



MEDIA INDUSTRY

Google TV, this is a job for you

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The TV Market appeals to many, if not to all, international multimedia players. They however have one major regret - they haven't succeeded to penetrate it yet. They failed in terms of business model and audience - for example, the average time spent last year in front of TV increased in UK.

Printed press suffered much more than TV on the advertising front. Although this is not necessarily going to be the same in the near future, it is certain that the evolution of the TV market is the challenge for development - At least for companies like Google, Yahoo and Apple.

But what does the Google TV project represent right now? It is not much more than another attempt for Google to position itself between contents and users as it has done on the web. Google wants to be the aggregating entity, which will then sell its own traffic (i.e. users) to advertising investors.

The idea is apparently, simple. Google wants to develop an open platform which will allow users to access content (mainly video) and web services (integrated with TV and personal user content - mainly photos and videos) through TV and a single interface. Basically, Google strives to be the main point of entry when switching the TV set on, as when users switch their PC on and connect to the internet.

Google TV is, first of all, a software platform, built around proprietary OS Android 2.2, proprietary browser Chrome (the complete, Flash-supporting version) and proprietary search engine, Google. Google states that it will be able to access any website and support applications found in Android marketplace.

The "any-website" feature is difficult to find on competitors' solutions - Philips or Samsung grant access to a limited number of content providers (e.g. Yahoo for Samsung). Supporting all Android applications is a very distinctive feature - currently, Apple TV does not allow access to the AppStore.

By combining Google TV to Google Ads platform, it is easy to understand Google's "attack" strategy in which to enter the TV market. Google Ads enable advertising investors to purchase advertising on 98 American TV networks. The logic is similar to Google Ads for the Internet (highly targeted ads, expense control and optimisation). This means on the one hand, the control of both web and TV audience. On the other, Google will aggregate advertising investors and become dominant in the market, providing highly targeted web TV integrated solutions.

Google's business intuition is a potential winner. However, realising this is extremely complex, as Google's previously experienced in the mobile telephone market. The first (and perhaps the most important) challenge is to establish android as the key OS for the new TV, as Microsoft did in the PC market with Windows. The situation is very different, though. Unlike the 1970s, there are many more players - TV and set-top box manufacturers (such as Samsung), hardware producers (like Apple), software providers (such as Microsoft), free and pay TV (such as Mediaset and Sky). They are all competing for user's ownership and control. The prize, leading in the advertising market.

Furthermore, establishing an operating system for the new TV is not exactly innovative. Microsoft, among others, have tried. They only bid on software with various web TV tests through Windows Media. Apple also developed a specific hardware, Apple TV, which met with little success.

We can confidently conclude that they all failed. But why?



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Nobody was able to guarantee either service quality or ease-of-use that TV users would expect, having been accustomed to TV for fifty years. When in front of the TV, users expect to watch it clearly, without complex activities or particular intellectual effort. TV is simply meant to be for one's entertainment and relaxation, whilst sitting on one's sofa. If one experiences problems with image quality, while taking more than 10 seconds to access content, it is a problem.

Guaranteeing the overall quality of service is a complex business. The articulated chain goes from the website, through the telephone network, set-top box, TV, operating system, TV signal integration, user interface to finally reach the user. Unless one manages most of the system, it is seldom possible to control it. Apple manages hardware and software (for iPad and iPhone); but this is more complex for TV.

The ease-of-use of complex instruments, which are finally visible in the user interface, cannot be a trial-and-error exercise. It must be a common belief, which drives the whole system building process. Apple is the best example, by redesigning mobile phone's use paradigm. However, they failed in their attempt to extend it to TV. Google, so far, has not yet demonstrated a capacity comparable to the best in class in this market.

Setting a new standard for fruition of TV contents remains a challenge - still very difficult to win.