

Press Release

RESEARCH REVEALS CONSUMER APPETITE FOR INNOVATION IN TV SERVICES

- Consumers welcome different approaches to navigating, accessing and paying for TV content
- Lack of consumer accessibility to TV and film fuelling piracy
- Major technology and internet brands expected to threaten the role of TV giants

British TV and film viewers are hungry for change to the traditional TV status quo, frustrated by a lack of accessibility to content, according to a UK-wide survey exploring changing consumer attitudes and behaviours to TV and video. The survey was conducted by Red Bee Media, one of the world's leading media management companies, and is a part of the company's *Tomorrow Calling* programme, which aims to build a picture of the media world in 2020, its technological possibilities and market dynamics, through a series of think tanks, quantitative and qualitative research, one-to-one interviews, live panel debates and white papers.

Key findings:

- While the majority of UK consumers expect to watch the same or more live TV in the future, an overwhelming **three quarters (74%) claim that they can't find anything to watch on live TV on a weekly basis**, as a result of confusion caused by the continued proliferation of content, platforms and devices.
- **71% want the freedom to choose** what they want to watch, when they want to watch it.
 - 45% want access to all back episodes of their favourite programmes.
 - 39% want catch up to be available for longer, such as six months.
 - 34% are interested in having multi-room wireless access to content on any screen (rising to 42% among 16-24 year-olds).
 - 33% want the whole live TV schedule available on catch up.
 - More than a fifth (21%) are frustrated when they can't access a UK programme while abroad.
- **More than half of UK consumers think that content should be released at the same time all over the world** (57% for films, 56% for TV).

- In fact, **46% of respondents thought that illegal downloads would be greatly reduced** if it was possible to pay to watch new TV series from other countries without having to wait for a UK release date.
- UK consumers are clearly prepared to pay for content; they just want more control over what they are buying. **63% think they will spend the same on TV in the future, and 20% think they'll spend more.**
- Today's pay TV platform providers may face significant competition from OTT providers: **nearly a third (31%) of consumers would be interested in new content packages** via internet-connected TV, if they could choose **only to receive their favourite channels, without having to pay for other channels that they don't watch.**
- **A third (33%) of pay TV subscribers in the UK would consider downgrading or cancelling their subscriptions if there was a cheaper solution to receiving movies; another 33% would do the same if they could watch TV without advertising.**
- Channel brands will continue to play an important role. However, **a remarkable 39% of UK consumers think that there may be some technology and film brands that can do a BETTER job than existing TV channels.**

“Viewers are more engaged with TV and movies than ever before and it is clear that our industry will continue to experience an unprecedented level of change. The results show that viewers are increasingly savvy about what they watch and how and when they watch it and they are ever more cynical about current offers when their preference is for a more immediate, selective and flexible experience”, said **Bill Patrizio, CEO, Red Bee Media**. “This research provokes us to listen closely to what tomorrow's consumer has to say and ask ourselves whether or not their expectations are driving our industry's innovation agenda.”

The consumer survey was revealed last night at an industry event entitled 'TV Audiences of Tomorrow' held in central London. An expert panel debated the findings, chaired by broadcast journalist, Krishnan Guru-Murthy. Panellists included Tim Hussain, Head of Platform Development and Partnerships, BskyB; Sue Unerman, Chief Strategy Officer, MediaCom; Julia Jordan, Executive Director, Business and Operations, UKTV; Neil Mortensen, Research and Planning Director, Thinkbox; and Andy Bryant, Director of Creative, Red Bee Media.

Red Bee Media's *Tomorrow Calling* programme is conducted with MTM London. The first event, hosted by media commentator Ray Snoddy, explored the impact of networks, platforms and devices and was debated by experts from Google, FremantleMedia, Virgin Media, Cisco, Red Bee Media and Balderton Capital. A final event will look at future business models and the prospects for industry revenue streams in the new year.

To receive more information about *Tomorrow Calling*, upcoming events and to watch the debate online, please visit www.redbeemedia.com/tomorrowcalling.

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FOR FURTHER INFORMATION PLEASE CONTACT

Red Bee Media

Lynne-Mei Lee, Head of PR

+44 (0)20 8495 5756

lynne-mei.lee@redbeemedia.com

Braben

Richard Lambert / Sarah Whyte

+44 (0)20 7025 8021

richardl@braben.co.uk / sarah.whyte@braben.co.uk

About Red Bee Media

We're connection makers. We build bridges between content and viewers; bringing them together with smart technology and persuasive creative thinking.

The media world is changing by the day. The power of the internet to deliver video content is dramatically re-shaping market dynamics. What used to be called television is watched on any number of different devices. Now, traditional broadcasters battle in the same space as telecoms, platform owners, gaming companies and software giants. And as the barriers to entry fall, new players continue to flock to market.

Crazy times call for a different kind of thinking. Because in the eye of this massive change, connecting viewers to content is the ultimate endgame. And that's where we come in.

No matter what screen, no what matter what platform, Red Bee Media can make those crucial connections. Our powerful blend of creative, technical and strategic expertise will create demand for your content, then ensure you deliver it to the widest possible audience.

This changing world excites us. We look to embrace it; to harness our expertise in digital media to offer our clients smart and agile solutions to their many challenges; to forge innovative relationships and anticipate demand right across the new uncharted media landscape.

www.redbeemedia.com

About MTM London

MTM London is a specialist provider of research and strategic advice to and about the media, technology and communications sectors. We help clients understand and respond to rapid changes in the digital media market and competitive environment, allowing them to make important strategic decisions and to address new opportunities for growth. We also help to raise service levels and improve performance, delivering training and supporting organisational change. MTM London's consulting and consumer research teams offer a seamless blend of qualitative and quantitative consumer research, industry analysis and forecasting, and strategic advice, designed and delivered by a senior team who are experts and industry leaders in their fields. Our clients include broadcasters, rights holders, studios and producers, platform operators, telcos, online businesses, device manufacturers and other industry participants.