

2021 Ipsos Consumer Research

SAMSUNG Ads | 

The 2021 CTV Viewer

November 2021

A deep dive into the evolving CTV viewing habits of Europeans, what they watch and where, the importance of discovery in that choice and how the impact of emerging technologies is driving these changes.



Introduction

The nature of how we watch TV is evolving. Accelerated by the pandemic, audiences have taken up streaming on the big screen in large numbers. Increasingly, audiences are choosing based on content rather than a channel or platform.

Jumping from linear, to Netflix, to their Xbox, viewers today are hard to track and harder to engage. There has been a proliferation of choice, while enforced time at home has given many the opportunity to explore new TV-based entertainment options. These new viewing habits look set to stay.

Samsung Ads is the media and advertising division of Samsung Electronics, the world's biggest manufacturer of televisions. Advertisers are increasingly asking us where they can find their audience, as well for insight into the latest viewership trends and their drivers.

Samsung Ads can supply the data of 'what' is happening from millions of Samsung Smart TVs in Europe. The 'why', however, has been informed conjecture. To establish some certainties, we commissioned research with Ipsos to better understand the Connected TV (CTV) viewer in Europe.

We wanted to better comprehend consumer perceptions of linear, what factors are driving streaming and how they discover new content. Most of all, we wanted to understand the future of CTV and the changing role it is playing in the household.

About Samsung Ads

Samsung Ads delivers Advanced TV advertising at scale. Our Smart TV advertising solutions are built on a unique source of TV data from Samsung Smart TVs. Samsung Ads provides the holistic view for advertisers, connecting linear, OTT, and gaming to help brands see the total advanced TV picture. Brands turn to our managed service and programmatic offerings to achieve incremental reach, compliment linear TV campaigns, manage frequency, find difficult-to-reach audiences and most importantly, measure outcomes. Launched in 2015, Samsung Ads has offices in the U.S., Canada , UK, Germany, France, Spain, Australia, India, Brazil, Mexico and South Korea. Samsung Ads is a division of Samsung Electronics and is the #1 TV manufacturer globally.

About Ipsos

In our world of rapid change, the need for reliable information to make confident decisions has never been greater. At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth. This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide a true understanding of society, markets and people. To do this, we use the best of science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do. So that our clients can act faster, smarter and bolder. Ultimately, success comes down to a simple truth: You act better when you are sure.

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01 — Methodology

Samsung commissioned Ipsos, an independent market research agency, to conduct this research.

Consumer research began with a qualitative phase to act as a scoping stage; delving into the cultural context around viewing behaviours to bring Samsung teams closer to their audiences and bring richness to existing insights. Across five European markets, UK, France, Germany, Italy and Spain, we spoke to 25 Smart TV households spanning a range of lifestages, 5 in each of:

- living alone/house share
- couple no kids living at home
- family with kids aged up to 12
- family with kids aged 13-17
- empty nester families

A 3-day online consumption diary followed by in-depth interviews investigated how viewing habits have been affected by Covid-19 and how the Smart TV audience consider their Smart TV to be integral to their home, playing a much enhanced role to the traditional TV. The role and use of the Smart TV was further explored and we uncovered the emotional need states this device is fulfilling. As an entry point to both linear channels and streaming services we delved into each of these and the reasons why viewers turn to one over the other.

In order to future proof our findings it was essential we spent time exploring not only additional uses of the Smart TV, but a focus on how this could evolve in the future and pain points around content discovery and navigation solved with future innovation.

To further explore the market context and understand the cultural influences shaping the role of the Smart TV within the home now and in the future, we spoke to 5 cultural experts, running interviews that touched on topics such as; what does the future look like for TV services, what does true Smart TV personalisation look like, how are streaming services impacting audience tolerance for ads, what role does linear TV play in today's media landscape, how has gaming shaped the way we engage with Smart TVs and what will this look like in the future.

A wealth of insight was gleaned from the qualitative stage, however Samsung Ads were keen to add some numbers behind these to really seize the opportunities and understand the weight behind some of the attitudes and trends we uncovered. A questionnaire was designed to capture viewing habits and preferences, to explore attitudes and occasions that the qualitative stage uncovered and to delve more into some of the themes and issues that had already been discovered. This ran as an online survey with 1,000 Smart TV users in each of the same five European markets, (5,002 overall) conducted between 29th June and 16th July 2021. This stage ensured that the insight alongside first party data delivered a robust view of the Connected TV market. Interviews were conducted with a sample representative of Smart TV owners in terms of age and gender. Data is unweighted as the correct profile of Smart TV owners was achieved in field.

The findings in this report represent an aggregated view across all five markets.

02 — An introduction to the TV viewership landscape of today

Audience behaviours have changed, not only in terms of how much TV people watch but also what they watch. The impact of Covid-19, with people stuck at home, drove Smart TV audiences to explore new content sources and many have adopted these new habits long term.

New viewing behaviours are accelerated by Covid-19

Since the Covid-19 pandemic restrictions hit my country...



50%

Have discovered programmes or streaming series during the Covid-19 pandemic that they will continue to watch once all restrictions have ended.

“I watch some live TV like the news and soaps but am streaming more. We’ve also enjoyed watching travel shows on YouTube – it’s a nice, educational family moment. I also tend to binge more now - one year ago it would’ve been different. ”

- UK, Female, 51, older family



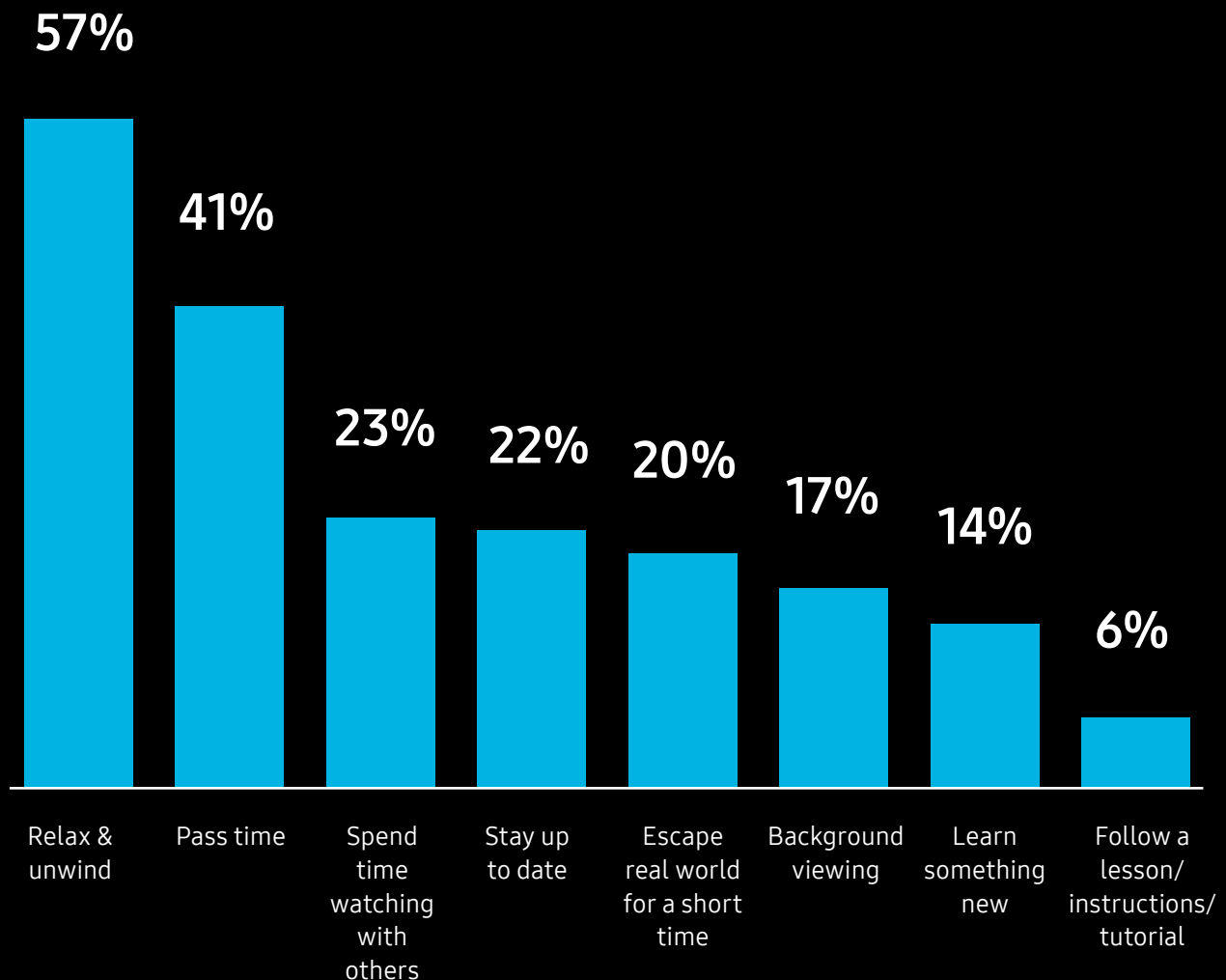
The proliferation of devices means we have more choice than ever for where we consume content. But according to the research, 77% of adults with a Smart TV agreed that they prefer to watch programmes or movies on a TV rather than on another device.

The reasons go beyond just the visual experience of a bigger screen - it's also about the shared experiences that a TV can create and facilitate. The Smart TV plays an integral role in the home, fulfilling a range of functional and emotional needs, from relaxation and escapism to education.

The Smart TV audience told us they now gather round the TV to stream for important TV occasions, just as people have done for decades. But what's different is that these experiences are happening away from live TV. These are high attention, high impact moments for advertisers.

However, there is still an appetite for live TV, in particular around event viewing. Live action such as sports and news, is still a largely linear experience. Half (49%) of adults with a Smart TV said they would mostly go to linear TV to catch up on what is happening in the world. This is supported by data from our Samsung TVs in Europe, which saw a big spike in linear viewing in June this year, as a series of major sporting events collected at once.

I typically watch my Smart TV to:



Key takeaway: Streaming is here to stay. Encouragingly for advertisers, 40% of the Smart TV audience have tried new free streaming services which are predominantly ad funded since the Covid-19 pandemic.

03 — The evolving roles of linear vs streaming

Linear TV content still holds significant cultural value. However, streaming is starting to cement its place in our cultural consciousness. Viewers now turn to streaming services for a range of viewing occasions.

Streaming is especially popular when it comes to binge watching - with 72% of the Smart TV audience who watch SVOD services monthly agreeing they enjoy watching multiple episodes of a show during a viewing occasion, and 83% of the Smart TV audience saying they'd mostly turn to streaming services rather than linear TV to binge-watch. However, the sheer choice of services, platforms, log-ins and stuff to watch is overwhelming and two-thirds (67%) of Smart TV viewers agreed they already have more than enough choice of series, movies, sport and other content to watch from the services they have access to.

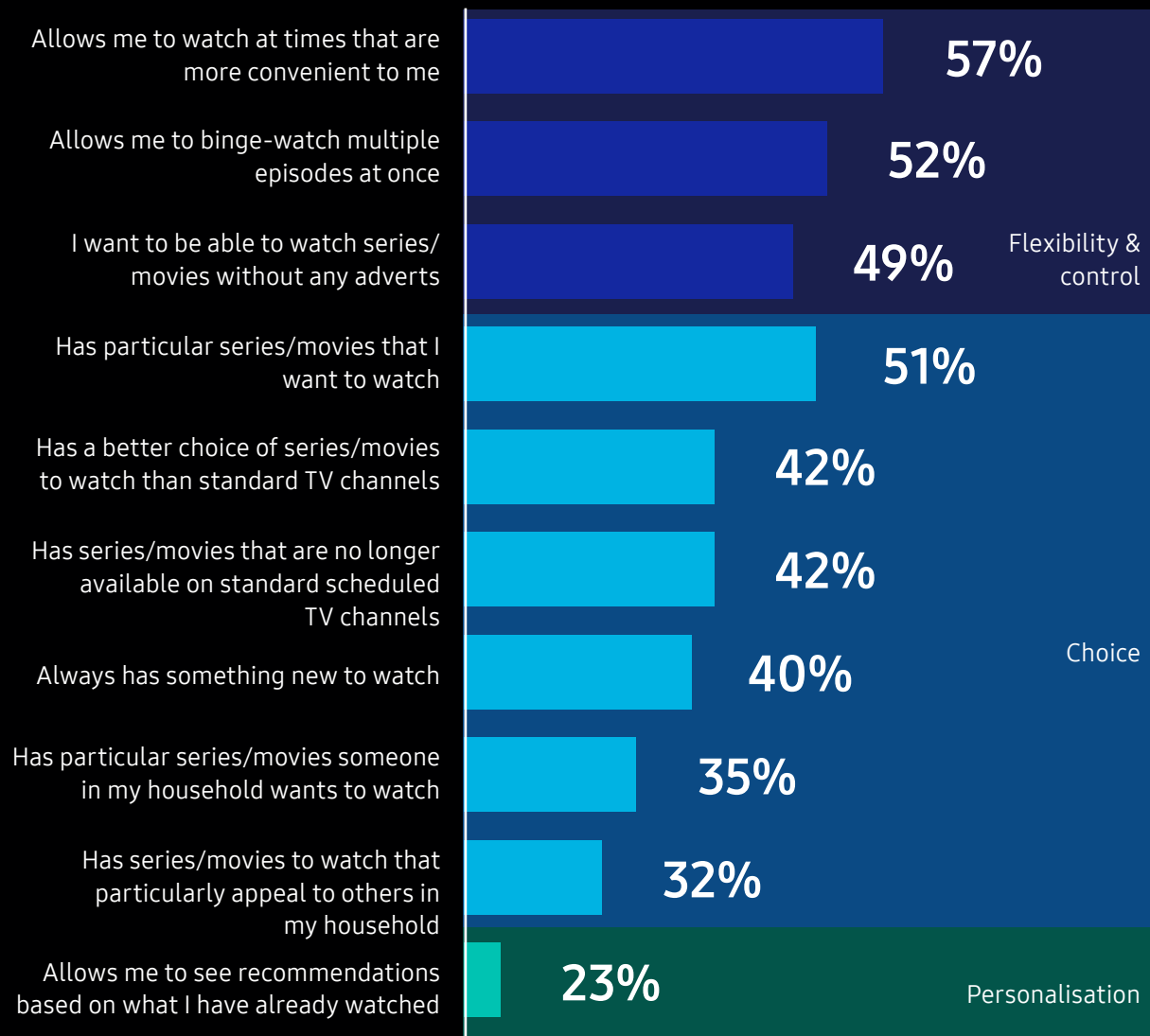


**“You have a wide choice of content.
It’s like a shop you can choose
from. Live TV is more like a
concert that you go to and you
have to watch what is given.”**

- Germany, Male, 46, Living Alone

When asked why they choose to watch on-demand or streaming services, three distinct themes came through: flexibility & control, choice and personalisation.

Why they choose to watch on-demand or streaming services



How viewers engage with streaming content is also different to linear. New behaviours and viewing preferences have emerged.

Streaming services have now been around a number of years and have become an important part of our media lives. The sheer number of services now available, and growing, coupled with the ease of access driven by the adoption of Smart TVs means that how and why we stream is driven by a couple of different factors:

Flexibility & Control

Because of the flexibility and control streaming affords viewers, they will plan and set time aside to stream on evenings and weekends.



59%

of Smart TV users would mostly choose to watch streaming services to watch something that is part of their regular viewing routine.
(vs. 33% linear)

Attention

The Smart TV audience are actively choosing content on streaming services over linear for moments of focused viewing. This delivers an engaged audience likely to be giving the Smart TV their undivided attention.

A circular inset image showing a woman with long brown hair, seen from the side, holding a remote control and pointing it at a large Smart TV. The TV screen displays a grid of streaming service thumbnails, including 'INSIDE THE CRIME', 'EMERGENCY', 'FASTTIME', 'FINAL LAP', 'ONE MAN ONLY', and 'THE LAST'. The background is a blurred interior with a lamp.

74%

of Smart TV users would mostly choose to watch streaming services to really focus on what they are watching and forget about other things.
(vs. 16% linear)

Share moments

Audiences are increasingly turning to streaming for planned, shared viewing - in effect creating their own prime time. The emotional investment and attachment are the same as for the coveted 9pm spot, but it is on the viewer's own terms. Streaming brings households together as a bonding and shared experience. Consumption of trending content also enables inclusion in shared culture and social discussions.



65%

of Smart TV users would mostly choose streaming services to watch the things that other people are talking about.
(vs. 15% linear)



“We schedule streaming in to fit in with our busy lives. It feels special. We plan it and focus on it more. It’s a real occasion.”

- UK, Female, 45, Couple

Key takeaway: The different uses of a Smart TV have created different “need” states that are powerful for advertisers to tap into.

04 — The role of Smart TVs in how consumers engage with content

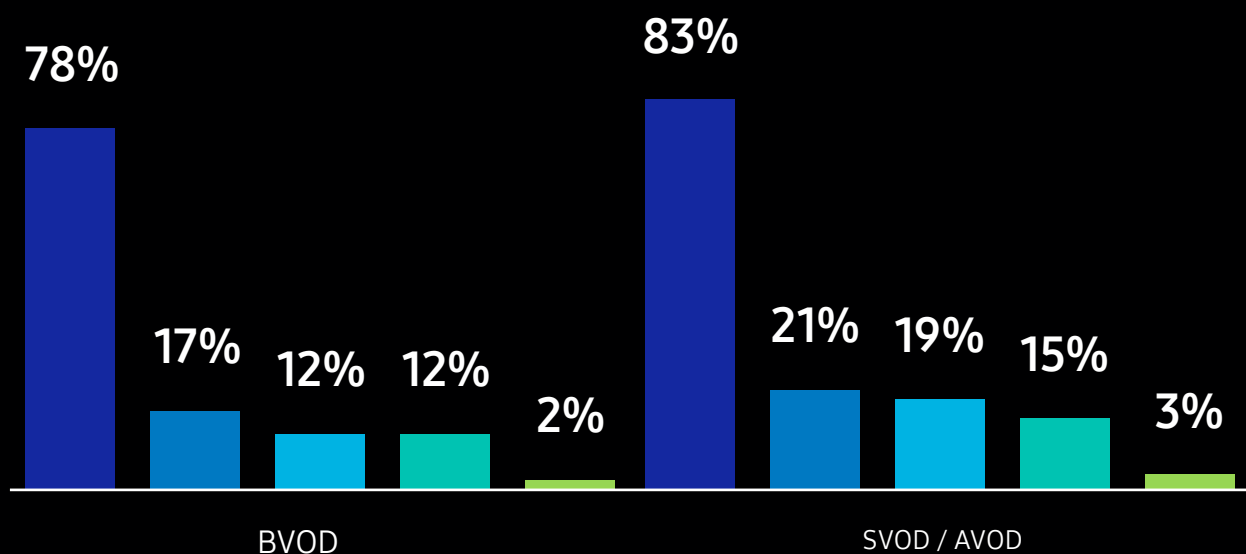
Functional Needs

The big screen dominates when it comes to streaming.

Across all streaming types, the Smart TV was by far the most popular device.

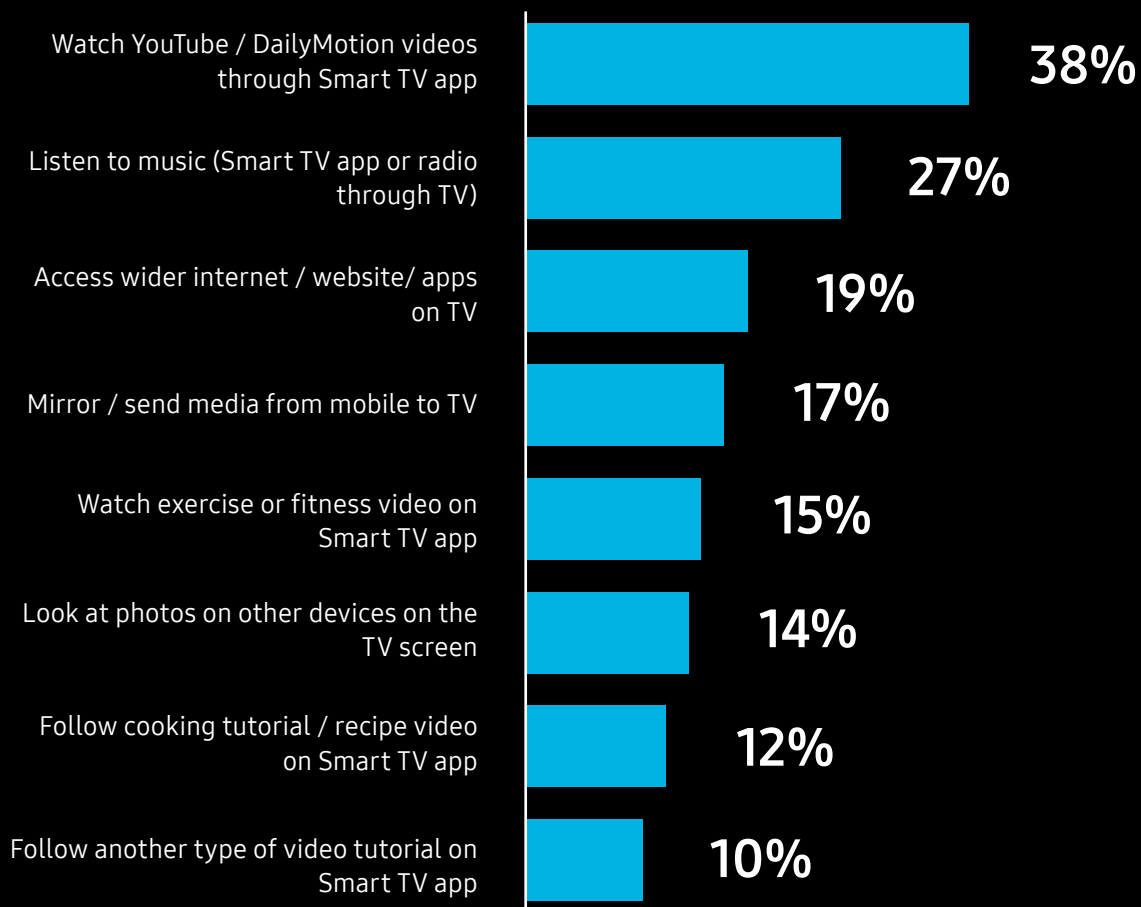
I typically watch my Smart TV on:

■ Smart TV ■ Desktop / laptop ■ Smartphone ■ Tablet ■ Games console



Unlike the traditional TV set, primarily a means to only access linear TV, the Smart TVs fulfil a range of functions and are encouraging a diverse range of uses that go beyond the classic lean-back entertainment experience. According to the research, YouTube and its rival Dailymotion have been viewed on TV by 38% of Smart TV users in the last three months while 27% used their TV as a music player — a new role for the TV.

In the past 3 months I have used my Smart TV to:

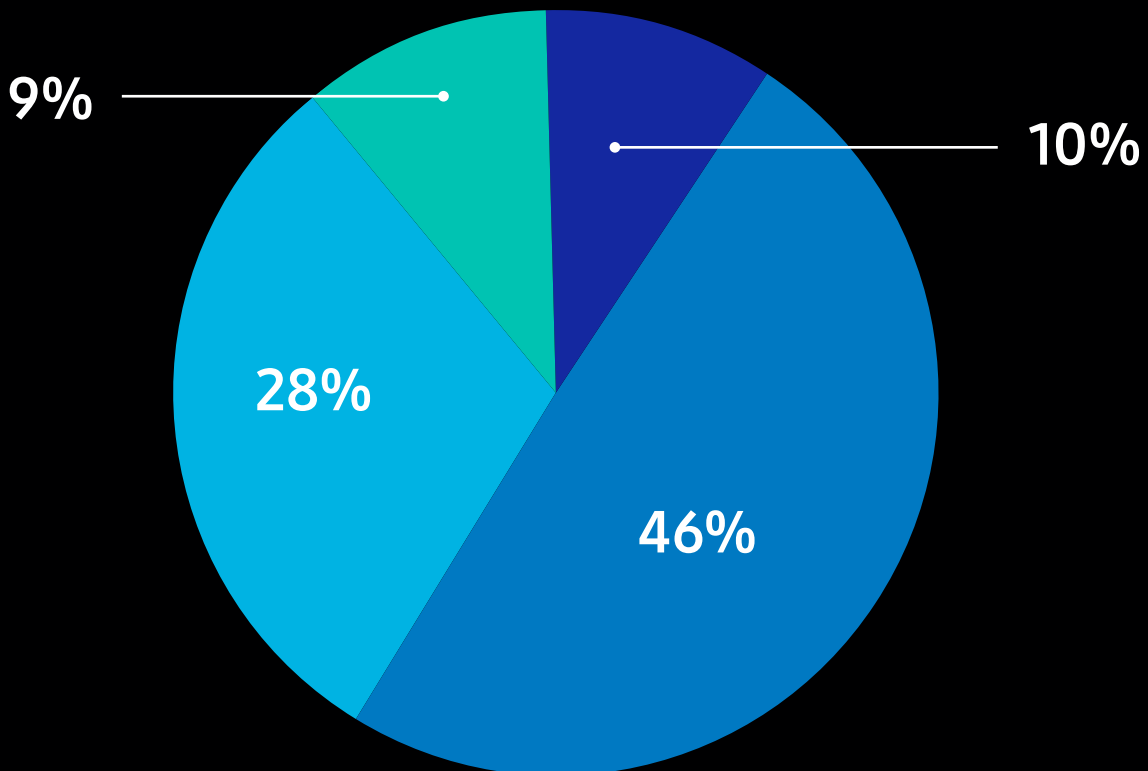


Emotional Needs

The Smart TV serves a number of emotional roles and needs. Some align with TV's traditional main role in the home - for instance, for nearly half of the Smart TV audience, (46%), their TV is a source of escapism. For a further 28% the Smart TV plays a role as social connector - linking audiences together with shared content and current events.

The Smart TV serves a number of emotional roles and needs

■ Companion ■ Source of escapism ■ Social connector ■ Educator / instructor



“The Smart TV keeps us company, both when the TV is switched on live in the background and when we each choose to watch what we most enjoy. It keeps us entertained and brings joy when we’re at home.”

- Spain, Female, 61, Empty Nester

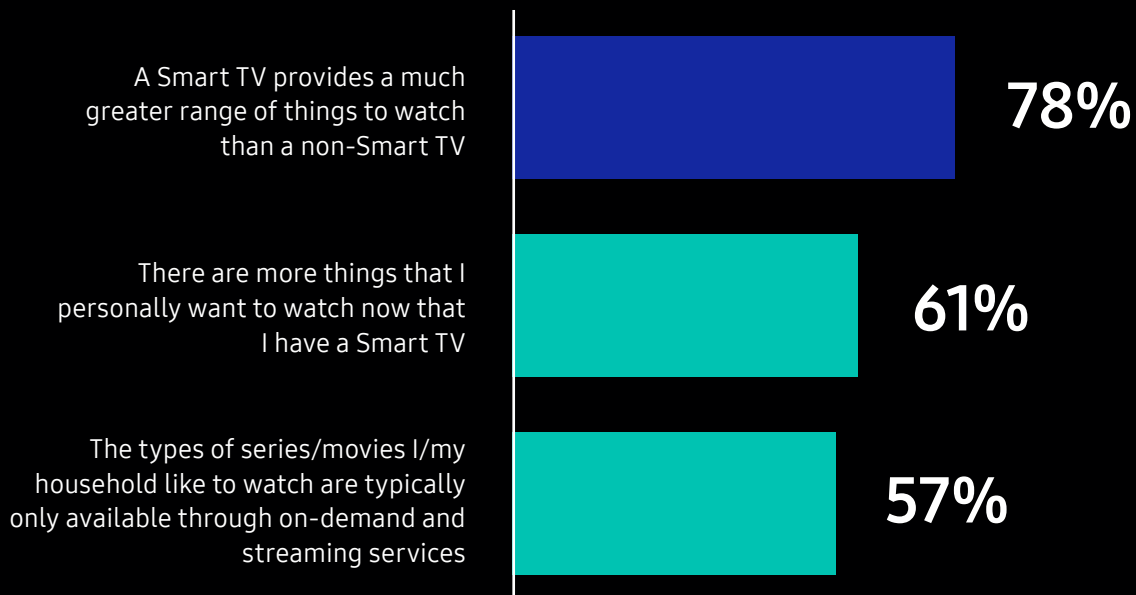


Personalisation

Smart TVs are seen to offer more choice than non-Smart TVs, opening up viewers to new content, platforms, and completely changing how they watch TV. In fact, 78% of the Smart TV audience would mostly choose to watch streaming services to discover something new to watch vs. 14% who would choose linear for these moments of discovery.

The Smart TV audience values the freedom Smart TVs have given them, allowing them to customise their own TV experiences. Smart TVs allow audiences the freedom to choose what they want to consume, when they want. This means they can choose media which fits in with their schedule, lifestyle and mood — a key perk of CTV.

In the eyes of audiences, this freedom has changed the relationship they have with their TVs. Traditional TVs were used primarily as a vehicle to access scheduled linear programming, whereas the Smart TV is an entry point to so many different services and apps.





77% agree

"A Smart TV makes it easier to watch at the times convenient to me than a non-Smart TV."



72% agree

"A Smart TV makes it easier to find new programmes and movies than a non-Smart TV."



76% agree

"I consider it very easy to use a Smart TV."

Key takeaway: Smart TVs have changed the role of the TV from being just a device to watch on, to fulfilling a function as the hub of the home. The TV is no longer just for passive watching but fulfils many functional and emotional needs for the household.

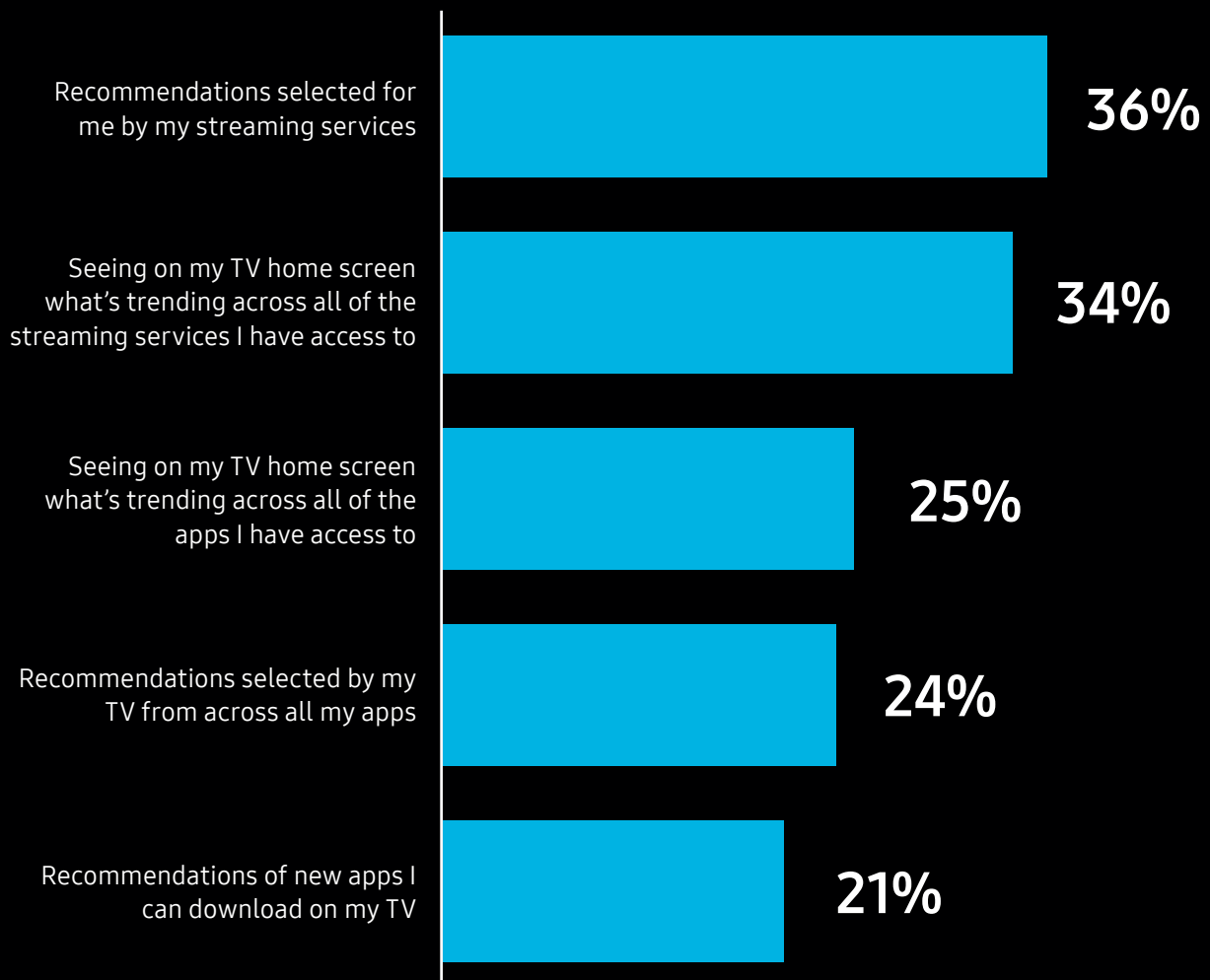
05 ————— Discovery - the new viewership battleground

Most Smart TV users are interested in features that aid discovery. Through the proliferation of internet connected TVs, there has never been so much choice of content and platforms. This has left viewers with some decision making paralysis. With further platforms and content planned to launch on Connected TVs over the next 12 months, this conundrum of choice is only going to become more complex.

The Smart TV audience agrees that there is a role for the Smart TV itself in helping viewers navigate the influx of content available. Two thirds (66%) of the Smart TV audience would be open to recommendations on their TV home screen based on shows they or their household have watched across services.



What type of recommendation are you interested in seeing on Smart TV home screen?

**79%**

Would be interested in using any of these

Consumers look to Smart TV manufacturers to build best in class user experiences, and as viewing behaviours change and the content landscape evolves, the TVs will too. Viewers are becoming more and more overwhelmed by the amount of content and media choice and they are looking for cross platform personalised recommendations to guide them.



64%

of Smart TV users would be likely to look at information on the Smart TV home screen to help them decide what to watch when they have no firm viewing plans.



21%

of Smart TV are more likely to go straight to their app or content of choice to help them decide what to watch when they have no firm viewing plans.

The Smart TV has opened up new opportunities for advertisers to use content platforms to engage with viewers in their moment of discovery - in those seconds when they turn on the TV and are deciding what to do or watch next. We asked Smart TV users to imagine a range of different types of information that could be available on the home screen of their Smart TV. They pictured when they sat down to watch something without yet knowing what they wanted to watch, and considered which of a range of possible features they would likely engage with. Nearly two thirds (64%) would be likely to look at information on the Smart TV home screen to help then choose what to watch next.

Key takeaway: As the explosion of content continues, consumers are looking to their Smart TVs to aid discovery and for recommendations. Samsung Ads' growing portfolio of home screen formats help advertisers engage with consumers in moments of discovery.

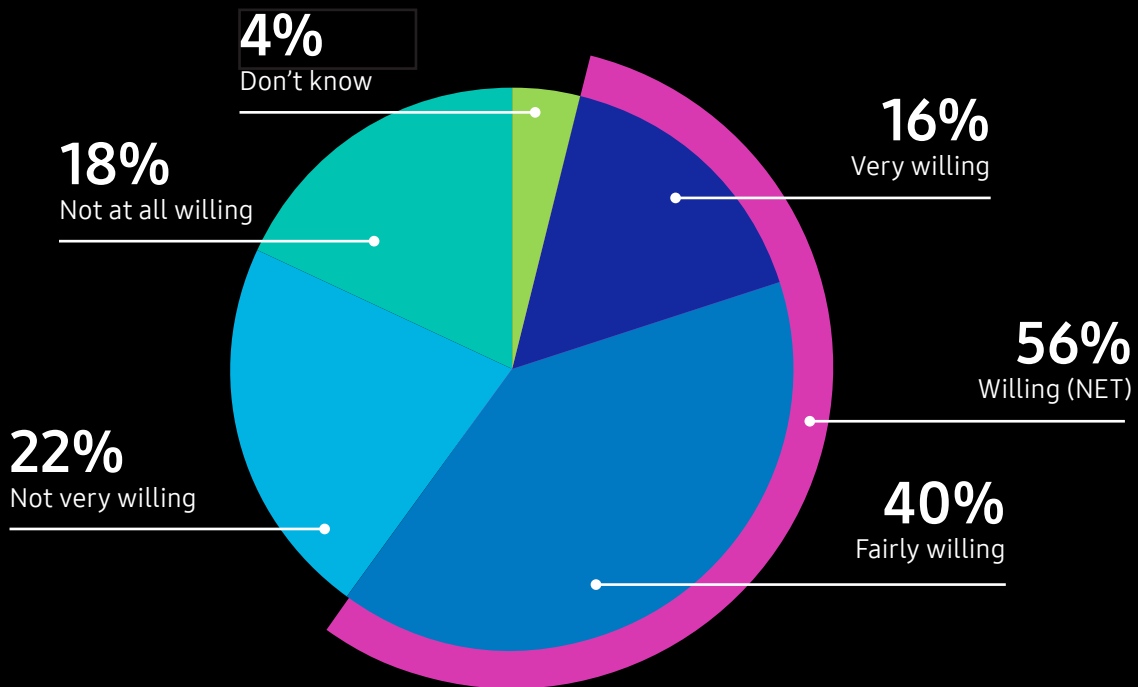
06 — Ad effectiveness on CTV

For many there is a media spending cap. While viewers are open to new ways of discovering and accessing content, they do not necessarily want to add further paid-for options to provide this. As it stands, 41% of Smart TV viewers agree that their households are already paying more than they would like for streaming services and other services (e.g cable, satellite etc.). As consumers reach saturation point on the number of SVOD subscriptions, they want free, ad-supported TV. But only if the advertiser can enhance their viewing experience.



For those not looking to spend any more, AVOD is a viable option

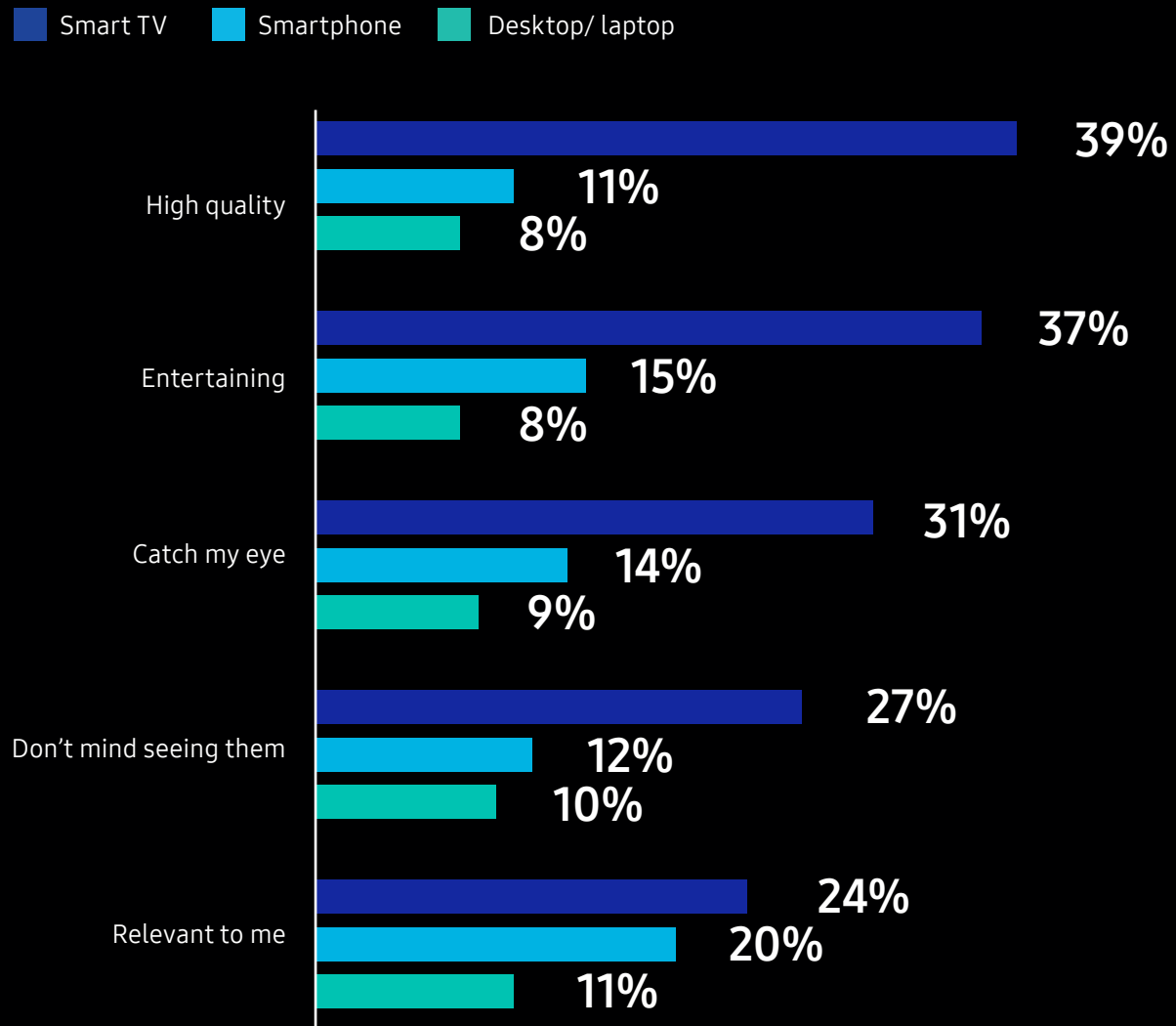
Willingness to accept advertising on Smart TVs in exchange for free content



Viewers' willingness to watch ads in exchange for free content, combined with the perception of ads viewed on TV, is an exciting opportunity for advertisers trying to reach streaming audiences through ad funded streaming platforms. Smart TV users in the survey had an overwhelmingly more positive attitude to ads viewed on TV vs other devices, and were at least twice as likely to consider them better quality, entertaining and eye-catching vs ads on other devices in the home.

The ad perception is more positive on CTV

The one device that has ads that are positive



Key takeaway: As preference for streaming accelerates, advertisers' ability to reach audiences becomes more important. The good news is that audiences are expressing openness to Smart TV ads.

07 ————— What does the future hold for TV?

How we watch TV has changed, and will continue to change, but what we can be certain of is that streaming is here to stay. Smart TVs will play an increasingly important role in how the ecosystem is built and managed as more and more apps and platforms are added. TV has always been emotional as well as practical: today, this is more true than ever.

“You have to log in here, log in there, this would be so really awesome if it was all in one. Having to enter very elaborate passwords every time is a waste of time.”

- Germany, Male, 37, Couple



Ultimately viewers are looking for smart technology to give them a smart viewing experience. They want user experiences that will enhance their TV viewing experience, and are looking for curation at the TV level to enable better discovery.

75% of the Smart TV audience would find the ability to see all content from all platforms they have access to in one place appealing (very or fairly appealing).

Content platforms and TV manufacturers will need to work hand in hand to build effective curation that enables viewers to discover the content that best suits their interest.

As consumers reach saturation point on the number of SVOD subscriptions, they want free, ad-supported TV. Advertisers too can start to see the size of this opportunity to reach those hard to reach streamers - but only if the advertiser can enhance their viewing experience. This reflects what we have known instinctively; to fit into a premium advertising channel, the ads must be premium, too.

For more information,
contact us under
adsales@samsung.com