



TELESCOPE

**A look at the nation's changing
viewing habits from TV Licensing.**



www.tvlicensing.co.uk



PIPA DOUBTFIRE
HEAD OF REVENUE
MANAGEMENT,
BBC TV LICENSING

IN 2012 OUR LOVE AFFAIR WITH TELEVISION CONTINUED – TELESCOPE 2013 LOOKS AT OUR EMOTIONAL CONNECTIONS TO THE PROGRAMMES WE LOVE.

In the three years we've been producing the TeleScope report we've witnessed remarkable changes in the way viewers consume their favourite television programmes. Technology has given us unprecedented freedom to create our own TV schedule, with the ability to record programmes to view at our time of choosing. Services such as iPlayer, 4oD and YouView give us access to thousands of hours of missed television we can watch almost anywhere – on a TV screen in the living room from the comfort of an armchair, to a smartphone on a busy train or bus.

Although how, where, and on what we're watching continues to change, one thing has remained constant – our love of TV. Our homes are filled with entertainment consoles and

gadgets that come and go, but it's TV's unique ability to make us laugh and cry, and to inform, educate and entertain, that has kept it a constant part of our lives for so long.

TeleScope 2013 looks at our emotional connections to the programmes we love, how our favourite TV programmes make us happy and our love for TV. When I'm asked by people how I ended up working for TV Licensing, I tell them it's because I love great drama, comedy, and the BBC. This year, we launched the nation's TeleHappiness Index to capture this sentiment and our evolving relationship with TV. I hope you'll take the time to share your views online at: www.telehappiness.co.uk

WE ALL WANT TO FEEL GOOD AND LIVE A HAPPY LIFE. BUT OVER THE LAST FIFTY YEARS, AS OUR ECONOMY HAS MORE THAN DOUBLED IN SIZE, OUR LEVELS OF HAPPINESS HAVEN'T INCREASED.

As a result, many countries are now looking at new ways to measure and improve people's wellbeing, recognising that there's more to a flourishing society than just economic growth. Research is also showing that happier people are typically healthier, more productive, have stronger relationships, do more to help others and even live longer! So happiness is clearly a serious business.

But what impact does television have on the nation's happiness? With the average Brit spending around four hours a day watching TV, it's a question well worth asking. Let's start with the positive: certain programming, notably comedy and entertainment, can significantly boost our mood. And the impact of this may not be as trivial as it first appears, considering research which shows that regularly experiencing positive emotions leads to significant health and other benefits. Television can of course also broaden our perceptions, for example by breaking down cultural barriers or raising awareness about important issues. And it can even enhance our

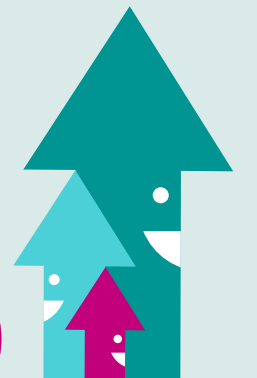
connections with other people – for example when grandparents and grandchildren come together to enjoy a favourite family programme.

But television also brings challenges for our wellbeing, particularly for those who spend an above average number of hours watching. Some of these problems are well-documented: the physical health risks from prolonged inactivity; or the potential impact on children's behaviour and social skills. But arguably the biggest risk that TV poses for our emotional health are the negative stories that dominate the news. Although it's no surprise to discover that viewers are least happy when watching the news, the impact of this is more severe than many realise. It leaves many of us assuming the world around is a much worse place than it really is.

We could all benefit from more programmes that not only boost our own TeleHappiness, but also help us to see the good in the world and inspire us to contribute to it.



DR MARK WILLIAMSON
DIRECTOR OF ACTION
FOR HAPPINESS



THE TIPPING POINT SECTION 1.

The Tipping Point of technology occurs when one product outsells another, dominating the market. In this first section, we explore pivotal tipping points, TV sales and home ecosystems.

The New Tipping Point Page 3

With more choice and innovation, we're unlikely to see a single tipping point for future trends and technology. Rather, the quest for better quality pictures and the joy of live viewing means some ways of watching are here to stay.

The TV Economy Page 5

We're continuing to invest in new tech. Smart TV sales have increased 211 per cent in two years, and 11 per cent of all UK households now have a tablet.

TV Ecosystems Page 6

In 2012, 29 per cent of UK homes still had a VCR connected to their main set. Smart consumers are mixing legacy devices with the newest products as we continue to upgrade.

THE TV ECONOMY SECTION 2.

Our love of new tech endures, and ownership of 3D, HD and Smart TVs continued to rise in 2012. Here, we look at TV sales, the reality of TV viewing in the home and innovations for the living room.

TV Sales Page 5

TV sales are falling year-on-year, but premium features are on the rise. More than a third of the TV market value in 2012 was from sales of 3D TVs.

TV Ecosystems Page 6

The home TV ecosystem continues to evolve. 70 per cent of homes have a HD or HD Ready TV.

The Big Event Page 7

Last year's live TV events commanded audiences of up to 27m. Chatterboxing played a large role in the popularity of these events. Andy Murray's Olympic gold in the men's tennis singles generated more than 57,000 tweets per minute.

Resurgence of Live and Social TV Page 7

Viewers are increasingly taking to Twitter to discuss live TV shows, in fact, 40 per cent of all Twitter traffic around peak time is about TV.

THE POWER OF LIVE TV SECTION 3.

Live TV events provide an opportunity for people to come together and share the experience. The ability to comment in real time on social media has greatly enhanced live TV. We look at the year's key live TV events in section three.

Live TV Moments Page 7

It was not all sport in 2012, with over 17m people tuning in for the Queen's Diamond Jubilee Concert. That's enough people to fill all 775 rooms of Buckingham Palace 220 times.

CURATING OUR OWN SCHEDULE SECTION 4.

We're customising our TV experiences with a mix of live, timeshifted and on-demand services. Section four discusses advancements in the way we create our own viewing experience.

The Paradox of Choice Page 9

Viewers are offered a huge range of programme choice. Three million hours of TV programmes are broadcast every year, yet the average viewer watches 1,460 hours or 0.05 per cent of all TV hours transmitted.

We're Catching Up Page 9

The way we watch TV is increasingly influenced by online access to catch up services. Nearly a third of internet users in the UK use catch up services like iPlayer and 4oD to supplement their live viewing every week.

52,000 Years of Recorded TV Page 10

PVR owners have more than 455m hours of TV saved on boxes across the UK. Increased choice means we're recording more content than we can watch.

THE TELEHAPPINESS INDEX SECTION 5.

TV viewers from all corners of the UK told us about the TV they love and the programmes which make them smile.

The TeleHappiness Index Page 11

The TeleHappiness Index compares the hours and TV genres we watch against our emotional responses. The Index is not linked to ratings, rather, it identifies those pockets of great TV, which make the UK truly happy.

Local Happiness Page 12

Our TeleHappiness may not depend on the amount TV we watch, rather our age, gender, and where in the UK we live.

A GREAT YEAR FOR TV

Industry experts share their views on the technological developments, must-see TV and audience highlights from a great year of television.

GLOSSARY, REFERENCES AND ACKNOWLEDGEMENTS

Throughout history, the tipping point of technology occurred when a new product outsold another, achieving mass appeal. With the rapid pace of change and innovation, we're no longer left waiting for the next tipping point to happen.

Instead, increased choice and product development means we're now offered a huge range of options to supplement – rather than supersede – our ways of TV viewing.

"Monumental cultural shifts are caused by the adoption of new technologies such as the internet, high definition flat screen technology, mobile phones, and social media. In any medium or structure there is a tipping point at which the system suddenly changes into another or passes some point of no return in its dynamic processes."



IAIN LOGIE BAIRD
CURATOR OF BROADCAST CULTURE
AT THE NATIONAL MEDIA MUSEUM

TV in the home

In **1950**, TVs were a premium product, only **350,000** homes had a TV. By **2003**, the average home had **2.03** TVs as the family sought TV viewing in the kitchen and bedrooms. By **2012**, this had decreased to **1.83** sets, as we began to supplement our TV viewing with more mobile devices in the home.

Cathode Ray Tube (CRT) to Flat Screen

Sales of chunky CRT sets were overtaken by flat screens for the first time in 2006, when only one CRT was sold for every five slimline screens. In the same year, the biggest electrical retailer removed CRT TVs from sale. At this time, sales were predicted to make up just **five per cent** of TV sales by value.

Black and White (B&W) to Colour

Sales of black and white TV licences hit their peak at just over **15m** in **1970**. In 1977, sales of colour TV licences (**9.95m**) surpassed black and white (**8.08m**) for the first time.

2006

One CRT was sold for every five slimline screens

1970

Black and white TV licences peak at 15m

2012

Fewer than 1% of us watch only timeshifted TV

Linear to Catch Up viewing

The boom in catch up services in the UK can be attributed to the launch of the BBC iPlayer in 2007. Although **29 per cent** of UK adults used online catch up services in 2012, fewer than one per cent of us watch only timeshifted TV. It's likely we'll continue to complement scheduled TV with catch up viewing for the foreseeable future.

The Remote Control

In 1955, Eugene Polley invented the Flash-Matic. This first remote control pointed a beam of light at the four corners of the TV, allowing people to change the channel and sound levels. The remote control gained mass appeal when manufacturers introduced infrared technology in 1977.

Video Cassette Recorder (VCR) to Personal Video Recorder (PVR)

The VCR was first introduced in **1970**. By 1998, **85 per cent** of UK households had a VCR. Many TVs today have built-in recording capability, and in 2012, **47 per cent** of UK households owned a Personal Video Recorder.

TV licence sales: BBC.
CRT Sales: Dixons.
Number of TVs per household: OfCom.
Use of Catch up: Ofcom.
Remote control: Phillips.
VCR ownership: ONS

BLACK & WHITE
TIPS TO
COLOUR

1929

First B&W
broadcast (UK)

1967

Colour TV
introduced (UK)THE FIRST COLOUR
TV LICENCE WENT
ON SALE IN 1968
AND COST £10

1970

B&W TV licence sales **peak at 15m**

1977

Colour TV Licences **overtake** sales
of B&W (Tipping point is **9.95m**)

2012

There are currently **25m** licences
in force. **13,000** of these are B&WCRT TIPS TO
FLATSCREEN

1934

The **first commercial TV sets**
with **cathode ray tubes** are
manufactured by TelefunkenWHEN INTRODUCED
IN 1936, THE
MARCONIPHONE COST
60 GUINEAS, OR
£11,000 TODAYTHE FIRST PLASMA PANEL WAS
ACTUALLY INVENTED IN 1964.
THE TV INDUSTRY GAVE AN EMMY
AWARD FOR TECHNOLOGICAL
ACHIEVEMENT TO THE INVENTORS
OF THE PLASMA DISPLAY IN 2002

1997

Sharp and Sony introduce
the **first large consumer**
flat screen TV

2006

Flat screens
outsell CRT for
the first time

2007

CRT shipments totalled **23 million**
units in Q3 2008, **down 15 per cent**
from 2007's numbers

2012

53% of TV sales were for super-
large or jumbo screens (33" to 43").
In 2001, this figure was **1%**VCR STARTS
TO TIP TO PVR

REC

1978

The first **video cassette**
recorder went on sale

1998

The ownership rate of
VCRs **exceeds 84%**

2001

Sky and TiVo launch the **first widely**
available PVR

2012

47% of UK households
have a PVRLINEAR VIEWING —
CATCH UP VIEWING
BOTH REMAIN
POPULAR

1936

Audiences within a 25 mile radius
of Crystal Palace received **two**
hours of programmes a day

2007

BBC iPlayer launched
Christmas Day

2012

4,000 hours of TV are broadcast every
day in the UK and **29%** of UK adults use
catch up servicesLIVE VIEWING SHOWS NO SIGN
OF TIPPING. IN 2012, FEWER
THAN **1%** OF PEOPLE IN THE UK
VIEW ONLY TIMESHIFTED TV IN
A TYPICAL WEEKREMOTE CONTROL
REMAINS ON THE RISE

1955

First wireless remote

PRIOR TO INFRARED, REMOTE CONTROLS USED
ULTRASOUND FREQUENCIES TO COMMUNICATE
COMMANDS — THIS MEANT THE TV
SOMETIMES RESPONDED TO BACKGROUND
NOISES IN THE HOME

2012

Samsung release a TV controllable by voice,
gesture, keyboard and remote controlADVANCEMENTS IN 4K, 8K
AND ORGANIC LED SUGGEST
THERE'LL BE TOO MUCH CHOICE
FOR A SINGLE TIPPING POINT IN
SCREEN RESOLUTIONHD REMAINS ON
THE RISE

2006

The **first high definition**
broadcasts begin in the UK

2012

70% of UK homes own a HD Ready TV set.
In 2013, Sony releases **4K** definition on a TV
more than **7ft** wide and costing £25,000IN 2012 UK TWITTER ACTIVITY PEAKED
WHEN BORIS JOHNSON, AND DAVID AND
SAMANTHA CAMERON WERE SHOWN
DANCING TOGETHER AT THE OLYMPICS
CLOSING CEREMONYCHATTERBOXING
REMAINS ON THE RISE

2006

The **first tweet** is sent by @jack

2012

60% of the 10m Twitter users in
the UK tweet about TV

Inspired by new technologies and unmissable TV events, we continued to invest in new technology and ways of viewing.

Smart TV Sales

Between the first quarter of 2010 and the same period in 2012, Smart TV sales increased by 211 per cent, from 115,000 to 358,000 units per quarter. Total sales figures show more than 2.9m Smart TVs have been sold in the UK since 2010.

Big Screen Sales

We continued to upsize our viewing in 2012, as sales of jumbo screens (43inch+) increased 10 per cent in 12 months.

3D TV Sales

The trend towards premium features is on the rise. More than a third of the TV market value in 2012 was from sales of 3D TVs, although this feature now comes as standard in most high-end sets.

Tablet Sales

In 2012, sales of tablets and mobile devices soared as new seven-inch models came to the market. Newer, cheaper entry level products meant smartphone ownership increased to 39 per cent. This has spurred an upsurge in mobile viewing, particularly on tablets. In fact, 27 per cent of smartphone owners and 63 per cent of tablet owners now use their device to watch live TV. Tablet ownership stands at 11 per cent of UK households.



SMART BOX / DUMB SCREEN

Manufacturers are now producing “smart” televisions with internet-enabled features and a familiar app interface. A competing market has emerged, however, in which new plug-and-play boxes enable any TV screen to have full smart functionality. This innovation allows customers to easily turn older “dumb screen” technology “smart”.

Our love of new tech endures, and sales of 3D, HD, Smart TVs and tablets continued to rise in 2012.

PERCENTAGE OF OWNERSHIP



5%

of homes have a Smart TV
(Although 35% have never connected their Smart TV to the internet)

47%

of homes have a PVR

70%

of homes have a HD/HD Ready TV



6%

of homes have a 3D/3D Ready TV

“With the 2012 onslaught of ‘large-screen’ activities including the European Championships and the Olympics, we have seen strong continued uptake of the 3D and Smart TV features. This alone accounted for 35 per cent and 44 per cent respectively of the total market value in 2012. Though the inclusion of these features as standard in most high-end sets means that a number of these will be passively purchased, this does not necessarily reflect the number of consumers actually using these features.”

MARK HAMILTON
ACCOUNT MANAGER, GfK
MARKET RESEARCH AND
CONSUMER INSIGHT AGENCY

Smart TV sales: Ofcom. Smartphone/Tablet ownership: Ofcom. Smart TV, HD, PVR, 3D ownership: Ofcom. Mobile viewing: Harris Interactive. Screen sales, 3D Sales: GfK

A CONSUMER PERSPECTIVE



"Brand name manufacturers see multi-screen as an opportunity to sell different connected devices to the same consumer by creating more integrated experiences – across different types of content, and applications that demand devices from a single supplier.

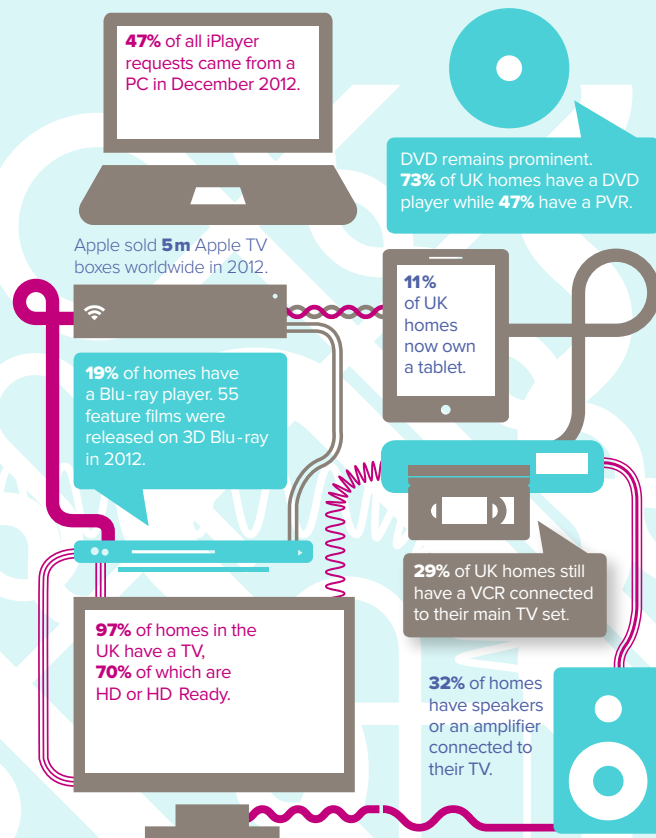
"However, in practice it is difficult for most manufacturers to achieve this kind of lock-in, without investing heavily in their own services and applications. In most instances, common device technologies and cloud-based services allow end users a considerable degree of freedom to pick and choose between devices to create a functional – if not always fully optimised – multi-screen setup."



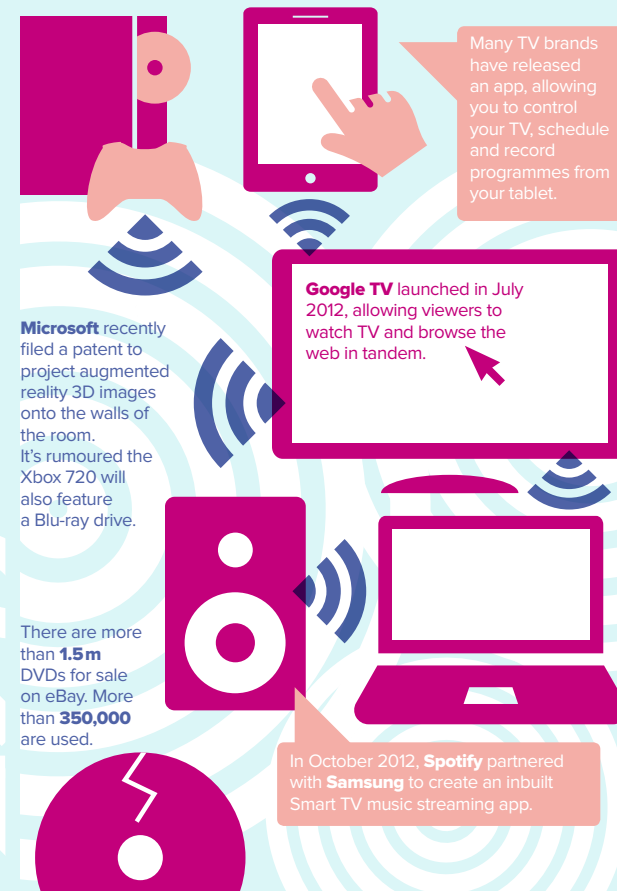
TONY CRIPPS
PRINCIPAL ANALYST DEVICES
AND PLATFORMS, OVUM

TV Ecosystems

As we upgrade, the TV "ecosystem" in the family living room continues to evolve. A basic TV from times past ecosystem might have comprised a TV and connected VCR. Today's ecosystems incorporate a collection of connected "legacy devices" across multiple brands and generations.



A CONSUMER PERSPECTIVE



THE MARKET VISION

THE MARKET VISION



"Manufacturers are no longer specialising in one or two pieces of technology. There has been a conscious move by many of the large players in the market to produce an entire suite of inter-linked products from TVs, tablets, smartphones and laptops. They want to create exclusive ecosystems in which consumers feel compelled and driven to make all purchases with the same brand."



DR SUE BLACK
SENIOR RESEARCH ASSOCIATE,
DEPARTMENT OF COMPUTER
SCIENCE, UNIVERSITY
COLLEGE LONDON, AND
INFLUENTIAL TECH TWEETER

iPlayer requests: BBC. DVD, Blu Ray player, Speakers and VCR ownership BBC/ICM Research, PVR, HD TV and tablet ownership: Ofcom. TV ownership: BARB. Apple boxes sold: Apple.

Resurgence of live, scheduled and social TV

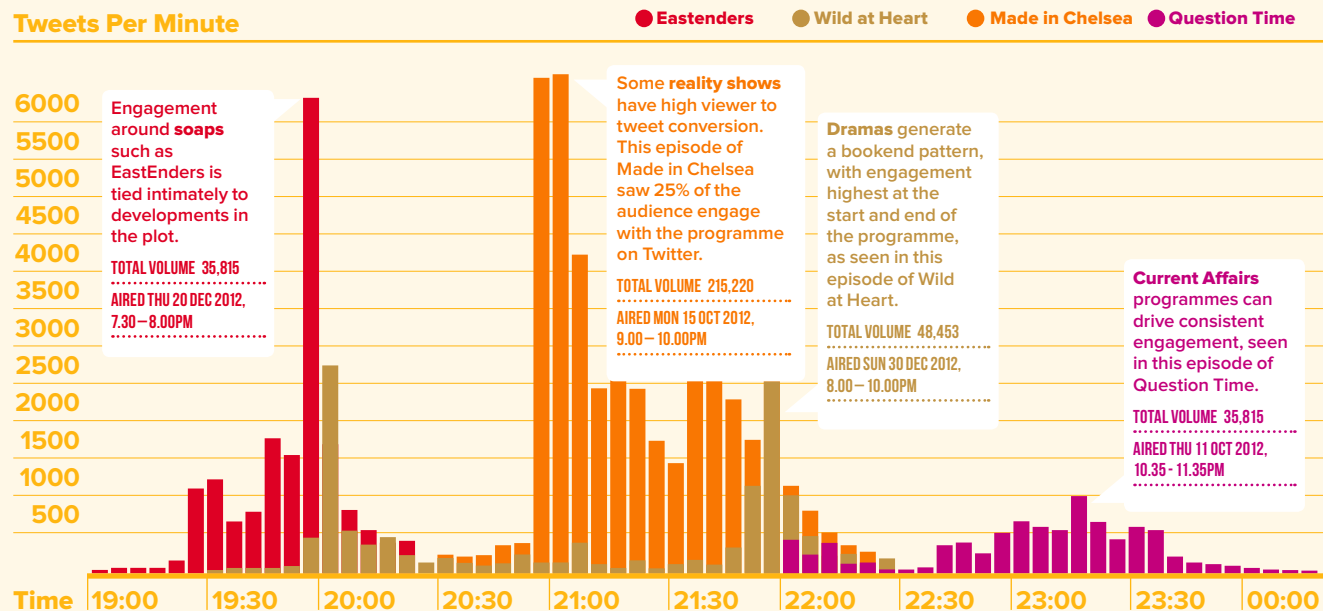
We're engaging even more with our favourite TV programmes thanks to the popularity of social media. Social media allows us to actively participate in real-time conversations, or 'chatterbox', with others. The ability to chat instantly about a programme with both friends and strangers adds to the joy of watching programmes at their scheduled time.

The Big Event

Live television has always attracted large audiences. Live events and scheduled TV creates an event around a programme or series which friends and family can enjoy together, in person or "virtually" online.

During peak time TV hours (6.30pm–10pm) 40 per cent of tweets are about television shows. The importance of scheduled TV to advertisers and viewers is illustrated by the US partnership formed by international audience rating agency, Nielsen and micro-blogging site, Twitter. The new 'Nielsen Twitter TV Rating' (to launch in the US in Autumn 2013) should provide a benchmark for measuring audience participation via social media, which is primarily driven by live TV.

Tweets Per Minute



"It's already difficult to imagine our biggest shows without a social media presence. Useful in so many ways, such as delivering behind-the-scenes content as episodes air on TV, social media also provides invaluable audience feedback for producers."



JONATHAN ALMOND
INTERACTIVE PRODUCER,
FREEMANTLE MEDIA

"On Twitter we see very clear patterns of engagement around TV shows, but the relationship between audience figures and tweet volumes is a complex one. Different engagement patterns across genre, time slot and demographic are already being used to plan ad campaigns, drive the price of spot ads and in commissioning"



ANDY LITTLEDALE
MANAGING DIRECTOR,
SECONDSYNC

Live TV moments of 2012

The year 2012 was packed with big TV events. The **London 2012 Olympic Games Opening Ceremony (26.9m)**, the final of the **UEFA European Championships (13.3m)**, **Wimbledon men's final (16.9m)** and the **Queen's Diamond Jubilee Concert (14.7m)** brought us to our screens in huge numbers. **Felix Baumgartner's skydive** from the edge of space made online records, with 8m live concurrent views on YouTube for the 11-minute freefall.

26.9M

WATCHED THE OPENING CEREMONY. IF EVERY VIEWER RECEIVED A GOLD MEDAL THE TOTAL WEIGHT WOULD BE 10,800 METRIC TONNES OF GOLD.

17M

VIEWERS OF THE DIAMOND JUBILEE CONCERT PEAKED AT 17M VIEWERS, ENOUGH TO FILL ALL 775 ROOMS OF BUCKINGHAM PALACE 220 TIMES.

17M

WATCHED MO FARAH WIN THE MEN'S 10,000 METRES. IF THEY WERE ALL TO SAY WELL DONE, IT WOULD TAKE 84 WEEKS.

20M

WATCHED ENGLAND PLAY ITALY IN EURO 2012, ENOUGH TO FILL THE VENUE WHERE THE MATCH WAS HELD (OLYMPIC STADIUM, KIEV) 285 TIMES.



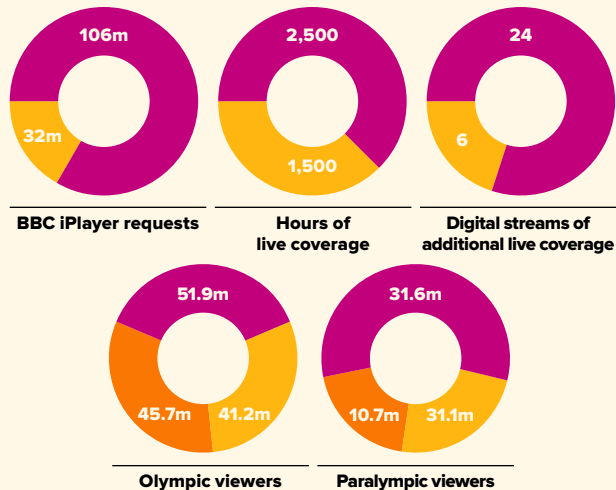
Digital Olympic and Paralympic Games

London 2012 was the first truly digital Games. During the opening ceremony there were **9.66m mentions** on Twitter worldwide, topping the total number of Twitter posts during the entire 2008 Olympics in Beijing. A single tweet sent by Sir Tim Berners-Lee while he was on stage during the opening ceremony received more than **10,000 retweets**.

@timberners_lee This is for everyone #London2012
#oneweb #openingceremony
@webfoundation @w3c

"Our aspiration was that just as the Coronation did for TV in 1953, the Olympics would do for digital in 2012. The demand and astonishing feedback we've seen from audiences accessing our Olympics content online, whenever they want, on the devices they choose has exceeded our expectations and helped fulfil this aspiration."

PHIL FEARNLEY
BBC, GENERAL MANAGER,
FUTURE MEDIA NEWS
& KNOWLEDGE



DANNY BOYLE'S AMAZING OPENING CEREMONY ATTRACTED THE HIGHEST UK AUDIENCE FOR AN OLYMPIC OPENING CEREMONY SINCE BARCELONA IN 1992 AND ATTRACTED AN ESTIMATED 900M VIEWERS WORLDWIDE.

Major developments in the availability and adoption of technology contributed to London's status as the first digital Games. In 2004, only **16 per cent** of UK adults had broadband at home, by 2012, the figure reached **76 per cent**. But perhaps most significant is the increase in take up of smartphones. The first touchscreen smart phone was still in development at the time of the Athens Games. By the Beijing Games, there had been **4.2m** sold and by 2012, **over a third (39 per cent)** of the UK adult population owned one, allowing **more than one person in four (28 per cent)** and almost half of all 25-34 year olds, to follow the London Games on their phone.

● London 2012
● Beijing 2008
● Athens 2004

The Top 10 of TV

	Most tweeted	Most Googled	iPlayer live	iPlayer catch up	iPlayer downloads	BARB top 10
1.	Jeremy Kyle	Mike the Knight	Olympics London 2012	Olympics Ceremonies London 2012	Sherlock	Olympics 2012: Closing Ceremonies
2.	Games of Thrones	Homeland	Olympics Ceremonies London 2012	Top Gear	Top Gear	Olympics 2012: Opening Ceremonies
3.	American Dad	TOWIE	Wimbledon 2012	Sherlock	Dr Who	Euro 2012: EngvIta
4.	#Eastenders	The Jonathan Ross Show	MOTD Euro 2012	Dr Who	Birdsong	Olympics 2012: Mens 100m Final
5.	Family Guy	Celebrity Big Brother	Athletes Parade Live	The Apprentice	Olympics Ceremonies London 2012	Euro 2012: EngvUkr
6.	Russell Howard	Sherlock	BBC SPOTY	Citizen Khan	Call the Midwife	The Diamond Jubilee Concert
7.	#JeremyKyle	Great British Bake Off	The Diamond Jubilee Concert	The Voice UK	Hunted	Euro 2012: SwevEng
8.	#Hollyoaks	Games of Thrones	Eurovision Song Contest 2012	Bad Education	Horizon 2011-2012	Olympics London 2012
9.	#Newsnight	Big Bang Theory	Breakfast BBC News Channel	Waterloo Road	Hustle	Strictly Come Dancing
10.	#CBB	How I Met Your Mother	Formula 1 2012	Eastenders	Parade's End	Strictly Come Dancing: The Results

Colour differences denote programmes which appear in the **Top 10** more than once

Viewing figures: BARB peak audience.
Smartphone ownership: Ofcom. Twitter mentions: Twitter. Broadband access: Ofcom. Following games by phone: Ofcom.

Our home TV now offers a library full of programme collections for us to explore.

Some viewing experiences are decided for us – by broadcasters, schedule planners and from catch up service recommendations. Other experiences we seek out ourselves, creating a personal mix of recorded, timeshifted and live viewing. The UK leads the world in ownership of PVRs and with **37 per cent** of internet-connected homes using on-demand services each week, we're increasingly creating our own schedule.

PVRs are now widely used in UK households, making it easier to decide when and where we watch TV. Despite

this, we still favour watching programmes as they're scheduled. In 2006, timeshifted viewing represented only **13 per cent** of total viewing in PVR homes. In 2012, around **20 per cent** of viewing was recorded and watched later in homes with a PVR. Of this, half of all timeshifted viewing occurred on the same day as broadcast, while the remainder was watched within seven days of transmission.

Those with a PVR watch on average **three hours and 42 minutes** of timeshifted TV each week. While the use of time-shifting and catch up is on the rise, they still make up a small proportion of our overall viewing.

PICK 'N' MIX CHANNELS

With digital switchover now complete, every household in the UK has potential access to more TV channels, and choice, than ever before – there are **up to 50 channels** available on Freeview alone. Across the UK, we watch an **average 242 minutes** of TV every day.

Wide uptake of personal video recorders (PVRs) has also given viewers the ability to digitally record programmes and watch at their convenience, **47 per cent** of UK homes now have a PVR.

BACK IN TIME

We're most likely to time-shift **drama (soaps)**, with **21 per cent** of viewing recorded on a PVR and watched later. This is closely followed by serial drama (19 per cent). Perhaps unsurprisingly, sport and current affairs (both five per cent) and news (two per cent) are the least likely to be timeshifted in homes with a PVR.

WE'RE CATCHING UP

Nearly a third of internet users in the UK use catch up services like iPlayer and 4oD every week.

The latest generation of set-top boxes, including YouView and Virgin TiVo, now allow us to scroll back through the previous week's TV listings to catch up, scroll forward to set programmes to record and use more sophisticated search functions to look for specific actors and programme genres.



THE PARADOX OF CHOICE

As viewers, we now have more choice than ever.

Across all free to air and subscription channels, **4,000 hours** of mainstream programmes are broadcast every day. This equates to over **three million hours** of TV choice a year.

The average viewer watches around **1,460 hours** of TV a year, less than **0.05 per cent** of TV hours transmitted.

"Choice is the viewer's new problem. There may be loads to choose from, but choosing takes time; with many menus to get through. The great strength of broadcast TV is being there, just when you want it. So it's not surprising that the main broadcast channels are still watched so much, either live or in catch up. YouView has astutely latched onto this by designing its search environment around the schedules. This works in the UK because our broadcast channels are not too cluttered by adverts. We're lucky. In the US, broadcasting has collapsed under the weight of advertising."



JOHN ELLIS
PROFESSOR OF MEDIA ARTS,
ROYAL HOLLOWAY,
UNIVERSITY OF LONDON

**HALF OF ALL
SMART TV OWNERS
(51 PER CENT)
USE THEIR SETS TO
WATCH CATCH UP TV**

REC

Minutes watched per day, PVR ownership, use of catch up: Ofcom. Timeshifted: TRP/BARB.

In 2012 fewer than one per cent of Brits viewed only timeshifted TV in a typical week and did not watch any scheduled TV at all.

Almost half (49 per cent) of timeshifted viewing is completed the same day as the programme was transmitted and a further 24 per cent within 24 hours.

THANKS FOR WATCHING

Ceefax, the world's first teletext service, completed its final broadcast in 2012, after 38 years.

Ceefax, so called because viewers would be able to quickly "see the facts" of any story of the day, was launched on 23 September 1974 to give BBC viewers the chance to check the latest news headlines, sports scores, weather forecast or TV listings – in a pre-internet era when the only alternative was to wait for the next TV or radio bulletin to be aired.

Its audience peaked in the 1990s when it had **20m viewers** who checked the service at least once a week.



Not all viewers are catching up, and some still like their viewing scheduled for them. A small number of younger viewers, and those with active lifestyles, are more likely to download or watch on-the-go, giving rise to many different viewing behaviours.

"Call me old fashioned, but I watch all my TV on TV. I wouldn't know how to watch it any other way. I have my weekly TV guide and if I want to watch something then I make sure I'm in the house to watch it."

MS CLODAGH NEWINGTON-BRIDGES, 71
GLOUCESTERSHIRE
LIVE WATCHER



"I live a pretty active life so I rarely have time to sit down and flick through the channels. I series-link the stuff I do like so when I have a couple of free hours I'll watch a couple of episodes of my favourite shows back-to-back."

JUSTIN GILCHRIST, 31
MANCHESTER
THE CURATOR



"I'll watch the news and sport live whenever I can, but I've noticed that I'm starting to watch more TV on iPlayer or from the PVR. I never seem to be free on Sunday nights so Monday evening has become 'Homeland night' in our house."

TAMMY KIEFFER, 29,
LONDON
PVR PRACTITIONER



BBC RED BUTTON

See the facts

Red Button developments and changes to the traditional remote control have evolved our search for additional programme information and content.

In 2012, Red Button reduced the number of video streams available and launched **Connected Red Button**, a new way to supplement viewing using internet technology to create a personalised experience with tailored programme content and information.

Content providers and application developers such as **Netflix** and **Facebook** are vying for a hard-wired button on the remote. More applications are competing for prominence on Internet-connected televisions, in a bid to hold our attention and assist our search for information.

Companion apps are on the rise, allowing users to engage in real-time with a TV programme or quiz show via their remote control or mobile. Fans of **The Million Pound Drop**, **Antiques Roadshow**, **The X Factor** and **Britain's Got Talent** can be involved in the live show from the comfort of the sofa.

PVR OR DIGIBOX OWNERS HAVE MORE THAN 455M HOURS OF TV STORED ON BOXES ACROSS THE COUNTRY – AROUND 36 HOURS FOR EVERY PVR HOME IN THE UK. INCREASED CHOICE MEANS WE'RE RECORDING MORE CONTENT THAN WE CAN WATCH.



THE FUTURE

"The way we watch and interact with our televisions is constantly evolving. TVs which are almost paper thin, but give us pin-sharp images will soon be launched. But the biggest changes will be with how we engage with the programmes we watch. Previously programmes have just been passive – we simply sat and watched. Now we're engaged, tweeting or playing along at home in real time. The future could be perceptive, with the TV understanding the living room chatter like never before, opening the opportunities for storytellers to engage with audiences on an individual level. An example would be using music from your personal library and incorporating appropriate tracks into the television programme's score."



IAN FORRESTER
SENIOR PRODUCER, BBC R&D

Timeshifted viewing – TRP BARB

The TeleHappiness Index maps the TV that makes us truly happy. It compares the hours and TV genres we watch against our individual emotional responses to create a national picture. The Index is not linked to ratings or audience size, rather, it identifies those pockets of great TV, which make us truly happy.

Television may seek to inform, educate and entertain, although the programmes we watch also play an important part in our emotional well-being. A TV show can make us happy in many direct, and indirect ways, as the Index clearly shows.



CREATE YOUR OWN TELEHAPPINESS INDEX AND ADD YOUR CONTRIBUTION TO THE NATIONAL PICTURE ONLINE AT WWW.TELEHAPPINESS.CO.UK

Dance Like Nobody's Watching
Music programmes rate highly in the happiness stakes – especially among **women (92 per cent)** and **baby boomers (94 per cent of 45-64 year olds)**.

MUSIC
6 HOURS

FILMS
7 HOURS

A Question Of Sport
The gender gap widens on the question of sport. While **79 per cent of men** say sport makes them happy, only **57 per cent of women agree**.

SPORT
6 HOURS

FACTUAL
4 HOURS

LEARNING
4 HOURS

LIFESTYLE
3 HOURS

RELIGION
5 HOURS

COMEDY
4 HOURS

ENTERTAINMENT
5 HOURS

Bringing Families Together

Adults in Scotland, the North West, London, the South East and Northern Ireland watch more children's programmes in a week than their grown-up counterparts in the rest of the UK. With dedicated channels available **12 hours a day**, there are **more than 160 hours** of children's content available each week for families to enjoy.

CHILDREN
7 HOURS

NEWS
5 HOURS

DRAMA
6 HOURS

The National TeleHappiness Index as at 18 March 2013, created from more than 1,000 responses across the UK.

A National Sense of Humour
Comedy makes **95 per cent** of us happy. This is equal for both men and women, across all age groups. As comedy is the stand-out TV choice to make us feel happy, it is curious how little of it we watch. Although almost all respondents agree comedy makes them happy, we only watch around **4 hours a week**.

Praise and Happiness
Programmes can make us happy by their connection to our beliefs or spirituality. Religious viewers in Yorkshire and the Humber, and West Midlands watch **almost eight hours of religious TV a week (7.95 and 7.97 hours a week respectively)**. Religious programmes rate highly on Scotland's TeleHappiness Index, ahead of comedy.

No News is Good News
Only **35 per cent** of us agree news and current affairs makes us happy, yet we tune in for around an hour each weekday.

LOCAL HAPPINESS

Scotland

Although Scots watch more than six hours of children's programmes a week, it's the nominal 50 minutes of religious programming a week which makes them happiest.

Northern Ireland

People in Northern Ireland are happiest watching entertainment programmes (96 per cent) and children's television (91 per cent) with comedy ranking a rather unfunny 86 per cent.

North West

People in the North West watch a moderate number of learning programmes (less than three hours a week) but they're the happiest region doing so – nine out of ten respondents said learning programmes make them happy.

Wales

The Welsh derive more happiness from watching sport (82 per cent) than any other nation or region in the UK.

South West

Sports fans in the South West watch more hours of sport a week (7.76) than any other nation or region in the UK. News viewers in the region enjoy the likes of Spotlight, Points West and The West Country enough to watch more than six hours of news and current affairs programmes a week (6.15).

North East

People in the North East watch more TV than most of us. Rockers, poppers and teenyboppers watch an average 11.23 hours of music clips a week, while across the region, comedy fans laugh for twice as long (8.10 hours) than the rest of the UK. Film buffs in the North East watch up to five films a week (11.18 hours).

Yorkshire and The Humber

People here watch the least factual programming (168 minutes a week) although 67 per cent of the audience agree a good documentary makes them happy.

The Midlands

Inquisitive viewers in the West Midlands watch more learning programmes (5.58 hours a week) than the rest of the UK. Those in East Midlands are happiest when watching comedy (95 per cent) followed by learning programmes (86 per cent).

East of England

It could be the local drama of TOWIE, but viewers in the East of England are happier watching drama and soaps (78 per cent) than the rest of us.

London

London bucks the national trend, as a good beat makes Londoners happier than a good belly laugh. While 95 per cent of Londoners agree music programmes make them happy, only 93 per cent agree comedy makes them happy.

South East

People in the South East raise the national comedy average. In fact, 97 per cent of viewers in the South East agreed comedy makes them happy.

Chatterhappiness noun Nichecasting

1. The pleasure someone derives from watching television, while simultaneously discussing the programme via social media.

"As a shift worker I find it easier to catch up on TV I've missed through apps like BBC iPlayer. Not only is it convenient but it's cheaper than subscription packages. I'm also a fan of Twitter and gossip, so I no longer have to wait to get to work to impose my deliberations and opinions on the latest TV shows or news."

SHARON IRVINE, 38
GLASGOW



"I like watching mostly sports programmes, comedies and quizzes. I tend to comment on Match of the Day and quiz shows such as Pointless, Question of Sport or any show where someone gives an answer I don't agree with!"

MATT WILLIAMS, 21
CANNOCK



"TV is really changing. Social media has given the viewer the power to influence the conversation and direction of a programme, particularly live shows. An interesting comment can change the direction of a live debate and I quite enjoy this element of social media. I wouldn't say I'm compulsive about using social media while watching, but for certain programmes, it very much adds to the enjoyment of the experience."

LEIGH JENKINS, 57
CARDIFF



The explosion of digital TV channels and broadband internet over the past decade helped pave the way for niche television shows and networks. With the advent of digital TV, we've seen an increase in "nichecasting", broadcasting to a small, but highly engaged loyal audience.

Episodes of **Doctor Who** will regularly attract audiences of over 7m, an audience share of **37 per cent** and Audience Appreciation (AI) scores in the high 80s. AI scores are calculated through a BBC TV survey, which measures audiences' enjoyment of TV programmes. Programmes with a smaller reach and profile can be just as well received. Welsh Railways was a four-part documentary series on BBC2 Wales about the resurgence of steam power on the Welsh railways. It had an audience share of **9 per cent**, but received an AI score nearly **10 per cent** higher than the average factual programme. In 2010 a BBC3 documentary on the lives of women in post-Taliban Afghanistan – **Women, Weddings, War and Me** – had fewer than one per cent of the audience share, but had the highest audience appreciation score of any factual programme on any channel ever reported.

TeleHappiness Index: Conducted by Ipsos MORI for TV Licensing in January 2013. Base: 1034 respondents.

A GREAT YEAR FOR TV

WITH SO MANY SPECTACULAR LIVE EVENTS AND DEVELOPMENTS IN TECHNOLOGY, 2012 WAS A GREAT YEAR FOR TV.

LINDSEY CLAY EXPLORES CHANGES IN THE TV LANDSCAPE AND OUR LOVE FOR LIVE TV, GABRIEL TATE UNCOVERS THE HIDDEN TV GEMS OF 2012 AND ALISON HUNTER DISCUSSES THE INNOVATIONS TAKING SHAPE IN A VERY TRADITIONAL AREA OF TV VIEWING.

LINDSEY CLAY THINKBOX



It is easy to get a little breathless with so much going on in TV – from the format of the things we watch to the microchips behind the screens we're buying. But there is no doubt 2012 was a fantastic year for TV on every level. In fact, in media terms, it was the year of TV. This was underlined by the Olympics and Paralympics, which demonstrated how TV remains the beating heart at the centre of our cultural life, where we go to be entertained, informed and to share wonderful experiences. We didn't need the Olympics to prove this, but it's very welcome that it did.

For viewers, TV has never been better – 2012 was the year TV became entirely digital when the analogue signal was switched off. TV is now the biggest digital medium – and still expanding via new platforms and services. We are increasingly connected and able to chat, play, discover and buy based on what we are watching, thanks to the smartphones, tablets and laptops so many of us have. These companion screens are making TV even more compelling.

And as it got more compelling, it got more convenient. We can now watch TV on any connected screen and in 2012 the UK broadcasters expanded their on-demand services to help us watch whatever, whenever and wherever we like. Yet despite on-demand TV's ubiquity and half of UK households now owning a digital recorder letting them record and watch at leisure, viewers still overwhelmingly chose to watch linear TV channels.

There's an unshakeable preference for watching TV live, and the increase in doing so with a connected device to hand, is great news for the TV advertisers who continue to play a vital role in funding much of the UK's world class TV content. The pace of expansion and improvement set in 2012 shows no sign of slowing in 2013.

Lindsey is the Managing Director at Thinkbox, the marketing body for commercial TV in the UK. Lindsey is also on the Board of the British Arrows (formerly the British Television Advertising Awards).

GABRIEL TATE TIME OUT MAGAZINE



2012 saw an iffy debut for 'The Voice' and the continuing decline of 'The X Factor', but fortunately there was plenty to engage the interest of the discerning viewer away from the bright lights and big budgets of Saturday night TV. The Olympics, of course, crowned an extraordinary year of live sport and made the most of the BBC's considerable investment in new technology to ensure we could keep track of almost everything as it happened, across several different platforms. As a glimpse into one possible future of broadcasting, it was thrilling.

But dramas, comedies and documentaries also blazed brightly this year. The first season of 'Homeland' (C4) proved that the concept of watercooler telly still existed and 'Parade's End' and Shakespearean tetralogy 'The Hollow Crown' (both BBC2) displayed the finest qualities of the British costume drama. But it was the Scandinavian imports that raised the bar once more, courtesy of 'Borgen' and 'The Bridge' (both BBC4).

The continuing financial crisis brought the best out of documentary-makers, with approaches ranging from psychogeography (BBC2's 'The Secret History of our Streets') to depicting class through a tapestry (Grayson Perry announcing himself as a major TV presence in C4's 'In the Best Possible Taste'). And the BBC's global 'Why Poverty?' season took in the bigger picture to alarming, enlightening effect. Plaudits, too, to ITV, for screening '56 Up' and showing Michael Apted's peerless piece of social history to be maturing with age.

Not that it was all miserable. Sky Atlantic answered two of our prayers, resurrecting Alan Partridge for television ('Welcome to the Places of my Life') and giving the mordant wit of Julia Davis free rein in the brilliant 'Hunderby'. 'The Thick of It' (BBC2) also bid farewell in a series of astonishing prescience, but the year's most perfectly formed gem was courtesy of that show's star. Peter Capaldi's imagined history of a British film studio, 'Cricklewood Greats', was a poised, funny and affectionate spoof of a cottage industry and an entire genre of documentary-making. 2013 has plenty to live up to.

Gabriel is the Time In & TV editor at Time Out magazine. He is also a freelance writer for Sight and Sound magazine.

ALISON HUNTER BBC BLUE ROOM



The infrared remote control has been TV's best buddy for over thirty years. Our TV watching fundamentally changed with its arrival. There was no longer a need to get up and change the channel when we weren't enjoying what we were watching. Instead with one click we could switch from one programme to another. Channel hopping was born. Its extensive use even highlighted a new social concern. People watching TV for long periods of time without moving from their settees were christened 'couch potatoes'.

In the last six months, a new form of remote control has arrived. If you have purchased a new Samsung Smart TV or seen their recent ad campaign, you will have noticed that you can now use voice and gesture to control your TV. Does this mean we will be casting aside our dependable old friend, the remote control, in favour of waving our hands and talking to the TV? It is certainly early days as the technology feels clunky, frustrating and a little basic. If you say 'Hi TV!' and your TV ignores you, the chances are you'll get frustrated remarkably quickly and reach right back for your trusted remote.

Even though gesture and voice control will become more of a standard feature in high-end television sets this coming year, it won't replace our need for the remote until reliability becomes the norm rather than the exception. In the meantime, it remains a fun novelty to impress friends rather than a game changer for television.

Alison is the Senior Technology Demonstrator for the Blue Room, the BBC's consumer technology showcase.

FOREWORD

EXECUTIVE
SUMMARYTHE
TIPPING POINTTHE
TV ECONOMYTHE POWER
OF LIVE TVCURATING OUR
OWN SCHEDULETHE
TELEHAPPINESS
INDEXA GREAT
YEAR FOR TV

GLOSSARY

REFERENCES

3D TV

3D TV is a television display technology that enables a three-dimensional effect, by providing the illusion of depth. Some 3D screens use special projection hardware; others require eyewear when viewing.

4K TV (Ultra HD)

4K is four times the resolution of standard consumer high definition (HD) resolution.

Analogue

Analogue transmissions broadcast encoded analogue audio and video signals to analogue TVs. Prior to the introduction of digital TV, all broadcast TV systems used analogue signals.

App

An abbreviation for application. An app is a piece of software which can run on the internet, on your computer, on your phone or other electronic device.

Catch up TV

Catch up TV (such as BBC iPlayer or 4oD) allows users to stream content through a set-top box, a computer or other device, allowing viewing in real time, or, in some cases, download for viewing at any time.

Cathode-ray (electron beam or e-beam)

Cathode-ray creates the image on a classic TV set. Technologically, a beam of electrons is emitted from the cathode of a high-vacuum tube which is then deflected by electric or magnetic fields to create the image on a classic TV set.

Chatterboxing

The act of watching a programme on TV whilst simultaneously talking to others about that programme online, normally via a social media platform.

Chatterhappiness

The pleasure someone derives from watching television, while simultaneously discussing the programme via social media.

Connected TV

TV which is connected to the internet either directly or via another connected device, such as gaming console or digibox (also called Smart TV).

Digital TV

TV broadcasting in which pictures are transmitted as digital signals and then decoded by the receiving TV set or set-top box.

Flatscreen TV

TV sets with fully Flat screen which are lighter and thinner than traditional versions. They can be LCD, LED, OLED or plasma.

High Definition TV (HD TV)

HD TV provides resolution substantially higher resolution substantially higher than that of traditional TV systems. HD TV is digitally broadcast.

LCD (liquid-crystal display) TVs

LCD TV images are created through a network of pixels behind the screen which produce an electric current which determines the colour and light variations produce the image. LCD TVs are thinner and lighter than cathode-ray sets and are available in much larger sizes.

LED (light-emitting diode) TVs

LED televisions are LCD TVs with one difference – the back light lamps which illuminate the screen have been replaced by hundreds of smaller LEDs.

Live TV (linear TV)

Scheduled TV programmes which the viewer watches as they are shown on TV. Live TV can also refer to live events as they are broadcast on TV.

Mobile technologies

Communication devices which can be easily transported during use, e.g. smartphones, laptops and tablets.

Nichecasting

Creating programmes to broadcast to a small, but highly engaged, loyal audience.

OLED (organic light-emitting diode) TVs

OLED TVs are brighter, thinner, and feature better refresh rates and contrasts than LED, LCD or plasmas TVs.

Plasma TVs

A plasma display panel consists of tiny gas cells sandwiched between two sheets of glass. Each cell gives off ultraviolet light which then produces red, green and blue spots on the screen. These spots build the perception of a picture.

Small screen technologies

Portable and hand-held devices with screens on which images and videos can be displayed and viewed, e.g. smartphone and tablet PCs.

Smartphone

A smartphone has more advanced computing and a larger than average screen than a standard mobile phone.

Smart TV

See Connected TV.

Social media

Internet services which can be used for real-time interaction online with others. Social media allows the creation and exchange of user-generated content. Services include blogs, forums and video-sharing platforms including Facebook, Twitter, Tumblr, YouTube and Pinterest.

Tablet

A mobile computer which is operated by touching the screen rather than using a physical keyboard.

Time-shifting

Programmes which are recorded (to a digibox or PVR) and watched later than scheduled.

Two-screen viewing

When someone watches TV whilst simultaneously using a mobile device or laptop.



Dixons Retail – Cathode Ray sales

BARB (Broadcasters' Audience Research Board) – TV viewing statistics

BBC – Audience research statistics including: BBC iPlayer data, Olympic Opening Ceremony ratings, Audience Appreciation scores

BBC Online – Historical data – homes with a TV

Ofcom – BARB Establishment Survey; Communications Market Report 2012; London 2012 Media Consumption report

Twitter – Twitter blog; Twitter data; Dan Biddle, Twitter Head of Partnerships speaking at Future TV Advertising Forum, London 29 November 2012

Office of National Statistics – Living in Britain, Results from the 1998 General Household Survey

Philips Press Office – Introduction of infrared technology

Harris – Touchscreen Life Report (2012)

Engadget.com – Apple TVs sold

The Guardian online – Wimbledon, Euro 2012 references

TV Licensing – TV licences in force; PVR data

TV Licensing Ipsos MORI research for TeleHappiness Index – Conducted by phone for TV Licensing in January 2013. Sample size was 1034 adults

TV Licensing Ipsos MORI research for TV ecosystems – Conducted by phone for TV Licensing in January 2013. Sample size was 547 adults

Studio Output – TeleHappiness Index (online, launched 18 March 2013)

YouTube – Felix Baumgartner reference

GfK – Screensales, 3D Sales

With thanks to:

Dr Mark Williamson, Director, Action for Happiness

Iain Logie Baird, Curator of Broadcast Culture at the National Media Museum

Tony Cripps, Principal Analyst, Ovum Technology Consultants

Dr Sue Black, Senior Research Associate, University College London

Jonathan Almond, Interactive Producer, Freemantle Media

Phil Fearnley, BBC General Manager, Future Media News & Knowledge

John Ellis, Professor of Media Arts, Royal Holloway

Ian Forrester, BBC Senior Producer, R&D

Andy Littledale, Managing Director, SecondSync social media analytics

Lindsey Clay, Managing Director, Thinkbox

Gabriel Tate, Time In and TV Editor, Time Out magazine

Alison Hunter, BBC Senior Technology Demonstrator

Alison Button, Research Manager, BBC Audience Research

Mark Hamilton, GfK Market Research and Consumer Insight Agency

Elizabeth Lane, Senior Research Executive, BBC

Clodagh Newington-Bridges

Paul Dollan

Tammy Kieffer

Sharon Irvine

Leigh Jenkins

Matt Williams

For more information, or to arrange an interview with spokespeople, please call the TV Licensing press office on **020 8752 6606** or email **media.enquiries@tvlicensing.co.uk**

View the TeleHappiness Index online at **www.telehappiness.co.uk** or view images from the report at **pinterest.com/telescope2013**

✈ **telehappiness.co.uk**

📌 **pinterest.com/telescope2013**

🐦 **@tvlicensingnews**

