

Predicting the Future of TV and Its Regulations



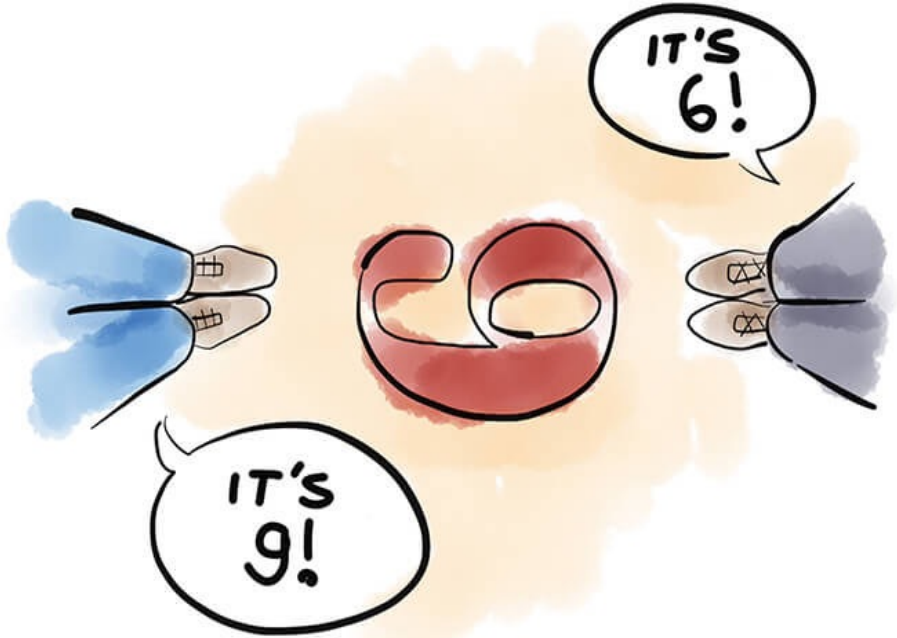


Introduction



Blurred boundaries

Audience Perspective



From an audience perspective, the differences between industries are immaterial, because they are only concern for the best audio-visual contents of their personal preferences.



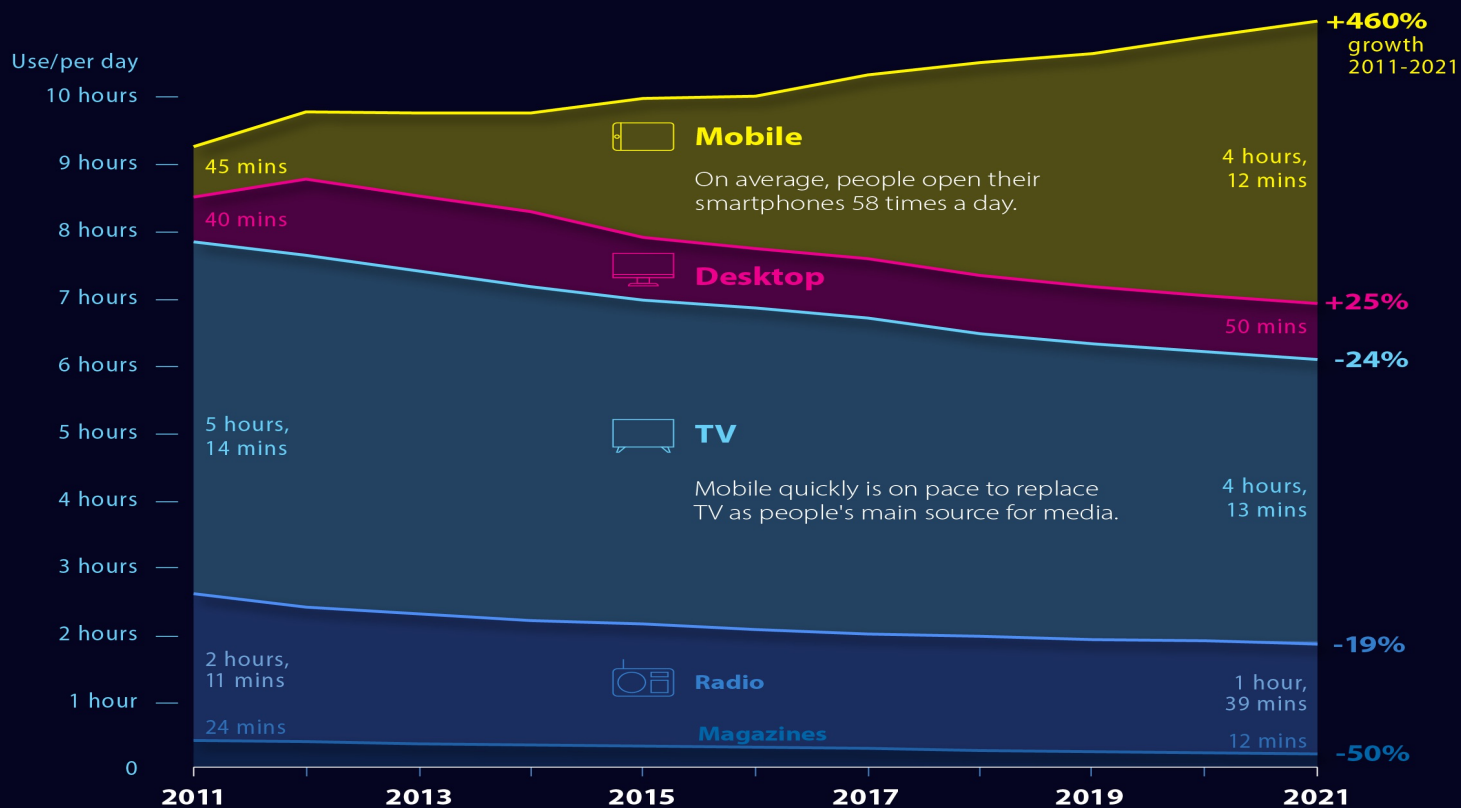
On-demand-services will disrupt the TV and video industry



New market players will soon replace traditional broadcasters

Changing Media Consumption

In a single decade, the way we in which consume media has shifted dramatically. Everyday mobile use has skyrocketed, underscoring the move away from offline media.



Source: Zenith via Recode, RescueTime



Consumers' demand for TV consumption will keep on changing



To apprise you about the prediction for the future of TV and suggested role of regulators

SCOPE

- Transformation of TV
 - Original Broadcast Model (OBM)
 - Traditional TV i.e. Disruptors to OBM
 - Most Recent Trends i.e. Disruptors to Traditional TV
- Future Trends of TV and Regulators' Role
 - Cloud TV
 - Coexistence of Traditional TV and Non-linear Content Offerings
 - Targeted Advertising
 - Equal Growth of all Driving Forces
 - End of Conventional Broadcasting
 - Moderate Regulations

Transformation of TV



We begin with a brief history of television in order to foresee the future of TV. Since its invention, it went through three major transitions. Firstly, original analogue tv broadcasting was disrupted by cable and satellite, which led to today's traditional tv and finally the most recent trends that mark the transitions for the future tv.

Original Broadcast Model (OBM)



Television began as an over-the-air (OTA) analog radio transmission service in the 1930s. TV contents were delivered over licensed spectrum to a device designed specifically to receive the signals – the TV set. For several decades, the TV set was the only end-user device.

Traditional TV i.e. Disruptors to OBM

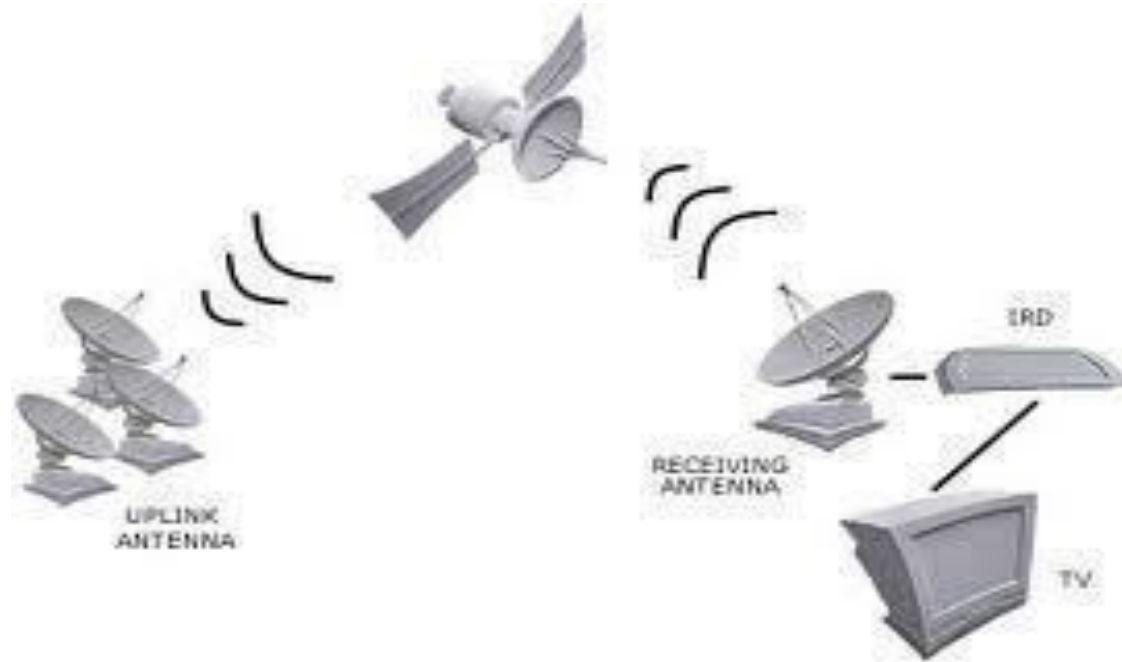


Traditional TV initiated the first transformation of television. These were cable and satellite TVs, which were basically the rise of alternate transmission systems. In the late 1940s, cable operators began retransmitting local broadcast programming to rural areas that were outside the reach of broadcast signals. By the early 1950s, the cable providers had started retransmitting signals from TV stations in other regional markets.

REGULATION

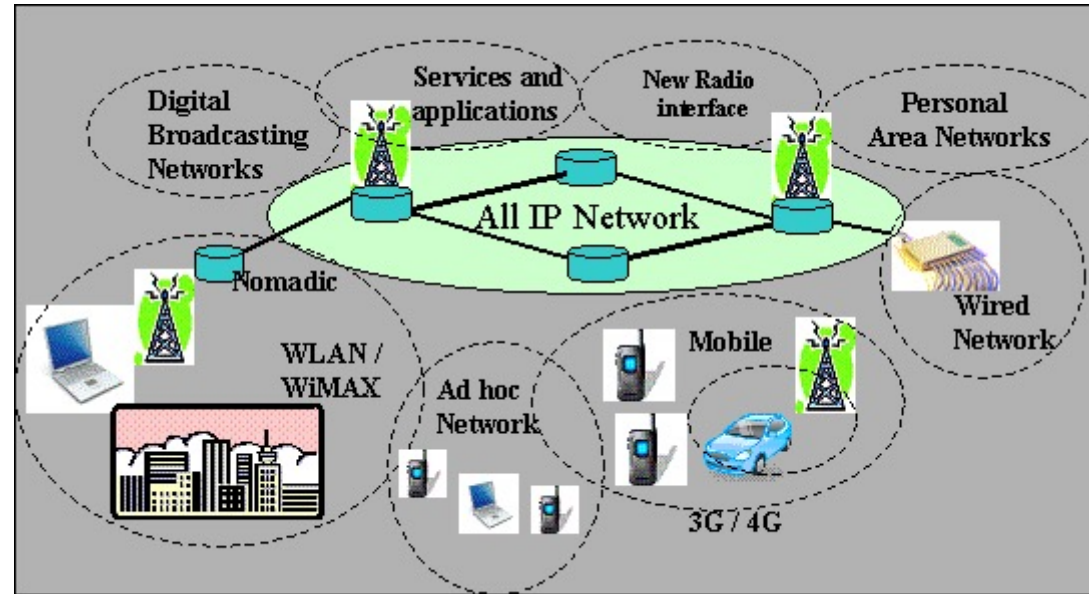
Cable companies began competing with local broadcasters by offering additional programming, which in turn initiated the regulation of the cable industry.

Traditional TV i.e. Disruptors to OBM

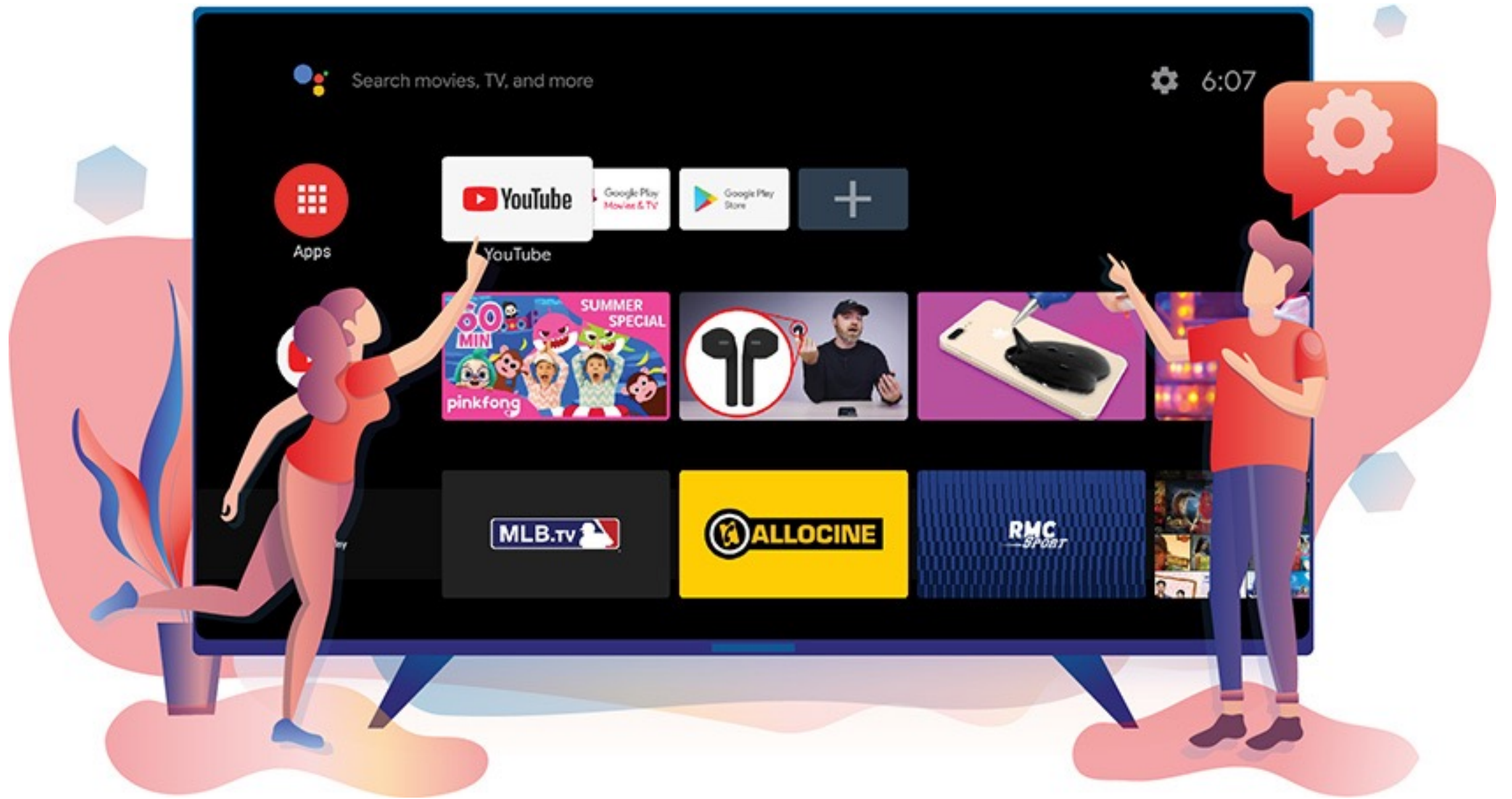


Satellite delivery started in the early 1980s, transmitting both traditional broadcast and cable programming to TV sets via consumer satellite dishes. This generated competition for the cable operators which ultimately demanded for more regulation.

Most Recent Trends i.e. Disruptors to Traditional TV



Starting in the mid-late 1990s, a new set of transmission technologies (digital, IP, and mobile networks) and new end-user devices have been reshaping the TV industry once again. IP provides a standard way to enable interactive services that seamlessly integrate video, voice, and data communication, as well as fixed and mobile networks and devices, to facilitate the multi-platform vision of TV.



Future Trends and Regulators' Role



For present transformation of the TV, delivery medium is irrelevant. In an all IP transmission environment, one of the most preferable form of the future tv might be cloud tv. It is very flexible in terms of watching. It needs only a compatible device along with an internet connection to watch Cloud TV. Their targets are likely to be the global audience.

REGULATION

Future TV will run over the internet and its fixed line and wireless pathways, and through intermediary media cloud providers. Therefore, **the regulatory rules** that govern the intermediaries may serve the regulatory purpose of future TV as well.

Coexistence of Traditional TV and Non-linear Content Offerings



Linear and on-demand content will be equally important and will coexist peacefully. Video-on-demand will soon become mainstream. Live content such as sports and major events will preserve the high importance of traditional, linear television. This arrangement will augment the richness of content.

REGULATION

The regulation for traditional tv services would be similar to those which are already imposed on TV services in more simplified forms. 'Non-linear' services would be subject to a lower degree of regulation. A number of provisions would be the same for both services. Still, they would have to be identifiable and traceable, and be subject to controls on offensive content, incitement, advertising and product placement.

Targeted Advertising



TV and video advertising will change to new arrangements. They will emphasize on tailored ads driven by consumers' preferences. Stakeholders will aim their ads and contents to make best use of customers' choices. It will be governed by consumers' readiness to share their data. Marketing of ads would be a hybrid system of automation and individual dealings.

REGULATION

Due to the increasing influence of online streaming services, regulators would need to change the existing advertising regulations.

Equal Growth of all the Driving Forces



In this concept, digital platform companies, broadcasters and the content producers are likely to be three major driving forces of the future tv. To provide relevant local content, global digital platform companies are likely to form alliances with local producers. As consumers' preferences for content vary from individual to individual, it is likely that their preferences for the platforms will also vary.

REGULATION

The main regulatory efforts in this condition will be the protection of local content producers. The regulatory body will also have to formulate the policy in order to strongly protect national broadcasters. These protections will enable them to survive against the giant global digital platform companies.

End of Conventional Broadcasting



In this prediction it is assumed that due to the failure to control the market strength of digital platform companies, video content will be distributed mainly online over the internet. Traditional broadcasters will not have any role in the distributions. Broadcasters will have to transform themselves into national or specialized content creator.

REGULATION

From the regulators' perspective, only the local digital platforms need to be monitored. They will need to ensure that these companies are catering for different cultural tastes and providing local quality content.

Moderate Regulations



Today's media industry is a highly regulated one. It is predicted that the future tv will have moderate regulation. Moderate regulation will lower the usual regulatory pressure on all type of players. It is likely that less pressure from regulator will provide more choices to different players to cooperate with each other. In this scenario, concentration of media ownership will be easier.



CONCLUSION



THANK YOU!