

How Globo Is Transforming Broadcasting with AI & Cloud

Matt Stagg in conversation with Igor Macaubas, Globo

IAMT Studio Visual Podcast Series

Duration: 15:11

Hi there, and welcome back to the IAMT podcast with me, Matt Stagg. And I am delighted to have someone from — you know, if you're in South America, or even if you're not, you will have heard of Globo — and we're going to talk about some amazing stuff. So I've got Igor Macaubas, director of digital products, and we're going to talk about a few things, but really the DTV+ platform. Hi, Igor. Can we have an intro from you and a little bit about where you work in the business, and also the business in general?

Okay. So I'm really glad to be here this morning. It's the last day of NAB, so everybody must be spent.

Voice. It's the voice. You can tell.

Hey, you can tell. You can tell. So I'm director of digital products. I'm in charge of product engineering for all the digital products that Globo puts out there. More recently, my focus has been on our Globoplay product, which is our SVOD platform that we developed to kind of transform the business into digital. Globo is a traditional broadcaster. So we launched the Globoplay a few years ago in order to kind of be on the digital world as well, and that's been my main focus for the past 10 years or so. I've been with Globo for 17 years already. And I basically take care of all the engineering and the product development of our digital products, and we are catering to an audience that's about 60 to 80 million monthly active users. That's, I would say, for all products, right?

That's huge for me, because, regardless of TV, in the UK we don't even have that many people.

Yeah, it is a huge audience, and that comes with a lot of challenges as well, because engineering and performance and —

I mean, that's great, massive pressure. I wanted to talk to you, and particularly in Europe, not so much in the US, because it's majority cable. But we have a 2030 — and they keep pushing it back — switch-off of terrestrial TV. So people are going to move to streaming, and we've had some channels doing it. What were the main challenges for you guys to move to digital?

Yeah, so Brazil is quite different from Europe and the US. Right? There is still a very steep dominance of the broadcast free-to-air television. Our households — basically 90% of our households, just to put it in a gross number — are still using and relying on free-to-air television every day. And today it's kind of counterproductive to think of a switch-off, right? So what we've been working on is actually developing and evolving the broadcast free-to-air television stack to deliver better experiences, and actually to fuse the broadcast and broadband worlds, right? So broadcast free-to-air, you have, like, a one-size-fits-all advertisement. You have one-size-fits-all

content. With the DTV+, which is a new standard we launched in August, and it's going live on the World Cup, hopefully, if we don't have any regulatory —

I just saw the panic in your face then.

Yeah, because we are ready —

World Cup, hey?

We are ready on the technical part, but there are still some regulatory challenges that might appear during this time, right? We're still two months away, roughly two months away, from the World Cup. So free-to-air television has been transforming itself for the past years in Brazil. We did the analogue-to-digital migration back in 2008. So it's been a while.

Okay, so that was a tough gig.

Yeah, but we only were able to do the definitive switch-off of the analogue channels end of last year, so it took a while.

But you get the long tail, don't you? You know? And if it's one of those — you know, in the UK, they set a date, and they were actually turning it off, so it was impossible to slip. But obviously that comes with problems, especially when you get — you know, we had to put some converters in houses, and I guess you've seen the same thing.

And we are going to see that all over again with the DTV+, because we're starting a new standard. We have a new broadcasting technology in place. It's based on the ATSC 3.0 standard, with a few tweaks for our specific use case. But at the end of the day, we're using a MIMO antenna for transmission, which is quite different from the ISDB-T standard.

But still high tower, high power.

Yes. And the bigger benefit of the new free-to-air standard that we're launching is that the free-to-air gains the capabilities of the digital world, right? So we have now 4K image quality for free-to-air television, immersive sound with Atmos and —

Which sounds awesome. You know, like, I always talk about sound because it's just — if you can get sound right, you get video right. You know, that's the thing.

And most importantly, the bigger — I think the paradigm shift on the new standard is the bidirectional interactivity, right? So channels are no longer tuned frequencies like they used to be. Now they are —

It's all, as you said.

Yeah. On the DTV+, we don't have channels anymore, we have apps. So that's a complete paradigm shift between what we are used to on broadcasting and connecting that to the broadband world, which everybody is kind of used to, opening the TV and choosing an icon to watch content.

Yeah. And it may be different — I don't know the full scope of Brazil — but your app has the linear channels on as well?

Yes. So Globoplay today was kind of an anticipation of what the new DTV+ standard could be, right? Because we started that 10 years ago. So Globoplay has on its lineup the free-to-air television channel of Globo, which is free to watch all throughout Brazil. And we have —

Sorry to interrupt, one thing there, and I just — it's a big thing. So if it's free-to-air, do you still have to have a digital presence, as in a login and stuff like that? It's just because it happens a lot, and there's sometimes pushback and friction of somebody — especially the older generation — who are like, "I don't have an email." Have you seen any pushback from that?

I don't think so. Not particularly, because Globoplay today, as I was saying, has all the footprint of Globo nationally, so even the affiliates, we have onboarded them onto Globoplay. So the local programming. So if you are in Rio, you're going to watch Globo from Rio. If you are in Manaus, you're going to watch Globo from Manaus. And we have the local programming, we have the affiliates onboarded onto the platform. And yes, we do require a sign-in even though it's free — you have to sign in, you have to have, like, an account with us. For mainly two big reasons, right? The first reason is that we want you to personalise your experience, so we have to know you and understand what you do, what are your tastes, what is your behaviour.

Yeah, I guess recommendation engines have to run off some kind of account. You have to know that that person likes that.

And also we do support profiles on Globoplay, so if you have, like, a shared device, say, like, a huge TV or a tablet, which are common household shared devices, you can actually tailor the experience to whoever's actually watching and sitting in front of the device, right? We have our own digital identity platform, which is called Globo ID, and we have about 150 million accounts that are registered in Globo ID.

Just absolutely blows my mind.

It's mind-blowing, right? In Globoplay, if you combine the free-to-air and SVOD — because we do offer a subscription layer as well, on top of the free —

So is that just an add-on to the free-to-air?

Yeah, the free-to-air actually works as the top of the funnel for Globoplay. So you open Globoplay, you start watching TV Globo for free. You have to pay nothing for that, just give your login information. And then we have premium offers, both VOD and also live linear channels on the lineup, that you can subscribe to and get extra content for that, right? So we have a model that's very similar to what Hulu had when they first launched. I'm not sure if you're familiar.

Yeah. No, I follow it — like, the industry — so I remember the model.

You create a free account, you have access to a few channels, a limited library of VOD, and then you upgrade to a premium account, where you have access to premium content. And we have, like, the same model as any OTT has nowadays, which is a basic plan with ads and a premium plan without ads and more channels.

Yeah. Exactly. And the first model works. You know, you don't get free, you know what I mean? Now we can —

We have to pay that bill at some point.

Someone's got to pay. Yeah, yeah. In the UK it's different because we have to pay a licence fee. Because of the BBC.

I heard you can go to jail if you don't pay the fee.

You can. Nobody has actually gone to jail, but there's been lots of fines, but technically you could go to jail by the law. We're going to wrap up soon, but one thing I know that our viewers want to know: what are your plans for the World Cup? And how do you — you know, we're talking everybody watching it at once. And as a digital — you know, it's tough.

Yes, it is. It is. It's a big challenge for us. We are, of course, preparing the launch for the commercial DTV+ in three cities at first. So Globo Rio, São Paulo and Brasília. So we're going to have the DTV+ deployed there. But we're not really going to have audiences there, because we're still on the set-top box phase of the rollout —

I understand that you can't just not let them have it.

Yeah. But we are actually working very hard on two big fronts for the World Cup, right? The first front is on the broadcast TV, using the current standard that we have on air, the ISDB-T standard, which we call DTV Play, which is the previous version — that's actually what we have millions and millions of people, tens of millions of people, using, right? So we are preparing a set of experiences for people who are watching on free-to-air broadcast, so we're going to put statistics on top of the matches. We're going to have, like, notifications, and we're going to do integrations between the broadcast feed and mobile consumption, because we do have apps for Globo throughout all the major app stores, right? And for streaming, we are also preparing a huge revamp of our user experience and infrastructure as well, right? So we're expecting to have, like, huge peaks in audience. And we are preparing accordingly to that. Infrastructure is a huge challenge, because you have to plan ahead, and you have to deploy the infrastructure, right?

Yeah, I mean, money is — you know, you need elasticity to be able to support this.

And we're also relying on a couple of CDN providers to help us with the peaks, right? And also, on the product experience side, we have been revamping the product experience of Globoplay to deliver a more rich experience, to show interactions, show statistics and —

Lean-forward experience.

Yeah, so that's a huge plan for Globo, the World Cup. We have a lot of expectations for that.

And we can't wait to see it. I mean, we don't get it in the UK personally, but we do — in my company, we work with you guys just to — we're doing some stuff with 5G. But you look, and the scale of your viewership is a blueprint for the UK in terms of general, and we really do follow you, and you are, you know, you're the vanguard. You're in there.

Thank you.

So I want to say thank you, Igor. And you're going to be seeing this. You want to know some more, get in touch with us, and we'll put you in touch with the guys. We're going to be back later on, and thank you for watching.

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