

PRESS RELEASE

The number of regular mobile TV users is expected to reach 16.5 million in Germany by 2015

7th November 2011. Mobile TV, i.e. the use of video features on tablets and smartphones, is becoming increasingly important. The number of regular users in Germany will soar from the current figure of roughly 3.8 million to 16.5 million by 2015 – which corresponds to an average increase of roughly 45 percent a year. By international comparison, however, Germany is clearly lagging behind. To further accelerate the development of mobile TV, users must not only have access to their preferred contents via their mobile devices, but also to conventional, classic TV contents. In addition to the significant expansion of broadband networks, video offerings must also be tailored more to mobile use and attractive payment options must be made available. This was the result of a recent IPTV study, which was based on a representative survey of individuals aged between 14 and 69 in Germany, England and France.

"Mobile TV will change significantly and expand the use of TV in the coming years," stated Dr. Alexander Henschel, the CEO of goetzpartners who was also responsible for the study.

Germany: Lowest use in comparison with England and France

The representative consumer survey found that the use of mobile TV is very low in Germany compared to its international counterparts. The number of respondents using mobile TV in Germany is less than half of that in England or France. The intensity of use is, however, very similar in all countries. Over 55 percent use mobile TV on a regular basis (several times during the week) and 75% at least once a week. This indicates that although the mobile offerings are certainly a success, marketing has not reached the majority of the population.

Short content formats come out on top

In the analysis of preferred mobile TV content, the study produced the clear result that users currently prefer short formats. Users prefer to watch the news, music videos and user-generated video content offers, i.e. videos created by users themselves. Longer formats such as TV series are also among the Top 5 contents preferred by users.

However, one thing became fundamentally clear from the survey: To further advance the development of mobile TV, access to classic TV offers must also be available in addition to the preferred contents. "In the future, consumers will want to decide for themselves as to where and when they opt for a certain video feature," said Marcus Worbs-Remann, Senior Manager at goetzpartners.

Further strong increase in user numbers expected

The use of mobile TV will continue to undergo dynamic development, thanks in particular to the increasing penetration of smartphones and tablets in the market. goetzpartners expects the number of mobile TV users in Germany to soar from the current figure of roughly 3.8 million (4.6 percent of the population) to 16.5 million, or 20 percent of the population, by 2015. This corresponds to an average growth figure of roughly 45 percent per annum. Mobile

TV will thus become a relevant medium for video features and will open up many opportunities for market participants, e.g. to expand their coverage, to come up with new offers or provide interactive shopping spots.

Challenges for mobile TV providers

Mobile TV providers, however, must overcome a few challenges yet. The monthly data flow in mobile communications networks is, according to a Cisco study, expected to increase from the current figure of 546 petabytes to 6,254 petabytes worldwide, with 66 percent of the data volume being driven by the use of video. The backbones of mobile communications networks are not designed for such data loads and therefore need to be further expanded. In addition, the creation of multi-platform content management systems is necessary in order to manage, analyse and secure content and the associated revenue streams via various terminal devices. Furthermore, providers will have to tailor their offers more intensively to the specific mobile use situation (display, handling and preferred contents) and offer attractive tariffs in the case of payment models. "Mobile TV is also on the up and coming in this country and it offers interesting opportunities for all participants – if, of course, they do their homework," said Alexander Henschel.

About goetzpartners

goetzpartners is a leading independent European consulting company that combines M&A (mergers & acquisitions) advisory and management consulting under one roof. With this unique service offering goetzpartners advises companies along their whole value chain, thus creating sustainable value for them. The Group is represented with offices in Munich, Düsseldorf, Frankfurt, London, Madrid, Moscow, Paris, Prague and Zurich, and maintains international cooperation ventures. goetzpartners Management Consultants concentrates mainly on the fields of strategy, operational excellence, and business transformation. goetzpartners Corporate Finance focuses on M&A advisory services.

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