

TV on alternative platforms

A Thought Piece based on TouchPoints3 Data

2010



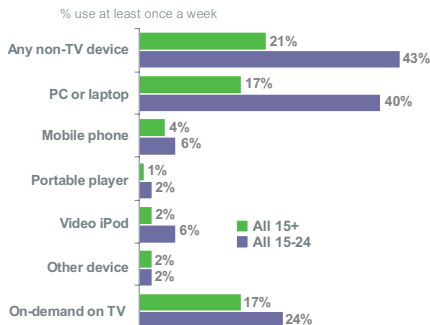
The technological advances of recent years have brought about significant changes in how we can choose to access video content. They have given us the ability to timeshift and create our own viewing libraries, to choose between downloads and live streaming online, and to access on-demand programming both online and through the TV set.

The latest developments - TV sets with built-in internet connectivity, YouView, the internet-connected TV set top box, and Google TV - are finally bringing the convergence that we have been talking about for the last decade. Like many TV developments before them, they promise to change the way we watch TV forever. At the very least, they will certainly fuel the debate as to whether live viewing via traditional broadcast TV is soon to have

had its day, rendering traditional funding models unviable, as broadcasters struggle to work out how best to make good the loss of revenue from traditional streams by capitalising on the success of on-demand content.

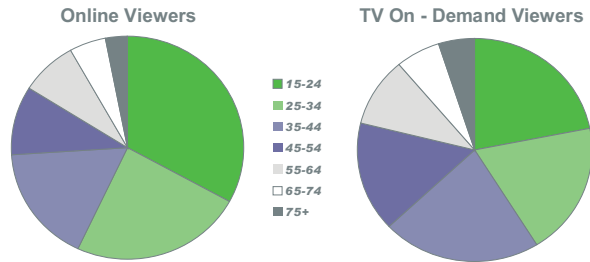
Plenty has already been said about the ways in which the PVR and on-demand services on TV have allowed us to put ourselves in control of the schedule, but we focus here on the viewers **via alternative platforms**, a group that the IPA TouchPoints3 hub survey tells us is actually larger than the group of viewers who use on-demand services via their TV set. Despite pointing to a sizeable group of consumers who regularly watch content via other devices, the survey also gives us good reason to be optimistic about the future of TV in all its forms.

Weekly usage of alternative TV



Source: IPA TouchPoints3 Superhub Self-Completion Questionnaire

Profile of Online and TV On-Demand weekly viewers



Source: IPA TouchPoints3 Superhub Self-Completion Questionnaire

Just over 10 million adults in Great Britain watch television at least weekly through a device other than a TV set, with a desktop or laptop the device of choice for the vast majority of alternative users, compared with around 8.5 million using on demand at least weekly via their TV set.

Whilst TV on-demand viewers have a profile that is quite close to that of the total population, viewers on other devices show a more skewed representation, mainly in respect of age, giving **access to the difficult to reach younger generation of lighter viewers.**

As one would expect, likelihood to watch regularly via alternative platforms decreases with age (from 43% of 15-24's to just 7% among those aged 75 and over) but we should not forget that a quarter

of those using alternative platforms on a weekly basis are aged 45+ and have embraced these new modes of viewing despite having grown up in a relatively primitive TV environment.

While many of the differences between users and non-users of alternative platforms can be explained by differences in age profile, analysis within age group shows that **alternative platform users are lighter viewers overall** and their viewing is less concentrated in traditional peaktime, though it peaks at 9pm, only half an hour after viewing via the TV set.

On-demand viewing is significantly more prevalent than streaming or downloading; nearly three quarters (73%) of online viewers say that they usually watch later using catch-up or on-demand services, with 17% using downloads or podcasts,

and only 8% streaming live programmes. Whilst football, other sport, news and music are the favoured genres for streaming, top of the downloading list are drama, comedy and documentaries.

But online's contribution to the overall TV proposition is low - of the total television viewing time registered in the TouchPoints e.diary, 1.2% is recorded as viewing via the internet. The BARB survey itself estimated in Summer 2010 that past week online viewers had watched for an average of 1 hour and 45 minutes during the week, equating to 15 minutes per adult within the total population, or 1% of total viewing.

The overlap between users of on-demand on television and viewing online is relatively small - only 2.4 million adults engage in both activities. Less than a quarter of alternative platform users (24%)

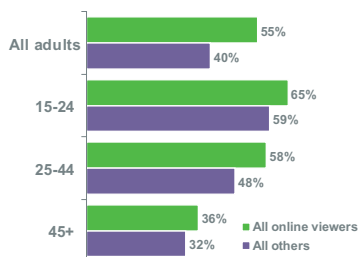
are also using on-demand services via their TV set on a weekly basis, but **they have not rejected traditional TV**; 83% of them watch on a conventional TV set on a daily basis (compared with 90% for the general population) and 96% watch on a TV set at least weekly. Even amongst the top fifth of online viewers, 71% watch via a TV set on a daily basis and only 4% never watch that way.

Not only do alternative platform users still watch regularly on a TV set, they are also even more likely than others to enjoy watching their favourite TV programmes with friends and family, evident within age groups, as well as at the overall level.

There is also much to suggest that the **overall quality of viewing of those who watch regularly on other devices may be higher**; both in total and within age

Viewing with Friends and Family

% who agree that they enjoy watching their favourite TV programmes with friends and family



Source: IPA TouchPoints3 Superhub Self-Completion Questionnaire

group, they are less likely in general to watch through force of habit and more likely to watch as a treat, to make them feel better and to stimulate the imagination.

With VOD advertising taking a growing share of TV advertising spend, and being increasingly planned alongside traditional broadcast TV, it is encouraging to see that those who have been hardest to catch via the linear schedule are those most likely to be reached by advertising within online VOD content. Of the bottom quintile of TV viewers (who watch an average of less than 1.5 hours per day of television), nearly a third (31%) also watch on other devices on a weekly basis. Whilst neither daily nor weekly reach is significantly uplifted by online viewing, additional viewing time within an environment with the targeting potential of online must be seen as a significant opportunity

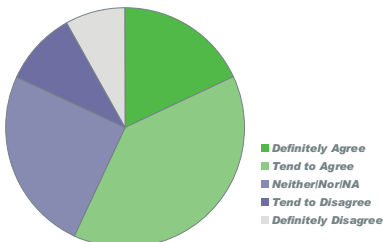
for advertisers.

The TouchPoints data also offer reassurance that **online advertising has high acceptance**, with over three times as many on-demand viewers agreeing as disagreeing that *"I am happy to watch adverts before an on-demand programme if it means that the programme is free to watch"*.

Summary

The IPA TouchPoints3 hub survey both reassures us that the traditional linear schedule fulfils a need for shared, simultaneous experience and also offers evidence that online viewing may be an opportunity rather than a threat to traditional broadcasters.

"I am happy to watch on-demand adverts before an on-demand programme if it means that the programme is free to watch"



Source: IPA TouchPoints3 Superhub

Base: All who ever use on-demand services to view online



About Ipsos MediaCT

Ipsos MediaCT helps clients make connections in the digital age. We are leaders in providing research solutions for companies in the fast-moving and rapidly converging worlds of media, content, telecoms and technology.

About IPA TouchPoints

IPA TouchPoints is a unique, consumer-focused, multi-media database produced specifically to provide insights into how people use all media.

The Hub Survey gives a unique view of how media usage fits into people's daily lives, through respondents recording their activities for each half hour across a week in an e.diary. The TouchPoints Channel Planner is created by integrating the industry media currencies onto the Hub Survey to provide the only industry available, multimedia channel planner.

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