

Multichannel **NEWSWIRE**

CTAM Summit '06: You Don't Have To Die

By Leslie Ellis 7/31/2006

The assertion that high-definition TV is a broadband-video killer. Multiple declarations that user-generated video is the hottest thing going. Intel Corp.'s repeated observation that cable "doesn't have to die."

These were among the juicy tidbits of tech talk at the recent Cable & Telecommunications Association for Marketing Summit in Boston, where cable marketers gathered to talk shop.

Let's start with this spicy quote from Mark Cuban, CEO of HDNet: "I'll tell you with complete certainty: No one will be streaming HD video, not this year, not in five years, not in 10 years."

His point: Each stream of a high-definition show requires 6 to 8 Megabits of online capacity per second. Overall broadband capacity, and especially video over telephone companies' digital subscriber lines, isn't roomy enough for that — even with the most advanced compressors.

And yes, the language of HDTV remains confusing to those consumers wading through the gibberish of aspect ratio and screen type.

But from a retailer's perspective, HDTV is "a steamroller that's moving very fast," according to Douglas Moore, executive vice president and chief marketing officer at Circuit City Stores Inc. And returns of HD sets aren't as high as, say, phone answering machines. "Very few people actually bring (an HD set) back to the store," according to Moore.

And the driving force is a bit unexpected. When it comes to making the decision to buy an

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HD set, women are as influential, if not more so, than men, said Gary Shapiro, president and CEO of the Consumer Electronics Association. "For some retailers, it's a shift they haven't figured out yet."

USER-GENERATED CONTENT

Nearly every keynoter at the Summit cited "user-generated video" as the new-new thing — including Judy McGrath, CEO of MTV Networks; Shawn Gold, chief marketing officer for MySpace.com; and Donald McDonald, vice president and general manager of Intel's Digital Home Group.

(If you're older than 30, "user-generated video" is the stuff you capture on your cell phone, and send along to your friends. If you're under 30, it's the stuff you capture on a phone or a camera, edit and manipulate to make it better or funnier. Then you upload it for mass-sharing to a web site such as YouTube.com or JibJab.com.)

McGrath, for instance, called user-generated content "the biggest trend in the first six months of this year."

The sweet spot for short-form content appears to be eight minutes. At least not longer than 30 minutes. So much for the American attention span.

Our favorite one-liner on the subject: "YouTube-styled video is the new black." (Compliments of Leo LaPorte, on-air personality for TechTV Canada.)

HOW TO PICK THE WINNERS

Perhaps the most practical crossover of marketing and tech talk came from Kaan Yigit, president of Solutions Research Group. He offered four attributes to help determine whether a new technology is headed for success, or is just another interesting idea that falls by the wayside.

The four attributes: Things that save consumers time, things that are useful in both business and everyday life, things with pricing that conforms to the existing value equation, and things that conform to a dominant design.

Example: digital video recorders save time by scrunching the viewing of a 60-minute show into 40 minutes (sans ads). Connectivity devices, like the BlackBerry, cross between personal and professional use. Subscription pricing is familiar; pay-per-song, as one example, is a relatively new pricing model.

As for conforming to dominant design — remember those weird computer keyboards that split into two pieces, supposedly for ergonomic relief? They never really took off, because they didn't look or feel like "regular" keyboards — they didn't conform to the dominant design.

NOT DEAD YET

Probably the most peculiar outlook at this year's Summit (besides *Freakonomics* author Steven Levitt likening cable to crack cocaine) came from Intel's McDonald. During his keynote speech, he interspersed two death-related quotes (one by Isaac Asimov, one by Somerset Maugham.) Then he closed his remarks with a similarly odd observation: "You don't need to die." (Good to know.)

If you're thinking you've seen this Intel scene before, you have. Andy Grove, Intel's guru, spoke at the same conference, on the same day (July 18), in 1995, and delivered a similar theme: Keep ahead of the broadband competition (which, at the time, was telco ISDN) — or else.

In closing, and as a matter of full disclosure, I assist CTAM in building that necessary but elusive bridge between technology and marketing. I can say with certainty that the amount of tech-side material emerging from this year's Summit surprised me — in a good way. Even Intel's death comment redux was amusing. Must have been that British accent.

Stumped by gibberish? Visit Leslie Ellis at www.translation-please.com.

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