



ROAD TRIP

With self-driving vehicles potentially on the horizon, in-car viewing may be about to experience a boom. Car manufacturers are looking to use streaming connectivity to add value to their products



MARCIN HANCLIK, SVP PRODUCT MANAGEMENT
It is high time we offer consumers the programmes they want on their own terms

By 2023, it's estimated the connected car market will be worth more than \$43 billion. Its rapid growth can be attributed to improved connectivity, which is paving the way for futuristic in-car services. Such services include the widespread availability of multimedia and entertainment services. This vision of the future is supported by senior players in the industry, such as Markus Zumkeller, director of tech and engineering at Sony Europe. During a keynote at this year's IBC, Zumkeller went as far as to say that 'the car is the next living room'. The growth in autonomous driving will give drivers and passengers more free time to consume entertainment, which means it is time for the content industry to get on board.

Consumers are already able to access entertainment in the car. Passengers can watch downloaded content on their personal devices, and even watch live TV via internet connected devices or an antenna built into their car. However, over the next few years, the technology options will become more sophisticated, and more integrated, as in-vehicle Wi-Fi and screens in the back of seats become more common. The transition from 4G to 5G and the promise of much higher bandwidth will also open new doors to the monetisation of services.

The future we are driving towards is one where the hyper-personalised services consumers currently enjoy on their mobile devices are extended to the car. The user's own library will be combined with an international content catalogue and the experience will be adjusted to each journey and user, providing tailored content that's compatible with the demographic and duration of the ride. For example, a parent taking his or her children to school can have family-friendly cartoons playing in the back; while on the commute home, the driver can listen to audio content or news on demand.

Yet, the road to bringing entertainment into the car won't necessarily be smooth. While the technology to take us to that



destination will soon be available, there are still bumps that need to be overcome in order to make it a reality.

STEERING DELIVERY IN THE RIGHT DIRECTION

Increasing engagement and promoting brand loyalty are just two of the benefits the automotive industry can enjoy if it starts to offer personalised in-car experiences. However, this is only true if car manufacturers choose to be directly involved with multimedia services by developing their own branded entertainment solutions, which is easier said than done.

Infotainment services face one fundamental hurdle: content provision. If manufacturers want to offer their own in-car entertainment solutions, they will need to create commercial frameworks with everyone from games publishers to Hollywood studios. Apart from the legal implications of so many contracts, this also makes manufacturers responsible for the management of all these content sources. They will need to guarantee content delivery to all screens inside the car – both built-in and brought in. Plus, car manufacturers will need to navigate a sea of content protection rules and the requirement for 'rights management' that they have had minimal experience handling.

Manufacturers might absolve themselves of this responsibility by handing over control



CONTRARY TO THE EXPERIENCE WE USUALLY FACE IN THE LIVING ROOM... ANY VIDEO CONSUMED INSIDE THE VEHICLE NEEDS TO BE ADJUSTED TO THE JOURNEY

to new media companies. This would mean the manufacturer has a reduced need to invest in technical solutions and design a content catalogue. However, such a move could also enable these media companies to fully control the user experience and engage deeply with the manufacturer's customers – which may work at cross-purposes to most car manufacturers' objectives. Streaming giants, such as Netflix and Amazon Prime Video, will have their own content portfolio tailored to their target audience. This audience may or may not align with the manufacturers, potentially resulting in an offering that isn't always suitable to the manufacturer's brand positioning.

DRIVING CUSTOMER SATISFACTION

Car manufacturers want to participate in the shaping of the content catalogue and know the exact requirements of their moving screens, which can prove challenging for the content industry. Contrary to the experience we usually face in the living room, or even on the go, any video consumed inside the vehicle needs to be adjusted to the journey. For the content industry, this means rethinking formats to suit this brand new use case – a challenge that goes beyond the simple access to connectivity.

The option that provides the most value to manufacturers is developing their own branded in-car entertainment solutions. For media companies – whether public service broadcasters or commercial operators – the monetisation opportunities are unlimited. Via the car manufacturer's service would build a rapport with an audience that is usually lost as soon as it steps foot inside the car. In addition, this can benefit smaller players who can compete with major companies through original and targeted offerings. Studios could offer exclusive content to passengers inside the car, while broadcasters and content distributors can strike deals with manufacturers to extend their pay TV services outside of the home and build a stronger relationship with their subscribers. Ultimately, what will drive in-car entertainment forward is better collaboration between manufacturers and media companies which ensures that both industries can enjoy the commercial benefits of content consumption on the road.

As the industry turns to 5G as a Holy Grail that will solve all problems, it is time to look at alternative use cases that can be of real benefit. Car manufacturers today are already looking at the best options to deliver multimedia entertainment – it is high time we offer consumers the programmes they want on their own terms and help them turn their cars into moving media hubs. 📺