

John Sintras: Growth of TV is something to watch

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John Sintras

It is certainly a dynamic time in television land at the moment. Thirty-three new TV channels will have been started by the end of 2009; time-shifted viewing data will finally be incorporated into the OzTAM currency in late December; Seven, Ten and Foxtel have been busy spruiking their 2010 program line-ups in launch events around the country; and the Multiview research panel will be introduced into subscription TV homes early next year.

That is a lot of activity for a medium that is supposedly dying. The reality is that consumer engagement with TV programs is as strong as ever.

Starcom MediaVest's recent word-of-mouth study, "Branded Conversations", found TV programs are the most talked about product category of all, with 79 per cent of all people talking about a TV program an average of 2.7 times a week.

And contrary to popular belief, technology is actually helping to increase consumer engagement with TV content, with the digital video recorder (DVR) in particular helping people view more programs more often, on their own terms.

To check this trend, and to give us an idea of what we can expect when time-shifted viewing data is introduced in Australia, Starcom recently commissioned a major TV behaviour survey in conjunction with Ten Network.

We spoke to 1600 respondents aged 16 to 54 across Australia in September and October, using a combination of household surveys, viewing diaries and in-depth interviews. The key findings included:

- * Most interaction with TV sets across the week is still for viewing TV programs. Almost three-quarters (72 per cent) of all interactions were watching live TV, 15 per cent were watching a recorded program, 7 per cent were recording a program and the remaining 6 per cent were watching DVDs, gaming or hooking up their PCs.
- * People have very quickly embraced the new free-to-air digital channels. Seventeen per cent of all respondents claimed to be regular watchers of both Ten Network's One and Nine Network's Go and the results were similar in both DVR and non-DVR households (we were in field too early to get a result for Seven Network's 7Two, which launched on November 1). Also, 6 per cent of people nominated both channels as their favourite channel, already higher than the results for SBS or any of the existing subscription TV channels among people aged 16 to 54.
- * A DVR in a household drives more daily viewing. More than three-quarters (78 per cent) of respondents in DVR households claimed to watch more than 1.5 hours of TV on weekdays versus 71 per cent in non-DVR households; it was 86 per cent versus 77 per cent on weekends. Engagement metrics in DVR households are also high: 54 per cent say they enjoy watching TV programs more since getting a DVR, 55 per cent say they watch a greater variety of programs, 40 per cent say they spend more time watching TV and 70 per cent have rarely missed an episode of their favourite programs since getting a DVR.
- * Time-shifted viewing varies dramatically by program genre and is consistent with the trends already seen overseas. News and current affairs is the genre with the highest "mostly live" watching score in time-shift-enabled households at 76 per cent, followed by sport with 60 per cent and light entertainment at 54 per cent. The genres with the lowest "mostly live" viewing scores are mini-series, movies, documentaries and drama on 32 per cent, 34 per cent, 37 per cent and 38 per cent respectively.
- * Most time-shifted viewing happens within a week. Seventy-one per cent of respondents claimed to watch recorded programs within the week, validating OzTAM's decision to limit the capture of playback viewing at seven days. Almost one-quarter (23 per cent) of people claimed to watch recorded programs the same day, 21 per cent the next day, 15 per cent within two to three days and 12 per cent within four to seven days.
- * Ad skipping is prevalent in time-shift playback but so is ad avoidance in traditional viewing in non-DVR homes. Interestingly, only 9 per cent of DVR households nominated ad skipping as the main reason for recording programs. However, 74 per cent said they frequently or occasionally skipped through ads. On the surface, this represents a huge challenge for traditional TV commercial formats. Of some consolation is the fact that 42 per cent of people said they would stop skipping through an ad if they were interested in the product being advertised, 35 per cent if the content was interesting and 30 per cent if the content was humorous.

* Before we all get too depressed about these figures, we must remember that people have been skipping ads by other means since TV was invented. To qualify this, we also asked non-DVR households what they did during the ad breaks: 40 per cent of people claimed they never or rarely watched the ads and most people also claimed to leave the room, channel flick, or multi-task during ad breaks anyway, so it is difficult to make the claim that DVRs themselves are driving ad avoidance.

* Downloading TV programs is increasing. Twenty per cent of people claimed to have streamed or watched TV programs online, 15 per cent claimed to have downloaded and saved a TV program and 11 per cent claimed to watch TV programs downloaded by others. These figures undoubtedly will continue to grow and the next challenge for the ratings currency will be how we start to measure this increasingly large viewing opportunity.

There has never been a more dynamic time in TV and it is going to be fascinating to watch the developments over the coming year. While there will be more content, increasing viewer engagement and interaction and more opportunities for advertisers, it is not a given that viewers will also engage with traditional TV commercial formats.

Now more than ever we need to understand how and why people are viewing to successfully connect our brands with their favourite TV content in meaningful ways.

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