

Market Overview – Digital Asset Management

Introduction

The purpose of this note is to provide you with a snapshot of the UK market including its size and potential competitors. The overview has been based on publicly available information and is not intended to be a substitute for a full market analysis.¹

Overview

Increasingly companies are understanding the value offered through the digitisation of their media assets. The value is tied-in to all aspects of the value chain, namely: Logging, Asset Management, Delivery, and Online Content Management.

Companies seek to add value to the digital asset by creating a method for indexing, searching and retrieving the asset. This reduces production time and overhead costs. It also allows repurposing of digital assets which is highly valuable to companies that have large repositories of branded electronic assets that require cataloguing (i.e. media and advertising companies).

Furthermore, as companies add more rich digital media to their brand strategy, file sizes are exploding. Digital media files, particularly video, have become so large the simple FTP services across the Internet are no longer acceptable. Through employing digital delivery services, workers can easily work and access the same assets from various locations. This is expected to be the strongest industry wide driver through the forecast period since it is the value proposition that will be the main selling point for the applications.

There is a huge potential for digital asset management solutions in the future. Successful companies in this market will be ones that can leverage their technologies with strategic partnerships with others in the digital asset management space and consolidate their core competences in order to win market share. It is also important to spread sales and marketing resources across many verticals and applications, rather than employing a niche market strategy.²

² Source: Frost & Sullivan

¹ This overview is based upon materials either compiled by Pera through independent research, or supplied to us by third parties. UK Trade & Investment can give no assurance that the information supplied is accurate, or complete for your purposes, and no legal responsibility is accepted for any errors, omissions, or misleading statements in that information caused by negligence or otherwise.

Broadcast Video Server Market: Revenue Forecasts (World), 2002-2012

\$ Million	North America	EMEA	Asia Pacific
2005	154.0	75.6	50.4
2006	164.7	86.1	60.0
2007	177.5	92.9	77.6
2008	204.6	105.6	100.6
2009	232.2	133.9	122.7
2010	262.6	180.4	148.5
2011	293.1	235.6	181.0
2012	327.5	283.1	227.0
CAGR	11.40%	20.80%	24.00%

Source: Frost and Sullivan, World Video Server Markets

Industrial Segments Account for Nearly Half the Video Server Market

With respect to the end-user segments, the broadcast sector remains the most prominent market segment for video servers. In 2005, the broadcast segment accounted for a global market share of 54.5%, while the cable and telecommunications markets accounted for market shares of 34.4% and 11.1% respectively.

While video servers are a critical part of any broadcast facility, selecting the right server depends on functionality, ability to handle a large number of streams, and cost effectiveness of the product. For vendors marketing only video server products, strategic partnerships with companies in complimentary markets along the digital media value chain such as encoders, content and rights management companies, storage solutions, non-linear editing systems, switchers, and cameras, will be of immense help in furthering market penetration.

European 10-Year Perspective for Video Servers by Geographic Region - Percentage Breakdown of Dollar Sales for France, Germany, UK, Italy and Rest of Europe for the Years 2000, 2006 and 2010

Region/Country	2000	2006	2010
France	14.30%	14.95%	15.15%
Germany	20.33%	20.56%	21.05%
UK	22.71%	21.52%	20.53%
Italy	8.31%	8.48%	8.33%
Rest of Europe	34.36%	34.48%	34.94%
CAGR	100.0%	100.0%	100.0%

Source: Global Industry Analysts Inc, Video Servers Market

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