

MARCH 2021

ASIA VIDEO PULSE

THE NEWSLETTER OF THE ASIA VIDEO INDUSTRY ASSOCIATION



2021 - A Strong Start but Challenging Times

UPCOMING

PIRACY OVER THE
TOP
MAR 29

OTT SUMMIT
MAR 29 - APR 1

FUTURE OF VIDEO
INDIA
APR 29

PHILIPPINES
IN VIEW
MAY 18

We are a year into COVID and while there are many reasons for optimism, our ability to gather and to travel are still sorely curtailed and are likely to be so for some time to come. So it has been very encouraging in this difficult climate to see the work we do recognised through a number of new members and we are delighted to welcome **Amobee, Dolby, Integral Ad Science, iWedia, KC Global Media, Mediacorp** and **Vuulr**. **Akamai** and **Vidio** also joined us in late 2020.

While our work in the arenas of policy and piracy continue apace, and the conversations we are having around supporting advertising as a revenue model for streaming are gaining traction, the challenge for an industry association such as ours is the human interaction. Our events will continue to be virtual for the time being so please do join the upcoming **OTT Summit** and **Piracy Over The Top** events, but we are also looking at ways to bring people together safely, in a physical setting. The lunch for 50 people during AVS last year was a big success so we are trying to replicate that. We are also looking at holding a series of lunches or dinners in Singapore, for 8 people at a time, where we try to bring back the social element we are all missing.

Separately we want to have a bigger focus on technology and will be planning an **AVIA Tech series** focussing on the big questions of the ways technology is shaping and helping the development of the video industry. So stay tuned and we hope to see some, if not all of you, soon!

POLICY MATTERS



Clare Bloomfield

DIRECTOR, POLICY AND RESEARCH

PAY-TV AND OCC MATRICES

Policy discussions continue around the region, with regulators continuing to especially focus on regulations within the **Online Curated Content (OCC)** space. In the last newsletter we noted the development and release of AVIA's **Governance Framework**, a tool for promoting self-regulation and meeting consumer expectations.

Another major tool for our policy advocacy is our ongoing research into the very broad range of policy interventions that regional governments make. For our members, especially those who do not have extensive resources in key Asian markets, we periodically produce and update available information about the status of published and unpublished policies governing the video industry in Asia. These take the form of collated **pay-TV** and **OCC matrices**, as well as individual market-by-market summaries. We're delighted to announce that the most recent update of these is now available.

Working with our knowledge partners around the region, AVIA undertakes a substantial ground-up review of relevant regulations, or indeed impending ones, that might affect our members. Covering diverse areas including **advertising regulations, FDI, piracy** and of course, **content regulations**, the matrices go into depth for **15 Asian markets**, plus the US and UK, which are taken as international points of reference. Uniquely this time around we have also included a look at the EU, which has its own detailed policies governing OCC. This is especially relevant given ongoing discussions about EU regulation. For the first time we have also looked at Pakistan, a market which has previously not warranted an in-depth look but one we felt this time, is a growing market of interest.

*AVIA is the
authoritative
resource for the
state of
regulation
across Asia*

avia Pay TV Policies in Asia 2021

AVIA members have access to all of this information as part of your company's AVIA membership; there is no additional charge for these products. You are welcome to access and download any of the above mentioned products from the AVIA website at www.avia.org/rfg. Do register for a members' account if you do not already have one.

	BRUNEI	CAMBODIA	CHINA	HONG KONG	INDIA	INDONESIA	JAPAN	MACAU	MALAYSIA	MYANMAR	PHILIPPINES	SINGAPORE	TAIWAN	THAILAND	Vietnam
Pay TV															
OCC															
Advertising															
Regulation															
Other															

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LEE AND LI
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Linklaters

MAYER BROWN

MORI HAMADA & MATSUMOTO

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COUNSEL TO GREAT COMPANIES

RAJAH & TANN ASIA
LAWYERS WHO KNOW ASIA

Shearn Delamore & Co

Vickery & Worachai Ltd.
Lawyers

VILLARAZA & SANGCO
THE FIRM - EST. 1980

Putting together this in-depth knowledge is not something that AVIA can do alone. Our **knowledge partners (KPs)** are law firms based mostly in the markets that they report on. As experts in legal approaches to the media industry using a standardised set of questions, the KPs pull together their interpretation of the relevant regulations and how they apply to both the pay TV and OCC spheres. They also use their understanding of the market and historical knowledge to better help us understand what else may be coming down the line.

Using their in-depth insights allows AVIA and its members to appreciate potential obstacles as well as opportunities for operating in specific markets. Having the UK, US and EU comparisons allows members to understand how Asian approaches may parallel or diverge from those in globally-important markets.

With all this detailed information AVIA pulls together a number of different products. The **"OCC TV Policies in Asia"** book, published late last year, is a summarised market-by-market focus on OCC regulations and shows the ongoing focus by regulators trying to get their heads around this continuously growing part of the market. Then, online, are the much more detailed **country/region papers** for both pay-TV and OCC policies in each of the markets. Also available are detailed papers on **advertising regulations**, by market, which break down the specifics for advertising across a number of different product categories, including gambling, alcohol, medical and sanitary products, etc. Sitting behind the members-only paywall, all of this information can be manipulated online to compare and contrast market-by-market, regulation-by-regulation. Additionally, each market report can be downloaded as a PDF. Finally, we are delighted to announce the release of the highly-coveted **matrix wallchart**, providing summarised details of the pay-TV policies across the continent in one easy-to-see over-sized pin-up.

(This one is best viewed via a physical copy; if you are interested in receiving a mailed copy of the wallchart, please get in touch with us at regulatory@avia.org)

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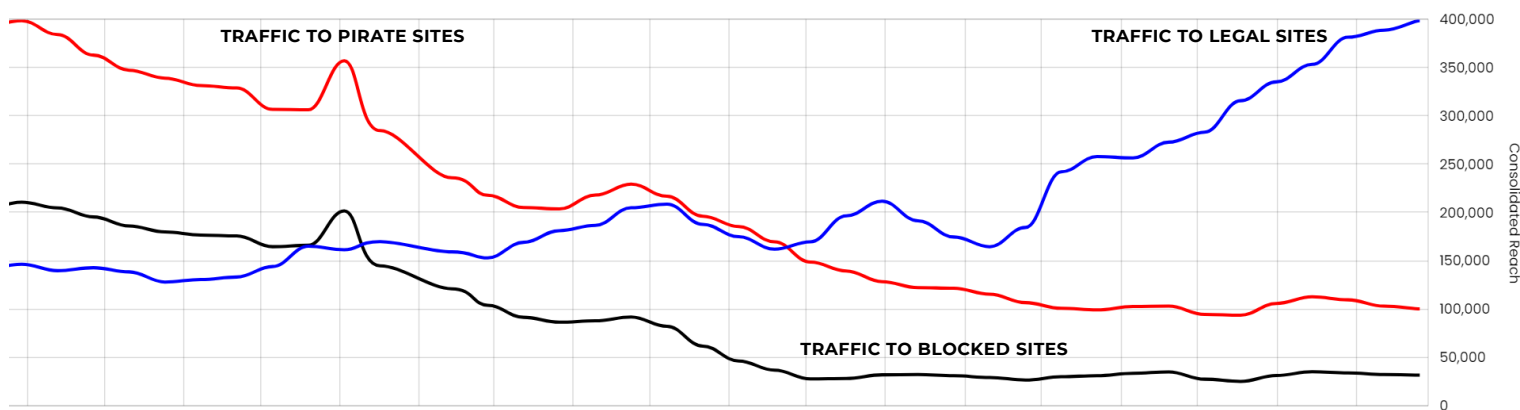
PIRACY KILLS INDUSTRY

Neil Gane GENERAL MANAGER - CAP

Members of the CAP steering committee and the Regulatory and Anti-Piracy committee receive regular updates and give input on the broad range of issues that we are tackling across the markets we cover. But for a broader audience, I wanted to highlight here some of the most notable developments:

INDONESIA

KOMINFO has now blocked over 3,000 piracy websites and application domains referred by the AVIA-led Video Coalition of Indonesia (VCI). The **CAP data-traffic portal** has recorded an estimated **73% reduction** in traffic to piracy streaming websites over the last 18 months and an estimated **155% increase** in traffic to legal services driven by the popularity of Disney+, Netflix, Vidio, VIU and RCTI Plus.



MALAYSIA

In Malaysia, CAP members have been referring illicit live sports sites, video-on-demand sites and illicit applications to the Ministry of Domestic Trade and Consumer Affairs (**MDTCA**) on behalf of BBC, Discovery, LaLiga and TVB. Not dissimilar to Indonesia, the results have been encouraging.

A September 2020 YouGov consumer survey showed a **64% decline** in consumers accessing piracy streaming sites when compared to a similar YouGov survey in August 2019. More than half (55%) of consumers noticed that a piracy service had been blocked by the authorities. This appeared to influence their viewing habits, with 49% stating that they no longer accessed piracy services and 40% stating that they now rarely accessed piracy services.

PHILIPPINES

AVIA and CAP, with support of members, have been involved in a series of Government hearings and meetings to talk about the need for the introduction of an effective **administrative site blocking** regime. There appears to be growing momentum in this direction. Director General Rowel Barba of the Intellectual Property Office of the Philippines was recently quoted by Bloomberg saying:

"The Intellectual Property Office of the Philippines recommended provisions for speedy site-blocking at a congressional committee hearing in February, according to Director General Rowel Barba, who says the agency currently has neither enforcement mechanisms nor the legal authority to take down websites".

SINGAPORE

Public consultation for the proposed **Singapore Copyright Bill** began in early February and is due by April 1. AVIA is consulting with its members. The proposed timeline is for the bill to be introduced in Q3 2021 and come into force by **November 2021**.

INSIGHT ASIA

Piracy Over the Top

29 March 2021 | 3pm – 6pm SGT

MAR 29
3 - 6PM SGT



Register today!

Summit is free for all
members

avia
ASIA VIDEO INDUSTRY ASSOCIATION

OTT Summit

The Future of Video Streaming

29 March – 1 April 2021 | 9.30am – 12.30pm SGT

#aviaott



AVIA will be kicking off 2021 with our annual **OTT Summit**, the defining event in Asia assessing the current reality and future prospects for the growth of OTT in the region.

This year's Summit will focus on **4 key themes**:

VIDEO STREAMING - THE CHANGING FACE OF BUSINESS MODELS



Streaming video services have grown rapidly over the last six years, and with billions invested already, there is little sign of this slowing down. With a year of COVID lockdowns behind us, is 2021 a seminal year for the industry? We want to know how the tides are changing as more players enter the field and how best to scale a streaming business as competition heats up.

CONTENT AND MONETISATION



Any streaming service is only as good as its library so getting the content right is paramount. But the balance between investing and monetising has never been more challenging. Do different content propositions lend themselves to different monetisation models? And what can we learn from the world of gaming?

PREMIUM VIDEO ADVERTISING



2020 was a tough year for the advertising markets but expectations are that there will be a strong recovery in Asia. As budgets continue to be moved from linear to digital, do advertisers understand the opportunity of premium video in the streaming era? Or with the rush to data, have we lost a level of sophistication?

INVESTING IN TECHNOLOGY



Content is king, but technology is queen. The content has to be great, but so does the customer experience. And that is not easy and it is not cheap. We explore how you pull together all the necessary pieces required to deliver a world class experience for consumers and how you harness technology rather than letting it hinder you.

MEMBERS' VIEWS

The Realities of Brexit for the UK Curated Content Industry

By John Enser, Partner, CMS UK, Technology, Media and Communications

At 11.00pm on 31 December 2020, **Brexit became a reality** for the European curated content industry. Over 4½ years after the referendum vote, the interim period where the UK still benefited from membership of the EU ceased. So now is a good time to take stock of what has happened to the UK and, particularly, London as a hub for international players.



The old set-up of operating channels in London for reception throughout Europe has significantly faded. In truth, many of the global players had for some time been **decentralising** their European operations, setting-up sub-regional hubs outside of the UK, but Brexit accelerated that process, as a result of **Ofcom licences no longer being a valid currency** around the rest of Europe. For most, the solution was driven by a combination of two elements: where did they have operations already and which countries had the most user-friendly regulatory regimes. Even though the **European Audiovisual Media Services Directive** (AVMSD) sets a **common framework**, individual countries can impose more strict rules on companies based there. So, we have seen many services take out licences in Germany (where to add complication, regulation operates on a regional, rather than national basis), the Netherlands, Spain and elsewhere. Even for English-language services receivable only in the UK and Ireland, the service providers have had to find a solution, as Ireland no longer recognises Ofcom licences. These services have mostly relied on their use of French or Luxembourg satellite capacity to obtain a licence there, with the relatively minor inconvenience of having to comply the same signal with two overlapping sets of rules. Generally, international regulators have welcomed (and indeed encouraged) the arrival of new licensees, although the common “floor” set of rules in AVMSD (as well as the EU’s anti-subsidy rules) limited the extent to which regulators could offer enticements to move to a particular country.

That said, few operators have left the UK entirely and moved elsewhere. The regulatory framework doesn’t require all functions to be in the EU in order to secure a licence, only a combination of certain head-office and programming decisions. Therefore, many players have left distribution, ad sales and other functions in the UK, because of the existing skilled workforce and because senior executives in US-headquartered businesses often like coming to London (or did, pre-pandemic).

Also, because UK shows still count towards **European content quotas**, the production sector has been largely unaffected – indeed the production boom has meant that businesses such as Netflix (whose Europe-wide services are regulated in the Netherlands) have recently signed deals to treble their office space in London and are reported to be looking for more studio space too.

The pandemic has, for the time being, masked some of the problems likely to arise around visas and the movement of talent and crews around Europe, but at least for now, **the UK curated content industry continues to thrive**, albeit with a slightly downgraded status when seen from the rest of Europe.

Throughout the COVID-19 global pandemic, video consumption has surged. Viewership across SVOD services increased a massive 417% from the middle of March to the middle of April based on Reelgood data.

As video consumption increased, illegal content distribution also grew. Now more than ever, it's important for content providers to safeguard their content, leveraging some of the advanced techniques discussed in this article.

REASONS WHY PIRACY IS INCREASING

There are several reasons why piracy is spiking during the pandemic. If people are overall consuming more SVOD content legally today, it makes sense that **piracy will accelerate in parallel**. In addition, people are facing financial hardships, and are wanting to spend less money right now on video services.

Additionally, due to the pandemic, content has been delayed from being produced and released. With fewer options for fresh, new content, viewers are exploring additional options outside of their paid subscriptions. Also, the relaxation of content windowing techniques may have contributed to piracy by giving pirates **access to premium copies** at a very early distribution stage.

In particular, there is a rising trend in piracy of content distributed via IPTV. This trend began in the Asia-Pacific region years ago and is currently intensifying across Europe.

STEPS TO REDUCE PIRACY IN THE COVID-19 ERA

One of the first steps content providers can take toward thwarting pirates is to remove the incentive. Content providers must offer a **high-quality product** and an **excellent user experience** at a fair price. This includes packaging and aggregating all of the available content, pricing it competitively, and offering unique features that cannot be found on pirate websites, such as start-over TV and catch-up TV.

Another critical step in preventing piracy is to create a **barrier to entry**. Content should be made hard to pirate. The best practice is to leverage multi-disciplinary approach that encompasses both preventive anti-piracy measures along with governing detection and enforcement.

Operators can take action against credential sharing by using analytics and other means, such as **IP detection**, to identify users using shared or stolen credentials to access services. AI is proving increasingly effective in isolating these patterns. Ultimately, users are encouraged to convert to legitimate services.

IP blocking is an especially relevant anti-piracy technique in the APAC region. It involves content providers working with local regulatory bodies to block piracy websites from illegally broadcasting content. AVIA surveys have shown that when IP blocking is in place, it results in a decrease in piracy consumption and increase in legal consumption. Between August 2019 and June 2020, 2400 sites and apps were blocked, and **piracy traffic dropped by 68% in Indonesia**, according to the Coalition Against Piracy.

Live events are highly targeted by pirates and a major source of revenue for content providers. Using a sophisticated anti-piracy service that features **dynamic video watermarking technology**, pay-TV operators and content owners can fight illegal streaming during live events faster than ever.

Dynamic watermarking technology is efficient, utilizing DRM with anti-debugging, anti-tampering, and other security features that allow operators to disable an application and revoke all content licenses in cases of abuse or hacking. Watermarking technology must be scalable, allowing operators to scan millions of devices and then pinpoint those that are pirating content.

CONCLUSION

Piracy is complex and evolving, threatening the value of pay-TV content. Given the shrinking revenues predicted for the media industry this year, combined with increased piracy, it's critical more than ever to safeguard content. Partnering with an expert in content protection, offering a variety of countermeasures to attack piracy from multiple angles, operators can **win the battle against piracy** in the COVID-19 era and beyond.



Accelerate growth with next-gen subscription models and forge lasting customer relationships

Partnerships and bundles help OTT video providers reach a wider audience who would enjoy and benefit from their services. Both OTTs and subscription partners benefit from the increased value of their offerings and the opportunity to inspire customer loyalty.

As OTTs enter into more partnerships, they will face increased logistical complexity in managing these business relationships, including platform integration, billing, and customer onboarding obstacles.

Vindicia's MarketONE platform provides the flexibility needed for addressing these challenges, empowering OTTs to explore new bundling models, strategize partnerships with other brands, reach a larger pool of customers, and stay one step ahead of the competition.

We support the entire subscription experience helping OTTs build out bundling models tailored to each business's unique industry and trajectory. Strategic bundling wins new subscribers and keeps them hooked, all whilst delivering worthwhile experiences customers want to keep returning to.

Learn more at: vindicia.com/marketone

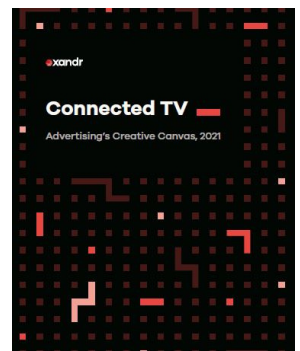


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Member Reports:

The following member reports are now available at avia.org. Please register at our website for a copy.



New Members:

AVIA is only as strong as its members. We want to appeal to all parts of the video ecosystem and we are delighted that in the last quarter we have been joined by the following companies:

AMOBEE

IAS
Integral Ad Science



KC GLOBAL MEDIA
ASIA

mediacorp

Dolby

iwmedia

vuulr

Updated Event Dates:

Piracy Over The Top
OTT Summit
Future of Video India

29 March
29 March - 1 April
29 April

Satellite Industry Forum
Philippines in View
Vietnam in View

12 July
18 May
8 September



Contact Us:

We want to hear from you. Please get in touch and let us know what you think:

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