

2017

# Tele- scope

**A look at the nation's viewing habits by TV Licensing**



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## INTRODUCTION

**TV is an important part of millions of people's lives – delivering global news, sporting events that bring us together and memorable programmes that inspire, inform and educate us. With the rapid pace of technology, the way we consume TV has changed too.**

Despite the rising popularity of catch up services, live viewing still remains central to the way we watch TV. In fact, ninety-one per cent of TV viewers watched live TV in a typical week in 2016, broadly the same as a decade ago.

The proportion of catch up viewing that takes place within seven days of broadcast continues to grow and the Licence Fee has evolved to cover watching or downloading BBC programmes on iPlayer so the vast majority of homes need to be covered by a TV Licence.

In 2017, there's been a surge in broadcasters sharing live content with a wider audience on social media, led by Twitter and Facebook Live features, broadcast live TV moments and must-see interviews. The live BBC Election debates launched the first partnership of its kind between Twitter and the BBC in

June, reaching an audience who may not have watched on a traditional TV set.

This year, for the first time, we look at the rise of "live social", as well as how our audiences choose to view and how this shifts as we age. Young people spend less time watching live, with 12 to 15 year olds citing YouTube and BBC iPlayer as their preferred TV services. Audiences over 65 however, are watching more live TV than ever, with average viewing time increasing steadily over the past four years.

One thing hasn't changed though – great BBC content remains one of the cornerstones of British leisure time.



**Pipa Doubtfire**  
Head of Revenue Management  
TV Licensing



2014

EXECUTIVE SUMMARY

**The way we watch television has evolved dramatically in recent years. This report looks at some of the key statistics from the past year.**

2017

2018

2019

- > **91% of us watched TV at least once a week last year**
- > **The average person spent 3 hours 32 minutes a day watching broadcast TV last year**
- > **The average amount of TV viewed per person per day increases with age**
- > **BBC iPlayer is the most popular on demand/streaming service in the UK among adults, with 63% saying they use the service**
- > **Almost half of all teens in the UK use Netflix**
- > **8 per cent of adults have watched live TV on a social media platform**



# The TV viewing landscape

From apps to instant messaging, how we choose to fill our downtime has become more and more diverse. But watching TV still remains a favourite pastime.

# In a world of endless choice, live TV is still important.

91% of us watched TV at least once a week in 2016.



LIVE TV

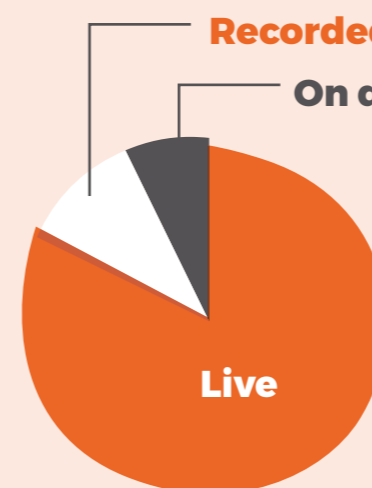
**Public service broadcasters continued to retain more than half of the total broadcast TV audience in 2016.**

Viewers have more choice than ever before, but the main public service broadcast channels (BBC1, BBC2, ITV/STV/UTV, Channel 4 and Channel 5) continued to retain more than half of the total broadcast TV audience in 2016, maintaining their 51% share over the past four years.



Public Service broadcast channels

Other channels



**On demand has DOUBLED over the last 4 years.**

**The majority of viewing time is live.** 80% of everything we view is live – it's still the most popular way the UK watches TV. Recorded viewing represents 12% of viewing time, which is more than the time we spend watching on demand (8%). However, it's worth noting that this 8% figure represents a doubling of on-demand viewing over the last four years.

## The proportion only watching on demand is small.

Fewer than 2% of households only ever watch on demand services other than BBC iPlayer. Most people prefer to view TV programmes in a combination of ways and formats.

From on demand to subscription services, live streaming apps and catch up TV – the way people view television programmes and the time they choose to view them has changed.

# On demand viewing has changed the landscape dramatically.

### Subscription services continue to grow in popularity.

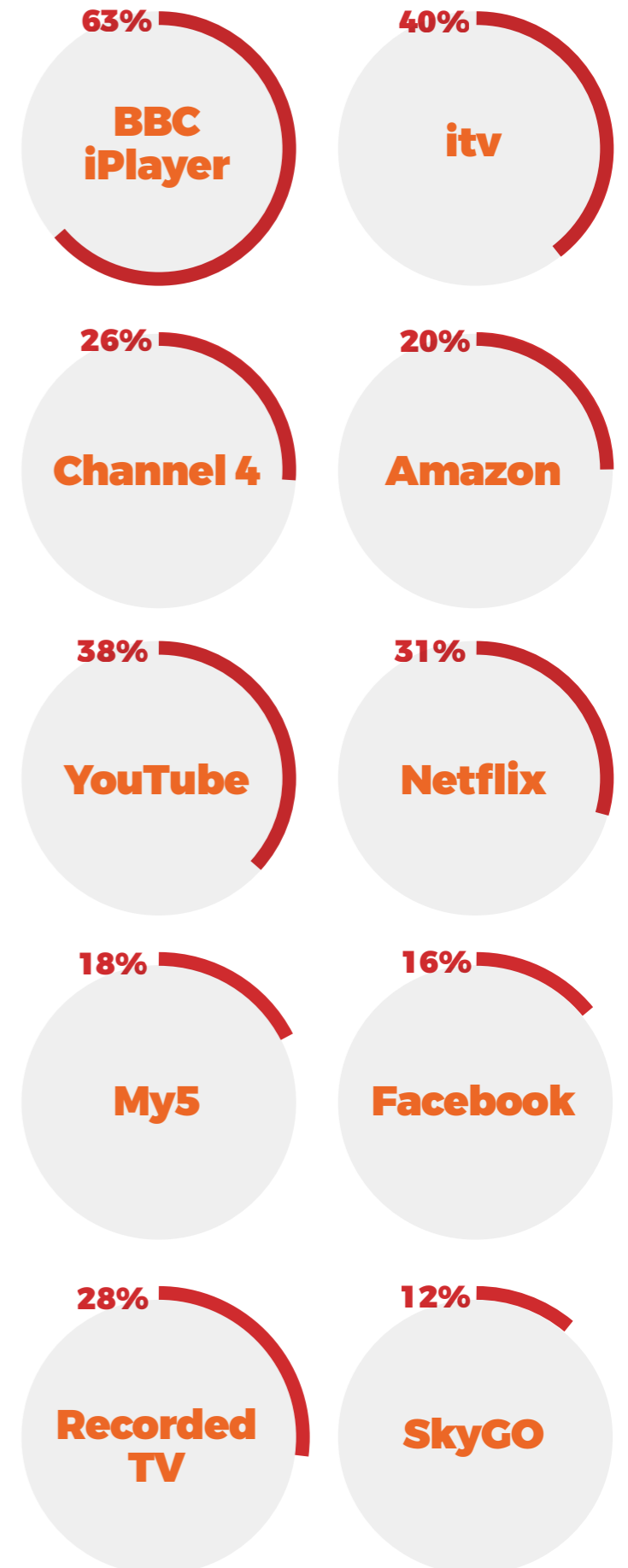
Services such as Netflix and Amazon Prime are becoming increasingly mainstream and growing at a rapid rate. But the UK still spends more time watching on demand services from broadcasters. Broadcaster on demand services (BBC iPlayer, ITV Hub, Sky on demand) accounted for 3% of all TV viewing in 2016, compared with 1% for subscription video on demand.



# BBC iPlayer is the most popular on demand/streaming service in the UK among adults.



THE PROPORTION OF ADULTS WHO USE DIFFERENT SERVICES FOR WATCHING TV PROGRAMMES/FILMS (%)



Research shows that BBC iPlayer is the most popular on demand and streaming service amongst UK adults, with 63% of respondents saying they use it.

## BBC iPlayer statistics

**246 million monthly requests on average (2016/17)**

**BBC iPlayer reaches 6 million adults each week**

**45% of iPlayer programme requests coming from connected TV**

**45% of iPlayer users are 16 to 34**



## Smartphones continue to be the most widely owned internet-enabled device.

Advances in technology, internet speed, the availability of on demand and streaming services, combined with the take-up of portable devices means we're now living in a world where consumers can watch whatever they want, whenever and wherever they choose.

Almost nine in ten adults have internet access at home, however smartphones continue to be the most widely owned internet-enabled devices.

### UK HOUSEHOLD PRODUCT OWNERSHIP

▲ **77%**  
**Smartphones**  
(up from 73% in Q2 2016)



▲ **52%**  
**Tablet computer**  
(up from 49% in Q2 2016)



▲ **32%**  
**iPad**  
(up from 29% in Q2 2016)



▼ **81%**  
**Computer or laptop**  
(down from 82% in Q2 2016)

Almost  
**70%**

of individuals now have access to broadcast video-on-demand on their TV compared with just 24% in 2011.

**74%**

of individuals now own a digital TV recorder compared with 48% in 2011, and 19% of households time-shift their TV set viewing.



## 'Live social' is on the rise

Eight per cent of UK adults online have already explored one of the growing TV trends of 2017 – watching live TV on social media platforms such as Facebook or Twitter. In fact, just under one in five (19%) young people aged 18 to 24 have already watched “live social” and 27 per cent of all adults think it’s likely they’ll watch this way in the future.

## Traditional TV sets to remain king

Watching TV on a traditional set is due to remain one of the key ways of watching live broadcast content. More than half (53 per cent) of us say we expect to be watching live TV via a standard set in ten years’ time, while 73 per cent say they’ll watch live on a Smart TV.

## Screen size matters

Younger people are more open to watching TV on smartphones, with 62 per cent of young people aged 18-24 predicting they will be watching on the small screen by 2027, compared to 29 per cent of those aged 55 and over.

## We think you might also like watching this...

Sci-fi hits of the past year like Black Mirror and Electric Dreams have explored the future of personalisation, but there appears to be a powerful instinct from audiences to remain in control of their own decisions. Around half of all adults surveyed say they’d be uncomfortable watching TV programmes curated for them on the basis of their personal data, such as Facebook interactions or purchase history (57 per cent), or watching TV shows which provide the opportunity to interact with the characters or content (50 per cent).

## Choose your own adventure

Some commentators predict the rise of a “choose your own” experience – such as selecting how your favourite TV series ends – as the next big thing for TV content, giving viewers the option to choose their own storyline or ending. The personalised storytelling trend has captured the imagination, with 35 per cent of those with three or more children in the household thinking it’s likely they’ll view in this way in ten years’ time – as opposed to 22 per cent of singletons.

## It’s becoming ‘Very Real’ in Northern Ireland

Those in Northern Ireland are more likely to envisage a near future watching TV integrated with Virtual Reality. Almost 40 per cent say they see themselves watching this way by 2027, more than any other part of the country. Elsewhere, over a third (35%) of all UK respondents expect to view in this way in ten years’ time.

## It’s a ‘seven’ from this viewer (but I’ll keep that judgement to myself)

Direct audience feedback is well established in the form of mobile and web voting, or airing our views on social media. Some programme-makers are exploring a future whereby audiences can provide real-time engagement, such as immediately buying a product seen on screen, or providing real-time feedback to a production team about pivotal moments of an episode. Just over a fifth (21 per cent) of young people would be comfortable watching shows that allow them to provide this form of direct audience feedback, but older people – 61 per cent of those 55 and over – would be happier keeping their ratings to themselves.

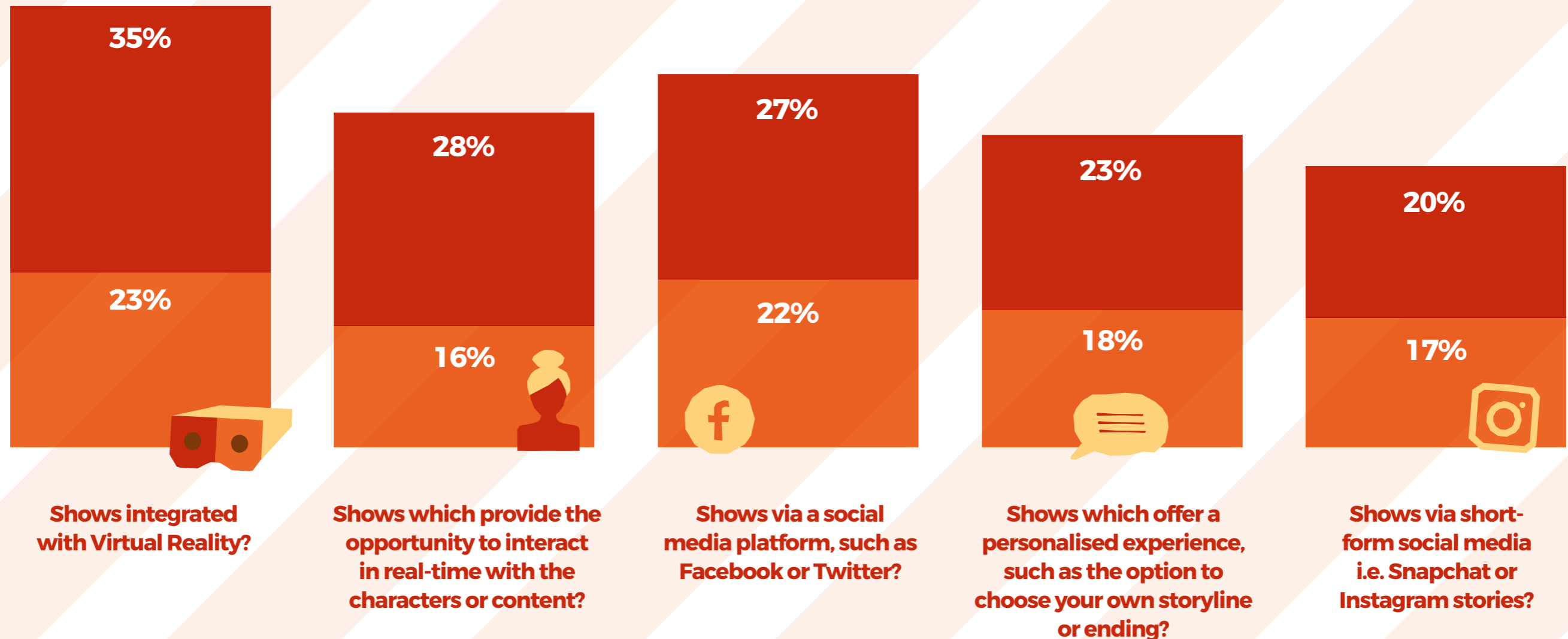
# The future TV landscape



# Which current and dystopian TV trends are we likely to embrace, and how do they make us feel?

 Proportion of UK adults who think it's likely we'll view live TV in this way by 2027

 Proportion of UK adults who would feel "comfortable" viewing live TV in this way by 2027

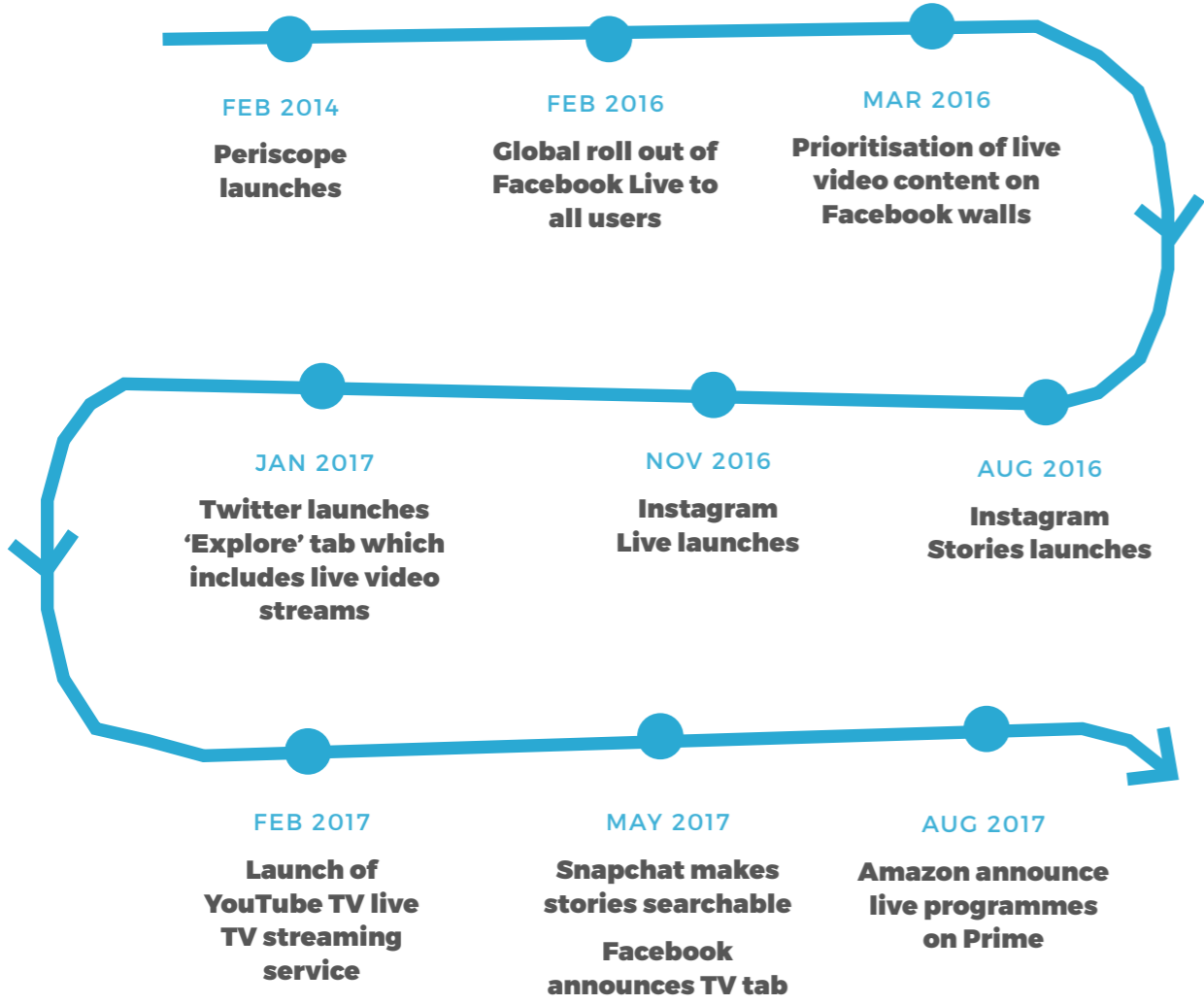




# The rise in live social

This chapter provides a snapshot of the new ways of accessing live TV via social media, exploring recent TV events and trends from other markets.

# We live in an increasingly



# fragmented viewing environment.



**Though it's not a new trend, live social is becoming more important as it increases in popularity in the UK.**



### **Clinton VS Trump Sept 2016**

Twitter continued to push into the world of live TV when it announced it would be live-streaming the US presidential debates on the platform.

### **BBC Election Debate June 2017**

The BBC's Election Debate and four other election specials were streamed live on Twitter in the first partnership of its kind between Twitter and the BBC.

### **Wimbledon June 2017**

Twitter partnered with the All England Tennis Club to stream its Wimbledon Channel live, which included both a live stream and real-time curated timeline of tweets.

### **PGA Champs Aug 2017**

BBC coverage of the PGA Championship was supported by live-streaming on Twitter and GiveMeSport's Facebook page.

### **Solar Eclipse Aug 2017**

Twitter teamed up with The Weather Channel to live-stream the eclipse. The live transmission tracked the solar eclipse across the US.

### **The US market is at the forefront of the trend.**

The live Twitter schedule is becoming more and more frequent. Live TV on Twitter is no longer for one-off events.





**The BBC's Election Debate live on Twitter**

**Fashion For Lunch**  
@labelsforlunch  
Watching election results live on twitter is the future!!!! Well done @TwitterMoments

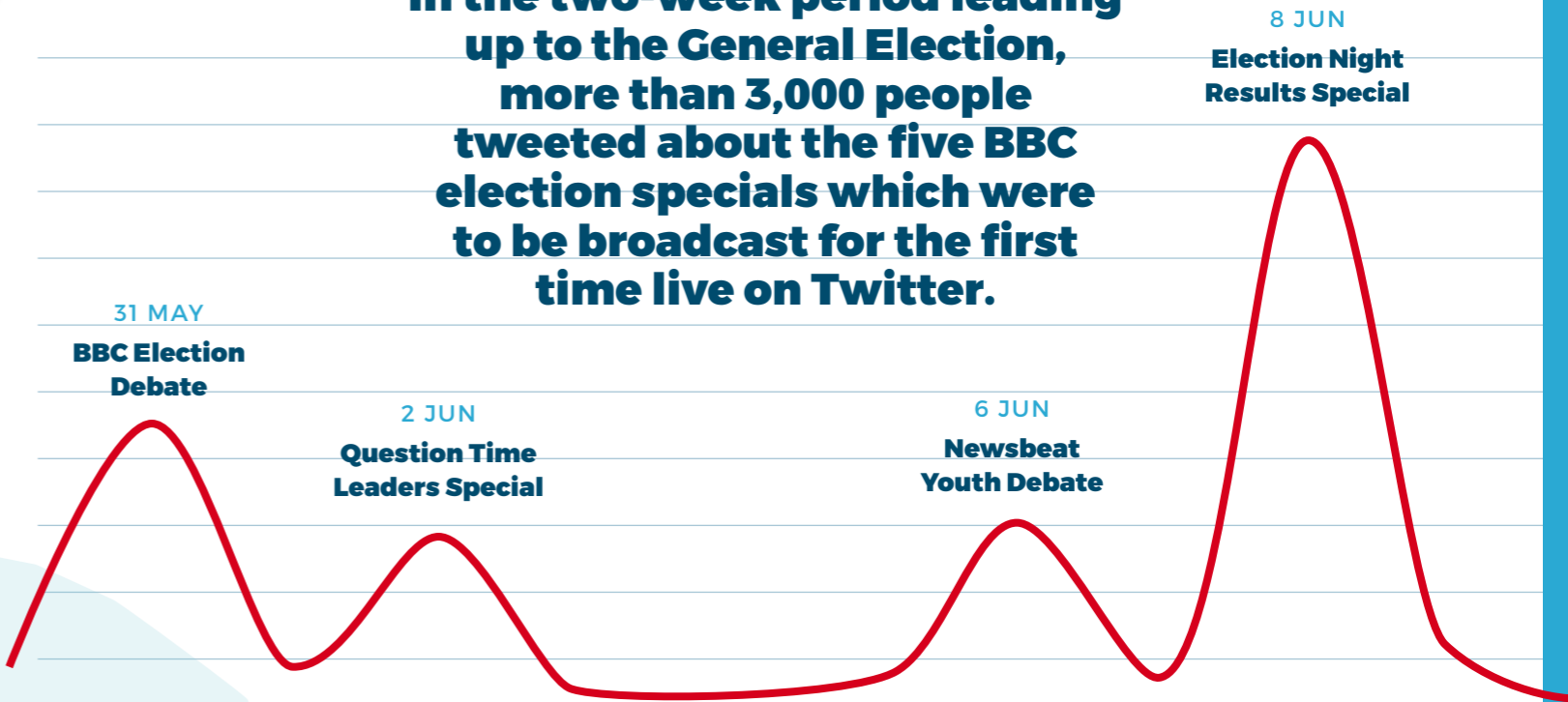
**Jack**  
@MahlerMad  
seeing results on twitter 5 minutes before on BBC 🙌 #GE2017

**Annie McGuire**  
@Annie\_McGuire  
What's exciting is you can watch tonight's #GE2017 debate (now featuring Jeremy Corbyn) live on Twitter. #bbcdebate

**Rob Owers**  
@robowers  
Time for young people to get their voice heard in this election 🙌 #bbcdebate #ge2017

**3,213 tweets**  
**102 million reach**  
**233 million impressions**

**In the two-week period leading up to the General Election, more than 3,000 people tweeted about the five BBC election specials which were to be broadcast for the first time live on Twitter.**



People tweeting about BBC live Twitter broadcasts (30 May to 10 June 2017).

# Other platforms are following suit.



## Facebook have announced they're launching a new TV tab called 'watch'.

In August 2017, Facebook confirmed that they will be launching 'a new platform for shows on Facebook'. Dates are still to be confirmed. Articles suggest that it could feature shows from Condé Nast Entertainment, and ATTN.

## Amazon extend Prime offering to include live programmes.

In May 2017, it was announced that Amazon Prime Video would extend its offering to include live TV channels.

According to the BBC, members will be able to subscribe to live channels on an individual basis. This means that networks such as Discovery or Eurosport could be available without viewers having to sign up to a package deal. It is expected to cost an additional fee.

## Snap TV may be on the horizon.

The Wall Street Journal says that Snapchat is working with a number of large television production companies (e.g. Universal) to create programmes for a new streaming service, Snap TV.

The offering is expected to be for short-form videos only.

# So what does this mean for licence fee payers?



If you're watching programmes live online that you could watch at the same time on TV, you need to be covered by a licence.

## This could include:

BBC streaming BBC One election specials live on Twitter

CNN broadcasting presidential debates live online

A live ITV News feed on Facebook



## You need to be covered by a TV Licence to:

Watch or record live TV programmes on any channel

Download or watch any BBC programmes on iPlayer - live, catch up or on demand.

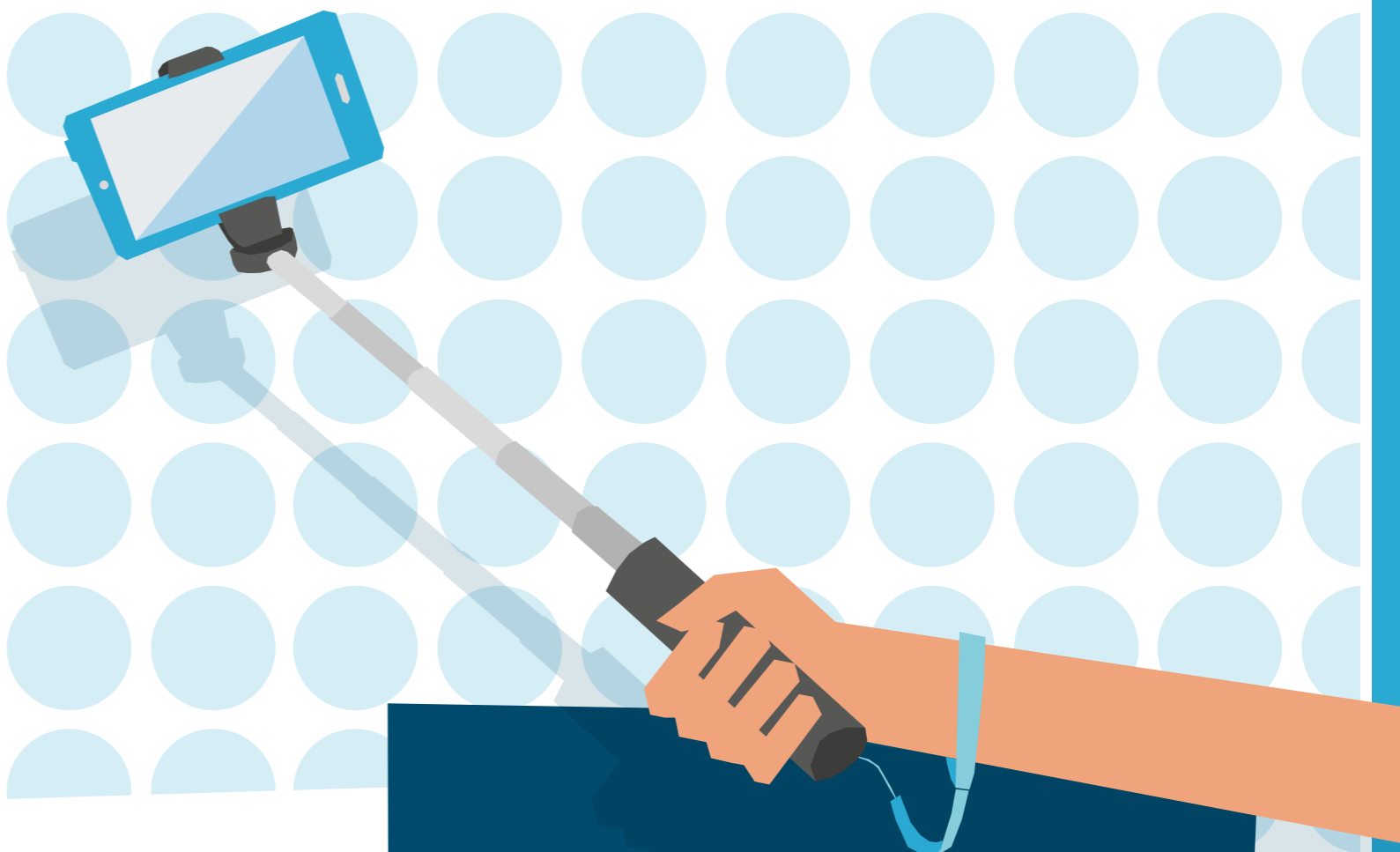
But increasingly there are other examples of live TV online and on social media platforms, which aren't shown on traditional broadcast TV, but may still require a TV Licence. These programmes may be shown on an online TV service.

## What is an online TV service?

A service is an online TV service if it mainly aims to provide TV-like programmes to the public through the internet, and if it's UK based, it needs an Ofcom licence. This applies irrespective of the platform, including social media.



# So what does this mean for licence fee payers?



**Broadly, a TV Licence is required to watch or record any programme within a service which has the characteristics of a TV channel. For example:**

- ♦ The main purpose of the service is to provide TV-like programmes to the public. That is, it is edited or curated, not amateur or user-generated
- ♦ It is likely to need an Ofcom licence if UK-based
- ♦ It may be transmitted by internet streaming, cable, satellite or broadcast media, and may be free or paid for
- ♦ It is pushed out and made available to be viewed by its audience at the same time (rather than being available to be viewed at whatever time they choose)

**This applies irrespective of the platform, including social media.**

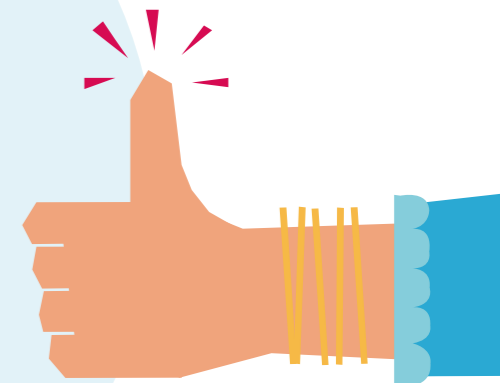
**A TV Licence is not normally required to receive:**

- ♦ User-generated or amateur programmes online (for example, live transmissions by an individual using Periscope, Facebook Live, YouTube live streaming or similar services)
- ♦ Fixed footage which is not part of a TV programme service (for example, a RSPB webcam streaming live footage of nature online) or
- ♦ Audio-only programmes on a service that does not show moving images of a type that is normally on TV (for example, listening to the radio on a Smart TV)


# So what does this mean for licence fee payers?

**94 per cent of people are already covered by a TV Licence, so can enjoy live and recorded TV and BBC programmes on iPlayer - on any device or platform.**

If you're one of the few people (less than 2 per cent) who exclusively watch on demand programmes other than BBC iPlayer, check our guidance below for live viewing on web and social platforms.



You need a licence	You need a licence	Not licensable
<p><b>Watching Ed Sheeran perform at Glastonbury on BBC Two</b></p>	<p><b>Watching an interview with Ed Sheeran at Glastonbury, live on the BBC Two Facebook page (via Facebook Live), at the same time as it's being shown live on the Red Button</b> (The BBC provides TV-like programmes and TV programme services.)</p>	<p><b>Ed Sheeran streams a live behind-the-scenes video from the dressing room to his personal Facebook page (via Facebook Live)</b> (User-generated, not registered with Ofcom.)</p>
<p><b>Watching old Wimbledon highlights on BBC iPlayer</b></p>	<p><b>Watching Wimbledon live on the Wimbledon Channel on Twitter</b> (The Wimbledon Channel provides a service the main aim of which is to provide TV-like programmes.)</p>	<p><b>Watching a live Wimbledon interview with a player, broadcast on the Slazenger website</b> (The service provided by Slazenger, i.e. the website, is not a service the main purpose of which is to provide TV-like programmes.)</p>
<p><b>ITV showing a press conference from Number 10 live on ITV News</b></p>	<p><b>Bloomberg showing a press conference from Number 10 live on Twitter</b> (Bloomberg provides a service the main aim of which is to provide TV-like programmes.)</p>	<p><b>Buzzfeed showing its own footage of a press conference at Number 10 on Facebook Live</b> (Buzzfeed is not a television programme service because its service mainly comprises text articles and photos as opposed to TV-like programmes.)</p>
<p><b>Watching Sky News on YouTube Live</b></p>	<p><b>Watching Asianet Live TV News on YouTube Live</b> (Asianet provides a service the main aim of which is to provide TV-like programmes. You need a licence to watch the service live on YouTube.)</p>	<p><b>Watching a gamer play League Of Legends ESports Live on YouTube Live or Twitch</b> (ESports Live is not a television programme service.)</p>
<p><b>Watching a scheduled programme on the Discovery channel, via Amazon Channels</b></p>	<p><b>Watching Al Jazeera on the TV Player app, using an Amazon Fire Stick</b> (Al Jazeera provides TV-like programmes and TV programme services. You need a licence, even to watch on an app.)</p>	<p><b>Watching Boardwalk Empire on Amazon Prime</b> (Not live, on demand.)</p>



# How do viewing habits compare across the generations?

For this section we have categorised our generations into three age brackets:

Teens: Age 12 -15 yrs

Younger adults: 16 - 24 yrs

Later life adults: Aged 65+

16-24 YRS

# Younger adults

12-15 YRS

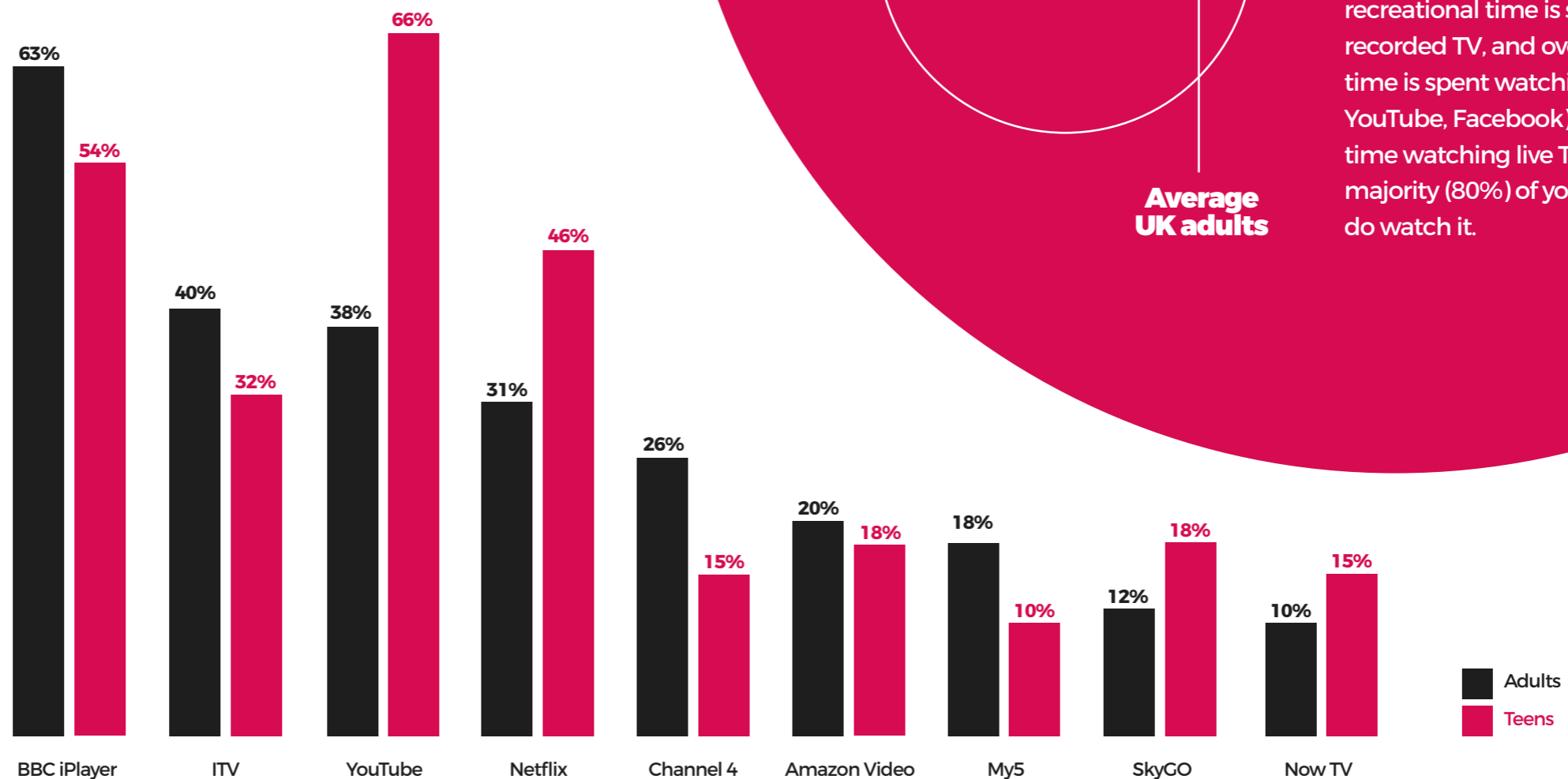
# Teens

## YouTube preferred by younger audiences.

Among 12-15s, YouTube is the most popular service, with 66% saying they use this to watch TV programmes and films compared to 54% using BBC iPlayer. 77% - 84% of students know a TV Licence is needed to watch BBC Programmes on BBC iPlayer, but many may not be aware of the need to be licensed to view some live content on YouTube.

## More likely to use Netflix.

46% of teens say they use Netflix compared to 31% of those aged over 16.



## Young people spend less time watching live TV than the average adult.

16-24s spend 30% of their downtime watching TV or video, compared to the 40% of time spent on these activities by the average UK adult. Only 14% of their recreational time is spent watching live or recorded TV, and over a fifth of their viewing time is spent watching online video (e.g. via YouTube, Facebook). Whilst they spend less time watching live TV, we know that the majority (80%) of young people still do watch it.

65+ YRS

# Later life adults

**watch 344 minutes  
of TV every day.**

(More than any other  
age group.)



### Overall decline.

The period 2010 - 2016 saw a gradual decline in the time spent watching TV across all age groups, with the exception of those aged 65+, their average viewing time has gradually increased from 2013 onwards.

### The older you are, the more you watch.

The average amount of TV viewed per person per day increases with age - in 2016, adults aged 65+ watched more than three times as much TV as those aged 16-24:  
Over 65s watch 344 minutes of TV a day  
16-24s watch 114 minutes of TV a day.

### Live TV is a big part of the older generation's media consumption.

When it comes to the over 65s, over half of their viewing time is spent watching live or recorded TV.

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