

Technicolor Connected Home Describes Emerging Trends Spurring an Evolution of the Set-Top Box



Atlanta, Georgia Dec 2, 2021 ([Issuewire.com](https://www.issuewire.com)) - *The past few years have seen a major shift in how set-top box (STB) technologies are being designed and deployed to support the evolving needs of connected home subscribers. New consumer attitudes that favor choice and control have prompted network service providers (NSPs) to reevaluate the efficacy of proprietary customer premises equipment (CPE) strategies and explore the benefits offered by a more open approach to bringing new*

STB value propositions to market.

We caught up with Christian Lefebvre, senior vice president of Technicolor Connected Home's video product unit, to get his perspective on the emerging trends driving the evolution of the set-top box.

Here is what he had to say:

Q: What does the current connected home consumer landscape look like for entertainment?

Christian Lefebvre: In terms of global consumption, entertainment and media have steadily increased over the last five years and even accelerated in 2020 due to the Covid-19 pandemic. Dedicated over-the-top (OTT) services and video gaming continue their upward trajectory in terms of consumption. Traditional TV viewing, on the other hand, has slightly decreased.

Half of the consumers remain attached to linear TV programming, while the younger generation migrates to subscriptions, OTT services, gaming, social networks, and e-sports that can all be called upon demand.

While TVs remain the favored screen for home content consumption, mobile phones are quickly gaining ground and will be an area to watch as the consumer landscape continues to evolve.

Q: How are the consumption trends affecting network service providers (NSPs) and their business objectives?

Lefebvre: End users are very demanding regarding new services and experiences in the home. This is forcing NSPs to move fast to anticipate trends. The pace of change and the many sudden shifts in preferences mean that multi-year product or service development projects are no longer options. Consumers expect new applications and services within six months of hearing about them, which means that innovation initiatives today must be tightly interconnected with speed-to-market.

As a result, NSPs are evolving their business models to bring additional value and services to consumers on top of their existing OTT services. This is creating a complex, competitive landscape. NSPs are in fierce battles for the hearts and minds of consumers, with each other, and with disruptive OTT players. However, they are also creatively identifying opportunities to establish partnerships with streaming providers and PayTV Operators.

For those that do it correctly, this may be a winning combination. It can give streaming providers access to PayTV's ready-made audiences while enhancing subscriber value-proposition and reducing churn. It is an exciting development because the relationship between NSPs and PayTV had been antagonistic in the past—on both sides. Now, many executives are seeing the advantages of working together.

Consumers are the big winners because they gain access to a much richer array of content and services.

But again, as we move forward, the tension point will revolve around the question of speed. How quickly can these new partnerships be integrated to deliver compelling new value-added services?

Q: What role will set-top boxes play in this evolution?

Lefebvre: While STBs operate as the primary in-home devices for video consumption, they can also

play an important role in managing the growing complexity of content and services in the home.

Enriching end-user experience and increasing audio and video quality is very important because these factors reduce churn. As a result, operators are demanding more out of STBs.

Modern set-top boxes will need to concentrate on four key areas to remain relevant in tomorrow's home environment:

- Facilitate access to OTT services,
- Provide smarter connectivity to streaming content—which includes connecting to other devices within the home,
- Rely on open systems, and
- Deliver smarter interaction, improved search capabilities, and improved user interface to deliver positive customer experiences.

An open approach to integrating new innovations on standards-based platforms can address problems driven by the constant introduction of new services that must somehow be managed.

Consumers have two options for managing the growing complexity of their digital lives as new services disrupt key interdependencies:

- The first option is to manage and resolve issues that come up on their own using consumer electronics they have purchased online or at big box stores.
- The second option is to let a third party address—and secure—the growing complexity of today's connected home environment.

There is a market for both of these approaches. However, the second option is a major opportunity for NSPs to redefine and refine their relationships with subscribers. NSPs can leverage their existing presence in the home through customer premises equipment—such as STBs—to offer managed services that integrate, optimize and protect the content, privacy, and security of subscribers.

Q: What are some of the challenges of deploying open environments on set-top boxes?

Lefebvre: Operators will need to maintain some control over the content and experiences provided to connect with end-users. They will also need to monitor consumption to be aware of what people are watching to monetize how the user interacts with the environment.

Technicolor Connected Home has developed a set of advanced analytics capabilities to help operators understand how consumers use their STBs. Gaining this knowledge is a crucial step towards improving end-user experiences and reducing subscriber churn. NSPs have an opportunity to harness these insights to guide and inform the development of new content, services, and technologies.

For example, Technicolor leveraged input from our advanced analytics service to help NSPs develop set-top boxes that can be fully managed by voice. These devices have received highly positive feedback from consumers.

Q: Data and content security is emerging as a key area of concern for consumers alongside privacy protection. How do open CPE technologies address these issues?

Lefebvre: Security is a concern on multiple levels. Operators will need to put additional security measures in place to ensure content security and implement anti-piracy initiatives for video library owners while also protecting subscribers' personal information and privacy.

There is also a growing proliferation of new OTT services around verticals, including cloud gaming, IoT, banking, and virtual health applications, all of which require robust security measures.

The real issue, however, revolves around trust. If NSPs want to roll out and monetize a set of managed services to address the many moving parts of consumers' digital lives, then "trust" will be a major success factor.

Once security is compromised, trust is broken, and the brand is damaged. It can be challenging for a service provider to recover from a severe breach of security.

Q: What are the long-term opportunities for NSPs that embrace open platforms?

Lefebvre: There are three key opportunities for NSPs using open platforms.

- **Speed:** Open platforms provide the absolute best option for increasing speed and ease of use. If NSP operators are looking to keep pace with new user consumption and new service applications, open platforms are the best avenue.
- **Complexity:** As operators aggregate new services while simplifying the user experience, open platforms will play a crucial role in stitching together a diverse array of offerings.
- **Security.** Trust is at the heart of reducing churn and holding on to the customer base. Operators will need to constantly revise and update their security measures to protect their content, their customers' information, and the customers themselves.

These three areas represent a fantastic opportunity for operators to monetize their new services. These are key areas in which Technicolor Connected Home focuses its research, design, and development efforts in our quest to be the partner of choice to NSPs worldwide.

To view a video interview with Technicolor Connected Home's Christian Lefebvre, visit:

<https://advanced-television.tv/index.php/video/266/technicolor-november-2021/>



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