IAB Forum: Born Digital

Diverging viewing habits in an increasingly online world

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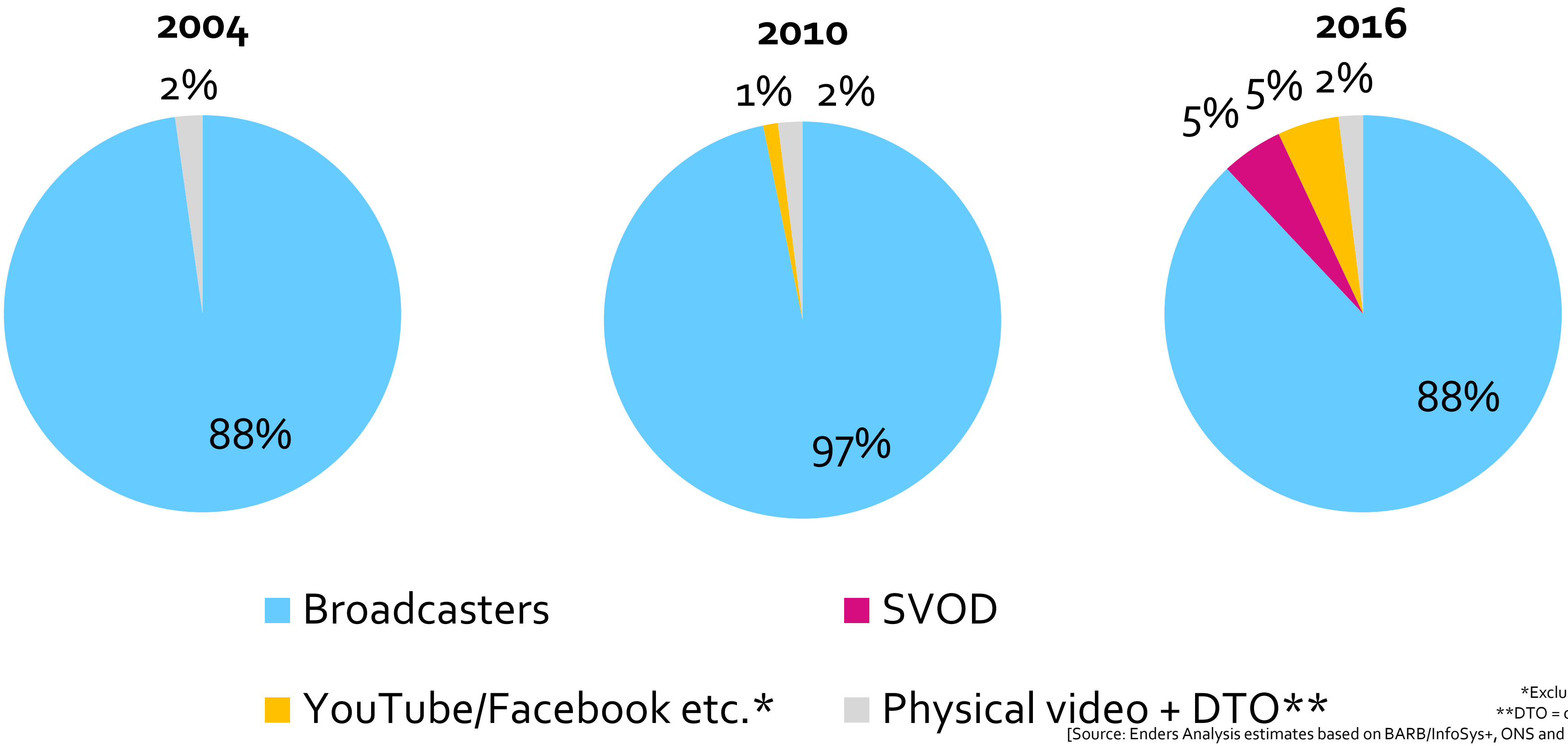
ENDERS|ANALYSIS **29 November 2017**

Consumption fragmenting across devices and to millions of content providers

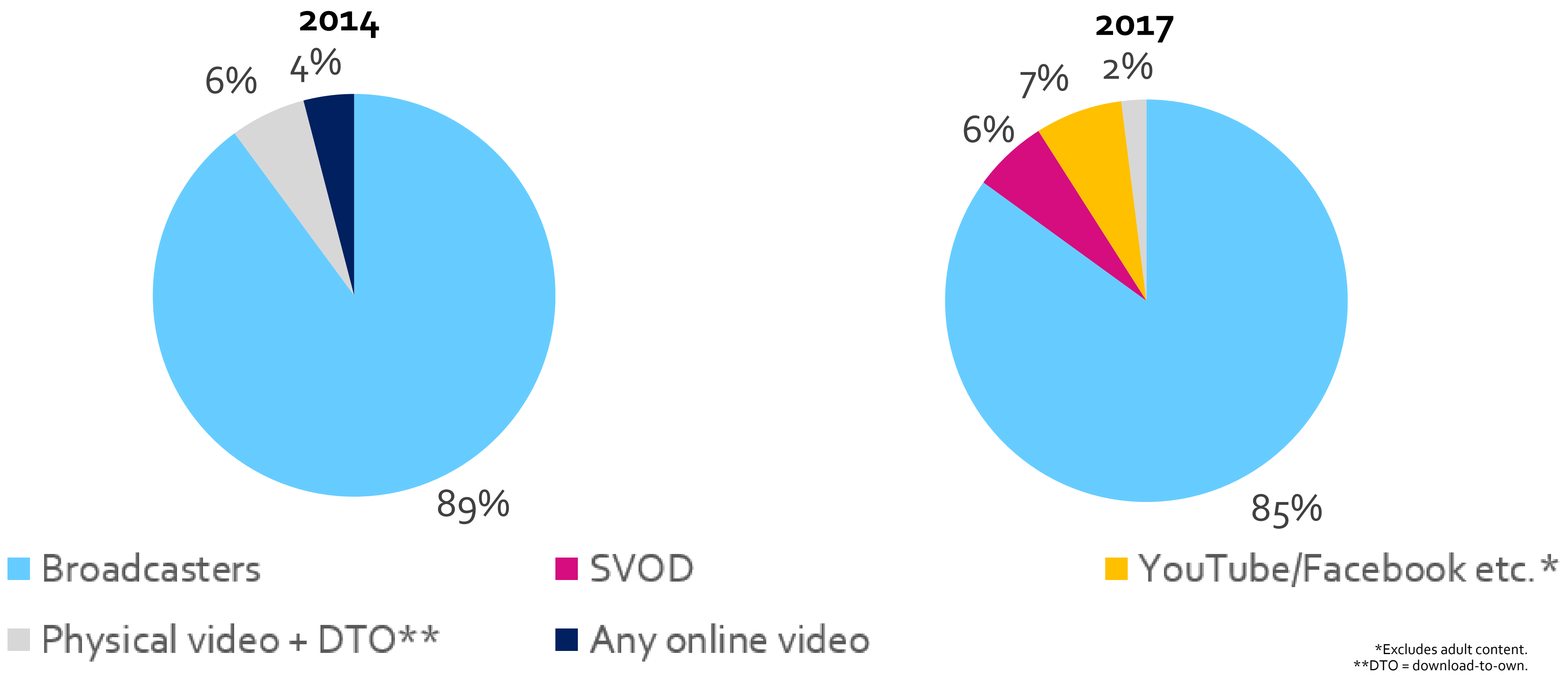
Breakdown of video viewing across UK population, 2004 to 2016 (%)



*Excludes adult content.
**DTO = download-to-own.
[Source: Enders Analysis estimates based on BARB/InfoSys+, ONS and industry research]

Online video consumption skews younger across Europe

Breakdown of video viewing in Germany, 2014 and 2017 (Adults 14-59, %)



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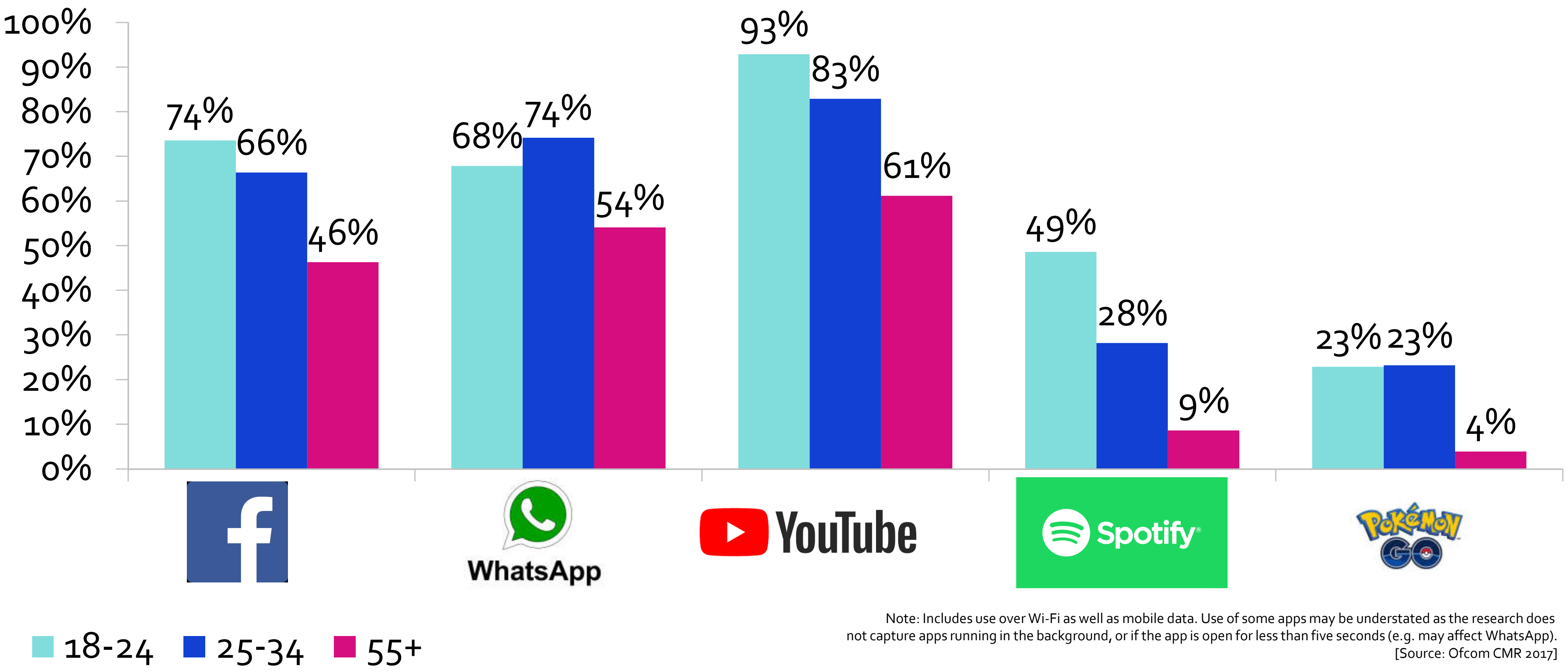
[Source: IP Deutschland: "Fourscreen Touchpoints 2017"

As does consumption of digital apps

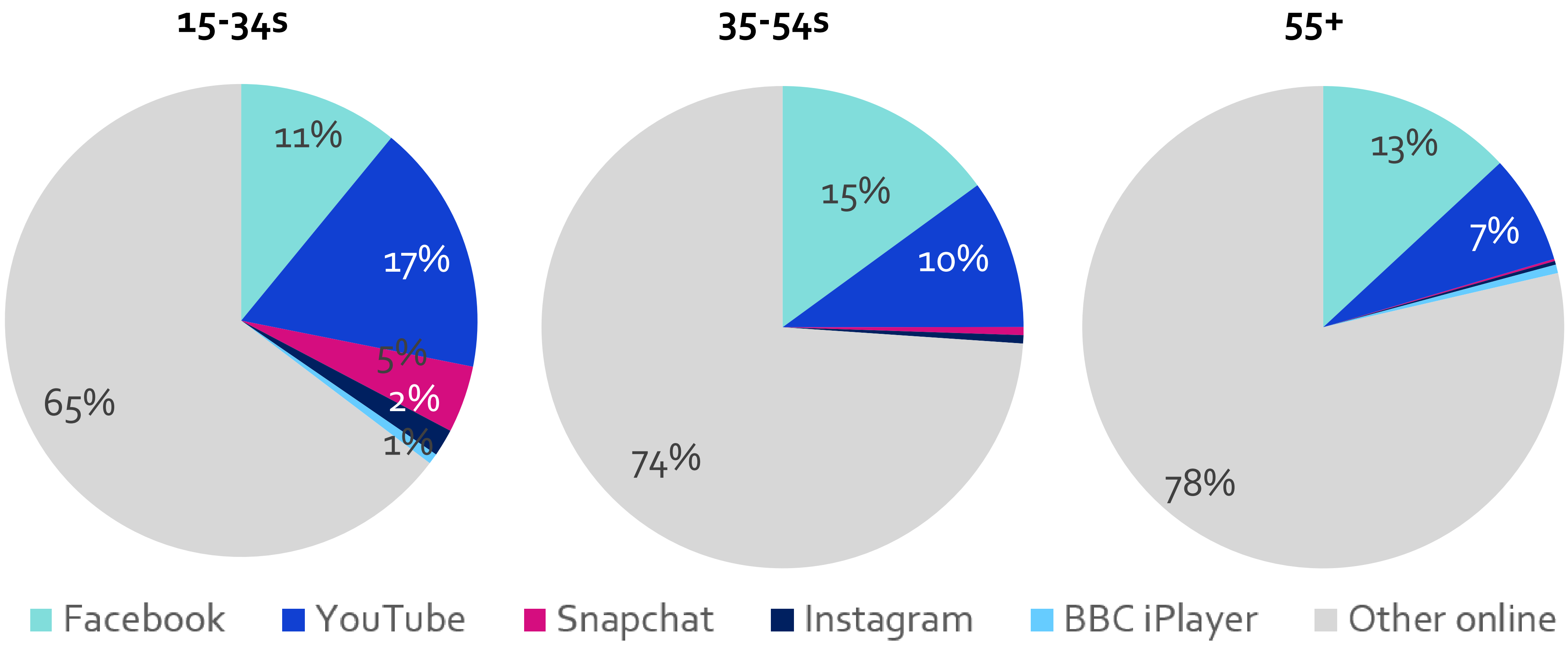
Use of selected social, communication and entertainment apps in the UK, by age, March 17



Note: Includes use over Wi-Fi as well as mobile data. Use of some apps may be understated as the research does not capture apps running in the background, or if the app is open for less than five seconds (e.g. may affect WhatsApp). [Source: Ofcom CMR 2017]

Social picture and video disproportionately drive youth consumption

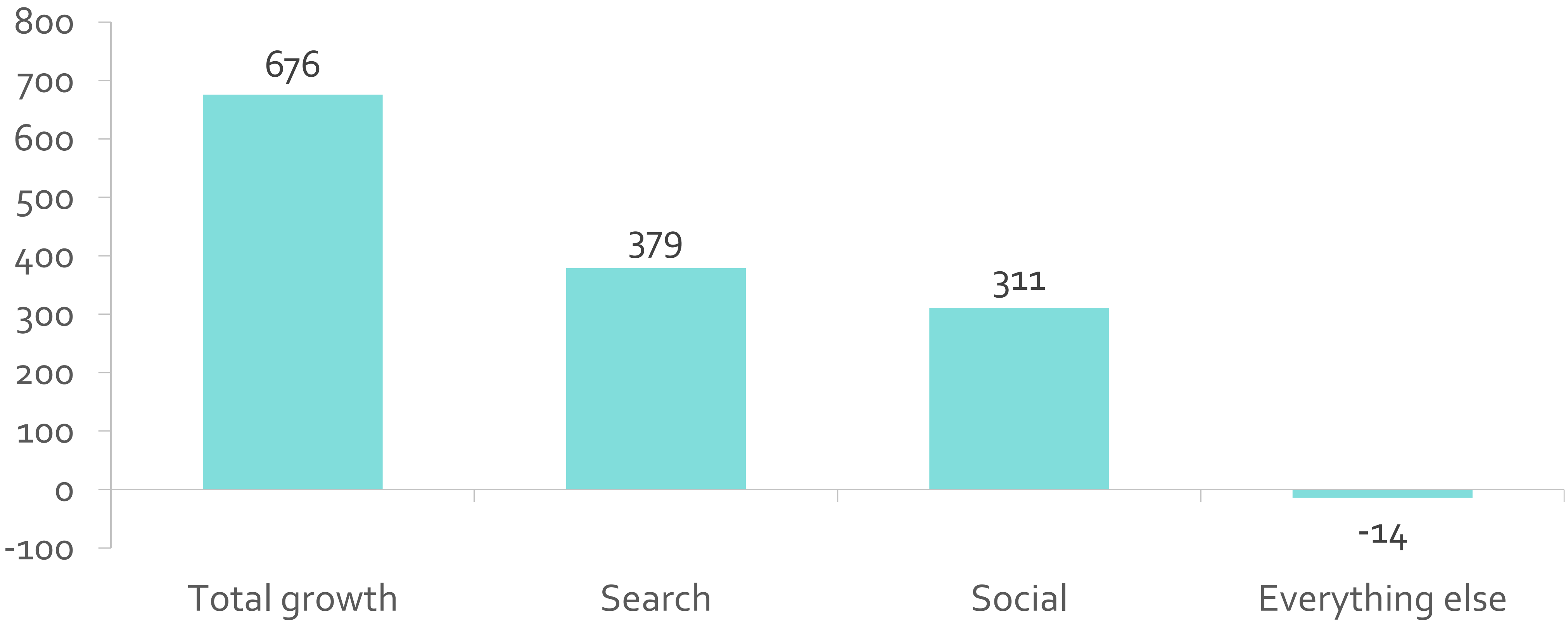
Comscore estimates of proportion of total online usage spent on selected platforms



[Source: Comscore]

Search and social dominate online advertising growth

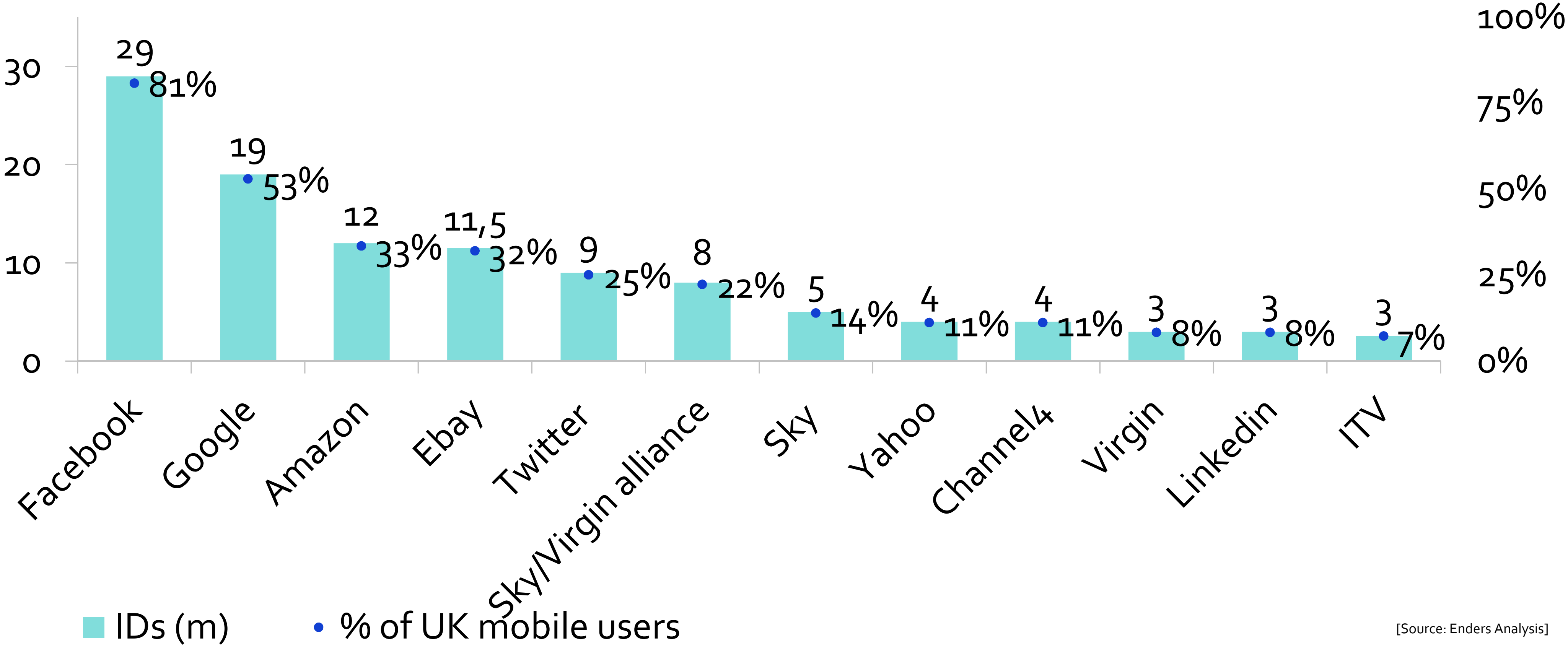
UK digital YoY ad growth, H1 2017 (£m)



Note: "Social" includes YouTube
[Source: IABUK/PwC]

Broadcasters cannot compete on audience targeting

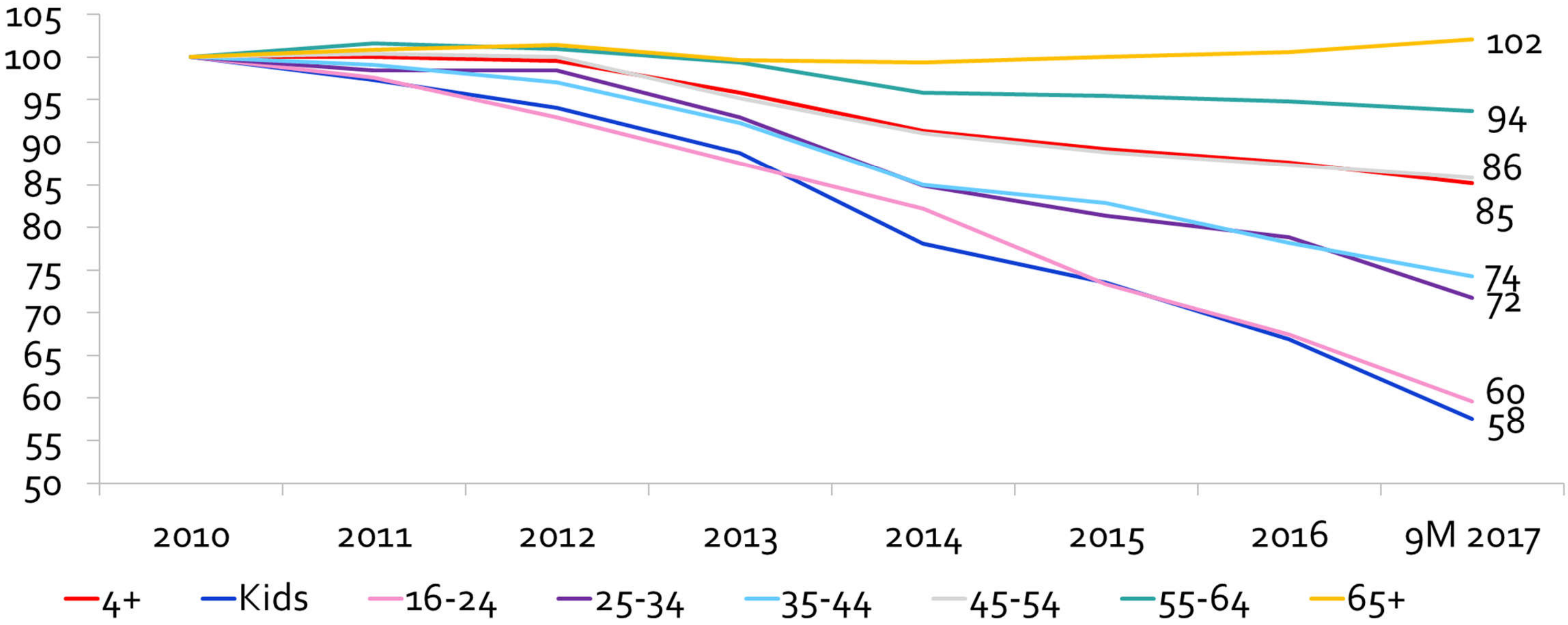
Deterministic cross-device audience IDs by platform in the UK



[Source: Enders Analysis]

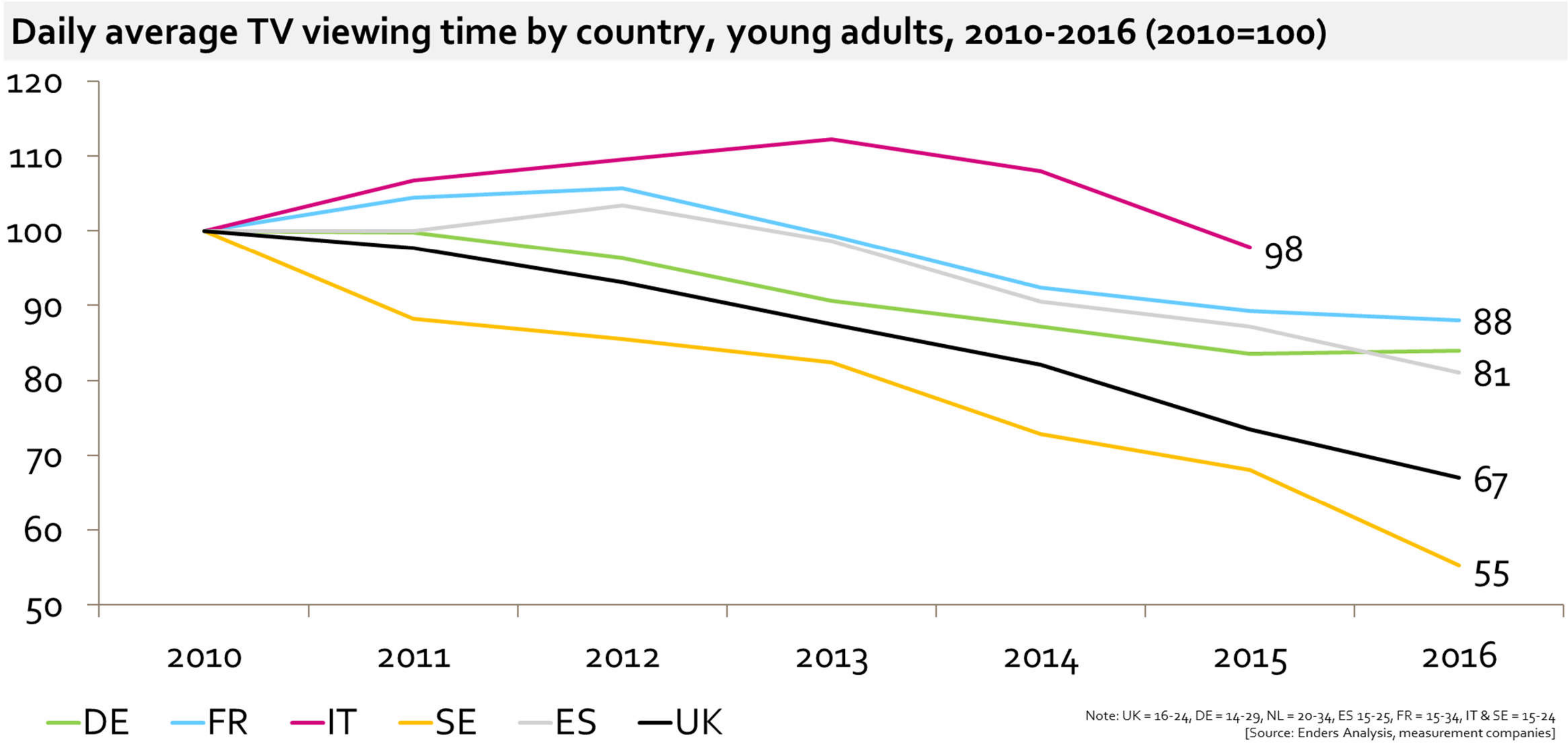
Younger age groups in the UK are watching considerably less "TV" on their TV

Consolidated viewing* on TV set in the UK by age group, 2010-9M 2017 (2010=100)



*Any viewing that is live or takes place within the 7-day timeshift/catch-up window
[Source: Enders Analysis, BARB/AdvantEdge]

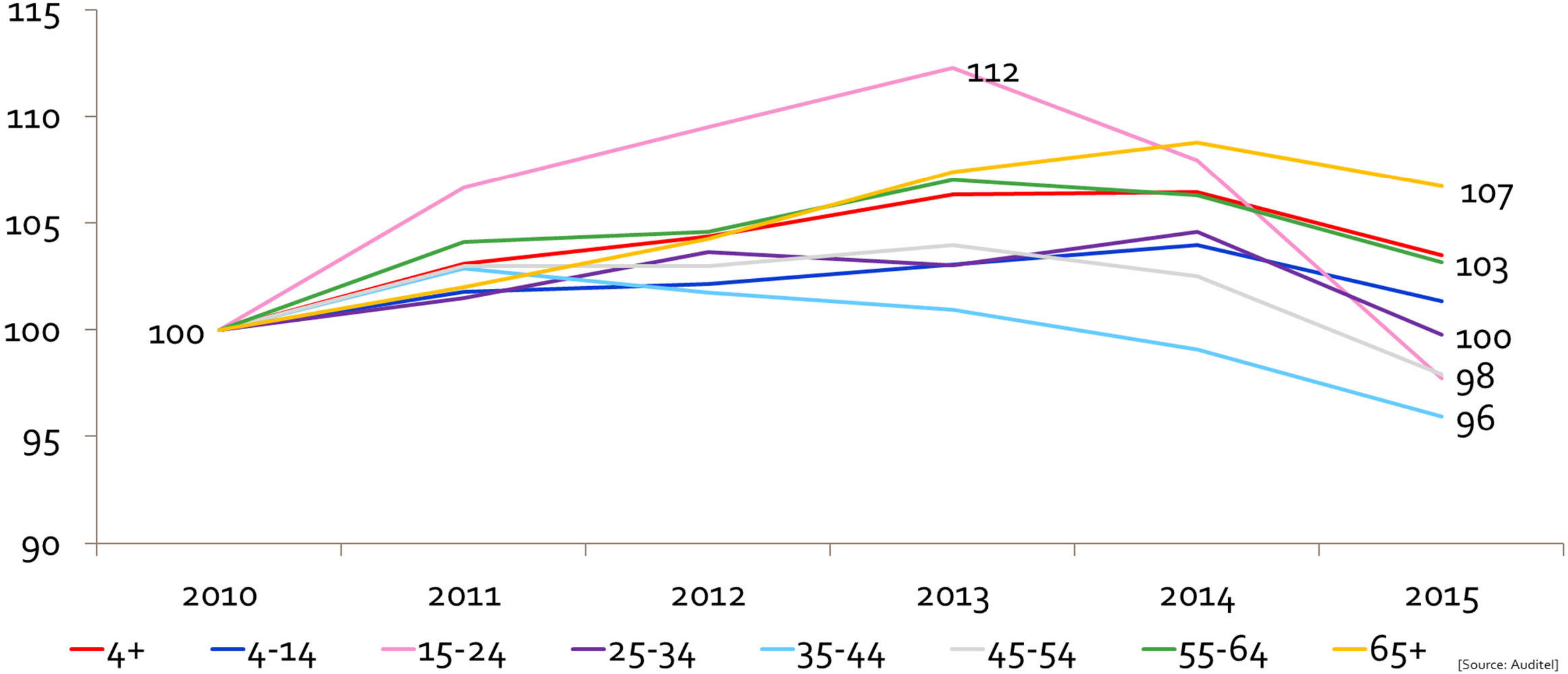
Significant North/South differences



Note: UK = 16-24, DE = 14-29, NL = 20-34, ES 15-25, FR = 15-34, IT & SE = 15-24
[Source: Enders Analysis, measurement companies]

Italy's broadcast market remains strong

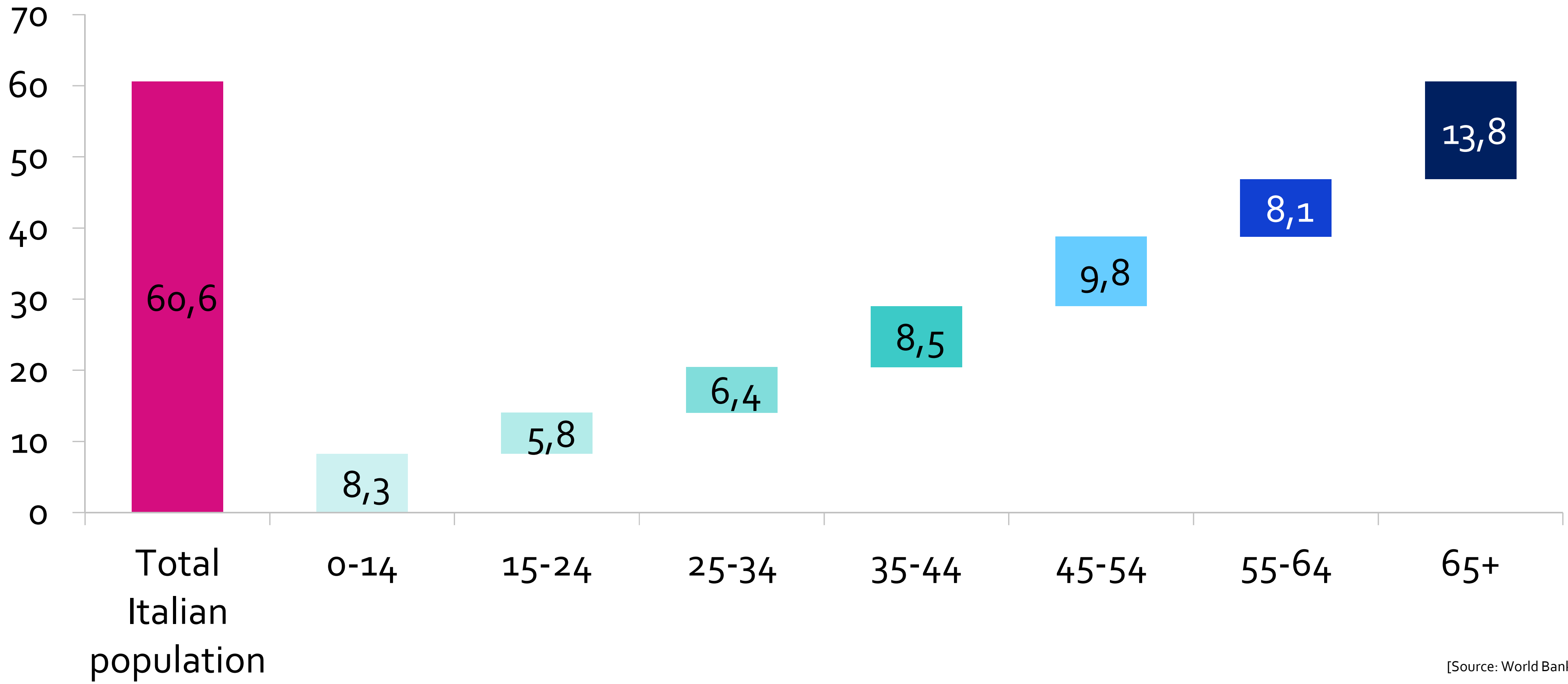
Italy: daily average TV viewing time, 2010-2015 (2010=100)



[Source: Auditel]

Age profile in Italy supports broadcast

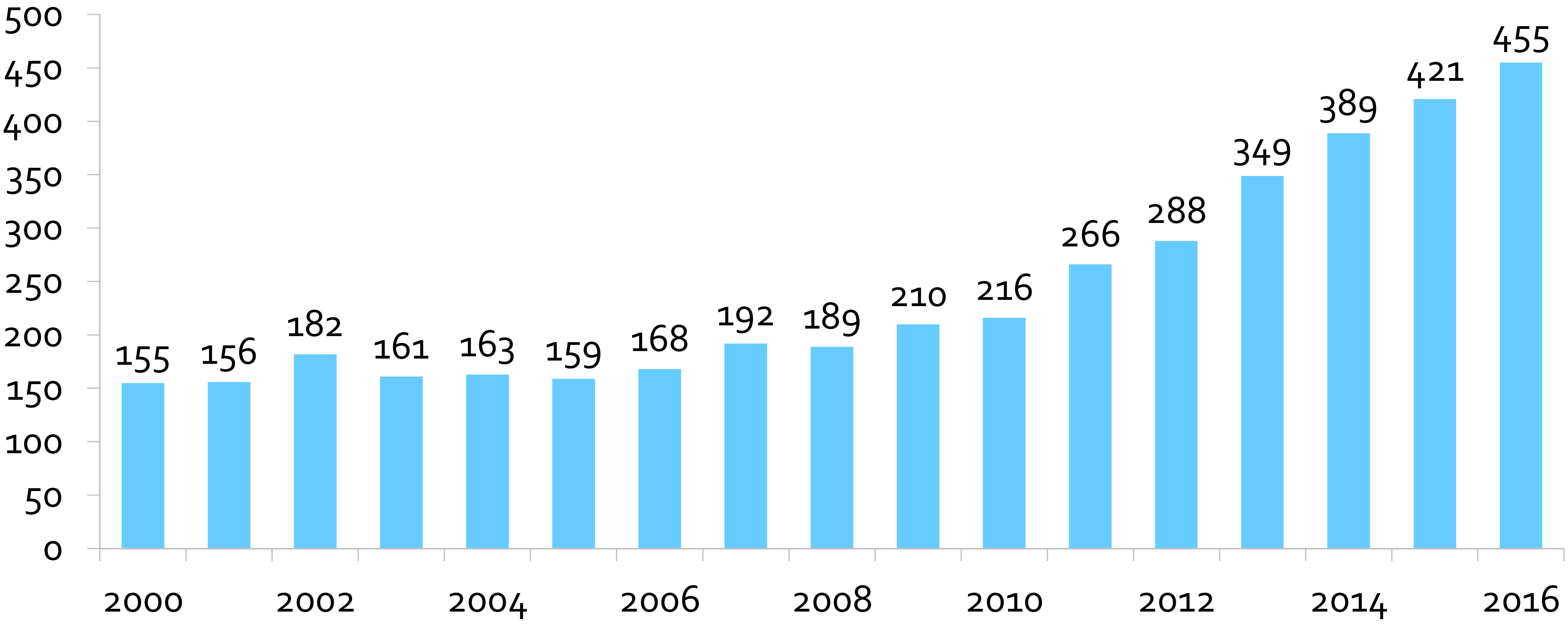
Italian population breakdown, 2016 (m)



[Source: World Bank]

Peak TV? Golden age of drama

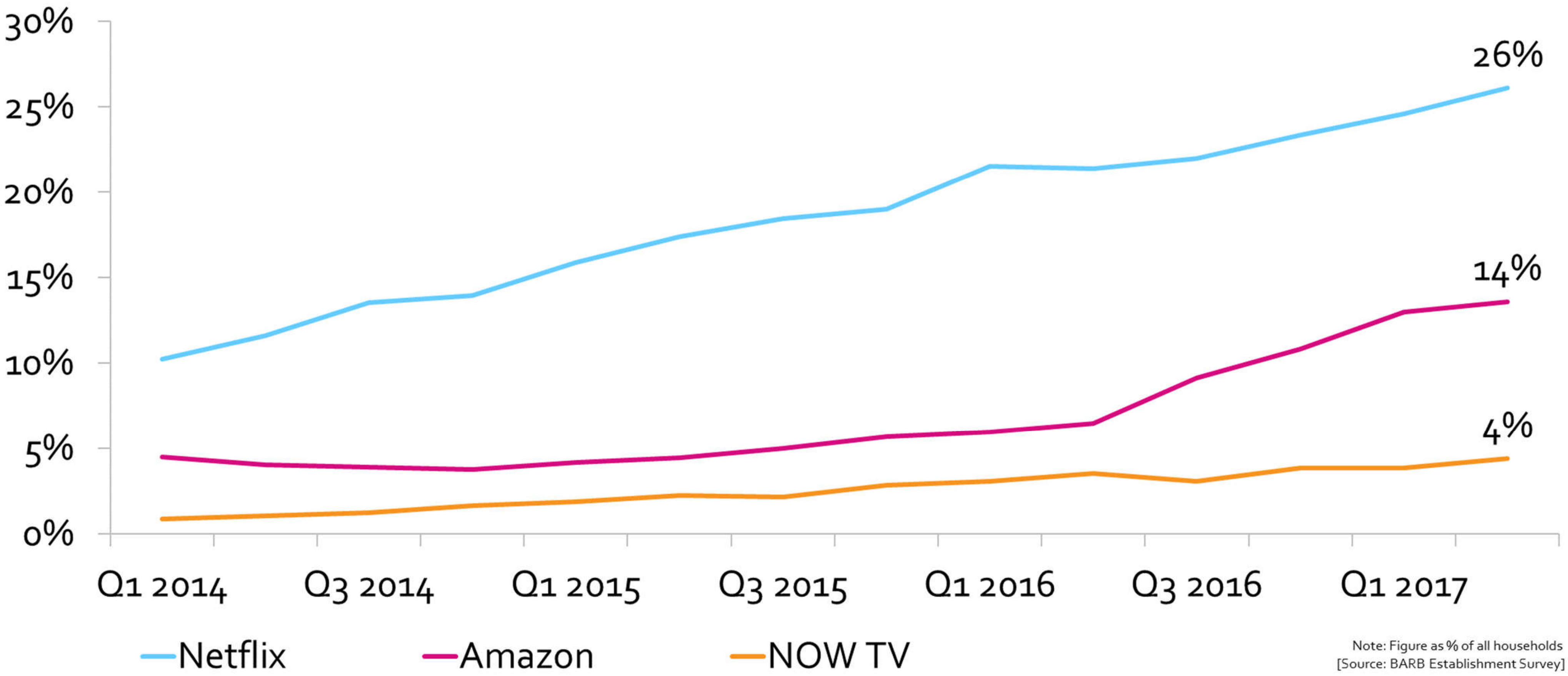
Estimated number of original scripted series on US broadcast, cable and online



[Source: FX Research, SNL Kagan, Enders Analysis]

OTT pay offerings steadily expand their footprint

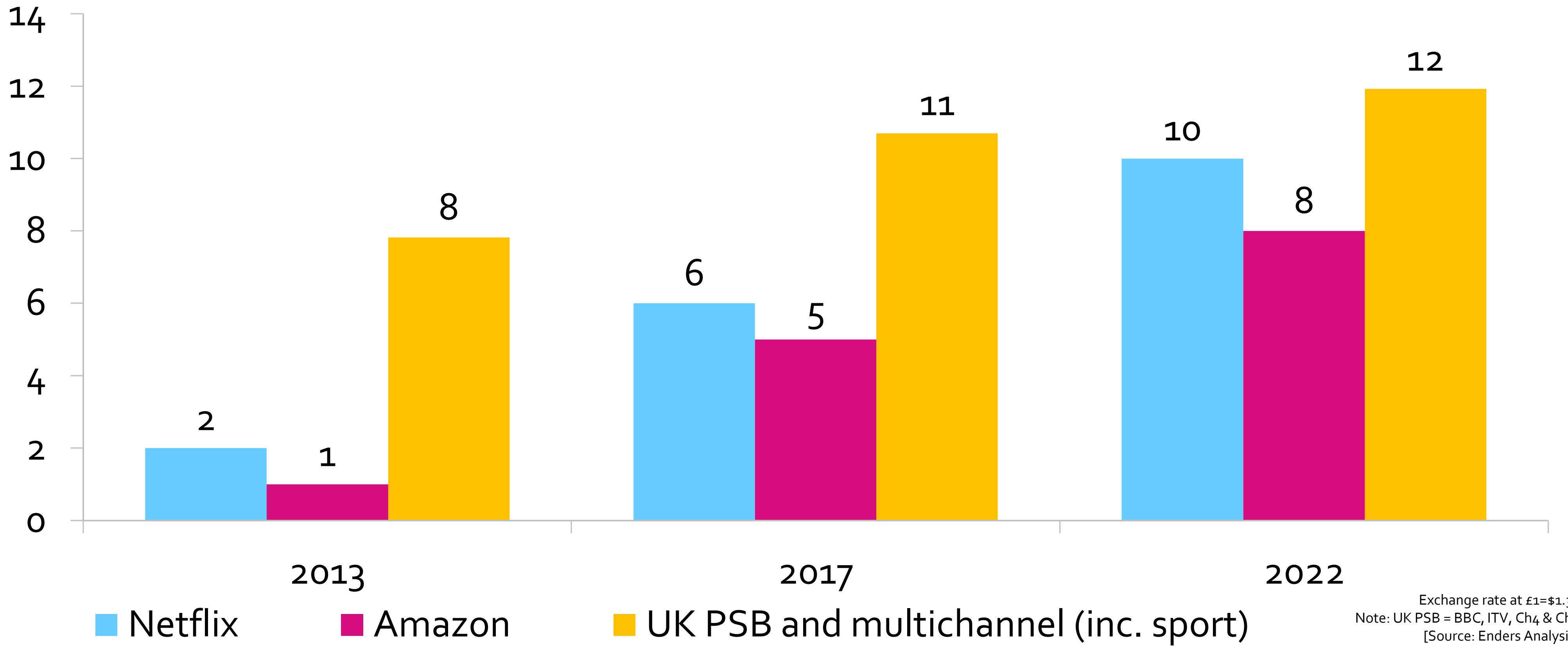
BARB estimates of UK OTT SVOD households (%)



Note: Figure as % of all households
[Source: BARB Establishment Survey]

European broadcasters create compelling content – both country-centric and global

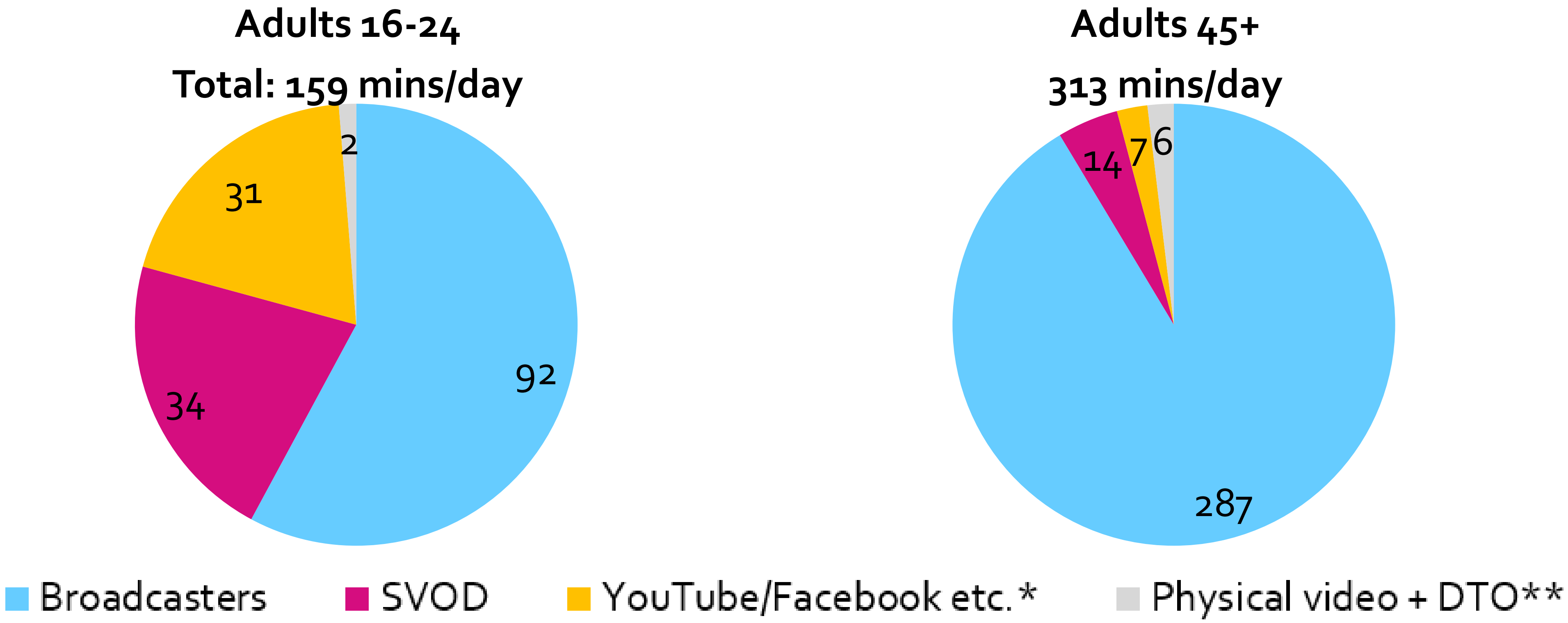
Estimated content spend/obligations, all content ($bn)



Exchange rate at £1=$1.33
Note: UK PSB = BBC, ITV, Ch4 & Ch5
[Source: Enders Analysis]

In 10 years, in the UK, new digital players will account for 40% of viewing among 16-24s

Average video viewing across UK in 2026 (mins/day)



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[Source: Enders Analysis estimates based on BARB/AdvantEdge, ONS and industry research]

Thank you

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