

# The mobile video industry council

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Mobile video has reached a critical juncture. As the killer app for subscribers, it is growing at a phenomenal rate. Our research from the Mobile Video Index found that by the end of 2018, video traffic will be 62% and 50% will be High Definition (HD).

Subscribers can't get enough of mobile video – whether that's watching live streaming sports, cute cats on YouTube or the latest Marvel series on Netflix. Are mobile operators celebrating? Not quite. Mobile video poses a clear and present threat to operators across the world.

## Storm clouds are gathering

Mobile video has darkened the outlook and it has turned out to be the perfect storm. Network providers never expected the growth of HD to overwhelm their networks. HD takes up three to four times more bandwidth than SD (Standard Definition). Then there's the alarming rise of encrypted video thanks to a cocktail of protocols from Over the Top (OTT) players such as Google and Facebook.

Encryption such as QUIC from Google and 0-RTT from Facebook is darkening operator networks across the world. Our research estimates that by November 2018, approximately 90% of internet traffic will be encrypted. Why this problem? Most carriers are unable to manage Quality of Experience (QoE) on mobile data that is coated with encryption. As we all know, poor QoE leads to increased churn. And churn impacts the bottom line.

## And that's not all

OTTs in the shape of FAANGs, i.e. Facebook, Amazon, Apple, Netflix and Google, are investing record sums, in the billions, on content and technology vying to gain supremacy in the battle for video. Disney is set to launch its own streaming service in 2019 in a bid to shake the balance of video power. If that was not enough, 5G is looming over the horizon and that brings with it both unparalleled opportunities and existential threats. Let's face it, mobile video plays a pivotal role in the business model for many operators – yet, it scares many.

## Stronger together

As the storm clouds gather pace and the outlook seems uncertain, there is no single point for mobile video thought leadership and the sharing of best practice. That's why we decided to establish the MVIC to embolden mobile operators. Rather than feeling besieged – let's weather the perfect storm.