

# 6. Programme Material

## 6.1 Reception of all Television Multiplexes

In the case of a television multiplex, the proposals by the applicant for promoting the acquisition by persons in the proposed coverage area of equipment capable of – (i) receiving all of the television multiplexes available or expected to be available in that area, including the national multiplex referred to in section 3(2)(a), and (ii) enabling such persons to keep themselves informed of the choice of programme material included in those multiplexes.

6.1.a. Describe generally your strategy for promoting the acquisition of equipment capable of receiving all multiplexes available or expected to be available in the coverage area proposed.

Boxer's sales channels will be very similar to those of the satellite TV distributors. A high proportion of sales are presently made via consumer electronics retailers, typically, but not exclusively, the big chains such as Harvey Norman, Power City, DID, etc. Other types of retail chains also play a role because there is a certain level of sector overlap these days. Therefore, it is quite conceivable that chains like PC World, Dunnes Stores and Tesco to name a few, will sell Boxer's products.

Boxer's Key Account Managers will be responsible for realising the cooperation with retailers via dialogue and negotiations with Sales Managers, Purchasing Managers and Marketing Managers. This will be the group that jointly decides which campaigns are to be marketed, how they are to be marketed in the shops, etc. This will be coordinated with the amount of the retailer's commission for each subscription sold.

Each year this group will also formulate a cooperation agreement defining the objectives in relation to the previous year, that commission is only paid on sale of Boxer-approved set-top boxes, commission to the shop's head office and a marketing agreement concerning advertisements in the media. The commission per subscription sold will be agreed from campaign to campaign. Therefore, commission will be a type of campaign tool for Boxer that can always be negotiated with the retailer. For example, if Boxer wants greater exposure in the shop, Boxer can decide to get this by offering more commission.

Under the Key Account Managers, Boxer will have District Managers who will be responsible for the more operational part of the cooperation and contact with the Shop Managers and shop staff. They will be responsible for providing information about new campaigns, continually supplying merchandise, providing training in Boxer's products and all other practical matters concerning the shops. They will be Boxer's interface with the shops.

Boxer will also work with a field marketing bureau to regularly distribute marketing material associated with the major campaigns at least three times a year. Further details of Boxer's proposed strategy for promoting the acquisition of equipment is contained in Section 4.

### 6.1.b. How will you ensure that consumers can obtain equipment that meets or exceeds the functionality requirements set out in section 2.2.2?

Boxer will leverage the considerable experience gained by Boxer Sweden from its Swedish operations to ensure that customers are able to obtain equipment that meets or exceeds defined functionality requirements. Boxer Sweden has developed its own in-house test procedure for receiver equipment and Boxer will have access to this resource in certifying end-user equipment for the Irish market.

Boxer Sweden's test procedure for receiver equipment has been developed significantly over the years, but the aim remains the same: the test is executed against a number of fixed specifications and the primary criteria relate to receiving parameters and certain other parameters such as channel lists, updating of lists, teletext subtexts, multi-channel sound and "Over the Air" (OTA) download of set-top box software.

An approved receiver can use the OTA mechanism in the network on a cost-free basis and no OTA scheduling systems need to be used, unlike in many other European countries. Boxer will work with BT concerning the testing of receiver equipment and BT will have developed an automated front-end system, which can test the receiver equipment during the course of one night for all existing DVB-T type values.

A typical test of receiver equipment takes 12 working days in the laboratory. To this must be added the manufacturer's own troubleshooting time. The cost of a test is approximately €10,000, and with the extensive experience that Boxer Sweden has built up, the manufacturers are offered a development service in return for a fee. This service is appreciated and used by a significant number of manufacturers. The test laboratory is situated in Sweden and employs two full-time engineers and a further resource that can be brought in during peak periods. With the equipment that is used, the laboratory is one of the most advanced in Europe and, with more than 100 completed tests, the laboratory is probably also one of the most experienced. The specification that will be used is that developed by the Pilot Stakeholders Group during 2007.

The status of products that have been tested in the Sweden lab (as of November 2007) is:

- more than 300 iDTVs (Integrated Decoder and TV)
- various CA modules
- 40 standard zapper set-top boxes
- 2 MPEG4 HDTV zappers
- 19 PVRs
- 7 DVD recorders

With regard to this list, it should be noted that if for example a manufacturer has a 32" iDTV approved set, the manufacturer can use the same approval for various variants, provided that the relevant DVB implementation is confirmed as being the same as in the originally approved model.

A significant challenge in relation to expanding the many different types of receiver on the consumer electronics market has been the dialogue with the TV manufacturers in relation to iDTV. For more than 50 years, televisions have been manufactured with an analogue receiver and no thought has been given to manufacturing televisions with digital receiver equipment. It has been Boxer Sweden's aim to achieve a situation in the market which maximises the number of opportunities to sell subscriptions by creating a de facto standard (in the future, no one will buy a TV without a digital tuner).

## iDTVs

It is estimated that at least half of the 580,000 flat screen TVs sold in Ireland, according to the Consumer Electronics Distributors Association (CEDA), are iDTVs. This means that they have an integrated DTT tuner and there is space for a CA module in the TV. For the consumer this means that he does not need to have a square digital set-top box under his flat screen TV on the wall. He can connect his iDTV directly to the existing aerial and receive all free to air DTT channels. If he also inserts a CA module with a smart card from Boxer, he can receive pay TV channels without using a digital set-top box.

For this reason, Boxer is planning to introduce CA modules for iDTVs immediately on commencement of commercial activities. However, a problem needs to be overcome. The iDTVs sold are MPEG2 and therefore cannot receive Boxer's channels or public service channels in MUX 2 (which is also MPEG4). There may be an unpleasant public situation when hundreds of thousands of families who believed they had bought a futureproof TV discover that this is not the case. This may be a problem for the entire digitisation process.



**REF: CA/6.1**

Information contained in this answer is commercially sensitive and has been submitted on a confidential basis in an Annex to the application.

6.1.c. If you propose to employ Conditional Access (CA), please describe your approach to supplying the means of reception to authorised viewers (e.g. the supply of a proprietary set-top box, a CA Module, a decoder card etc.) and please provide the following information:-

Boxer's approach for CA will be based on Viaccess i.e. a CA Module-based solution with decoder smart cards to provide means of reception to authorised viewers.

6.1.c.i. How will your proposed implementation facilitate interoperability between multiplexes, such that viewers may receive all available DTT programme services on a single receiving device (subject to obtaining the necessary authorisations).

Boxer will co-operate with RTÉ to facilitate interoperability between their multiplex and the three commercial multiplexes that we will control. FTA channels on RTÉ's devices will be viewable without the need for a CA Module or decoder card.

6.1.c.ii. Outline how inconvenience to consumers can be minimised in cases where more than one type of CA system may be deployed?

Boxer proposes to deploy a single CA system only, specifically to avoid any inconvenience to consumers.

6.1.c.iii. Confirm that any equipment proposed will meet the functionality requirements set out in section 2.2.2 and describe any additional features that exceed the core requirements for DTT receivers.

The Viaccess CA solution conforms to the specification for DTT Receivers and STBs set out in Section 2.2.2.

Other receiver model types will be available from retailers that will feature enhanced functions such as PVR and HD, exceeding the core requirements, but at an additional cost to consumers.

6.1.c.iv. Confirm if the receiving equipment will be rented, sold, provided free-of-charge or subsidised.

The receiving equipment will be sold to consumers by consumer electronics retailers. The equipment will be partly or fully subsidised within the purchase of the pay-TV content packages. Where the equipment will be subsidised, consumers will be required to enter a 12 month contract subscription period.

6.1.c.v. Provide details of any proposals you may have in respect of associated customer support services (e.g. hotlines, repairs) and billing- and conditional access-related services to the consumer.

A central element for how Boxer will interact with its customers is encapsulated in its approach to Customer Relationship Management (CRM). It is through the establishment of a comprehensive CRM programme that the company's customer support services will be organised and implemented.

Although the focus at the outset will be on the recruitment of new customers, work undertaken by the company on CRM and customer communication will have high priority. The work on CRM will initially be on a small scale but, as the customer base grows, this effort will also be intensified. Boxer is extremely aware of the importance of working on customer satisfaction and maintenance of existing customers as a means of achieving and retaining a position as market leader.

Boxer's CRM programme comprises a number of different tasks and areas of responsibility, namely:

- Strategy
- Analysis
- Studies
- Customer lifecycle (segmentation and differentiation)
- IT support system
- Customer communication
- Retention
- Loyalty activities and support for response centre
- Additional sales activities
- Product development

The CRM strategy which Boxer will deploy was initially conceived by Boxer in Sweden via a project that involved all departments of Boxer Sweden, based on the principle that satisfied customers are not created by just one department but via the overall experience a customer has with the company.

Some of the most important points in Boxer's CRM strategy are:

- Understand customer needs throughout the customer lifecycle.
- Work different parts of the customer database in different ways.
- Be able to follow up on the development of the customer portfolio.
- Be able to measure, follow up and improve on work with customers.

Boxer's approach to CRM may be summarised in the following way:

*"We have the right offers in the right situations for the right customer in the relevant interaction channel at the right price"*

6.1.c.vi. Confirm the status of ownership and operability of any receiving equipment upon termination/ suspension of a subscription contract. (Please confirm whether or not the equipment will continue to receive FTA services in such an event.)

Consumers will own their receiving equipment, either iDTV or STB. Termination/suspension of a subscription contract will default the receiver just to view FTA channels, namely RTÉ ONE, RTÉ TWO, TV3 and TG4.

6.1.d. How do you propose to disseminate information to members of the consumer electronics retail and installation trades and to the public regarding the rollout and extent of coverage from the proposed network and any other information needed to obtain your service? Please include details such as proposals relating to interference-limited coverage maps, help desks, sales centres, information publication and online services including internet website publications.

## Television Advertising

As Boxer is digital TV, the primary medium will always be TV. TV will be used to build up the brand and communicate Boxer's unique advantages and tactical messages to support sales nationally.

Boxer will primarily use television advertising to promote the DTT service. Boxer Sweden used a brand icon or mascot called "Robert". "Robert" started life as an educator, informing consumers about the DTT service, coverage, installation, etc. Over time "Robert" evolved to up-sell consumers on new product offerings and facilities.

## Salesperson Training & Certification

Boxer aims to have as many certified salespersons as possible at consumer electronics retail shops throughout Ireland. Boxer Sweden currently has around 10,500 at around 3,700 retailers in that country.

Boxer will push its salesperson training to retailers using the commission tool. For example, the two parties can jointly set a target for the proportion of salespersons who are to be certified as Boxer salespersons by the end of the year. If this target is reached, the retailer gets more commission per subscription sold.

The salespersons will be able to take the training on Boxer's website via e-learning. On the retailer site, the salesperson will be able to log in with a number that will be allocated to the retailer by Boxer and follow the "training" link. The salesperson would create an "account" here in which details of his training progress would be registered, i.e. he does not need to take it all at once. The training will have three levels that must be passed individually. The training itself will simulate the working day of a Boxer salesperson as it involves helping virtual customers at a retailer. Boxer's mascot, "Robert", will lead the salesperson through the training, which aims to boost the salesperson's knowledge of Boxer and his general technical knowledge. When the salesperson has taken and passed his training on the internet, he will be registered as a certified Boxer salesperson and be sent merchandise so that he can demonstrate his certification to customers.

## Consumer & Retailer Website

Boxer will create a consumer website. Consumers will be able to check reception coverage for their home and also identify which consumer electronics retail shops are in their locality. Consumers will also be able to get on-line sales and technical support if they wish.

On the website there will be a special retailer section where the retailer will be able to, as mentioned above, register new customers or make changes for existing customers. There will be an entire universe directed at retailers and their needs. For example, they will be able to find information on new campaigns and products. They will also be able to get training online to become a certified Boxer salesperson and get answers to questions in Boxer's live online support.

In order to drive continued growth in traffic to the website, it will be marketed via other channels, such as printed material, TV commercials and smart internet. Another contributory factor to the increase in traffic will be the fact that the website will be used to gain information on analogue switch-off. In Sweden, the most visited pages/topics at [www.boxer.se](http://www.boxer.se) have been:

- Offering
- Coverage map
- TV listings
- Receiver guide.

It is assumed that the Government's Analogue Switch-off campaign for consumers will include a link to the Boxer consumer website and vice versa.

6.1.e. Are you prepared to support a common information dissemination strategy, involving all multiplex contractors, to provide such information through a single source? What commitment would you be willing to make in supporting any such entity? Please include details of any associated financial implications in section 3.4.

Boxer will operate the three commercial multiplexes in conjunction with RTÉ which will act as the PSB multiplex operator. Boxer has submitted a conditional application to be awarded all three licence contracts and thus the issue of co-operation with any other commercial multiplex operators would not arise in the foreseeable future.

## 6.2 Keeping Informed of Choices

### 6.2.a. What are your proposals for keeping consumers up-to-date with programme service offerings, including any proposals relating to the development and operation of an EPG?

Boxer will be in a position to leverage Boxer Sweden's extensive experience in developing systems to keep customers up-to-date on DTT programme service offerings, including the development of its Electronic Programme Guide (EPG) and the company's bespoke Navigator Tool.

Given the restrictions that apply in relation to bandwidth availability for ancillary services (such as those relating to the provision of programme service information) on the DTT network, Boxer Sweden has worked intensively to develop user-oriented services which use the least possible bandwidth. Boxer Sweden has developed a solution which makes it possible to supply a complete 14-day EPG with extended information (EI), which only uses a bitrate of 400 Kbit/s. This solution, combined with another solution developed internally by Boxer Sweden, makes it possible to utilise the properties of the PVR. This solution is marketed as Boxer Navigator and it will be available to customers of Boxer's service in Ireland.

### EPG

Since 2005, Boxer Sweden has been transmitting EPG data in a 24-hour data stream. The advantage of this is that virtually all STB and iDTV can present EIT tables as an EPG, depending on the level of technology in the product concerned.

### Boxer Navigator

It is an ever-present challenge to optimise the degree of utilisation of the available bandwidth on the DTT network. In order to include as much information as possible, Boxer will design a tool which dynamically reduces the level of detail in the TV programmes that are further into the future, so that the highest level of detail is provided for programmes that are being shown today and the level of detail in the information that is made available for a given programme decreases the further into the future the programme is scheduled. This tool will enable Boxer to transmit a complete programme calendar for up to 35 channels for the next seven days with a bandwidth consumption of 400 kb/sec.

This solution is good in relation to being able to offer PVR customers recording facilities for individual programmes. However, there is still a need in the market to pre-programme the recording of a TV series (also known as 'Series Link Recording').

In order to be able to broadcast DVB SI-EIT tables and send specific metadata to PVR receivers, Boxer Sweden has developed a software application called "CREX". This software is part of SI head-end and processes incoming metadata in real time. Fundamentally, "CREX" makes it possible to broadcast programme data despite limited bandwidth and at the same time create the descriptors (CBI-tags) that are used by Boxer Navigator-compatible PVR receivers.

The CBI tags are incorporated into the standard DVB EIT stream and/or an encrypted EIT stream and contain information on TV series, credits, keywords, repeats, etc.

*When the Boxer Navigator specifications and the "CREX" application were developed, an XML table was published at the same time which makes it easier for broadcasters to submit metadata.*

*Both the Boxer Navigator system and the CREX application were developed internally by Boxer Sweden and will be made available to Boxer in Ireland.*

6.2.b. If you propose to develop and operate an EPG, what is your policy towards providing such a service on a common basis with other multiplex contractors and how this would be implemented in practice? What commitment would you be willing to make to the support of any such joint arrangement? (Please include details of any associated financial implications in section 3.4.)

Boxer has set out its proposals for operating an EPG in its response to question 6.2.a. Boxer will work in close collaboration with RTÉ as the PSB multiplex operator.

Boxer has submitted a conditional application to be awarded all three licence contracts and thus the issue of co-operation with other commercial multiplex operators would not arise in the foreseeable future.