

Will it Blend? Watching WEB-TV

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The number of TV programmes viewed online is growing; yet who the viewers were, was a mystery, until recently. Although there are counts of viewed streams of TV programmes available so that we do know something about the scope of the phenomenon it would be more important to TV producers, media planners and advertisers to know who these viewers actually are. Stichting Kijkonderzoek (SKO) and JIC STIR, the organization that measures the Internet reach in the Netherlands, joined forces to expose the WEB-TV viewer.

Online video is an explosively growing phenomenon. In a press release of June 2009 networking supplier Cisco stated that worldwide IP traffic will increase fivefold over the next five years up to two thirds of zetta byte. The main driver behind this expected growth of IP traffic is video. For 2013 Cisco expects that more than 90% of consumer IP traffic will be taken up by video applications such as television, video on demand, internet video and peer-2-peer.

This huge scope and growth obviously applies to the Dutch market in equal measure. The Netherlands Interactive Advertising Bureau (IAB) gave off a rough estimate of the number of video streams. It reports a number of 164.6 million video streams in the first quarter of 2008. Projected to an annual figure, this would be 658.4 million. And this figure, impressive enough as it is, does not even account for the data processed by huge players such as Google (with YouTube), Zoom.in and nu.tv.

Other sources also mention impressive numbers. 'Uitzendinggemist', the online TV programme archives of the Netherlands Broadcasting Organization 'Nederlandse Publieke Omroep' (NPO), says that in 2009 it processed an average of 12 million stream requests per month, the top 3 being NOS Journaal (the news) with 7.7 million requests from January to October 2009), the soap ONM (6.9 million) and the youth series Spangas (4.5 million).

RTL Nederland has its programmes filed on 'RTL Gemist' where it receives many stream requests, expecting a growth to 180 million streams in 2009. They say that in 2008 that in they received 91 million stream requests.

SBS Broadcasting also offers online video applications. In June 2009 they started a Video On Demand portal with film, TV series and their own SBS productions. SBS Broadcasting had at that point already introduced 'Programma Gemist'.

Online 'audience ratings'

This growing market of online video content has not failed to attract the attention of SKO and STIR. SKO has been collecting data about online video viewing since 2007, where it uses the definition that the content must be partially or entirely derived from the linearly broadcast programme or that it is related to the programme (e.g. backstage

programmes). Only in these cases does this information add anything to the audience rating definition used by SKO. All other forms, e.g. User Generated Content on websites such as Youtube, are not or not as relevant for what SKO considers as TV viewing.

In 2008 SKO published the first figures from its SKO-WEB-TV project. Every day a top list of the total number of stream requests in the week after broadcasting are reported, initially only for RTL and NPO programmes. This gives a more complete picture of the popularity of programmes and the behaviour of Dutch viewers. The SKO project now has following in Germany and Sweden where its approach has been adopted also.

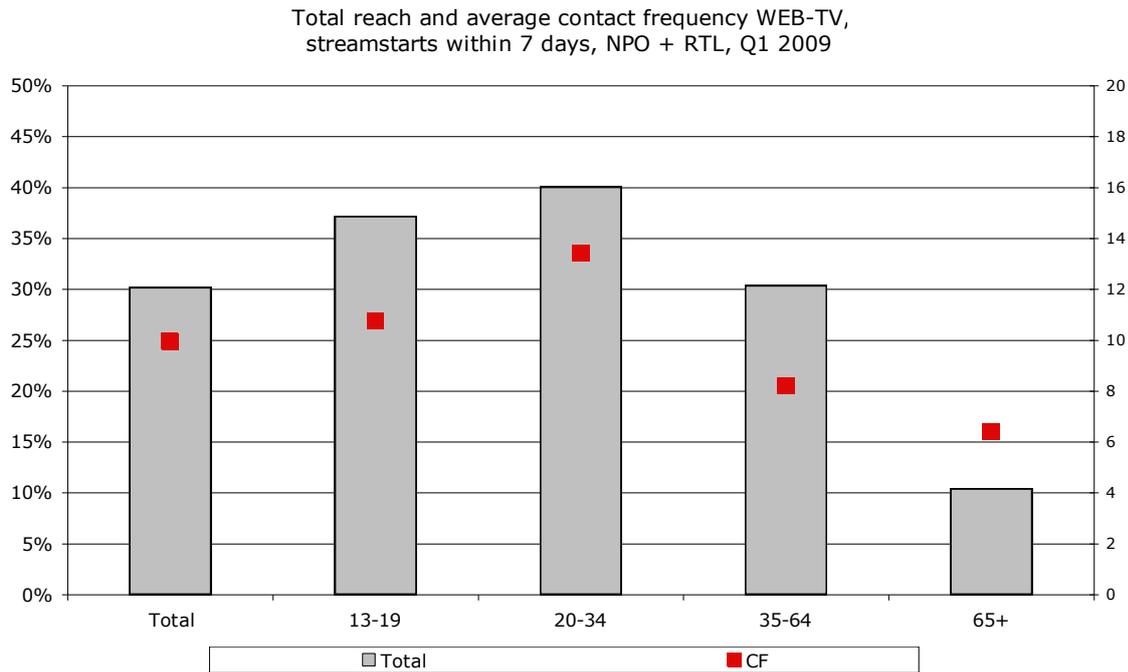
The partnership between SKO and STIR is not an obvious one within the realm of audience research. All too often one is inclined to defend one's own medium to the hilt against the invasion of other media. The 'silo approach' is definitely the standard in other countries, so that beneficial partnerships fail to arise. Here in the Netherlands, where we are used to joining opposites in our 'polder model', things are clearly different. Shared interests have resulted in an integrated project before: SKO joined forces with the Radio Advies Bureau (RAB) to test the added value of a portable measuring tool as a method for measuring audience levels. STIR teamed up with print researcher at NOM to establish a merger between print and Internet. Currently, SKO, STIR, RAB and NOM designing a joint Establishment Survey in which the trends and norm data of media use and the weighting targets for the difference audience studies are established.

Who watches online?

Based on the report on stream requests it is impossible to state who watches WEB-TV. To know who the viewers are, we need to consult other sources, which was reason for SKO to seek collaboration with STIR. STIR measures Internet user levels in the Netherlands (using its Webmeter), for which it has a panel of 10,000 individuals aged 13 and upwards. By coding streams of TV programmes it has been possible to determine which TV streams were requested by which Webmeter panel member and how often. Even though 10,000 is a relatively large number of individuals for a panel, it can still be too small for certain TV streams to be measured substantially. Furthermore, it is important to underline that the measurements concern coded streams of NPO and RTL programmes. Not all channels took part in the study, but we expect that they will in the future. Finally it is good to know that the audience levels of WEB-TV are based on stream starts. The duration or length of the stream that was viewed did not play a role in the analyses.

Figure 1 shows that circa 30% of all the Dutch people aged 13+ have requested at least one stream of a TV programme. On average, they started 10 streams in Q1 2009 (the red square in the bar). The audience levels of WEB-TV are considerably higher in the 13-19 (37%) and 20-34 age brackets (40%). As for the 65+ the level is considerably lower, with a level of 11%. Remarkably, however, the average number of streams viewed by this group is relatively high, i.e. six streams.

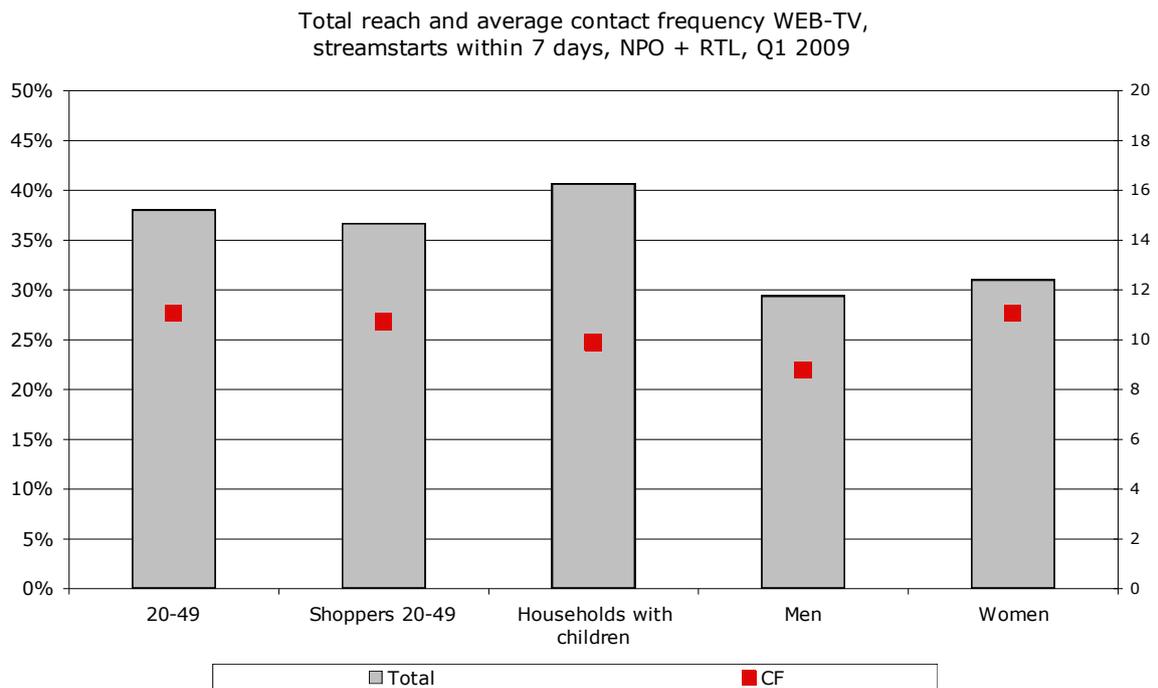
Figure 1



Source: STIR/SKO/SKO WEB-TV

In Figure 2 a few other target groups are presented. Grocery shoppers and households with children show high viewer levels of 37% and 41%, respectively. The average number of stream requests for television programmes is higher among women than among men: 11 v. 9 streams.

Figure 2



Source: STIR/SKO/SKO WEB-TV

'Information/education' and 'Entertainment' are the categories that reach the largest audience, as becomes apparent from Figure 3. Please note that the results according to genre are also determined by what was offered. There is not as much fiction offered on WEB-TV than on TV-TV, which, among other things, is a copy-right matter.

The average number of requests for 'Fiction' is remarkably high, considering the relatively low reach: nine streams. This implies that there is a small group of viewer who request a lot of WEB-TV streams within the 'Fiction' genre. This makes sense for people who watch their favourite soap series, e.g. GTST, online.

The definitions of TV viewing are becoming more and more complex: web-TV, time shift TV, TV-TV. What's clear is that it gone are the days when the viewer was limiting himself to the regular living room screen to watch TV content. To understand what this article is all about, the following definitions are important:

TV-TV – Linear (i.e. live broadcasting) watching content on a TV screen as scheduled by a broadcaster. "Old school" TV, so to speak.

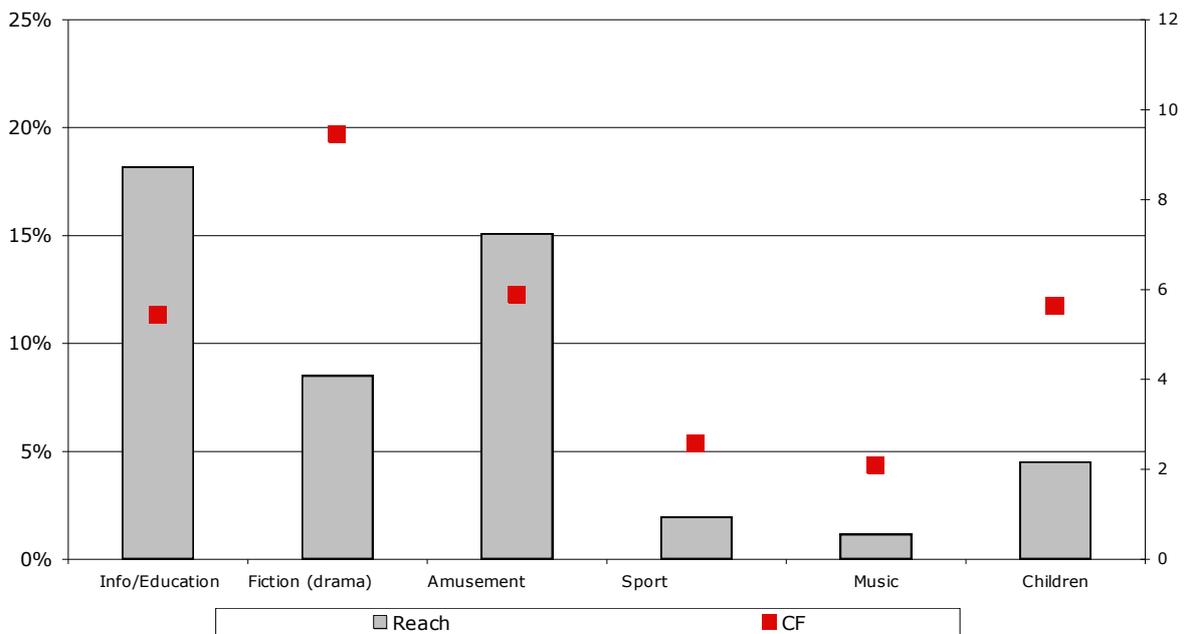
WEB-TV - Watching TV content online. This also includes content that has at one point been offered in linearly by a broadcaster, as scheduled, but that afterwards is also offered on-demand.

Time shifted Viewing (UGK) or TSV-TV – Watching TV content on a TV screen at a later time than the original broadcasting time, e.g. via the hard disk-recorder or the set-top box.

Source: SKO

Figure 3

Reach and average contact frequency WEB-TV, 13+ by genre, NPO + RTL, Q1 2009

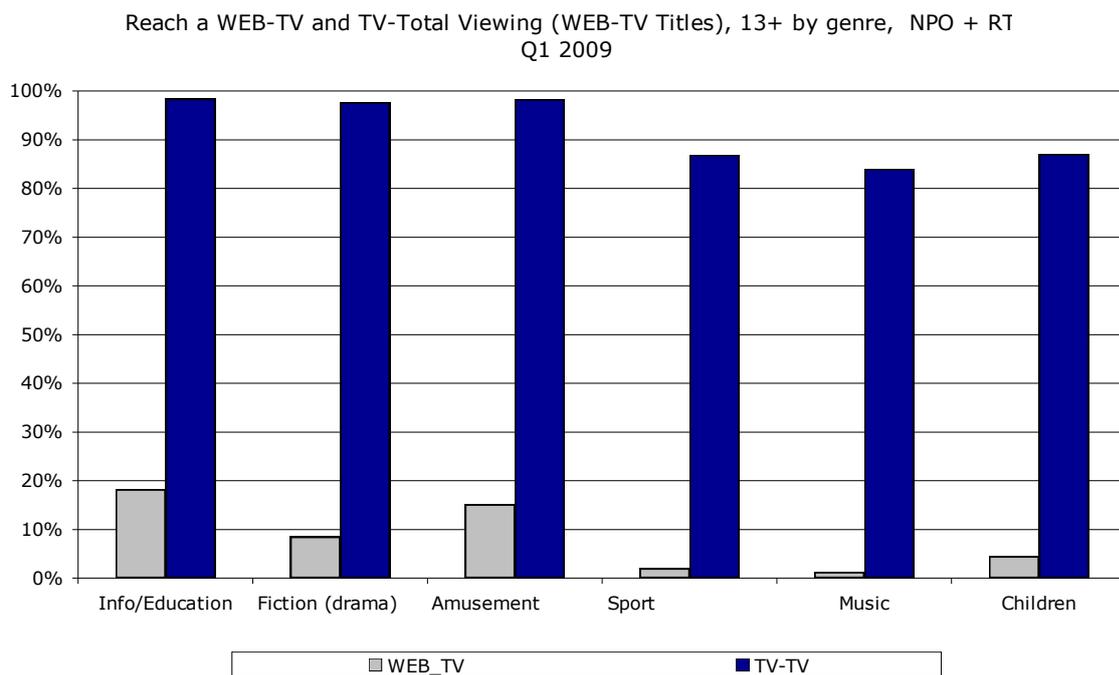


Source: STIR/SKO/SKO WEB-TV

Comparison with TV-TV

Because the results are based on a set of coded streams of NPO RTL programmes, it is interesting to analyze how watching WEB-TV relates to the same set of programmes as broadcast on TV. In Figure 4 audience levels for WEB-TV and TV-TV have been split up according to genre, for the same set of programmes. This shows that programmes in the category 'Entertainment' have an audience level of 15% via WEB TV and 98% via TV-TV. The levels of TV programmes via the old-fashioned medium is still many times higher than via PC or laptop.

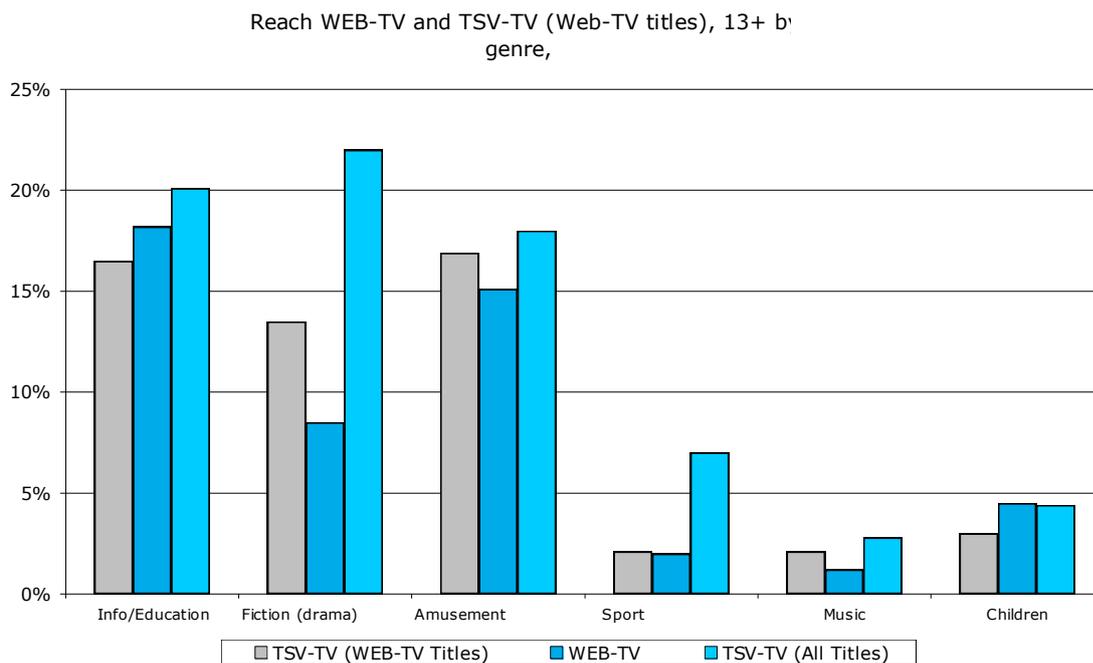
Figure 4



Source: STIR/SKO/SKO WEB-TV

One might say that WEB-TV still is only a marginal phenomenon, judging by the results shown in Figure 4, but this soon changes when we look at the figures on deferred viewing, e.g. via a hard disk recorder. Figure 5 shows these results, and now it becomes clear that WEB-TV is quite a formidable 'competitor' of deferred viewing via the TV set. In the 'Information/education' genre, the audience levels of WEB-TV are even higher than via Time Shift Viewing (TSV) based on a PVR or a Set-top Box.

Figure 5



Source: STIR/SKO/SKO WEB-TV

WEB TV as audience rating

The collaboration between SKO and STIR has led to a plethora of new and valuable insights. But we still have a long way to go. We have not looked at viewing time, for instance (how long to people continue to watch) or stream spots. These issues will be looked into shortly.

In march and april 2010 the analysis was repeated on a Monthly dataset. Comparing 2009 and 2010 for the February period. This resulted in insights in trends in the market of online viewing of TV content. These new results will primary be discussed in the presentation at the ARF's AM 5.0. Results in short:

1. WEB-TV is reaching 20% of the Dutch population on a monthly basis. And already 30% of the 13-19 y.o. Big differences for age groups!
2. If you do, do it often! There appears to be a high usage frequency in WEB-TV. Even for the 65+years of age.
3. Time shifted viewing on a TV set is still bigger, even with a much lower penetration.
4. Time shifted viewing is bigger for almost every TV genre, but a PVR is only available in 20% of the households! So there is a lot to come.
5. As the Usage frequency is much higher in WEB-TV than in TSV-TV the total effect on viewing time might be comparable?

Availability (rights management) is a driver online! Another question that is yet to be answered is how the two types of time shifted viewing relate to each other (via internet

or via set-top box/hard disk recorder). The penetration of Digital TV (DTV) is currently growing significantly stronger than broadband (obviously also because the latter already has a 80% penetration rate). At the same time on demand viewing via DTV seems to be more convenient than via Internet to part of the audience. We expect that the options for on demand viewing will show a more significant growth thanks to DTV than the internet. SKO and STIR will continue their partnership and stay right on the ball, where all of these developments are concerned.

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