

Hot Topic: 2011 IFE Predictions!

It's prediction time again and so we asked some of our readers to call upon their predictive powers and share their views (unanimously) with our IFEExpress readers.

Boy, did our readers do a good job. Here goes:

1. Panasonic will hit a home run with their worldwide Ku Band connectivity solution because it is just that, a worldwide, inflight connectivity solution. - IFEExpress
2. There will be two other areas of IFE growth as a result of the burgeoning Wi-Fi market and installed base: a. First, there will be a resurgent market in in-seat power as carriers react to passengers vocal demand to be "connected" for trans-continental and trans-ocean flight segments. b. Second, new content aggregators will be formed who specialize in Internet content delivery, advertising, usage tracking and onboard internet sales geared to the airline passenger. Of course, the airline will receive a generous cut in this revenue stream. These content aggregators will introduce big name players like Google, Amazon, Facebook and, maybe, MSN to passengers inflight. - Anon
3. We also believe, that at least one or more airline with inflight connectivity will tie up with a Facebook, Google, or another network solution to deliver cheap or free connection to ground-based Internet. Hey, what's cooler than tweeting that you are a member of the Mile High Club!...in real time! - IFEExpress
4. Inflight connectivity will ramp up dramatically in 2011. I see Row44 and Panasonic making tremendous gains in the number of aircraft installed. A large part of the growth will be in Western Europe as LCCs see Wi-Fi as a way to add ancillary revenue and compete with the traditional carriers. - Anon
5. As fuel prices drive the cost of a barrel of oil above \$100 USD, airlines will re-double their efforts to optimize their Max Take-Off Weight (MTOW). This will translate in lighter and lighter seats and more weight efficient IFE. Some carriers will opt to not install traditional IFE and push for IFE delivered over the Wi-Fi system. This form of BYO-IFE (Bring Your Own IFE) not only reduces weight and maintenance costs but also permits the carrier to have much more flexibility in managing its content on a flight market basis. - Anon
6. The B787 Flight Testing will reveal yet another anomaly and the delivery of the aircraft will be extended by a min. of 6 months. - Anon (Ed. Note: We received this input before Boeing announced their latest B787 Delay)
7. The Chinese, via COMAC, will announce the launch of their competing (mainland, vs. Hong Kong or Taiwan) IFE company (beyond the start-ups that we already have seen) and that IFE company, like COMAC (Ed. Note: And AVIC!), will have Government backing. What the Chinese don't understand is content sourcing and the use of Hollywood and the Record Labels and they will look to local (Asian) content, probably through Hong Kong, to launch their programming efforts. An unusual partnership will evolve with Australian content providers. - Anon
9. This year will be the year for the new IFE players to establish credibility or become history. Promising IFE systems like Lumexis' FTTS, IMS' Rave, and Sicma's SiT are already, or will be, in service soon. Is there room in the market for all? Probably not. - Anon
10. Koito, the seat company, will file for bankruptcy this coming year because of all their past regulatory issues and on-going production / recertification problems and be re-born as a new venture. (Ed. Note: Think M&A!) Existing airline deliveries will be affected and you will see further delays in current aircraft fleets (beyond the recent A380 announcements, which impact both Airbus and Boeing). - Anon
11. Wider gaps will appear as IFE evolves away from centralized, distributed HW/network based networks toward wi-fi and wireless distribution systems. More announcements for simpler, seat centralized IFE systems, which shift focus from expensive aircraft mods towards simpler, less expensive "highly integrated" seat mod programs. IFE Vendors will try to minimize aircraft mods to merely supplying power and aircraft interfaces and leave IFE distribution to be wireless to seat installed 'boxes'. The demise of a major IFE supplier will be the results of failing to realize this changing environment and remaining focused on 'traditional' headend distributed IFE type systems. - Anon
12. More announcements for single aisle, wireless, IFE systems as a untapped major source of business for startup IFE companies. - Anon
13. Emergence of a new IFE company based out of India? Where a lot of both HW and SW 'outsourcing' of current IFE systems has been placed. Someone will realize that with rising technological competence of their native engineers; there will be an opportunity to create a cheaper, more efficient IFE company in India. Again, Content Sourcing will be an issue, but the Indian based IFE company will partner with a major 'content' provider to supplement that side of the business. - Anon
14. This year will be the year for the new IFE players to establish credibility or become history. Promising IFE systems like Lumexis' FTTS, IMS' Rave, and Sicma's SiT are already, or will be in service soon. Is there room in the market for all? Probably not. - Anon
15. Uncertainty is certainly a prediction. - Anon
16. Connectivity is here, various systems are already flying and being deployed at a fast pace. Let's not forget the onboard telephony systems back in the 90's. Back then, they were also deemed as a must-have, with huge potential of generating ancillary revenues for the airlines. Three companies deployed systems on multiple carriers, but where were the profits? Is history repeating itself? - Anon
17. High Definition video will become a differentiator in the IFE marketplace, as airlines recognize its use on airlines like flydubai. WAEA/APEX will take note too and begin to write the spec for HD in IFE.
18. The Content Service Provider space will continue to fragment – with more new-comers morphing out of labs, legacy CSPs, and IFE equipment suppliers (especially portables). - Anon
19. Jetstar/Early Window Content/Ipad - NOT! - IFEExpress
20. Portable devices offered by airlines will dramatically decrease, as they give way to passengers' own portables carried onboard (i.e., everyone who wants one will already have their own). Airlines will opt instead for more lightweight, lower cost, embedded solutions, such as Lumexis' FTTS™ and IMS' Rave™. - Anon
21. Seat-centric IFE will be the next big thing as many airlines will be heading in that direction. - IFEExpress
22. Connectivity: the Ka-band systems will continue to be talked up by all the key players, but their scheduled roll-out date will continue to be elusive, as suppliers continue to sell Ku-band and air-to-ground systems. - Anon
23. Watch IFE Post Production - IFEExpress!

Lastly, one reader eloquently described the IFE content space; "2011 will see significant changes in the IFE content delivery supply chain including increased automation and integration. Movement toward file-based workflow will gain traction. SMPTE will make significant progress toward standardizing the Interoperable Master Format (IMF). There will movement toward mezzanine files and transcoding. There will be a significant new entry on the Digital Asset Management front. There also will be consolidation in the CSP sector, contraction in the PMP sector, and the iPad will not find a serious place in IFE outside LCCs. Seat-centric IFE systems will get traction in 2011 with significant orders." Nuff Sed.