Unlocking insights into TV and streaming trends in digitally mature media markets: <u>Six years</u> with TVOV measurements in Norway

EMRO 2024

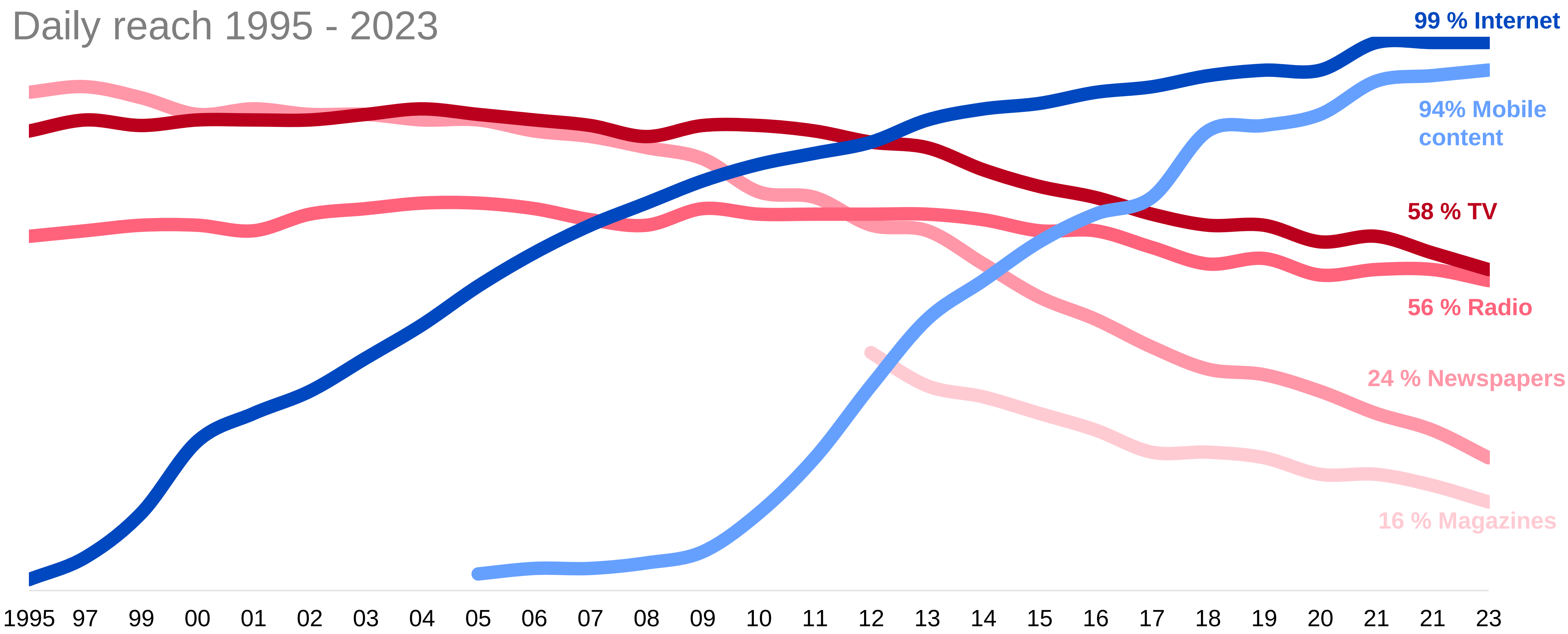
Knut-Arne Futsæter Kantar Media

Vienna 03.06.24

1. The Norwegian media market:

   A digitally mature market

Digital transformation of the Norwegian media market



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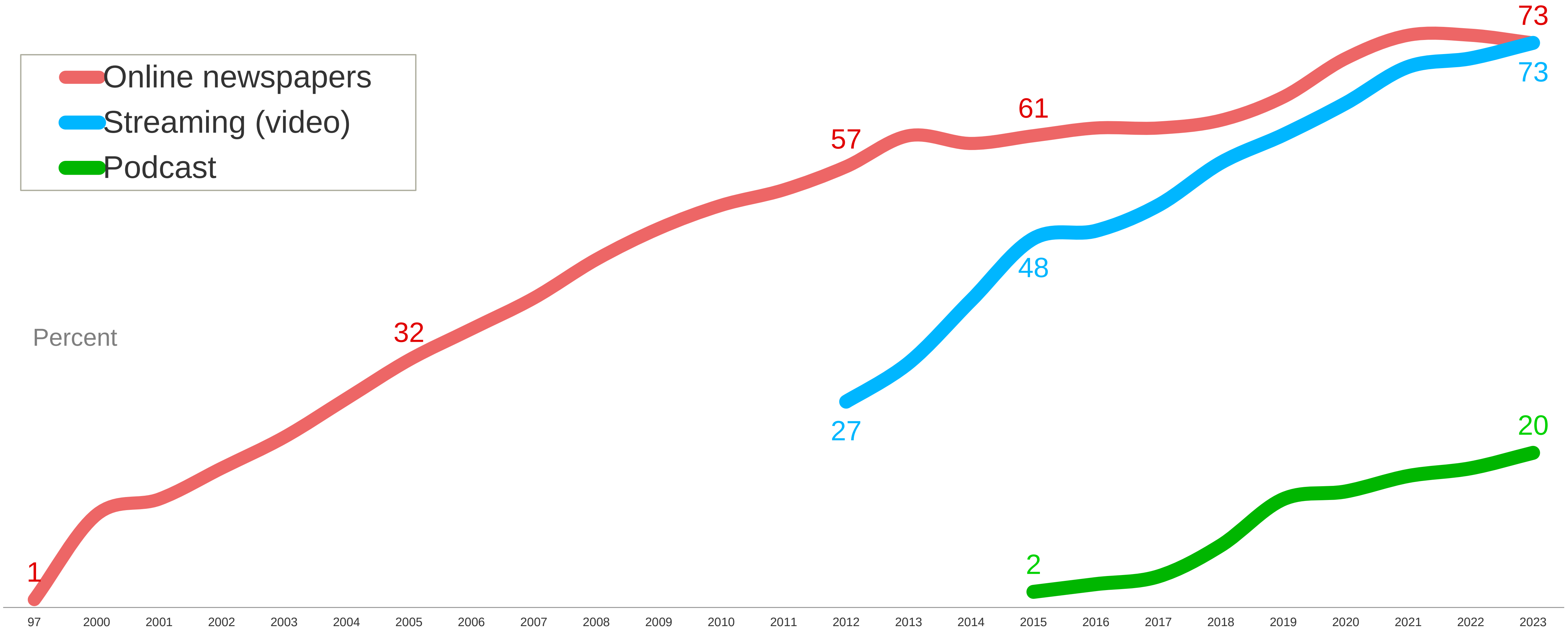
Kilde: Daglig oppslutning om papiravis og nettaviser 1961-2022/2023. Det har vært metodiske endringer de siste årene, og mer info om dette ligger her:
Data fra Forbruker & Media fra 1994. *Flerkanalsamfunnet* (Lundby & Futsæter, 1993). *Fragmentering av medielandskapet og oppsplitting av publikum* (Futsæter 1998).
Nettavisene gjelder MBLs nettaviser som også utgir papiraviser og som blir målt i F&M, og fra 2021 inngår også rene digitale aviser som E24 og Nettavisen.
Fra 2018 er alle digitaltallene kalibrert i forhold til de offisielle onlinemålingene. Fra 2018 inngår også eAviser. eAviser inngår i «Totalt» og i «Nettaviser».

The digital journey

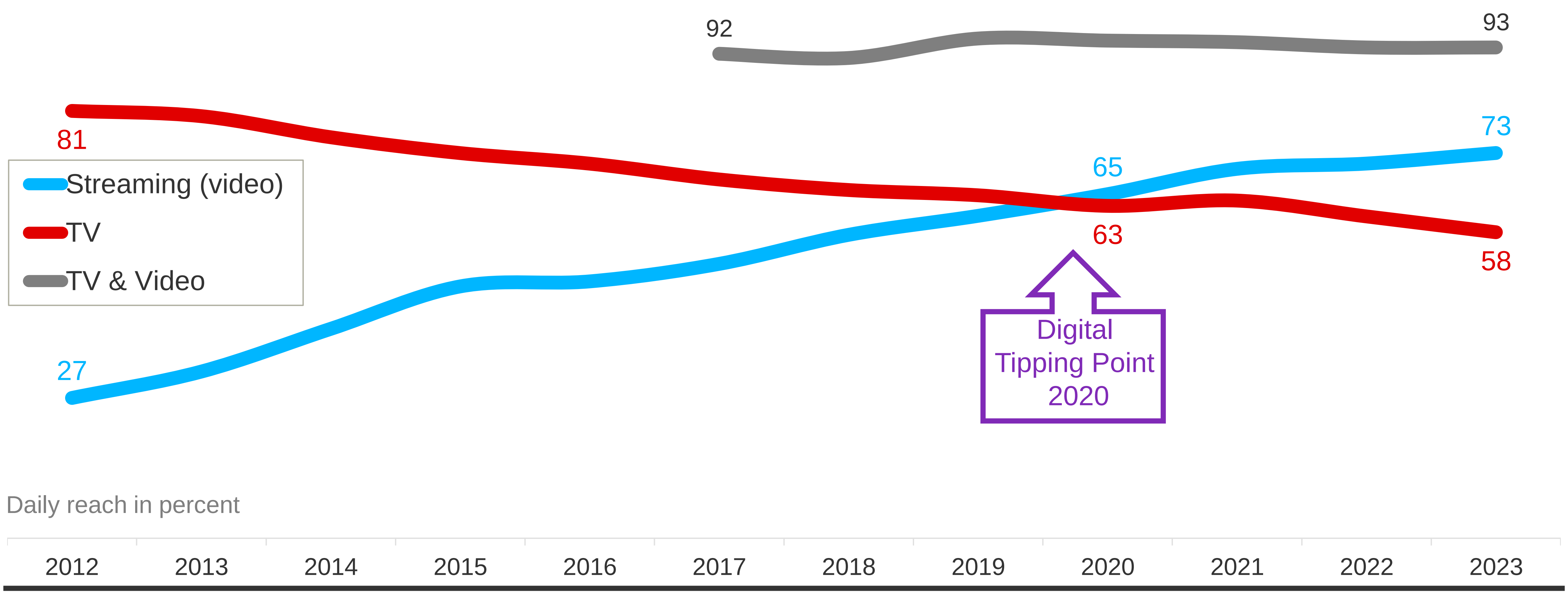
Daily reach for online newspapers, streaming, and podcasts 1997-2023



Source: **Kantar Forbruker & Media.**
Streaming: F&M MGI from 2021 and 2012-2020 is CATI. Podcast: Interbuss 4Q 2015, F&M MGI 2016-2020, F&M CATI from 2021.

Decline of traditional TV as streaming grows

Daily reach 2012-2023



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Source: Kantar Forbruker & Media.
TV data is from F&M CATI for all years. Streaming: Data from 2012-2020 is CATI and from MGI starting from 2021.
TV & Video data is from MGI for the years 2017-2021. TV is defined as having watched a TV channel yesterday either directly or online.

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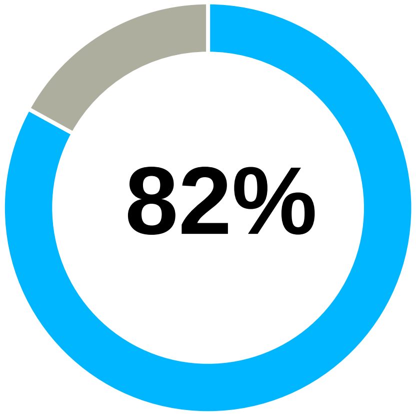
Norway: A highly mature streaming market

At least one SVOD



Number of subscriptions

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Source: Kantar Forbruker & Media. 18+. Quarterly updated streaming data from Power BI. Q1 2024

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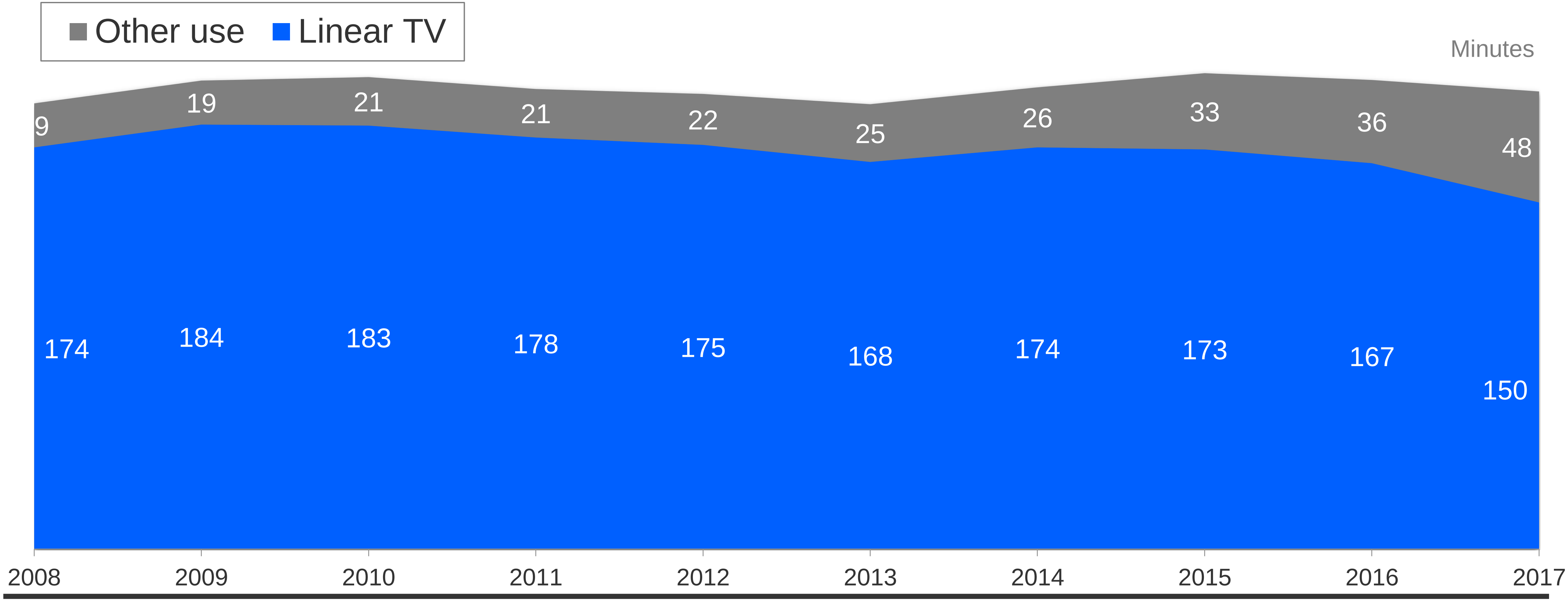
2. The TVOV measurement from 2018: New insight and commercial impact

Decline in linear TV viewing and rise in other uses, 2008-2017: Call for new metrics

Viewing time for linear TV and other use of the TV set 2008-2017



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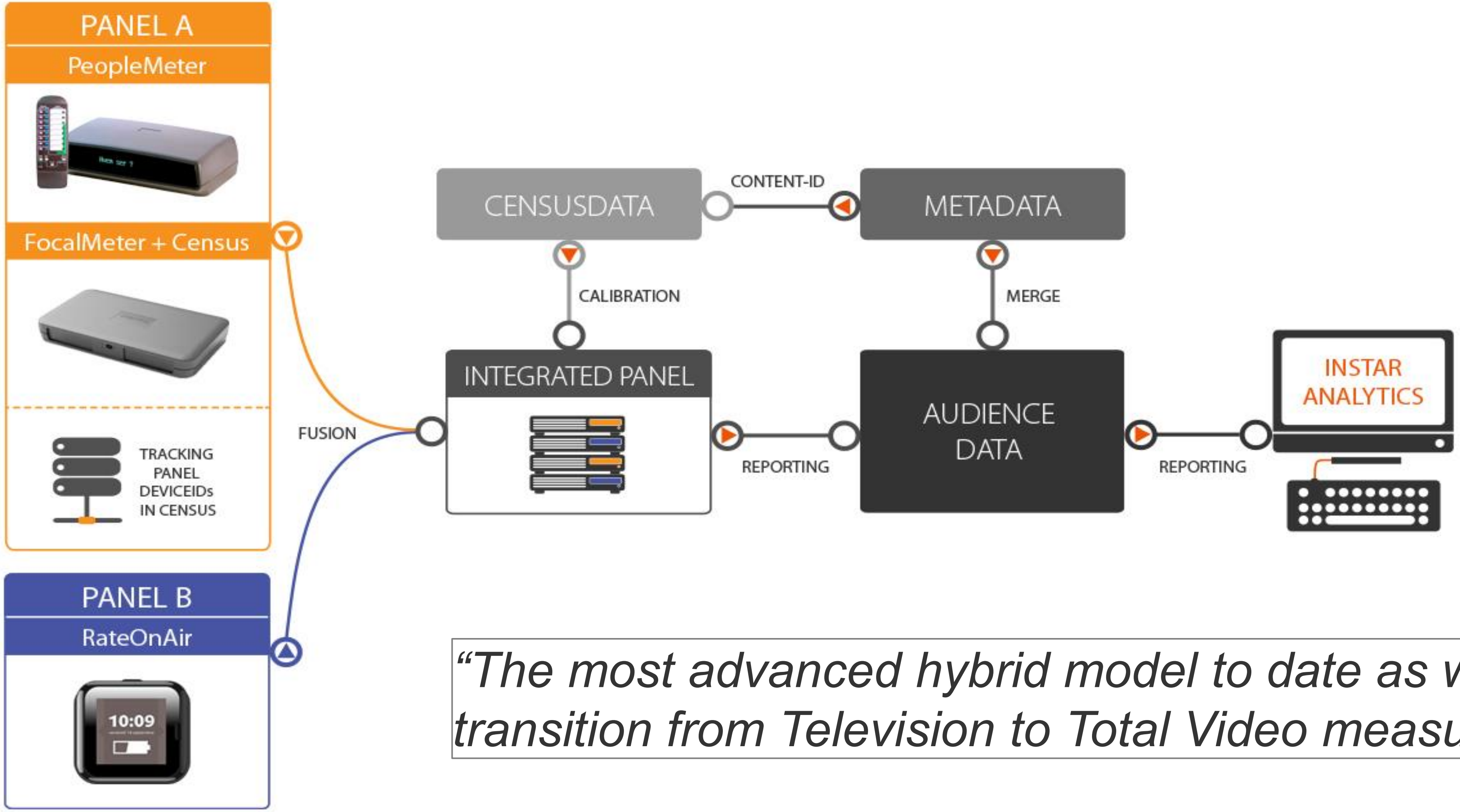
Source: Kantar Media TV-meter. Persons 12 years+. Average daily viewing time.
Other use is not linear TV. It could be games, older TV content than last 28 days, radio or streaming on Netflix, HBO etc.
The new TVOV measurement in Norway at EMRO Brno 2018 by Knut-Arne Futsæter.

The hybrid solution for a total video measurement in Norway



“The most advanced hybrid model to date as we transition from Television to Total Video measurement.”

Source: Total Video Measurement in Norway from 2018 at EMRO Luzern 2017 by Hanne Teigum.
The new TVOV measurement in Norway at EMRO Brno 2018 by Knut-Arne Futsæter.

Two panels with multiple technologies

Panel A

- **Kantar Media PeopleMeter**
- Kantar Media Watermarks (30)
- Audio matching (120)
- Kantar Media FocalMeter
- 3000 persons

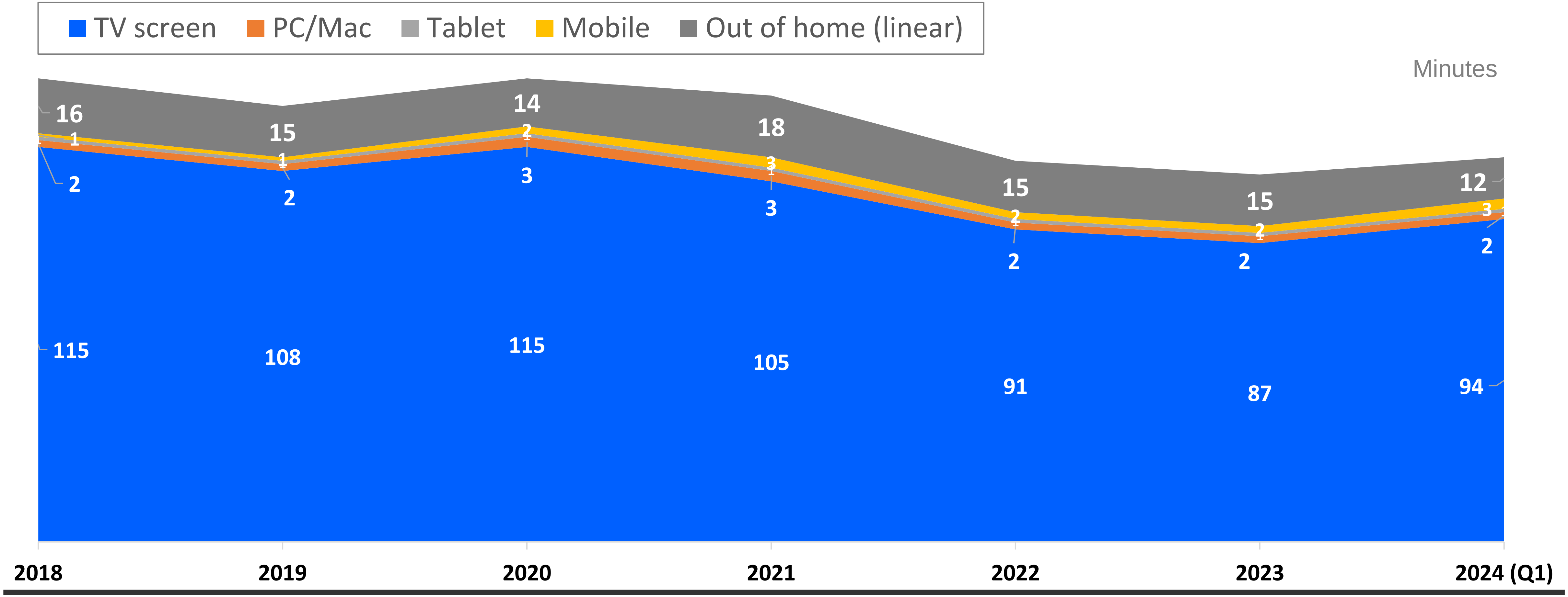
Panel B

- **RateOnAir®**
- Kantar Media Watermarks (30)
- Location beacons
- 1500 persons

Source: Total Video Measurement in Norway from 2018 at EMRO Luzern 2017 by Hanne Teigum.
The new TVOV measurement in Norway at EMRO Brno 2018 by Knut-Arne Futsæter.

‘Best screen available’
Still, only 5 minutes on PC/Mac, tablets or mobile devices

TVOV minutes on different screens 2018 - 2024



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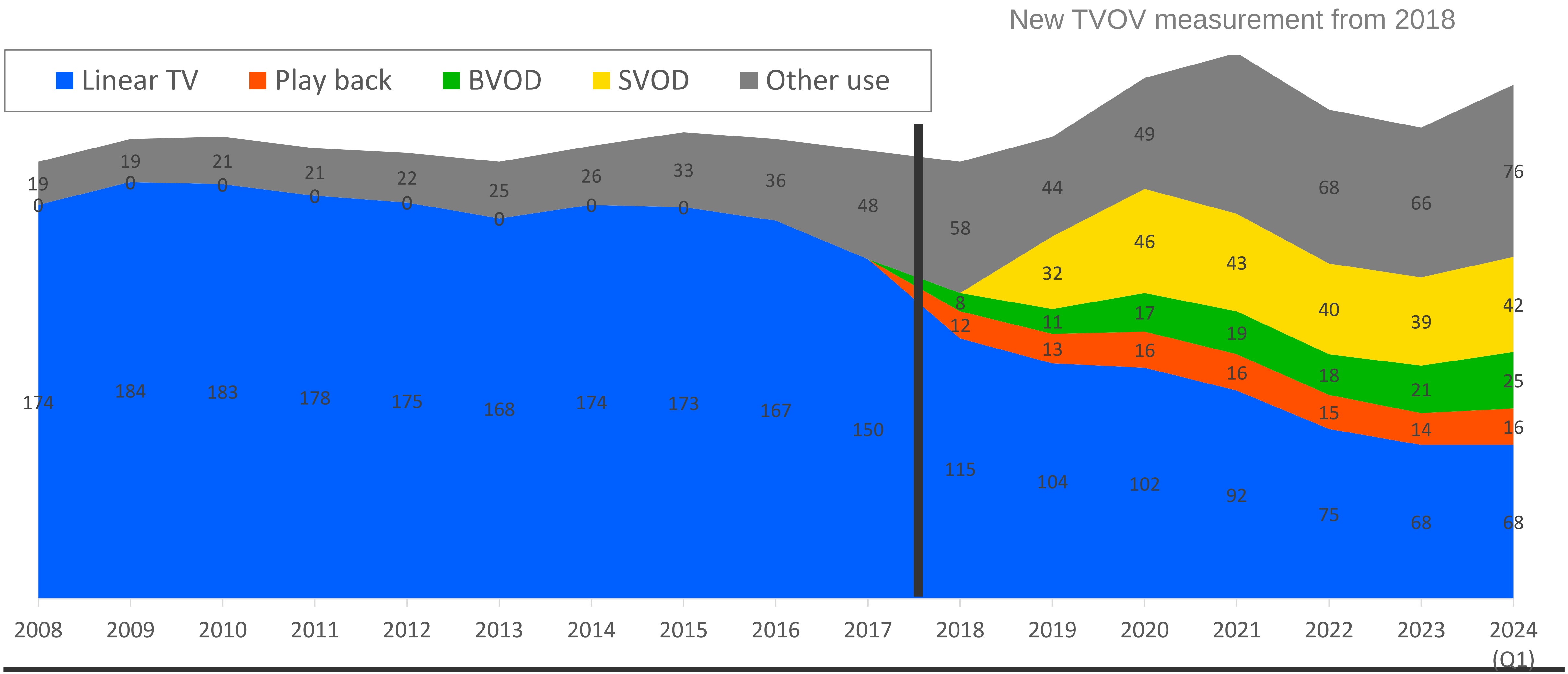
Source: Kantar Media TVOV. Average daily viewing time 2018-2024.

Other use of the TV screen continue to increase

Viewing time for linear TV, BVOD and 'other use' of the TV set. Minutes



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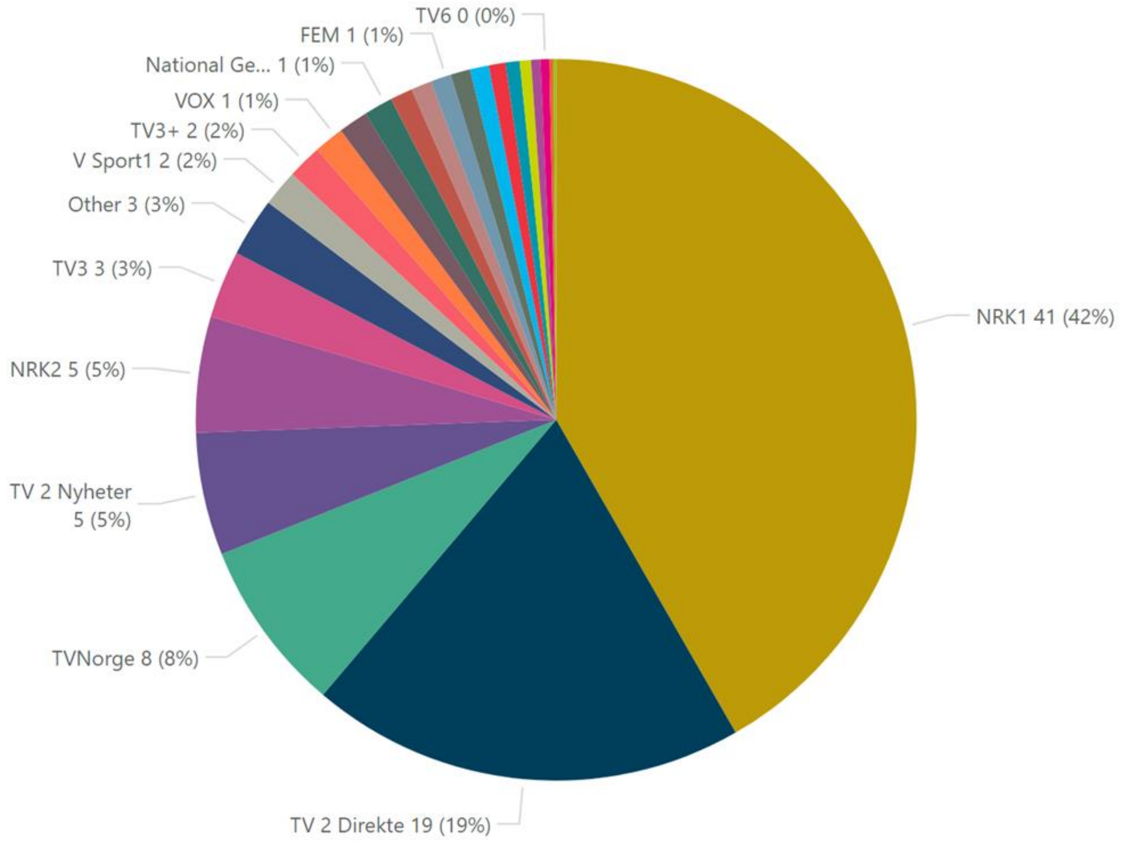
Source: Kantar TVOV. Average daily viewing time 2018-2024. BVOD is only for the TV companies NRK, TV 2, and Warner Bros. Discovery (BVOD). BVOD is only VOD, and "live online" is coded as linear. Official viewing figures consist of live TV viewing plus up to seven days of delayed viewing (recordings and weekly archives), and video on demand (BVOD live). SVOD: Netflix, YouTube, Disney+, HBO Max, Prime Video (in home).

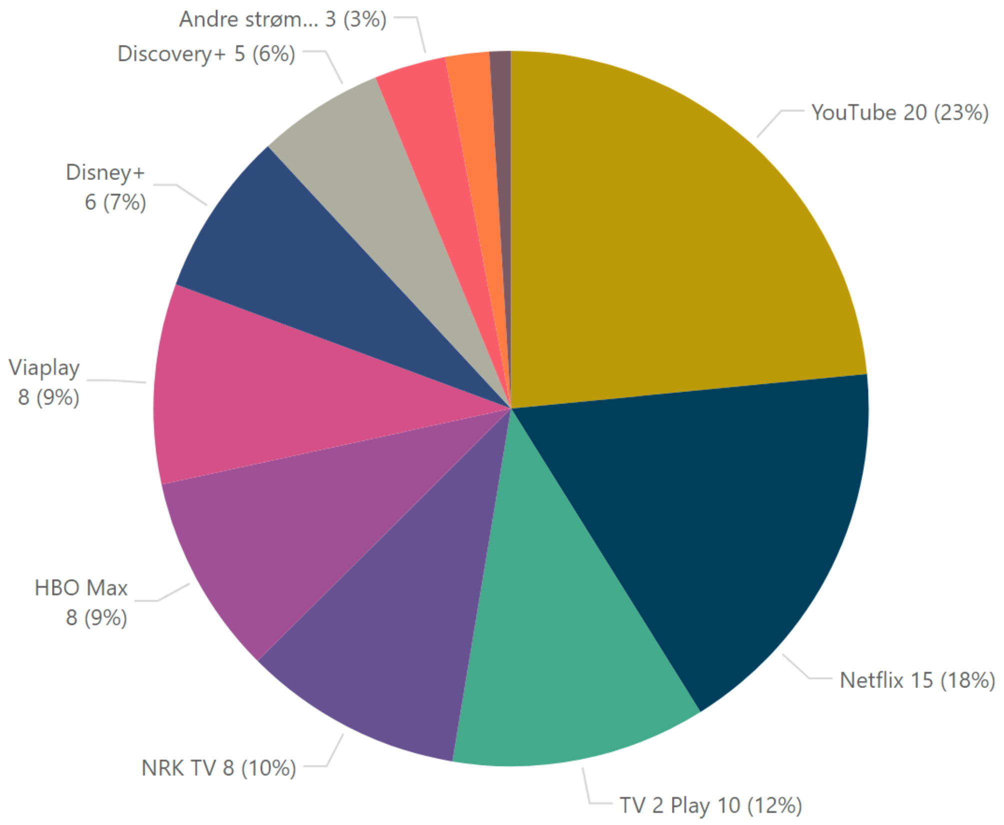
The Norwegian market is very competitive – the Norwegian streaming have only 40% of the viewing time

The proportion of time spent on TV and video streaming in Q1 2024

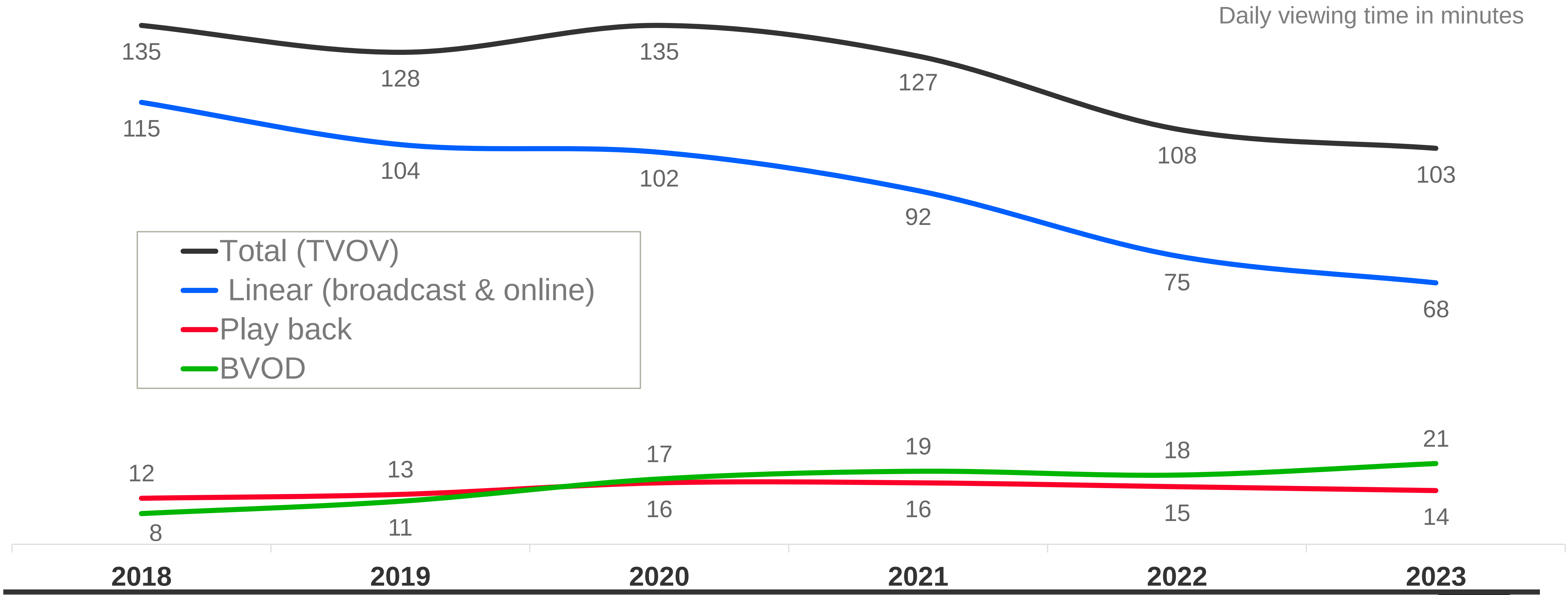
The distribution of **TV time** across TV channels



The distribution of **streaming time** across services



Linear TV viewing declines, BVOD viewership grows, 2018-2023



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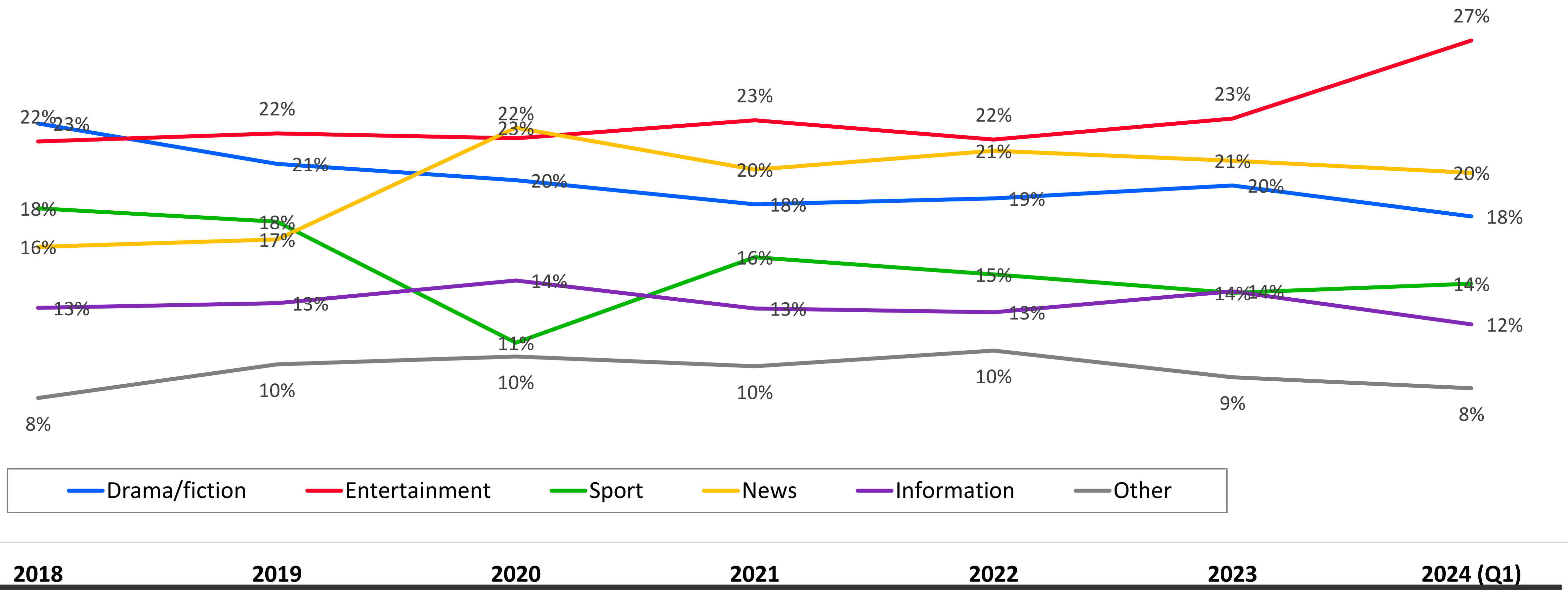
Source: Kantar TVOV. Online is only for the TV companies NRK, TV 2, and Warner Bros. Discovery (BVOD). BVOD (Broadcaster Video on Demand) is only VOD, and "live online" is coded as linear. Official viewing figures consist of live TV viewing plus up to seven days of delayed viewing (recordings and weekly archives), and video on demand (BVOD).

TVOV-UNDERSØKELSEN

TVOV (total): Viewing of drama/fiction and sport has decreased, while entertainment and news viewing increased

Proportion of minutes viewed on genre 2018-2024. Percent.



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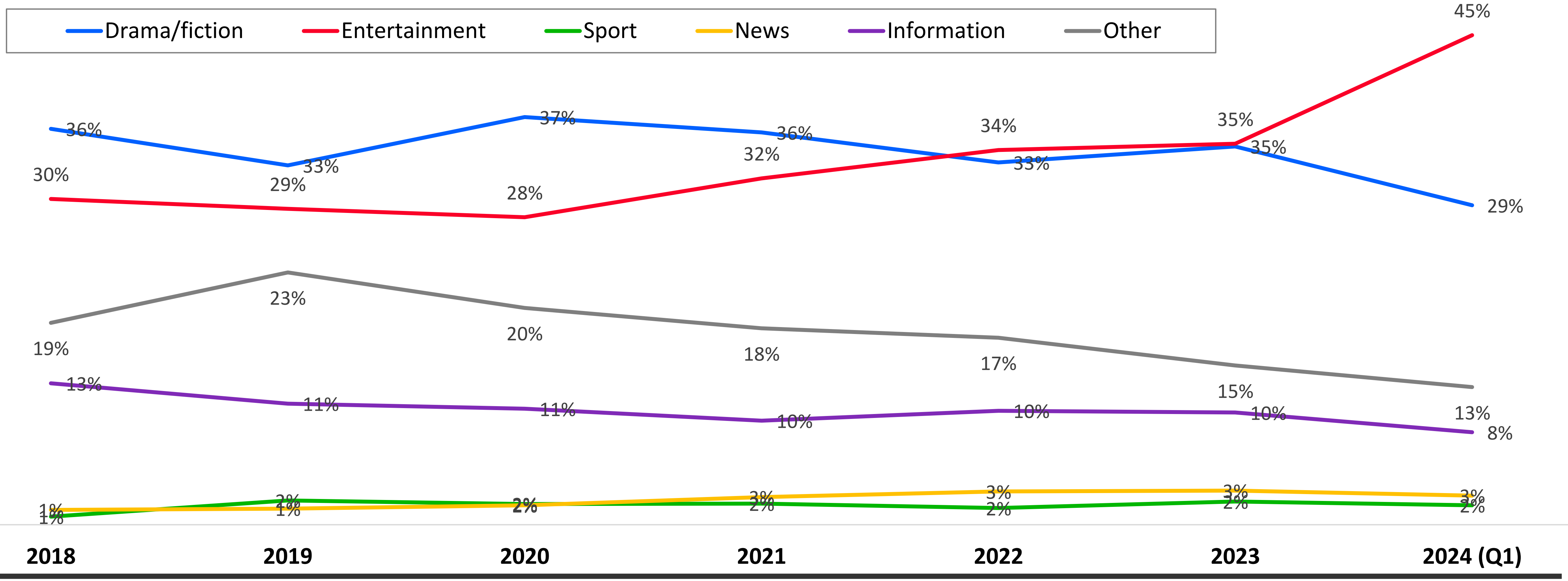
BVOD: Reduced viewing of information and ’other’, and increased viewing of entertainment, news and sport

Proportion of minutes viewed on genre 2018-2024. Percent.



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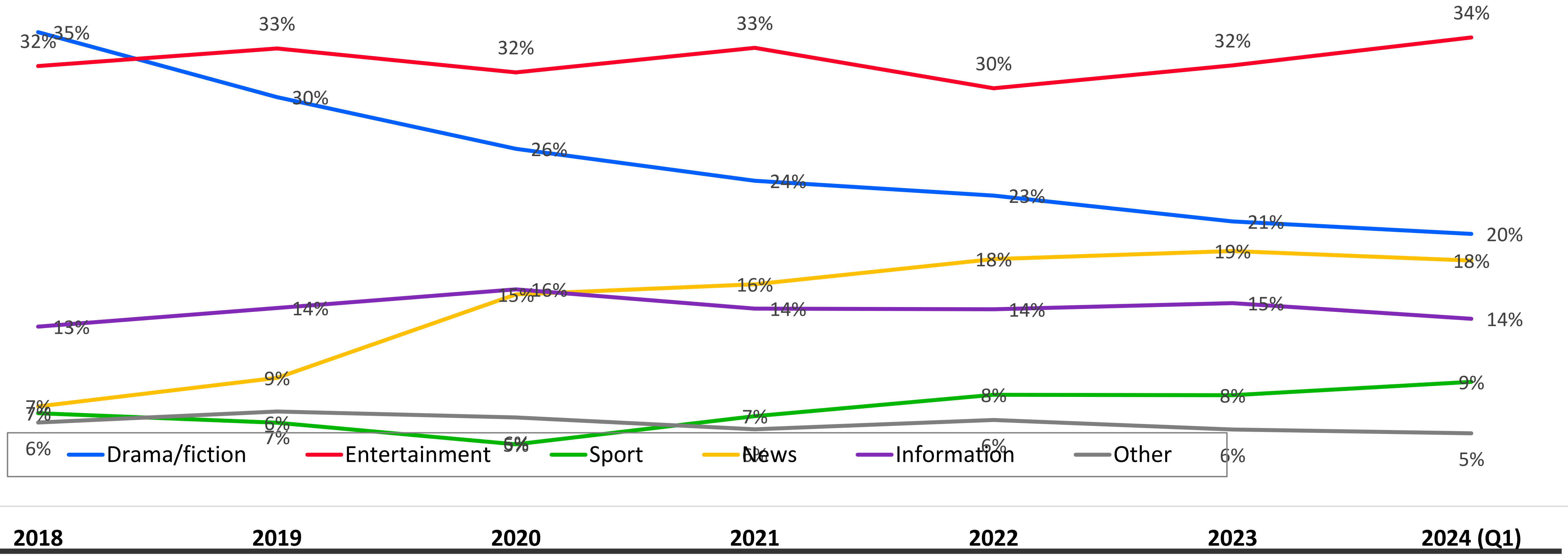
Playback: Reduced viewing of drama/fiction, and increased viewing of sports and news

Proportion of minutes viewed on genre 2018-2024. Percent.



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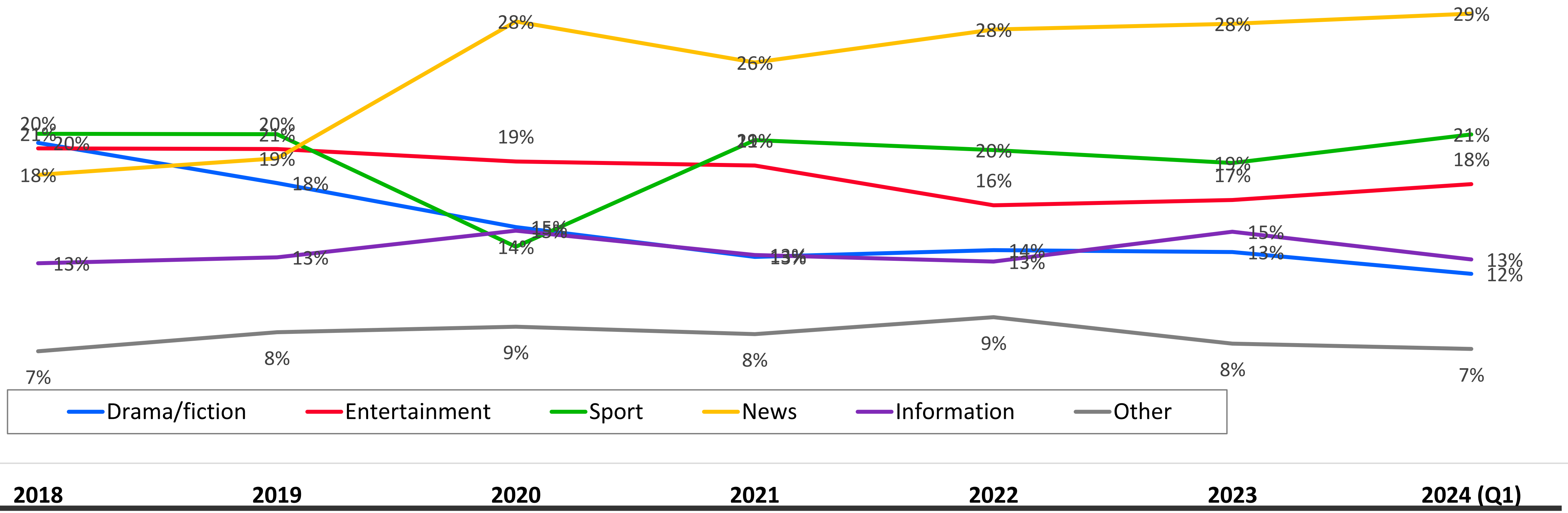
Linear: Reduced viewing of drama/fiction, and increased viewing of news

Proportion of minutes viewed on genre 2018-2024. Percent.



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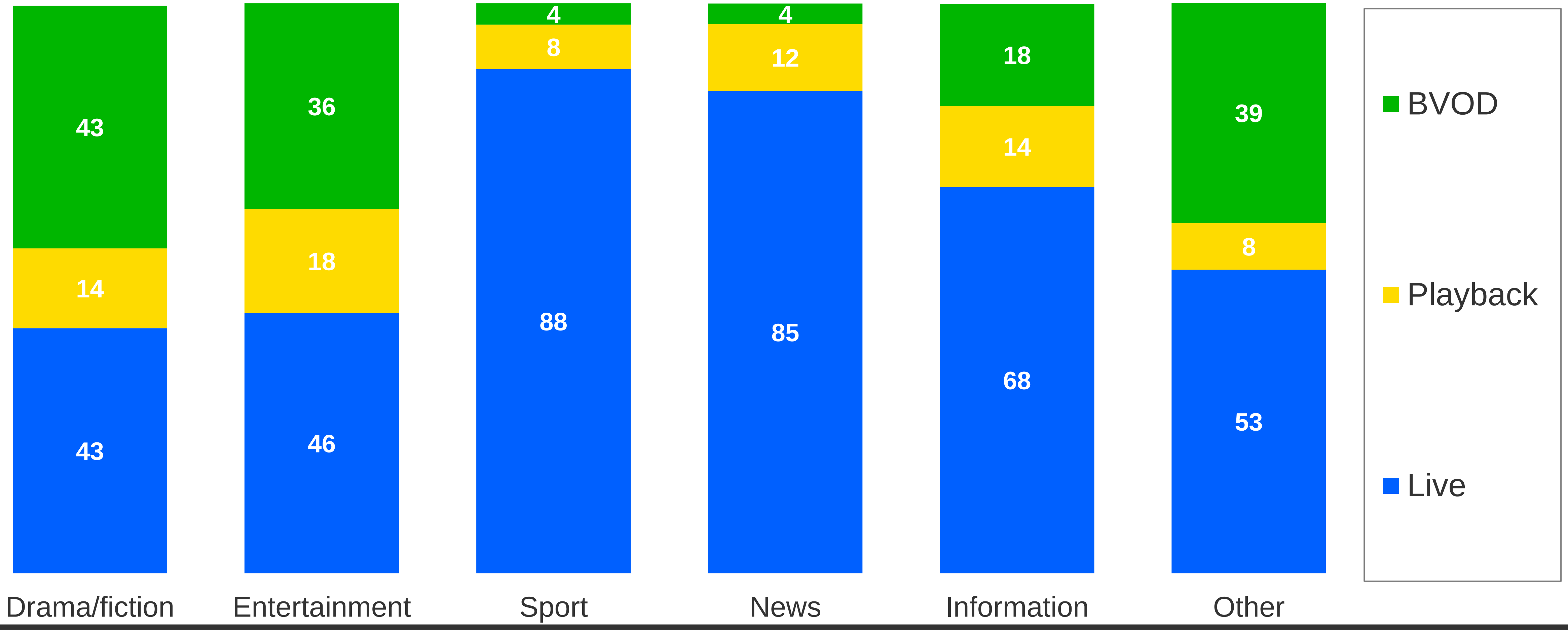
Sports and news are still viewed live

Proportion of minutes used spent on BVOD, playback and live viewing by genre in 2024. Percent.



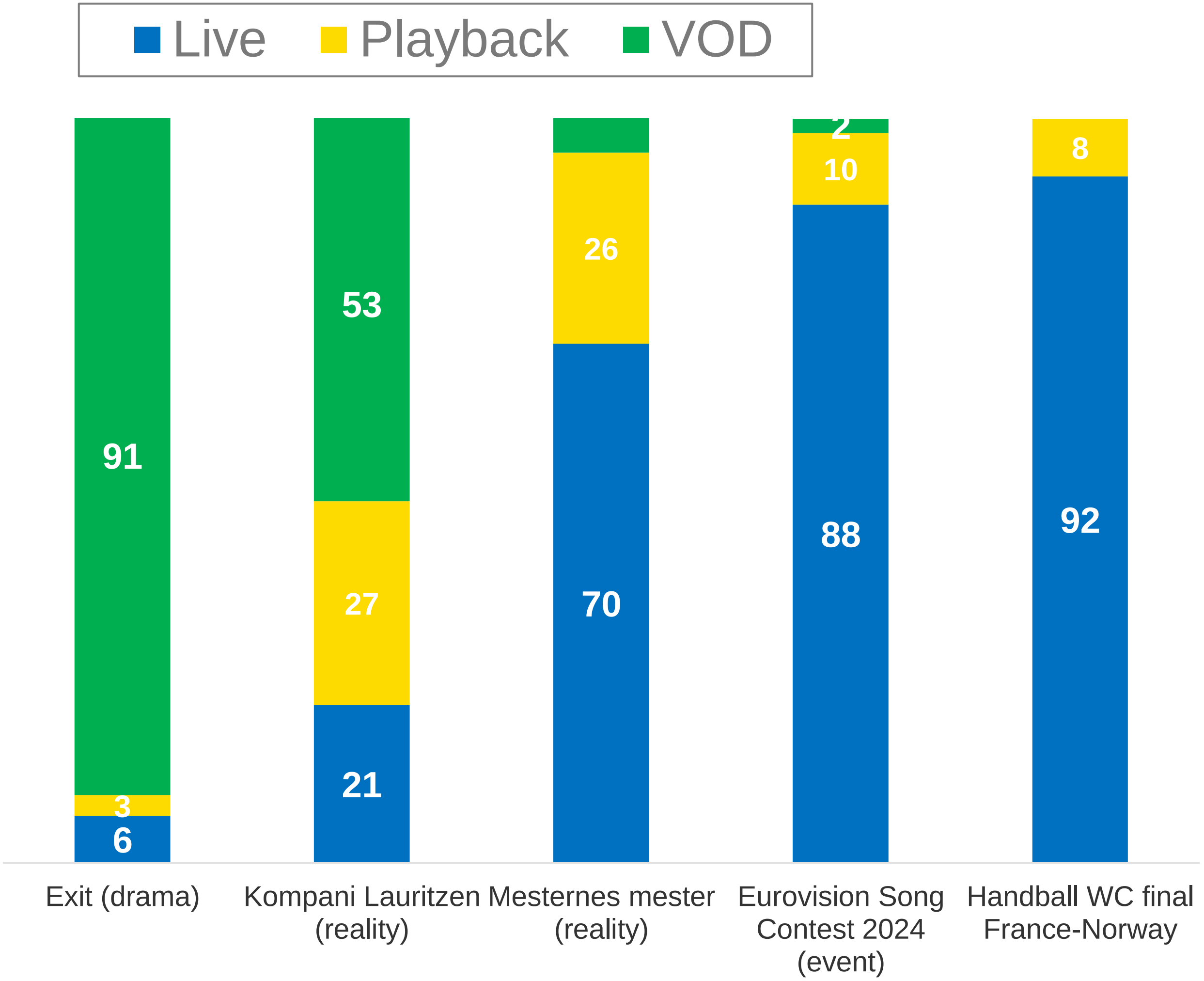
KANTAR MEDIA

Source: Kantar TVOV. Online is only for the TV companies NRK, TV 2, and Warner Bros. Discovery (BVOD). BVOD (Broadcaster Video on Demand) is only VOD, and "live online" is coded as linear. Official viewing figures consist of live TV viewing plus up to seven days of delayed viewing (recordings and weekly archives), and video on demand (BVOD). Instar Analytics 24.05.24

Drama is increasingly being watched on VOD

Proportion of ratings for programs viewed live, playback and VOD. Percent

- The drama series Exit topped the charts on TV and BVOD in 2023, with 91% of its viewership coming from VOD and only 6% from live broadcasts.
- Reality series consumption varies significantly: Some are watched live, whereas others are predominantly viewed on VOD.
- Major events like the Eurovision Song Contest and sport continue to draw live viewers, and this trend is likely to persist.

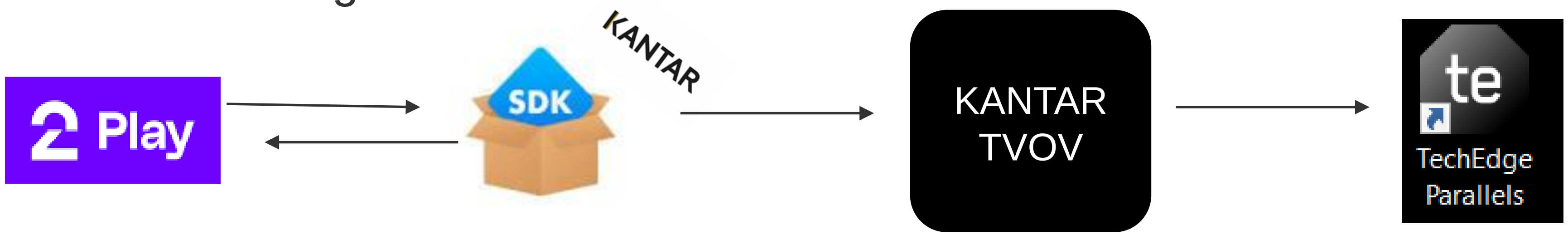


Video Ad Serving Template (VAST) in Norway

- VAST is a standard protocol developed by the IAB to standardize communication between video ad servers and video players. It enables advertisers to serve video ads across various video platforms and players consistently, regardless of the player's technology or the platform it's being displayed on.

VAST empowers broadcasters to measure programmatic ads through third-party ad servers as part of the TVOV solution. This enables TV and AV buyers to assess the total reach and frequency of their campaigns across various TV formats:

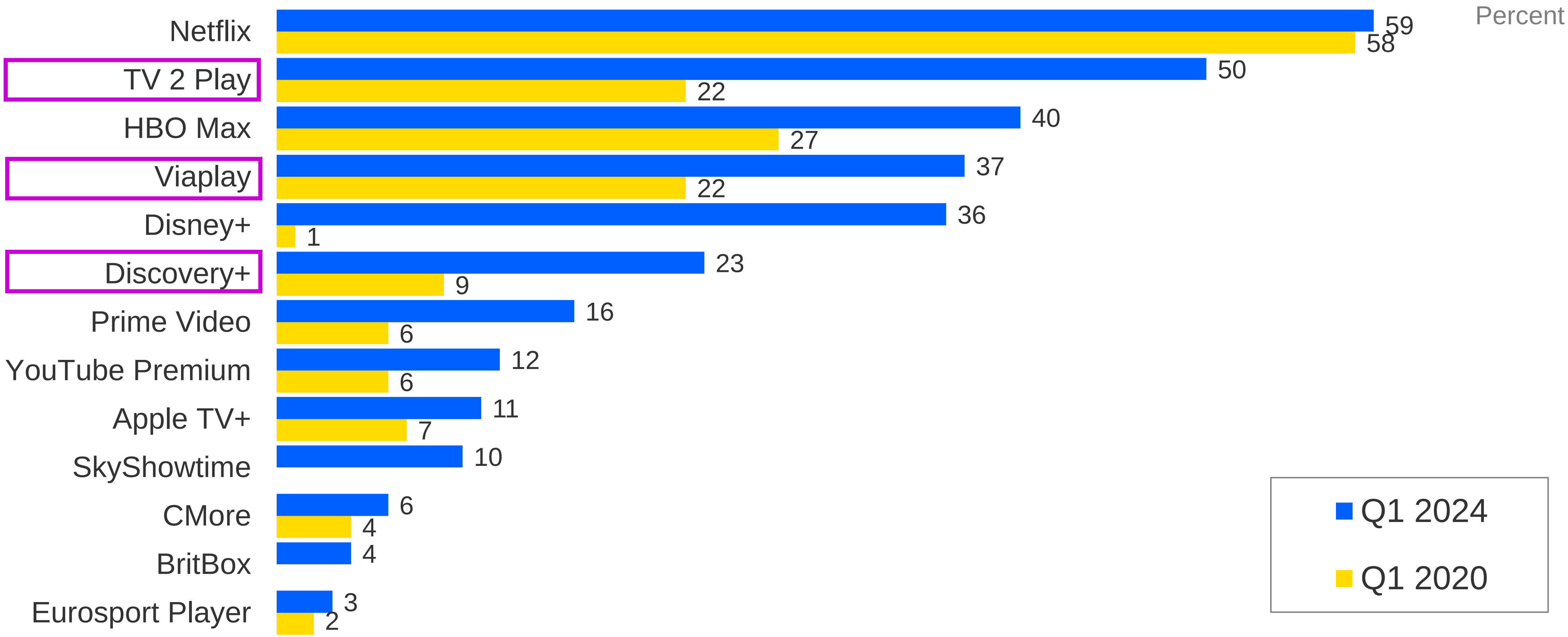
- Integration of VAST spots into the online calibration process.
- Conjunction of VAST spots with linear spots for enhanced targeting.
- Designation of VAST spots specifically for programmatic advertising.
- Overall increase in spot reach and viewing time.



3. The global players are facing greater challenges in smaller markets

Global players enter Norway, but the Norwegian TV companies have strong position

The percentage of the population that subscribes to streaming services



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Source: Kantar Forbruker & Media. "Strømmetoppen" Q3 2023 with 2353 interviews.
The data collection method has been somewhat improved since Q3 2023, some of the growth can be explained due to method adjustments.

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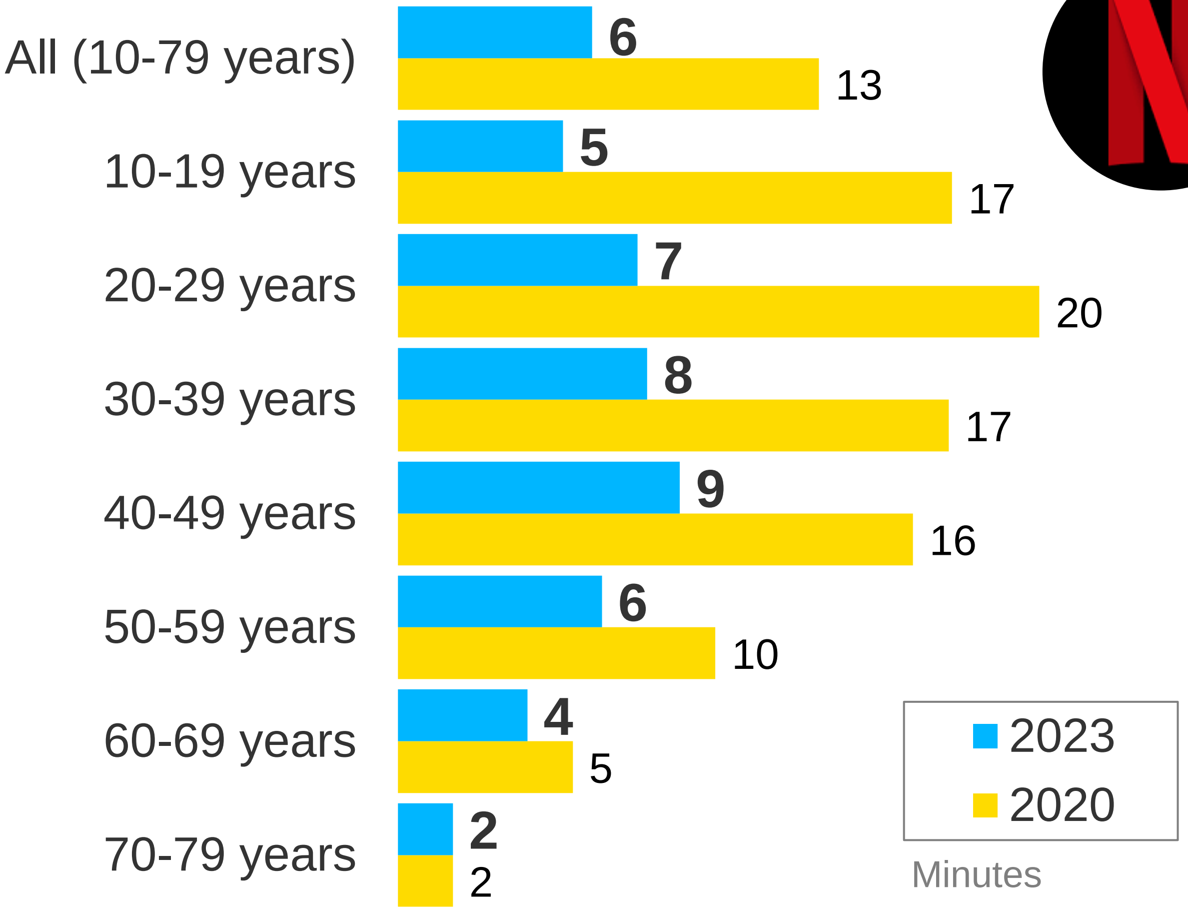
Netflix viewing time halved since 2020, with sharpest decline among under 30 years

- Viewing time for Netflix (in home) has decreased from 13 minutes to 6 minutes from the peak year 2020 to so far in 2023.
- The viewing time is decreasing in all age groups except for those over 70 years old.
- The decline in viewing time is most pronounced among those under 40 years old, and the time among those under 30 years old in 2023 is only 1/3 of what it was in 2020.



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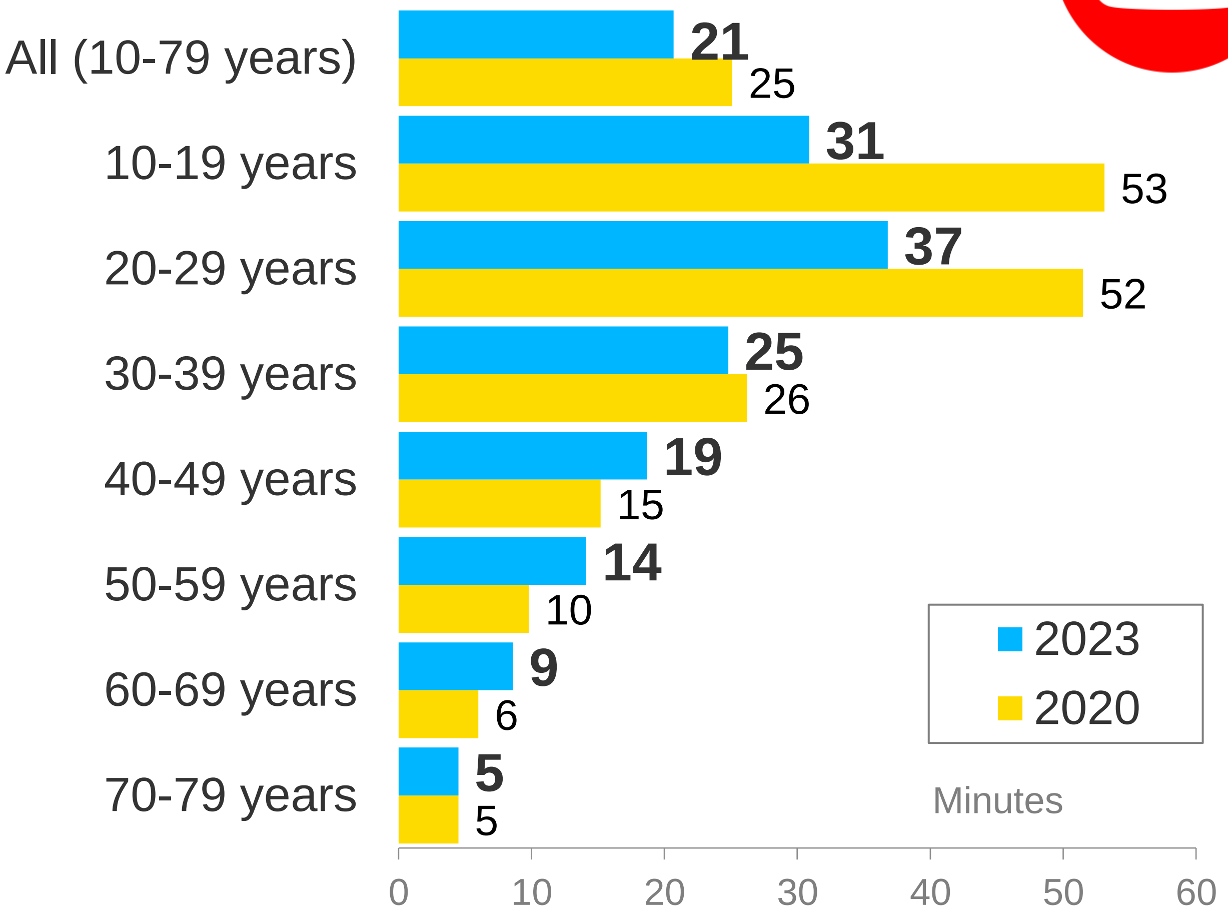
Source: Kantar TVOV. Netflix, HBO Max, Viaplay, Disney+, and Amazon Prime are measured using a different method in TVOV, and only in home. These are comparable with each other but not directly with NRK TV, TV 2 Play, and Discovery+. The viewer numbers reported for the aforementioned services are lower than the actual numbers due to the lack of measurement of viewing outside households and are more uncertain because the figures are not adjusted for traffic data.
Data for 2023 is from January to August.

TVOV-UNDERSØKELSEN

YouTube viewing down 20% since 2020, with steepest drop among teenagers

- The viewing time for YouTube (in home) has decreased from 25 minutes in 2020 to 21 minutes in 2023.
- Viewing time is increasing among those over 50 years old.
- The viewing time is reduced by 40% among 10–19-year-olds, and by 30% among those in their twenties.

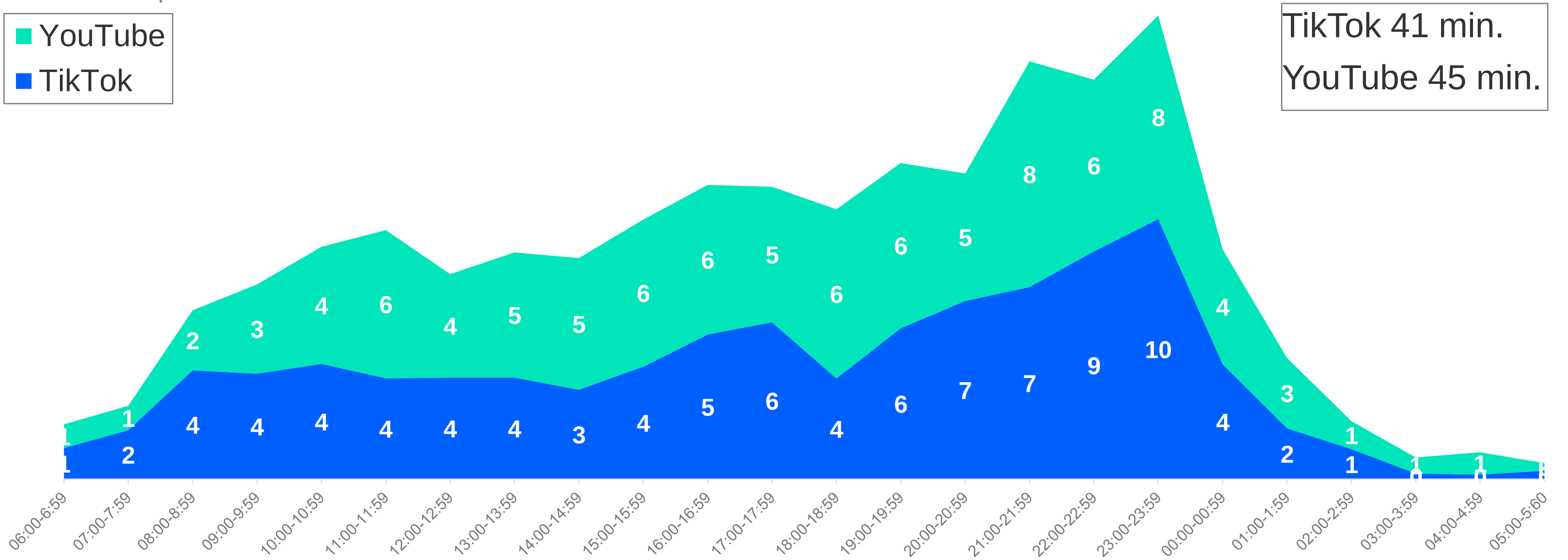


Source: Kantar TVOV. Netflix, HBO Max, Viaplay, Disney+, and Amazon Prime are measured using a different method in TVOV, and only in home. These are comparable with each other but not directly with NRK TV, TV 2 Play, and Discovery+. The viewer numbers reported for the aforementioned services are lower than the actual numbers due to the lack of measurement of viewing outside households and are more uncertain because the figures are not adjusted for traffic data.
Data for 2023 is from January to August.

The young use TikTok and YouTube all day long: YouTube is losing viewing time to TikTok

Use of TikTok and YouTube throughout the day among 18-29 year

Percent reach per hour

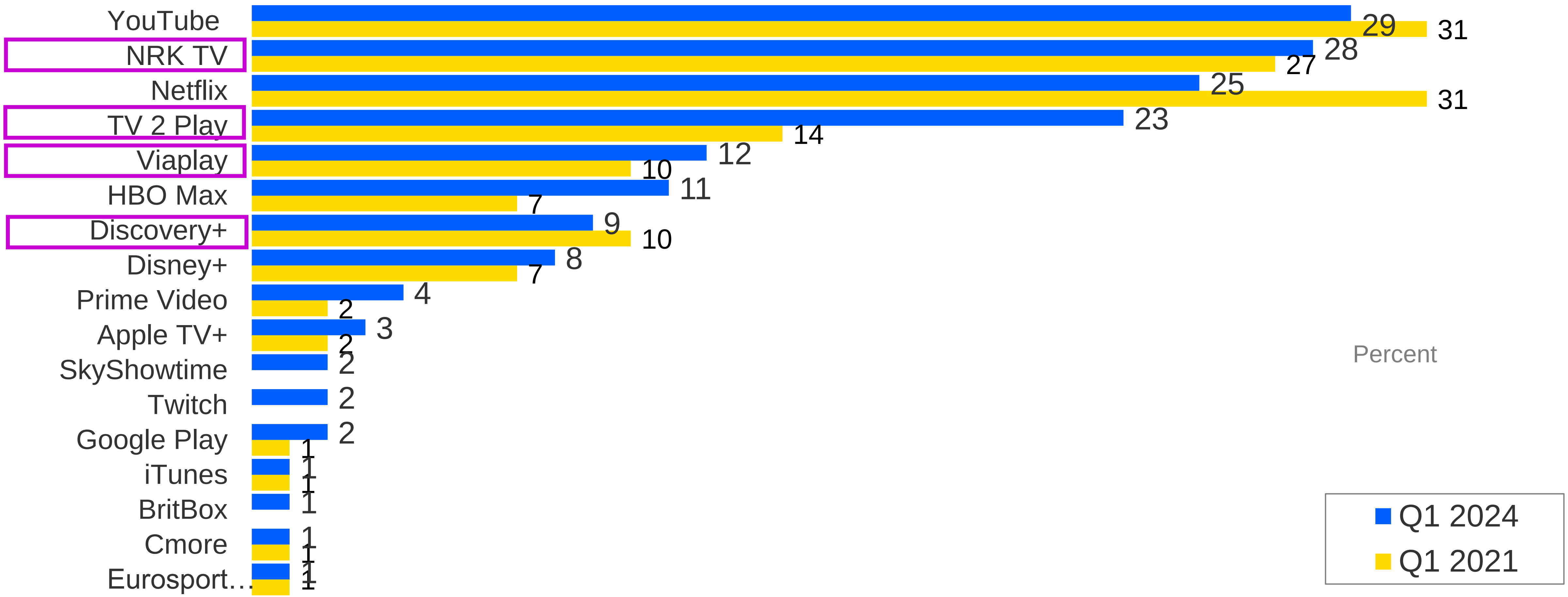


KANTAR MEDIA

Source: Kantar 24Hour. Use of TikTok and YouTube throughout the day among 18-29 years in Q1 2023 –Q1 2024. 692 interviews.

The Norwegian streaming services have a strong position

Daily reach of streaming services (SVOD & AVOD)



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Source: Kantar Forbruker & Media. 18+. Quarterly updated streaming data from Power BI.

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Why are Netflix, YouTube, and Amazon struggling in Norway?

1. **Early Pioneers in Streaming**

The Norwegian TV companies NRK TV and TV 2, have been pioneers in streaming since the early 2000s, offering unique Norwegian content and securing major sports broadcasting rights. This includes exclusive coverage of the Olympics, the English Premier League, and more.

2. Strategic Distribution

Through strategic partnerships with various TV and broadband providers, Norwegian TV companies have ensured widespread distribution of their streaming services across Norway.

3. Digital Maturity Challenges

Norway's highly digitally mature media market presents significant challenges for new entrants, making it tough for even global giants like Amazon to gain a strong foothold.

4. Advanced Measurement Techniques

Since 2018, Norwegian broadcasters have utilized the world's most sophisticated TVOV measurement and have access to extensive data from 'Consumer & Media', 24Timer and other surveys. This combination of internal and external data sources provides them with deeper insights than competitors like Netflix, enhancing their strategic decision-making capabilities.

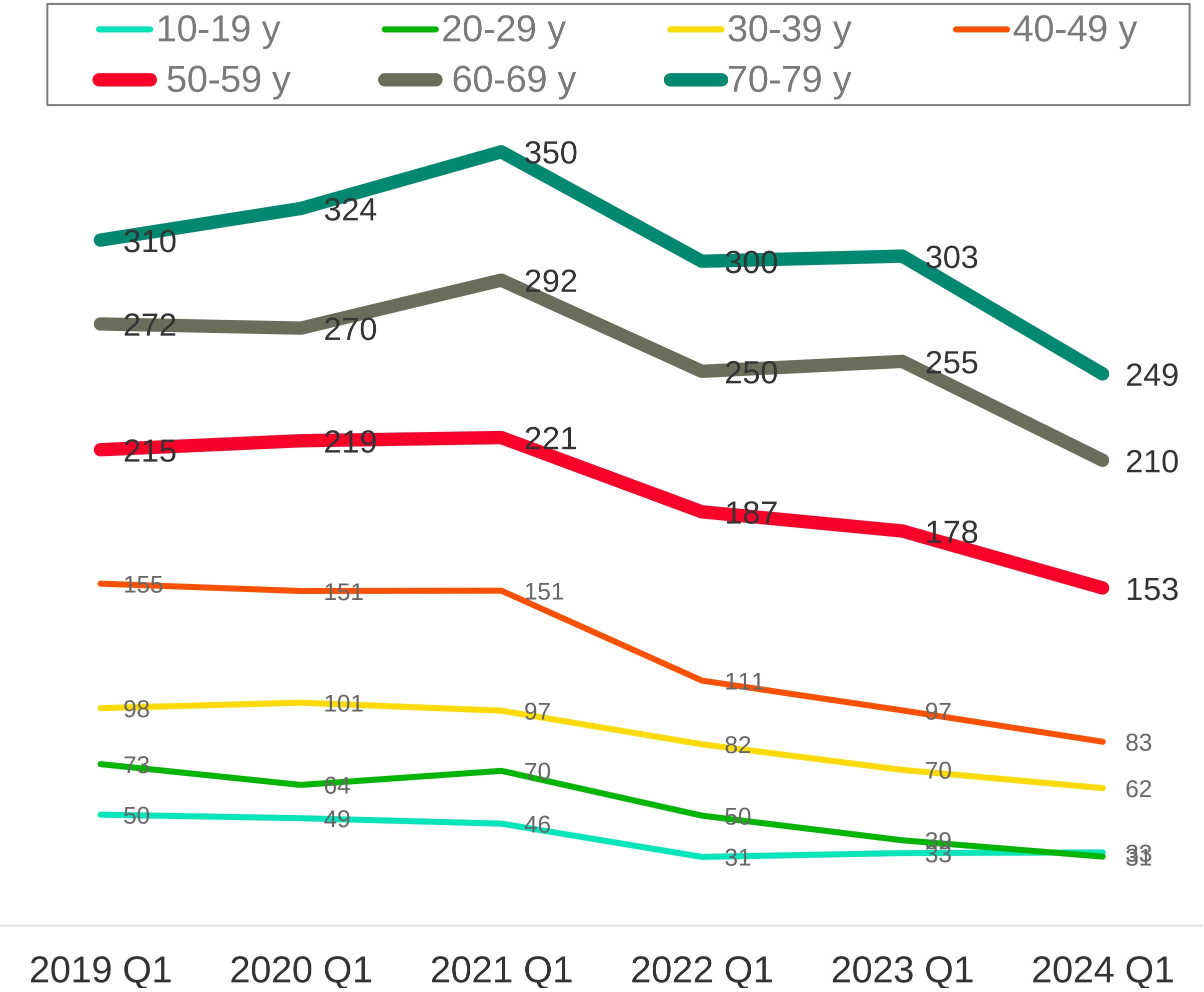
4. New challenges and opportunities

Sharpest decline in TVOV viewing among viewers over 50 years

Daily TVOV minutes Q1 2019-2024 by age.

- The total viewing time (linear and BVOD) was reduced by 20 minutes from Q1 2023 to Q1 2024.

- The viewing was reduced by as much as 53 minutes among those over 70, 45 minutes among 60-year-olds and 26 minutes among 50-year-olds.



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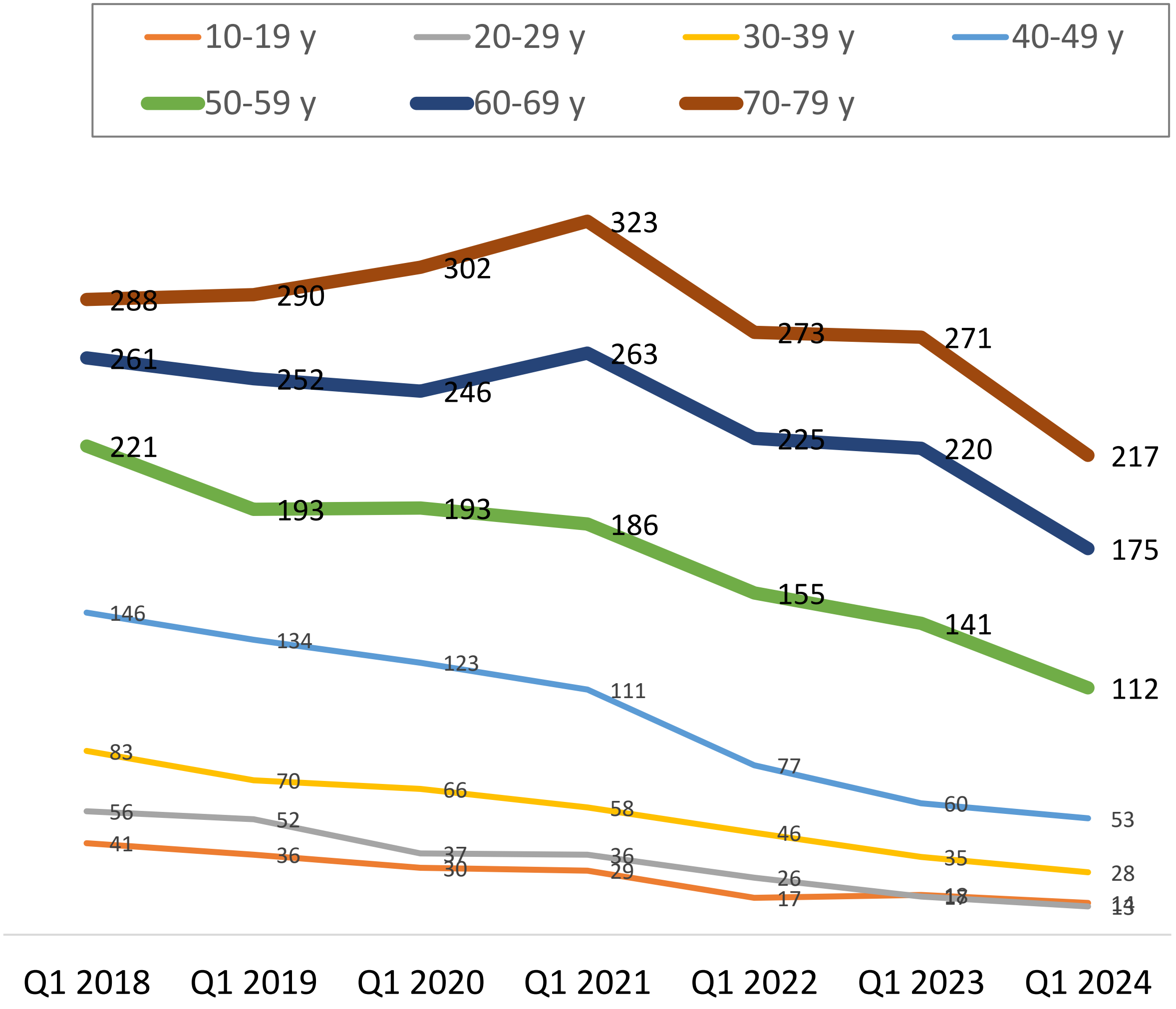
Steepest decline in linear TV viewing among those over 50 years

Daily linear minutes Q1 2018-2024 by age.

- The linear viewing time was reduced by 21 minutes from Q1 2023 to Q1 2024.
- The linear viewing was reduced by as much as 57 minutes among those over 70, 49 minutes among 60-year-olds and 32 minutes among 50-year-olds.



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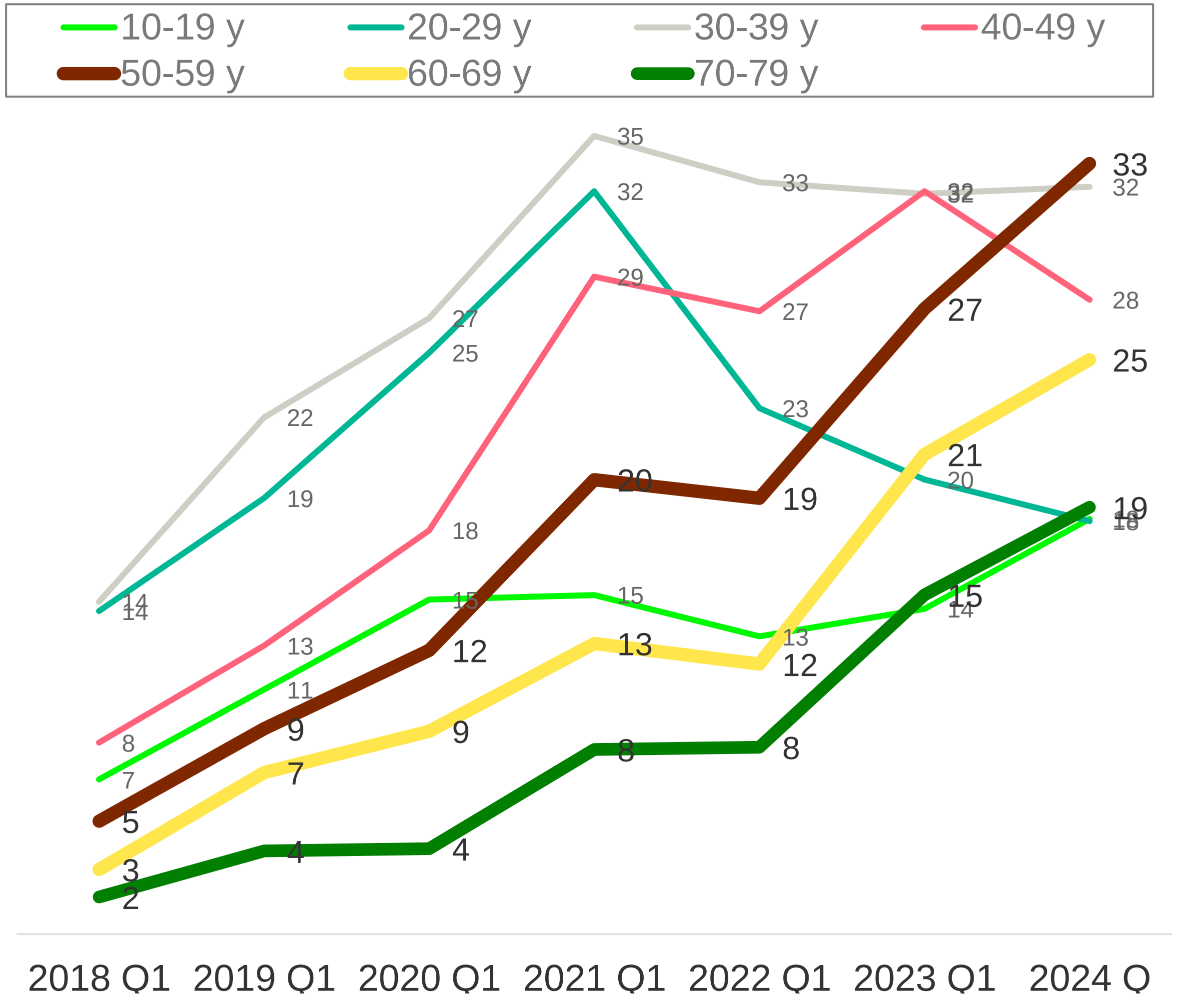
Greatest increase in BVOD viewing among those over 50 years

Daily BVOD minutes Q1 2018-2024 by age.

- BVOD viewing has increased, particularly among those over 50 years.
- While the under-50 age group saw an increase from 2018 to 2022, their viewing figures have since plateaued.
- From 2018 to 2020, those under 50 spent the most time on BVOD, but in 2024 those over 50 spend the most time on BVOD.



New challenges and opportunities

- In an increasingly fragmented media landscape with many available channels and a trend towards reaching and engaging with smaller audience segments, an approach is needed to make traditional TV currencies more granular and less volatile.

  - Data at scale for television audience measurement.