

# In Focus:

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## Why social TV platforms are coming to pay TV

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**Issue:** Recent announcements of integrations between social media applications and pay-TV providers point to a rising interest in bringing elements of social media interaction to the television screen as a potentially powerful way to help users discover television programs.

**Background:** DirecTV has been at the forefront in recent months as it has enhanced its social media offerings with interesting tie-ins to social TV check-in services Miso and GetGlue. The GetGlue accord in particular is of note because it allows users to directly tune to programs mentioned in social media conversation using DirecTV receivers and remote controls.

**Implications:** For programmers, the early experimentation in tighter pay-TV/social TV integration offers clues about the potential impact of social recommendation within an on-the-TV-screen environment. For DirecTV and other multichannel video program distributors, the on-screen display of social media applications may prove to be a powerful customer satisfaction and retention vehicle.

## Pay TV integration gives new dimension to social TV check-in

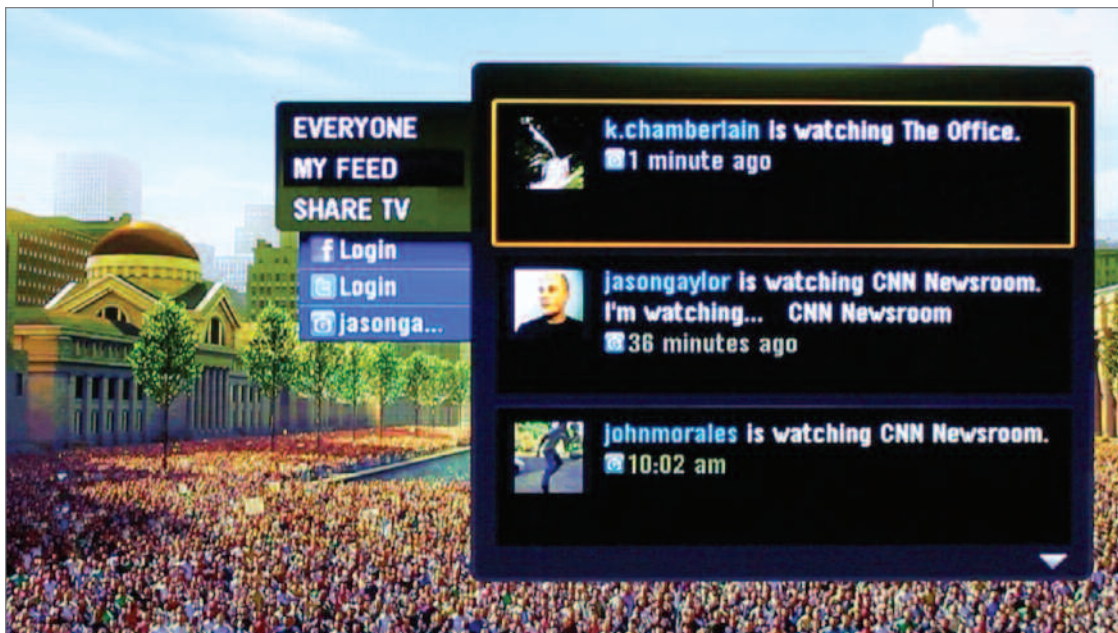
Within a crowded category of social TV “check-in” and what-I’m-watching services, a variety of participants are working to achieve differentiation and provoke higher usage by arranging integration deals with multichannel video providers.

Specifically, social TV services are working to fashion alliances that allow the automatic sharing of program-selection data based on what they’re viewing in real-time, a technique that eliminates the need for users to manually identify or “check in” to TV programs. In some cases, the integrations also allow users to tune to, or at least to search for, particular programs that are mentioned by their friends over the social TV applications.

There’s more than just a novel twist on program sampling at work here. Many television industry executives are convinced that the right integration of social media and pay-TV platform can produce meaningful advances in the way viewers find and ultimately come to watch television content.

### DirecTV initiatives

Among notable recent examples of the move toward social TV/pay-TV integration is the alliance between social TV check-in service GetGlue and DirecTV, which had 19.4 million subscribers at Q2. The arrangement, announced in September, allows the GetGlue application to detect what programs a DirecTV subscriber is watching and, if authorized by the user, to share them with designated GetGlue friends.



GetGlue friends’ feed, displayed on a DirecTV screen. Photo: GetGlue

The DirecTV-GetGlue relationship illustrates three important breakthroughs that are important to the social TV/pay-TV integration:

- **Automatic program identification.** First is the fact that the publication of watched programs happens without manual intervention by users. In other words, the identities of the programs a DirecTV/GetGlue user watches are published over the Get Glue application automatically. The reverse also is true: Users of the DirecTV/GetGlue app can see what their friends are watching on the DirecTV screen, an iPad or an iPhone.
- **TV screen display.** Second, the DirecTV/GetGlue alliance allows program references to be seen over the TV screen itself, rather than solely on a “second screen” window provided by a smartphone or tablet. Many social TV developers believe displaying program-sharing data on the TV screen may invite more direct viewer attention that can translate to tune-in behavior.
- **Direct tune-in.** Third, and related to the second point, is the fact that DirecTV users can tune directly to channels/programs friends are watching or have recommended directly from the GetGlue application itself, rather than having to find programs independently through a traditional menu or guide search. This sort of built-in bridge from social recommendation to tune-in is believed by some to be the critical product of social-TV alliances with video providers. The ability not only to know what a friend is watching (or recommending) but to tune to the same program without the intervention of a guide or search screen may represent a key value of the social media-television integration experience at large.

DirecTV also is allied with social TV application **Miso** in an arrangement that allows the Miso service to detect and share with others what programs are being watched on DirecTV receivers. Here again, by doing away with the need for manual check-in, Miso potentially can achieve higher usage rates and a more seamless interplay with what’s being watched.

### **AT&T U-verse initiatives**

The second wave of recent activity in social TV-pay TV integration is from AT&T’s U-verse TV, which serves 3.6 million subscribing households. In mid-October AT&T announced the addition of four social media platforms — BuddyTV, Miso, TVFoundry and Wayin — that now work in concert with U-verse TV, with varying levels of set-top communication and integration.

Each of the four offers some level of interplay with the U-verse TV service. Here’s how AT&T describes the functionality:

“Over their in-home U-verse Wi-Fi network, customers can open the apps on their smartphone or tablet, identify which U-verse receiver they’re watching and start receiving social feeds and information within the app on their device, based on what they’re watching on TV. Because AT&T U-verse is 100 percent IPTV, customers can connect their apps to any U-verse receiver in the home through channel 9301, without needing special equipment, such as Internet-connected receivers or TV sets.”

In our view, the Miso alliance provides the highest level of U-verse TV integration by allowing Miso users to use the Miso iPhone application to trigger an immediate program/title search on U-verse TV sets. As Miso explained in an introductory blog post, “this means no longer using your remote’s arrows to type in show names while searching.” In our view, it’s an interim step. A more powerful approach would allow users to whisk immediately to any episode mentioned within an application. But the Miso/U-verse approach does begin to accustom users to the broad notion of program search (if not selection) via social reference.

As its new family of social TV applications show, AT&T isn’t betting — at least yet — on the idea of a single-screen environment for social TV. Instead, all four apps rely on a second-screen input. “Customers want their TV viewing experience to be social, without distracting from the TV show on their TV screen, and they want their choice of apps from their smartphone or tablet to work seamlessly with their TV and enhance their favorite TV shows,” said Jeff Weber, vice president of video services, AT&T Mobility and Consumer Markets, in a statement.

There’s support for his view in an October Nielsen report that said close to 40% of U.S. tablet and smartphone users interact with the devices while watching television. Of that base, 42% said they’ve visited a social media site while watching.

**Second-screen multitasking activities** (while watching TV)

Checked email during program	60%
Checked email during commercial	59%
Surfed for unrelated information during program	46%
Surfed for unrelated information during commercial	45%
Visited social networking site during program	42%
Visited social networking site during commercial	42%
Checked sports scores	30%
Looked up information related to TV program	29%
Looked up product information for an ad	19%
Looked up coupons/deals related to ad	13%

Source: Nielsen, Oct. 2011

Our survey of activity among major multichannel video program distributors (MVPDs) shows DirecTV and AT&T currently have the most ambitious pairings of social media with the traditional video-viewing experience.

MVPD	SOCIAL MEDIA PLATFORM	ANNOUNCED DATE	SERVICE DESCRIPTION	ACCESS DEVICE	ALLOWS PROGRAM TUNE-IN OR SEARCH ON TV?	WHAT'S NOTABLE
DirecTV	GetGlue	9/29/11	Allows DirecTV subscribers to share what programs they're watching or see what other DTV/GetGlue friends are watching from TV screen.	TV, iPhone or iPad	Yes	Ability to tune to programs from friends' recommendations
	Facebook	August 2010	Third-party apps from Telepop allow DirecTV users with Internet-connected HD/DVR receivers to access and view accounts over the TV screen.	TV	No	Meager promotion by DirecTV suggests uncertainty over appeal
	Twitter					
	Miso	9/1/11	Integration of mobile devices and DirecTV receivers over common Wi-Fi network allows Miso application to automatically identify/share what programs DirecTV viewers are watching.	iPhone	No	First MVPD program detection alliance for Miso; more are coming
AT&T U-verse	Miso	10/17/11	New Miso app for iPhone users allows automatic detection and sharing of what's being watched on U-verse TV receiver(s)	Smartphone or tablet	Yes	Positioned as "faster and easier way to check in and interact."
	BuddyTV	10/17/11	Allows subscribers to create customizable program guides	Smartphone or tablet	Yes	"Simply tap to tune into a show on your AT&T U-verse receiver."
	TV Foundry	10/17/11	Allows subscribers to search for TV shows, trailers and interviews + share via Facebook, Twitter	iPhone, iPod Touch	No	Links current TV show to related second-screen content
	Wayin	10/17/11	Provides platform for opinion sharing on TV shows	Smartphone or tablet	No	"Is able to understand the television program that you are watching and changes with you as you change programs."
Verizon FiOS TV	Facebook	July 2009	Versions of both social platforms are available over the TV screen as part of FiOS interactive TV "widget" offerings	TV	No	Early limitation of functionality (no posting, only viewing) reflected a miscalculation of user interest. Verizon has since upgraded the apps.
	Twitter					

## Other providers and plans

We anticipate that Verizon's FiOS TV, which began offering slimmed-down versions of Facebook and Twitter over connected TV screens in July 2009 and has since upgraded their functionalities, will add to its social-TV offerings over time as it continues to try to create a sense of service differentiation with pay-TV competitors. Less apparent is the roadmap for cable providers, which generally have been on the sidelines so far in the social TV category. Comcast CEO Brian Roberts demonstrated a Facebook-inclusive, IP-connected set-top navigation system at The Cable Show 2011 in May, but there has been no public detail since about how Facebook or other social platforms might be integrated. A significant role for social TV application Tunerfish also is likely in the offing for Comcast, which acquired Tunerfish developer Plaxo in 2010.

## CONCLUSIONS

Many social media application providers share an interest in finding ways to bridge social TV recommendation or sharing with TV tune-in. The shared ambition, as explained by Tunerfish CEO John McRea at the July 2011 Social TV Summit in Los Angeles, is to make social TV recommendations visible directly over a set-top box, with the ability to quickly tune to a program using a remote control or other input device.

But even without a direct link between a remote control and a social TV application, developers are finding ways to create some sort of meaningful fusion between recommendation and direct tuning or program discovery. To be sure, the blending of social TV services with pay-TV platforms is just one dimension of the budding social TV ecosystem. There's much more activity occurring among the TV content community, which has embraced social media tools as ways to build awareness and attention to a wide range of television shows. What's significant about the emerging pay-TV integrations, though, is their ability to connect the paths between social reference and program selection directly over the TV set. It's a potentially impactful loop that no social application for a TV show can close on its own, no matter how engaging it may be. Instead, getting to an environment where social recommendation translates to on-the-spot program tune-in requires that social media applications communicate directly with the set-box. That's the path we believe will see significant pursuit over the next 8–12 months.

## ABOUT THE AUTHOR

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Stewart has been reporting on and writing about the cable television and media industries for more than 25 years, for publications and organizations including *Multichannel News*, *Cable World*, *CED Magazine* and Paul Kagan Associates. He has founded and served as editor of several national business magazines and is the author of the book *Fast Forward: Video on Demand and the Future of Television*; the editor of the book *Definitive Broadband*; and a co-author of *Broadband Planet*, published in 2004 by Cisco Press. He joined One Touch Intelligence as Senior Director of Communications Intelligence in September, 2007.

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