

1Q15 Worldwide Video Infrastructure Markets at Crossroads: Where to Invest

Video impact on both fixed and wireless networks key driver for new deployments

GILBERT, ARIZONA, USA, May 28, 2015 /EINPresswire.com/ -- The Worldwide [Video Infrastructure](#) markets decreased revenue in Q1 and year over year because of a general slowdown in service providers' capital expenses, uncertainty with mega-mergers and accelerated competition. The Q1 Total Worldwide Video Infrastructure market posted revenue of \$3 billion. [Set-Top Box](#) Worldwide Market Shares, which includes IPTV STBs, Cable STBs, and DTAs, increased 3.3% quarter over quarter but

decreased 12.0% year over year. Cable Set-Top Box Worldwide Market Shares, which includes SD, SD+DVR, HD, HD+DVR, and Hybrid STBs, increased 8.6% Q-Q but decreased 15.5% Y-Y.

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projected to decline 4 percent. Europe is projected to increase approximately 5.8 percent, APAC will be up 6 percent and CALA, which was down 4 percent last year, will grow 2.2 percent.

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infrastructure solutions, adding incremental features and capacity to current installed base. “The realization that video is just packets, albeit a lot of packets, is impacting video specific investments,” states [Greg Whelan](#), video analyst, ACG. “Service providers are driven by content acquisition as OTT momentum continues and access network upgrades to address real and imagined gigabit competition.”

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Worldwide Video Infrastructure Market 1Q15		
	Q-Q MS Points +/-	Y-Y MS Points +/-
Cisco	2.1	-0.3
Arris	0.8	2.9
Pace	-0.9	-2.5
ALU	-1.9	-0.4
Juniper	0.1	0.2

Video Infrastructure Market Share

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TREND and DRIVER HIGHLIGHTS

- Service providers are reluctant to make major investments in current technologies as market uncertainties weigh heavily; this is illustrated in the CMTS market, down 15% q-q and y-y. New deployments are minimal with most being upgrades and additions. New architectures such as CCAP, DOCSIS 3.1 and Remote PHY are very appealing, causing MSOs to be hesitant to commit CAPEX to existing technologies.
- The industry is doing itself a major disservice by selling on bit rate and not the value and experience of the services they provide; it is akin to digital camera megapixels. More the better? Consumers do not understand that beyond 6 Meg it really does not matter for 99 percent of the use cases; the huge file size of 10+ megabit images is less desirable and arguably useless to consumer. Same is true with gigabit.
- Content acquisition is top video priority: Big issues are all about providing compelling content and “skinny bundles” emerging as key force in industry.

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