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# Technology beams competition into DTH sector

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Mumbai, Nov 17: Technology is spurring the race to top slot in the DTH sector, with players employing interactive television solutions (iTV), digital video recorder (DVR) and high-definition services (HD).

Industry sources say based on expansion plans, the capital investment of the DTH sector in these technologies in the previous financial year was Rs 150-300 crore, which this year increased to Rs 150-400 crore. And, as new technology arrives, the investment will only increase. Every player spends around Rs 3,000 crore to establish basic infrastructure, while the operating expenditure for a new player is Rs 500-600 crore.

Sugato Banerjee, CMO, Bharti Airtel (DTH), says the potential of technology is immense. "DTH players are highly dependent on technology to enhance their brand value. Today, every

customer differentiates between brands based on technology and services. Besides iTV and DVR, the recent invention of MPEG 4 with DVBS 2 technology provides better picture quality and increases broadcast capacity. iTV services mixed with internet facilities help add value to a brand and increase customers."

While 2006 saw the entry of iTV with Tata Sky and Dish TV, industry experts say it is the launch of DVR that has brought a difference to the sector. A DVR, also known as personal video recorder (PVR), allows pay TV subscribers to pause live TV, as well as record, playback, rewind and fast-forward their TV programmes as per requirement. Tata Sky+ and Hathway Digital Box PLUS offer DVR services.

Seeing the benefits experienced with iTV, Reliance Big TV and Airtel DTH also joined the interactive club, whereas Sun Direct is set to explore iTV

on its HD platform soon.

Tony D Silva, COO, Sun Direct, says, "It has been seen that demand for products with these technological qualities is increasing due to clarity in picture and stronger signal even in case of atmospheric disturbances."

Banerjee says DTH subscribers in March this year stood at 11 million and with the increasing use of technology, the industry is expected to cover 20 million by March 2010 and 45 million by 2013.

NDS, a provider of iTV and DVR solutions to Tata Sky and Bharti Airtel, feels these technologies have become an important element in creating market-leading platforms. Alan Dishington, director (sales) NDS India, says, "Many operators use interactivity to provide extra services that will differentiate and enhance their offerings. This enables them to maintain a competitive edge to attract more customers."

Viewers now expect more applications and operators who ignore this trend risk losing both market share and revenue. iTV applications are often cited as one of the main reasons for subscribers to choose one brand over another.

"Today, most customers are depending on interactive applications such as sports, games and matrimony. Providing internet services on TV in a way helps to reach out to masses," says Dishington.

## Dish wars

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