churn away to those operators who do have a more attractive OTT offering.

### Next Steps:

**1. Prepare the network to deliver your video and OTT video with good quality**

## 2. Decide how you will monetize OTT video:

- Attract mobile broadband subscribers with tailored packages for online video
- Deliver own online video and/or OTT video services
- Partner with OTT video providers
- Sell services to other members of the value chain – caching, CDN services, etc.
- Enhance video offerings with mash-ups of other messaging and social networking services
- Leverage your billing, customer care, and customer data in service creation – OTT providers have none of this

The wide-ranging **NSN portfolio** supporting online and OTT video opportunities includes:

### Future-proof network scalability and efficiency

- HSPA/LTE evolution

- Scalable packet core and IP edge
- xDLS and optical access evolution
- E2E network management and automation (SON)
- Packet transport over MWR, copper and optical

### Smart content delivery

- Content optimization
- Local breakout
- Caching
- Content Delivery Network
- Content filtering and security
- Small cell offloading (Femto, Wi-Fi)

### Connectivity differentiators

- QoS
- Policy control
- Charging and billing
- Subscriber management

### Customer Experience Management solutions

- Subscriber data management
- Identity management
- Reporting and analytics
- Device management
- Customer care automation
- Network and service assurance

### Ubiquity TV multiscreen solutions

- OTT TV, IPTV, 3GTV
- TuVista

### Professional services

- Consulting
- Planning and design
- Network, service, and video optimization
- Systems integration and care

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**Embrace video! It's a revenue generator when the network is ready for it.**

### **Definitions**

**Online video:** *All video delivered over an operator's network. This includes an operator's own video offering as well as OTT video from other sources. Important when calculating how much total video the network can carry.*

**Over-the-top (OTT) video:** *Video delivered over the open internet from third parties, for example, from YouTube. Operators can also offer OTT video by making their own video offerings available to everyone, not just their own customers. Important when calculating how to monetize video traffic.*