

# Examining IFE on demand

This is a special feature from *PAX Tech's* [September 2023 APEX EXPO](#) issue on [page 13](#).



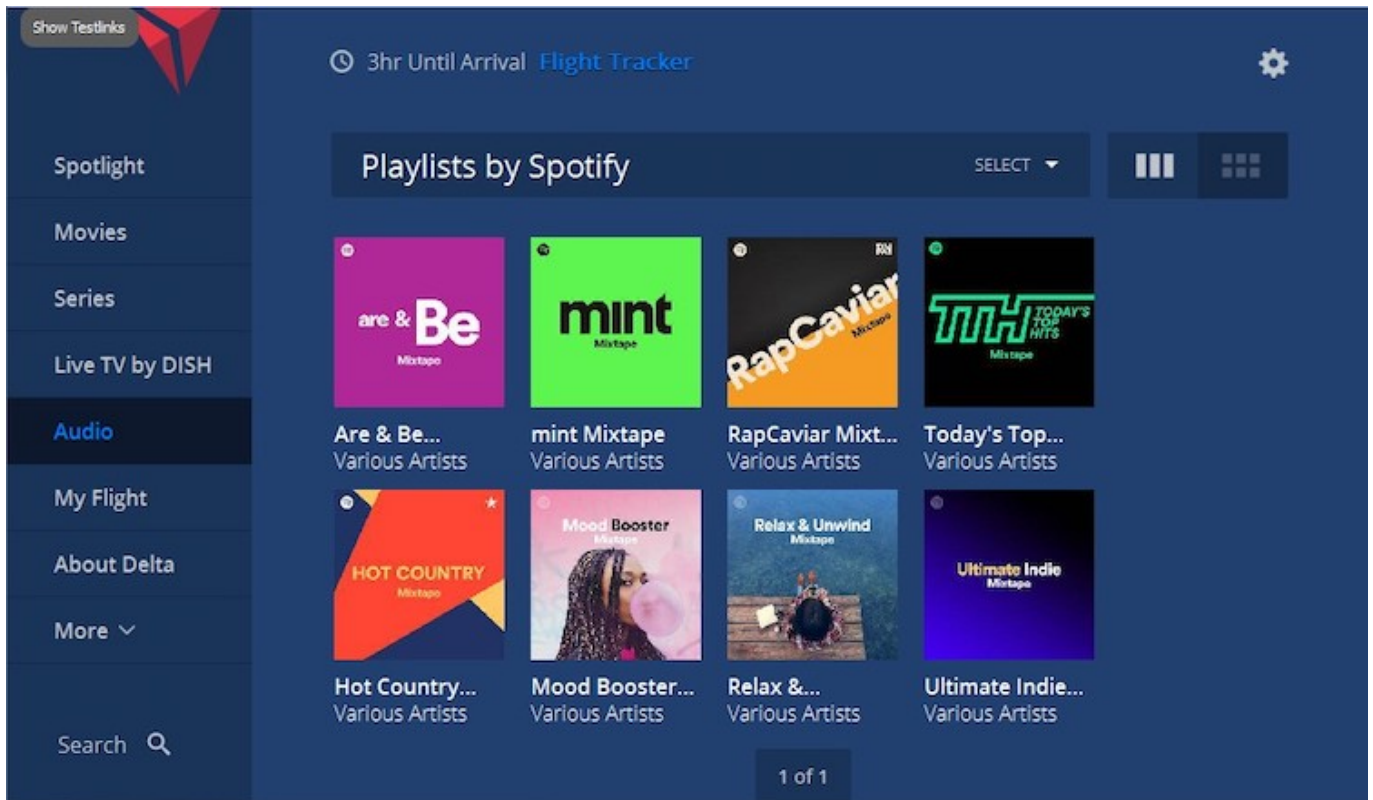
Earlier this year, Peacock became the exclusive streaming partner of JetBlue.  
Image Credit JetBlue/Peacock

In the UK, the subscription video-on-demand (SVoD) sector generated an estimated £3.3 billion (USD4.2 billion) in 2022, up 21.5 percent from 2021, driven by a combination of price rises and overall growth in subscriptions. It's an interesting statistic taken from Ofcom's (the UK's communications regulator) latest [Media Nations: UK 2023](#) report, which shows the continuing decline in traditional linear media viewing. Linear TV programming is viewed according to a predetermined/scheduled lineup of shows. With a linear TV, viewers must tune in to a specific channel at an exact time to watch a particular program — think NBC's *The Tonight Show Starring Jimmy Fallon* which airs weeknights at 11:35 pm.

In the UK, the number of households subscribing to at least one SVoD service reached 66 percent or 19 million in Q1 2023, down slightly from the 68 percent recorded in Q1 2022 by Ofcom in 2022. While seemingly plateauing in the home market, SVoD or direct-to-consumer (D2C) continues to disrupt the content delivery model — and this includes the inflight entertainment industry.

Over the past few years, [Disney+](#), [Paramount+](#) and [NBC Universal \(Peacock\)](#) have onboarded streaming services through several high-profile airline partnerships.

In December 2019, just in time for Christmas, [Delta Airlines](#) announced a collaboration with Disney+ that rewarded Delta SkyMiles members flying on certain routes with access to a 14-day trial of the subscription service. Subscribers were able to download films and shows to their mobile devices and stream offline, free of charge. Delta isn't a stranger to working with streaming services. As part of an investment in its Delta Studio IFE platform, the airline has also added content from both [Hulu](#) and [Spotify](#).



Delta Airlines works with streaming services such as Spotify, providing exclusive curated playlists to passengers.

Image Credit Delta Airlines

More recently, Paramount+ made inroads. In 2022, the streaming service introduced content to [Qantas'](#) IFE platform. Speaking at the time, Liz Baldwin, SVP Head of Streaming, Paramount ANZ, said: "Paramount+ is the home of the biggest names in entertainment, exclusive premium content and the most unique stories.

"Making this must-see content available to Qantas customers across the In-Flight Entertainment services with a dedicated Paramount+ category, is fabulous for travellers and further cements Paramount+ as a powerful player in streaming, delivering an exceptional consumer entertainment experience."

Months later, [British Airways](#) launched a dedicated Paramount+ channel on its Highlife entertainment platform for long-haul flights. The airline's Bronze, Silver and Gold Executive Club members were given a month-long trial of the streaming service.

Peacock became the exclusive streaming partner of [JetBlue](#) this Spring, and is now streaming content to both seatback screens and passenger's own devices. Members of the TrueBlue loyalty program have access to special offers on Peacock subscriptions which allows them to earn points for subscribing to the streaming service. TrueBlue loyalty members with Mosaic status will be gifted a one-year Peacock Premium subscription.

With Air Canada recently adding Apple TV+ to their IFE content, the growing proliferation of these services onboard are helping airlines increase their onboard entertainment content, while encouraging new or returning subscribers to the service.

The emergence of D2C services goes beyond SVoD. Other areas, including live events, are on the rise in popularity.

## Concerts in the air

The [Berliner Philharmoniker](#) recently partnered with [AERQ](#) to bring its Digital Concert Hall inflight. The subscription service has a unique on-demand archive with over 750 concerts and includes all the stars of classical music. It presents famous works and discoveries across six decades. Additionally, it entails over 500 exclusive interviews and work introductions as well as portraits, documentaries and curated playlists. “In their seats, the flight passengers will be able to enjoy the Berliner Philharmoniker as if they were sitting in the concert hall,” Berlin Phil Media GmbH tells *PAX Tech*.



Paramount+ has dedicated channels on both British Airways and Qantas, with BA Executive Club members given a month-long trial on launch.

Image Credit British Airways

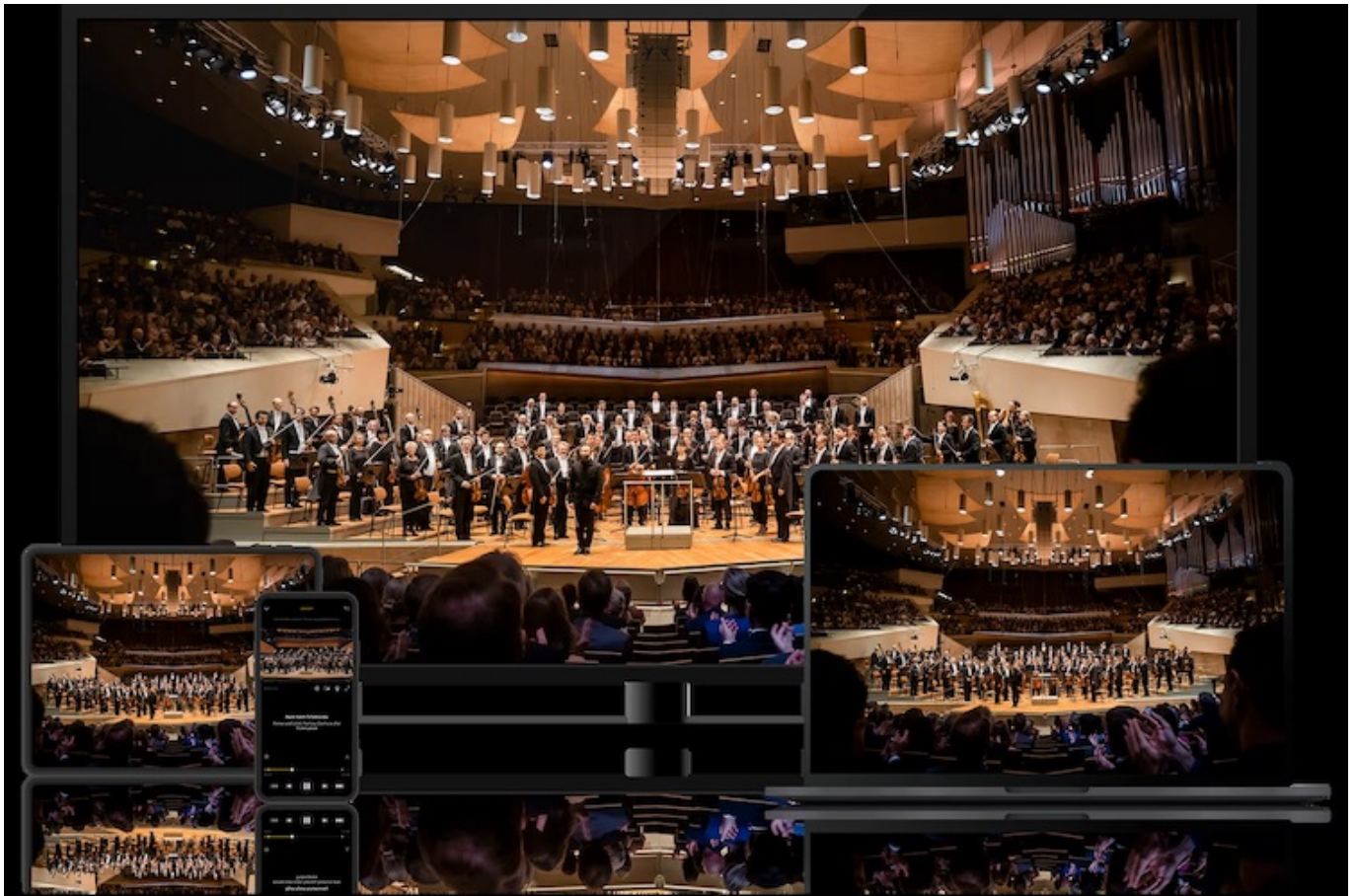
“D2C can only be achieved through meaningful collaborations between airlines, content providers and providers for digital cabin solutions such as AERQ,” an AERQ spokesperson tells *PAX Tech*. The company selects its collaboration partners carefully to bring innovation and add value to the industry, especially in this area. “Our collaboration with Berliner Philharmoniker’s Digital Concert Hall is an excellent example as our open IT platform AERENA allows Berliner Philharmoniker’s Digital Concert Hall to be easily onboarded into the airlines’ inflight entertainment,” they add.

The portability of streaming services offers subscribers the ability to watch any content, at any time. Does this mean they compete with legacy IFE solutions? AERQ believes so.

“D2C streaming in the cabin will benefit passengers, airlines and selected partners alike,” explains AERQ. “Passengers will benefit from personalized content, as they will be able to access the D2C streaming services they subscribe to during their flight. D2C streaming services in the cabin will thus 3

enhance and complement the content portfolio onboard, allowing airlines to offer their passengers the right content, products and experiences at the right time.”

According to AERQ, airlines and selected partners in turn will benefit from further revenue opportunities as they collaborate to provide passengers with a portfolio of targeted media content. “By collaborating with selected content providers and focussing on D2C streaming instead of licenced content, airlines will be able to reduce their costs while enhancing their media content library,” they say.



In a unique partnership with Berlin Philharmoniker, AERQ is bringing the concert hall to the cabin. Image Credit Berlin Phil Media GmbH

The Berlin Phil Media GmbH further elaborates: “The Berliner Philharmoniker’s Digital Concert Hall was created to connect and reach audiences worldwide. By collaborating with AERQ, the Berliner Philharmoniker’s Digital Concert Hall gains access to a new area of business and a new industry with many new opportunities. Integrating the Digital Concert Hall into the cabin will significantly increase its exposure as many passengers will discover it while browsing the inflight entertainment. This high-quality content with outstanding audio and video quality will add value, meaning and joy to the passengers’ time spent onboard.”

As passengers’ viewing habits evolve, the appetite for D2C will continue to grow. Beyond the traditional home markets, the aircraft cabin — with its captive viewers — allows the providers of such services to achieve the goal of reaching new audiences at the same time staying in touch with known audiences.