TV viewing in the internet age

BARB's study of UK TV viewing habits shows 87% of all viewing is still live at the point of broadcast, with other uses for the TV screen representing on average only 40 minutes per day. Netflix and Amazon Video are growing but are complementary to linear TV and online viewing is still in its infancy. The number of non-TV households is increasing slightly, although still hovering around the 5% mark

By Justin Sampson, *BARB*

Our individual and collective desire for new and different experiences means we often place a premium on the new and overlook the benefits of more established options. Yet it's rare for established ways of doing things to be completely displaced. It was in 1913 that Riepl's law was coined: we accumulate new forms of media behaviour and rarely discard old forms of usage. Instead, a convergence of behaviours takes place.

In a similar vein, it was in the early 1960s that Marshall McLuhan predicted the arrival of the internet. He called it the extension of consciousness, saying that this would include television as its content and would transform television into an art form. Some internet evangelists disagree and prefer to proclaim the death of television – in particular, linear television. This isn't a new assertion by media owners keen to attract television advertising budgets, although the voices sometimes seem louder than ever.

BARB is a joint industry currency that is owned by the television and advertising community in the UK. For 35 years we have been providing impartial evidence on how people watch television and are well placed to investigate whether the alleged malaise is real or perhaps just wishful thinking. There are several claims that are used to fan the flames.

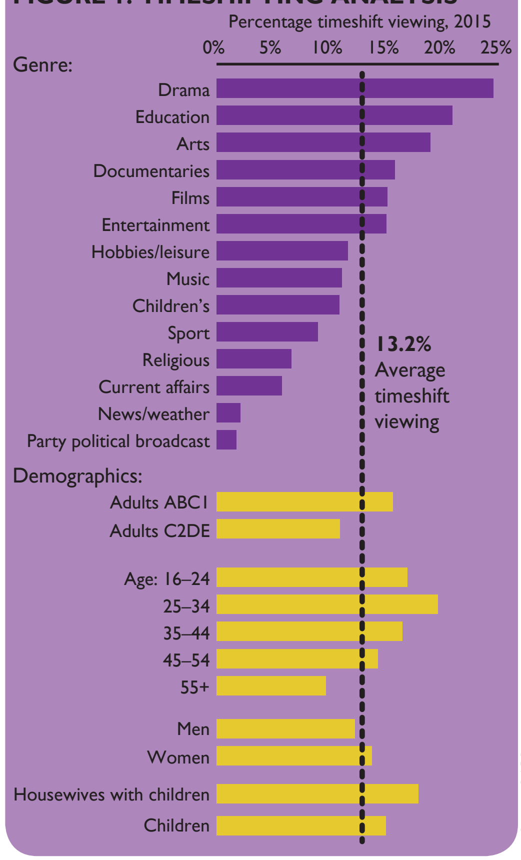
1 I NEVER WATCH TV LIVE ANY MORE

When I joined ITV in 2004, people would tell me that they just didn't watch any television. It never took long to elicit four or five programmes that they never missed. This critique has evolved and people now tell me they don't watch live television any more; cue the surprised looks when I explain that 87% of all viewing is still live at the point of broadcast. Perhaps the reason for the surprise is because it's the busiest people who are most likely to timeshift their viewing – busiest or, in the case of children, those subject to other time pressures, such as parents telling them it's time for bed.

By and large, the most avid viewers of recorded television programmes are those who have a life outside the home: adults between the age of 16 and 44, with a pronounced peak in the 25–34 banding (Figure 1). These are people who, if they're not working late, are out and about on the town.

There are important regional variations too. Put simply, the further away you live from London, the less likely you are to timeshift your viewing. Work–life balance issues have to be at play: those low timeshift viewers in Ulster, Wales, Scotland and the Borders are probably enjoying all the benefits of living away from the cities. The biggest timeshifters are Londoners and those in the South and South-East, many of whom spend long hours at work sandwiched between soul-destroying long commutes.

FIGURE 1: TIMESHIFTING ANALYSIS

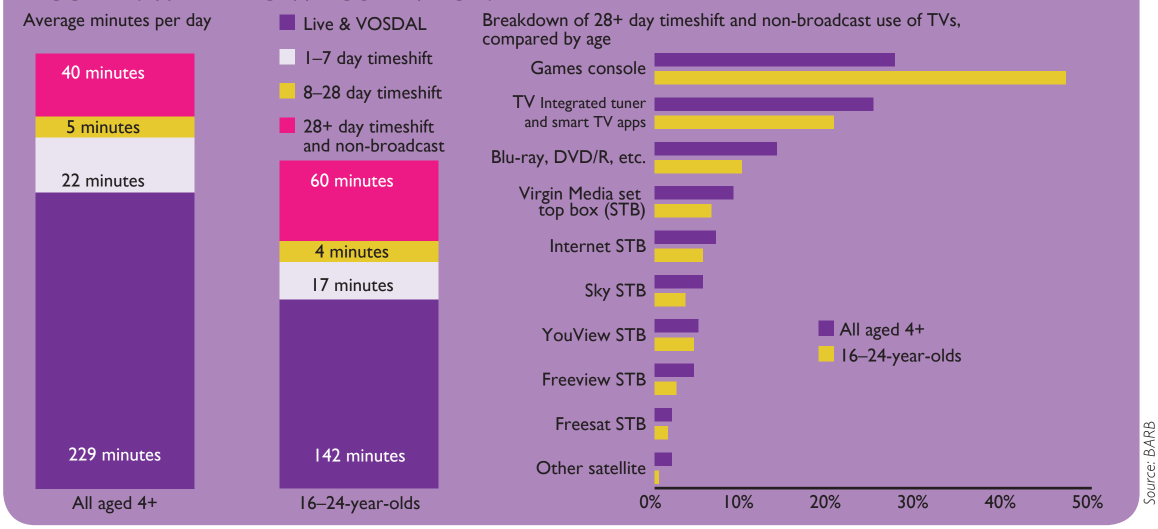


Source: BARB

Timeshifting is also naturally influenced by programme genre. Drama scores most highly, while it's not surprising to see that well over 90% of viewing to sports, news, weather and current affairs programmes takes place live at the time of broadcast.

So if you are an upmarket adult working in the South-East with children and a penchant for drama, 87% will be a surprising figure.

FIGURE 2: WHAT DO WE USE TV FOR?



2 MY TV SCREEN IS ALWAYS BEING USED FOR THINGS OTHER THAN WATCHING TELEVISION

Since Atari launched the home version of a computer game called Pong in 1975, we've all been fairly comfortable with the idea that the TV is not just for watching television programmes. To prove the point, we've continued to plug all sorts of gizmos into our TV sets, a process that has gathered pace since the start of the digital revolution. It's still the assumption in some quarters that this steady accretion of kit will eventually spell the end for television as a live, or near-live, communal experience. The latest theory is that the likes of Netflix and Amazon Video will soon govern an internet-connected TV world.

> "The further away you live from London, the less likely you are to timeshift your viewing"

Until recently, though, no one has had a detailed fix on what we actually use our TVs for when we're not watching conventional television. To plug this gap, we've been able to apply new analytic techniques to BARB panel data since December 2015. As expected, this shows that there are a myriad other uses – some you'd expect and some slightly less predictable.

Building on the previous point, live and timeshift television continue to dominate use of the TV screen. During the period of our analysis, people were watching live or catch-up for just under seven out of every eight hours when using their TV sets: that's 86.4% of TV screen time being devoted to watching television programmes within four weeks of their appearance in a broadcast schedule.

This leaves an average of just over 40 minutes a day when the TV screen is being used for other activities. Digging further, we can see that games consoles and Blu-ray/DVD players dominate, accounting for a combined 42% of the action (Figure 2). Unsurprisingly to any parent, younger people spend more TV screen time on other activities and are even more likely to be using games consoles. Of the 60 minutes a day that 16–24-year-olds are using a TV to do something other than watch live or timeshifted television, 57% were using a games console or a Blu-ray/DVD player.

This leaves an average 23 minutes a day across all age groups (25 minutes for 16–24-year-olds) that will attract the most interest from those who believe we're on the verge of a new phase of television. Within this screen-use time, some will be archived PVR programming – things we've recorded more than 28 days previously. Equally, some of it will be accessing on-demand content from the likes of All 4, BBC iPlayer and ITV Hub. And then there's box-set viewing and pay-per-view movies that are provided by the likes of Sky Store or iTunes.

But some of this will also be people accessing TV apps that are distributed through smart TV integrated tuners and platform operators' set-top boxes; this is where viewing to Netflix and Amazon Video sits. We can't yet be precise about the level of viewing to these subscription video-on-demand (SVOD) services, but given all the other sources of content in here, it's going to be a good deal less than 23 minutes a day.

3 NETFLIX IS TAKING OVER; MY KIDS WATCH NOTHING ELSE

Netflix is clearly a success story of recent years. Yet BARB data does not support some of the more dramatic rhetoric emanating from Netflix HQ: SVOD services are complementing rather than replacing traditional linear television.

BARB interviews over 53,000 people each year for our Establishment Survey; the results are vital to our understanding of the shifting landscape that we have to monitor. Among other things, the questionnaire covers the take-up of SVOD services that are delivered by new entrants in the television ecosystem. We can see the types of household that subscribe and draw inferences about how viewers see their purchase of such a service.

Of immediate interest when we look at the penetration of SVOD services by primary platform is the bias towards homes that already have pay TV services: Netflix and Amazon Video homes are significantly more likely than average to be YouView, cable or Sky subscription homes (Figure 3). So SVOD homes are not swapping out their traditional television for SVOD: they are using SVOD services to get even more of what they already have.

We also see that SVOD services are significantly more popular in larger households with children. That said, the data does not support the commonly expressed view that an entire generation of young people have more or less abandoned traditional television in favour of binge viewing on Netflix or Amazon Video. Less than 50% of 16–24-year-olds have access to an SVOD service, while only three in ten children live in a household that subscribes to Netflix. And we should remember that these are claimed subscription levels, not actual viewing or usage.

"Only 12% of TV player viewing actually takes place on a smartphone, while less than 10% takes place between 6 and 10 in the morning"

4 IT'S ALL BEING WATCHED ON COMPUTERS AND TABLETS THESE DAYS

BARB passed an important milestone in September 2015, when we launched in beta the first joint-industry, audited measure on viewing to online TV. Since data started appearing on a weekly basis, we have shed light on aggregate viewing levels, the most popular programmes, which devices are being used and when people are using popular apps such as All 4, BBC iPlayer, ITV Hub, Sky Go and UKTV Play.

Broadly, we can see that online viewing is clearly a phenomenon still in its infancy. Towards the end of 2015, viewing via TV player apps hit a high point of 855 million minutes during one week; this is the sort of number regularly attracting headlines for online content. Yet putting this in context, people spent a grand total of 95.2 billion minutes watching television programmes on a TV set during that same week.

Clearly, app viewing will not be evenly spread across the population, although a glance at the most-watched programmes tends to suggest that it won't be clustered in entirely unexpected ways. Soap operas and dramas that perform well regularly also find their way into the top ten online television programmes.

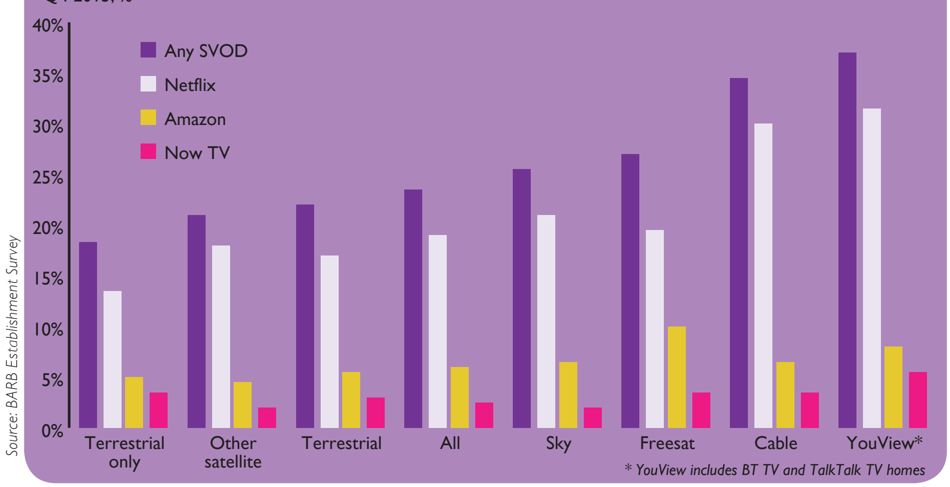
App viewing, in other words, isn't creating new and exotic programming tastes, although there are some interesting nuances. For example, reality TV shows *Made in Chelsea* and *The Only Way Is Essex* figure more prominently than they do in conventional ratings; this is a reflection of these programmes having higher than average timeshifting audience levels. There are also appearances from programmes that haven't been broadcast as part of a traditional linear schedule, such as BBC Three's *Cuckoo* and *Life and Death Row*.

Some analysts have been predicting that growth in TV player viewing is going to be driven by people watching on their phones during rush hour. Yet there's little evidence to suggest that's actually happening. Only 12% of TV player viewing actually takes place on a smartphone, while less than 10% takes place between 6 and 10 in the morning. The only hint of something different is a slight bump in viewing on tablets during the morning rush hour.

There is more viewing during the afternoon/evening rush hour, although the

FIGURE 3: SVOD TAKE-UP BY PRIMARY TV PLATFORM

Q4 2015, %



* YouView includes BT TV and TalkTalk TV homes

steady growth in viewing levels throughout the day is more in keeping with traditional viewing patterns on the TV screen. That said, rush hour audiences are nowhere near what happens during the evenings and at weekends: Saturday and Sunday are the most popular days for viewing while over 40% of all viewing takes place after 9 pm. Interestingly, compared to conventional television viewing, the peak hours of viewing continue later into the night: a picture starts to emerge of tablets replacing television screens as the preferred way of watching late-night TV in bed (Figure 4).

It's well known that the Android operating system dominates sales of smartphones and tablets, although our data shows that Apple devices dominate online TV viewing. Whether it's the nature of the user experience or a reflection of the demographics who own devices from the different platforms, it's striking that far more online TV viewing comes through Apple's iOS platform (42.9%) than Android (10.1%). The balance is through website browsers.

> "It's not surprising to see that well over 90% of viewing to sports, news, weather and current affairs programmes takes place live at the time of broadcast"

5 WHO NEEDS A TV ANY MORE?

For many years, it was widely assumed that pretty much every home in the UK had a TV. The reality is that there has always been a small part of the population that have been TV refuseniks, although the number of non-TV households is growing. BARB's figures for Q4 2015 show 1.3m or 4.7% of UK households now make do without a TV; in 2010, the comparable figures were 900,000 homes, or 3.3% of UK households.

One theory for this change is that non-TV households are online pioneers who are keen on television but prefer to use computer devices to access it. However, our Establishment Survey data challenges this idea as those without TV sets are generally less interested in all things digital. Non-TV homes have a lower level of broadband take-up and are significantly less likely to own a tablet or a PC – the average number of computer/tablet devices in a TV home is 2.9, which compares to 2.1 devices in non-TV homes.

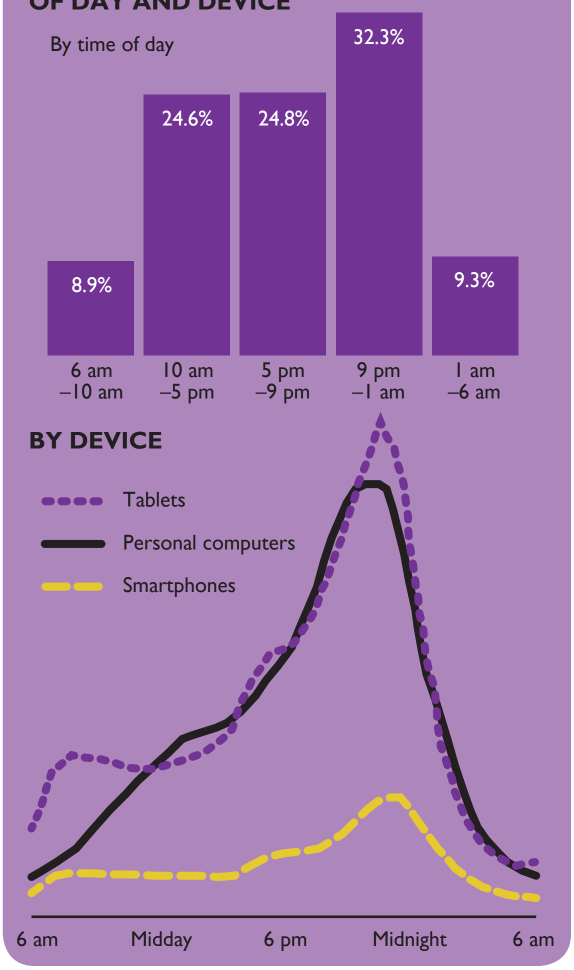
What is much clearer is that non-TV homes are most likely to be younger singles or couples who are just setting up home. Forty-nine per cent of non-TV households are defined as pre-family, i.e. with the head of household aged between 16 and 44 and no children. Only 14% of TV households are in this life stage – a huge disparity.

Non-TV households are also likely to be smaller: the average household size is 1.96 compared to 2.35 for households with TV sets. Forty-four per cent of non-TV households are single-person households compared to 31% of TV households, while, unsurprisingly, non-TV households are half as likely to have children. Only 19% of households without TV sets include children compared to 26% of households who have TV sets.

So the picture that emerges clearly is that non-TV households are most likely to be younger, and either they have not got round to buying a TV or perhaps they don't find it easy to afford one. That said, it is worth noting that the number of people who do not feel it is essential to have a TV seems to be growing; is this the harbinger of a gradual lessening of television's hold on our attention?

It is far too early to draw such a conclusion when the number of households without a TV hovers down around 5%, although the big question is whether today's pre-family homes will be able to continue without a TV once they have children and move to the next cohort. This is clearly a trend to keep our eye on.

FIGURE 4: TV PLAYER VIEWING BY TIME OF DAY AND DEVICE



Source: BARB (1 December 2015–31 January 2016)

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