

Sweden: TV Audience Measurement in a Digital Environment

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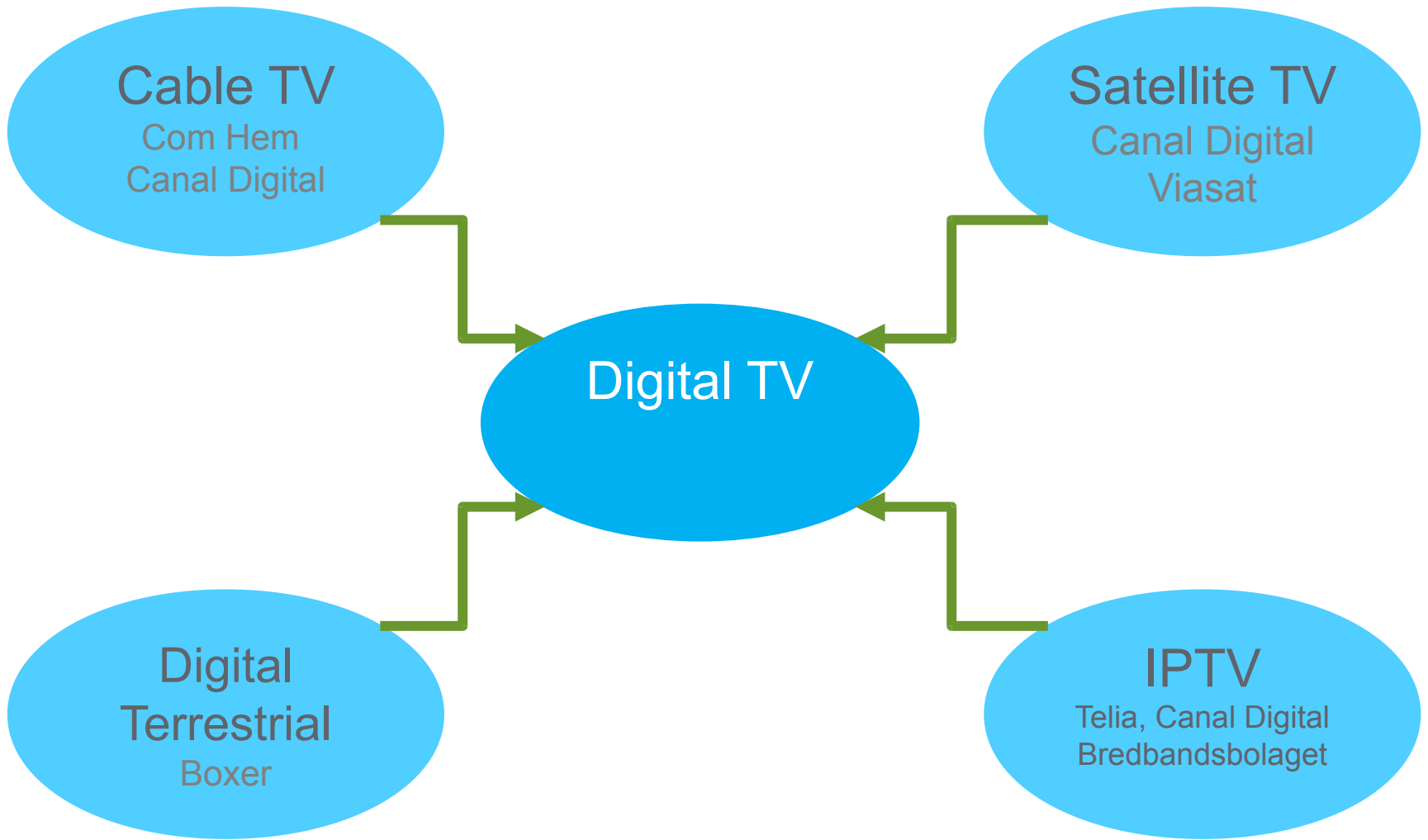
Agenda

- Swedish TV: A Digital Environment
- Digitization and TV viewing
- Digitization and Television Audience Measurement
- TAM Challenges in a Digital Environment
- Key learnings

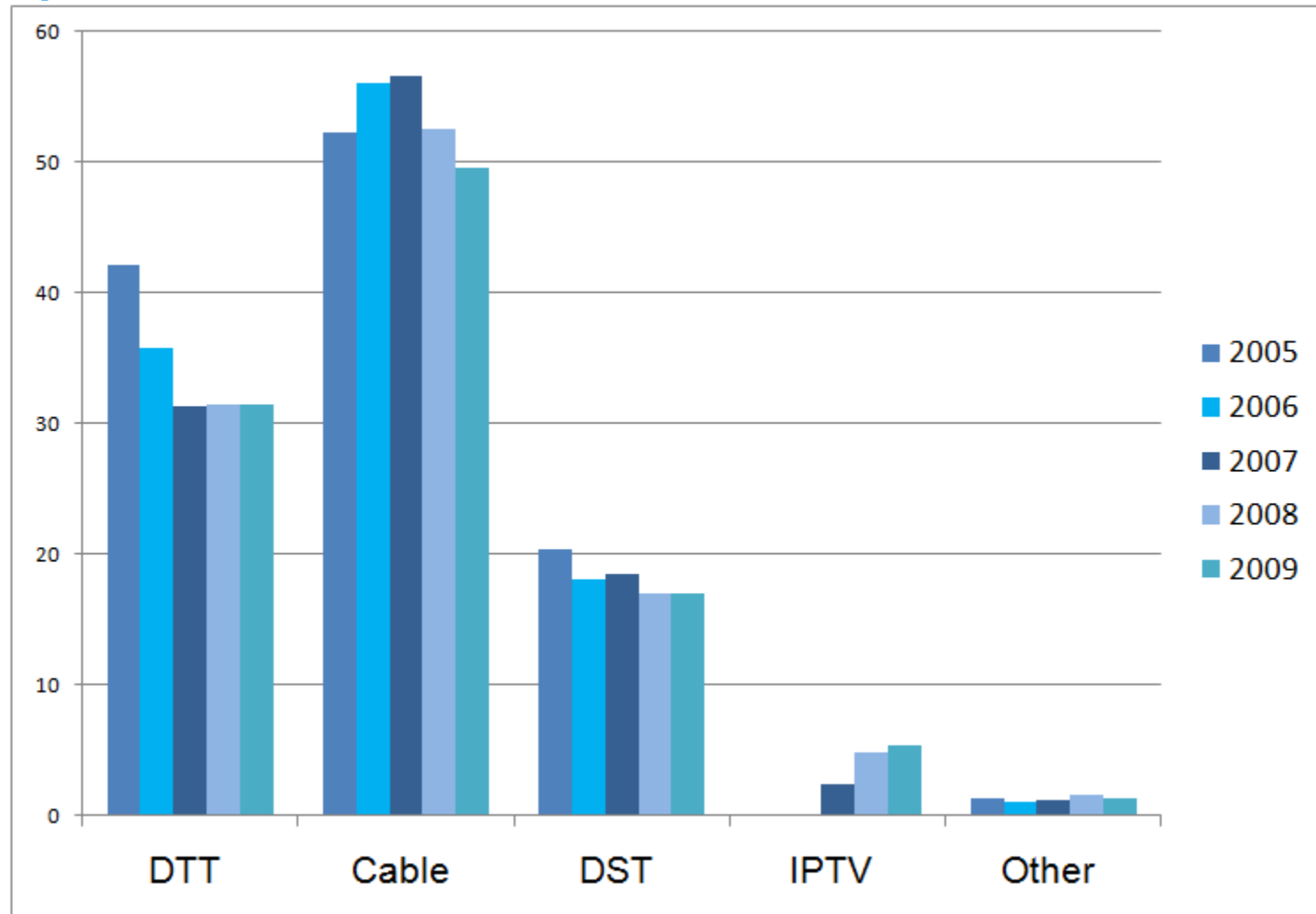
Swedish TV:

A digital environment

TV Platforms in Sweden



TV platforms distribution



Source: Establishment Survey, Sweden

Digital Terrestrial TV in Sweden

- 1999: DTT was launched in Sweden on April 1st (2nd country in Europe)
- 2003: Parliament's decision on gradual switchover
- 2005: Switch-off began on September 19, on the island of Gotland
- 2007: Sweden completed the switch-off on October 29, 2007, ahead of the government mandated switch-off date of February 2008.

Sweden was the fifth European country to complete analogue switch-off, after Luxembourg, the Netherlands, Finland and Andorra.

Digital TV Switch-over process in Sweden

The final report from the Digital TV Commission describes planning and implementation of the Swedish digital TV switch-over. Between 2004 and 2008, Sweden was one of the first countries in the world to switch out the technology, doing so directly or indirectly impacted just over 4 million households. We learned a lot, including that the four most important factors of success are:

- Collaboration – switch-over implementation was based on a successful collaboration model and included the following main players: the Digital TV Commission, Taracom, SVT and TV4.
- Trademark – the joint “digital TV switch-over” trademark helped create focus and clearly communicated a unified project.

- Information model – the campaign framework consisted of direct mail, advertising and local meetings; the campaign was gradually introduced on a local level throughout the country as the switch-over reached new areas.
- Strategy for switching off – the model entailed gradual switch-over throughout Sweden, which enabled information initiatives to be locally adapted and for product offerings to be developed on a continuous basis.

The Digital TV Commission hopes that it can contribute to similar projects both within and outside Sweden by sharing its experiences and knowledge in the final report.

Digital TV övergången

FINAL REPORT

2005.09.19 2007.10.15

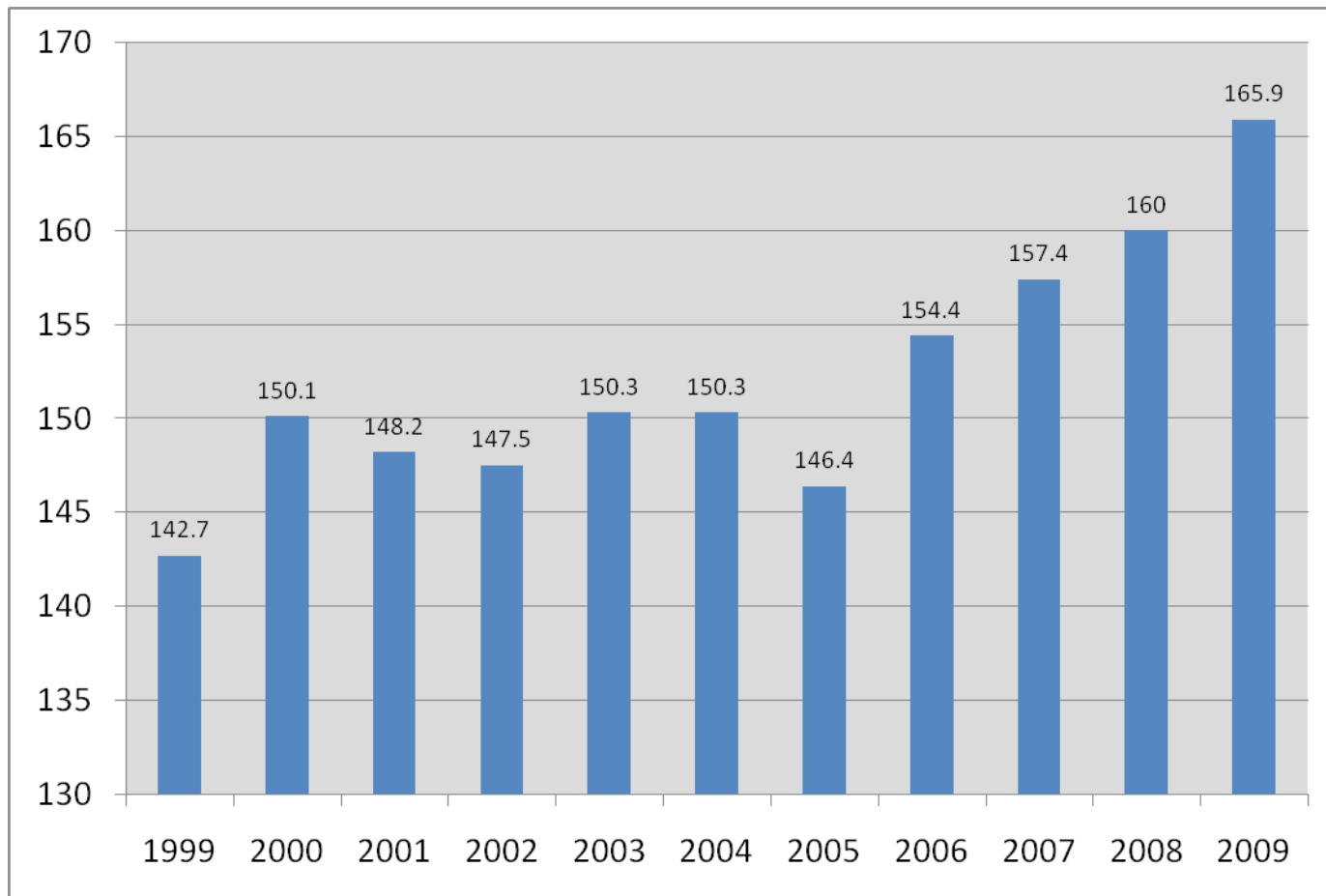
The Digital TV Commission's final report, KU 2004:04



Report available at: www.sweden.gov.se/sb/d/108/a/113058

Swedish TV: Digitization and TV Viewing

Swedes in front of the TV through the years



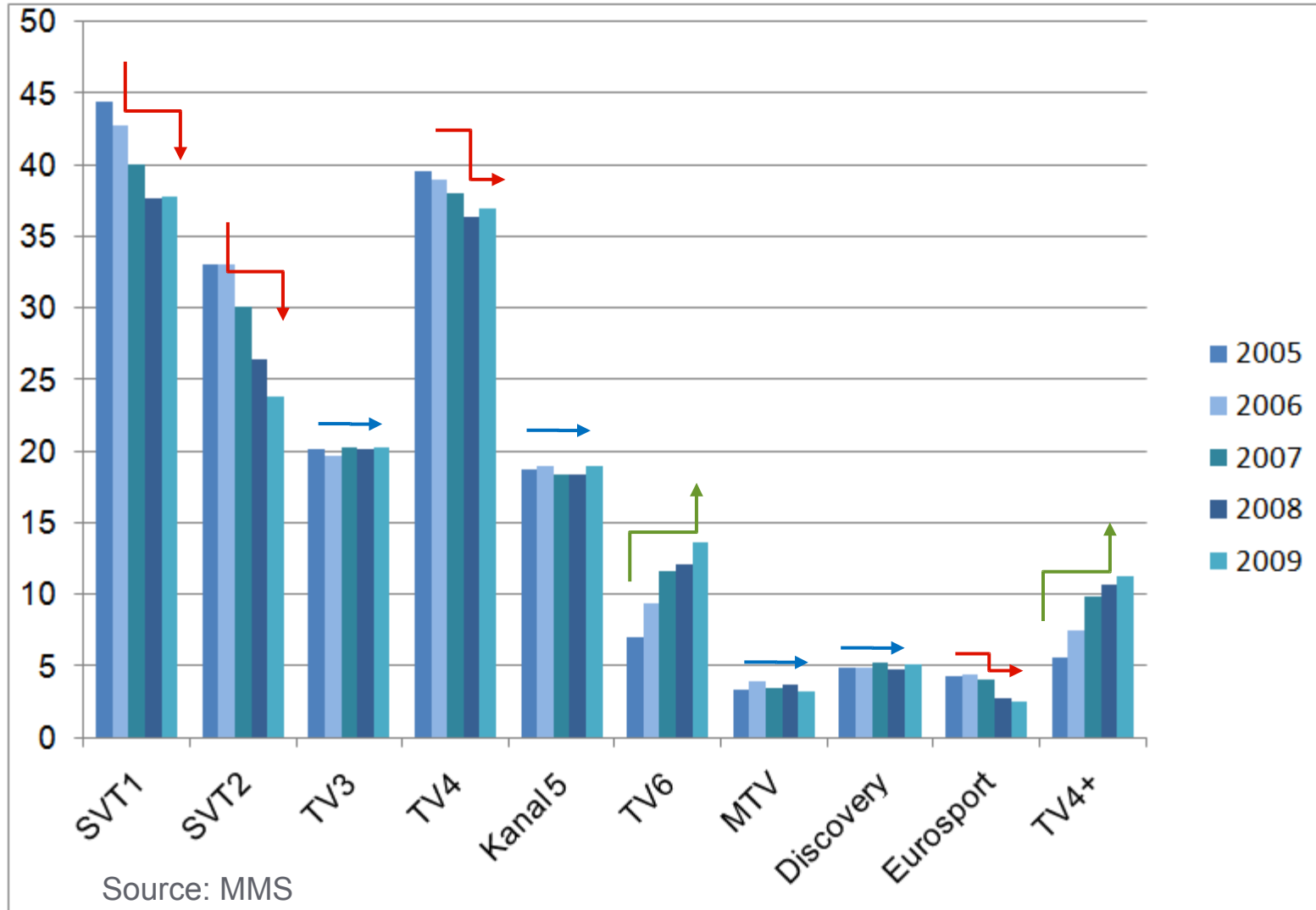
Average viewing time (minutes per day); Source: MMS

TV Viewing: historic records

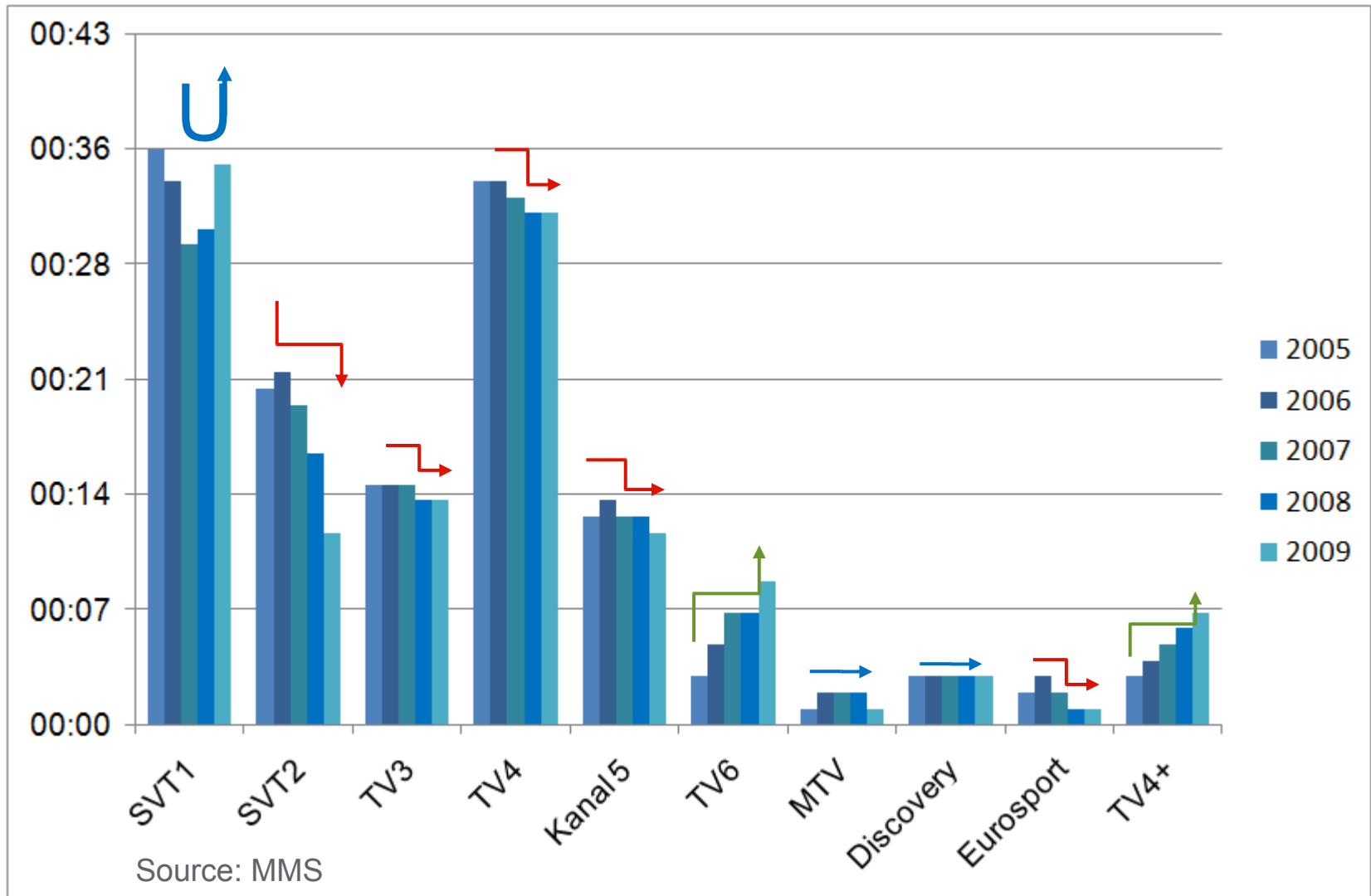
- In February 2010, a new maximum of monthly TV viewing was achieved.
- Swedes spent on average 198 minutes a day watching television during that month.
- The previous record of 197 minutes was set in January 2006, in connection with the Turin Olympics.



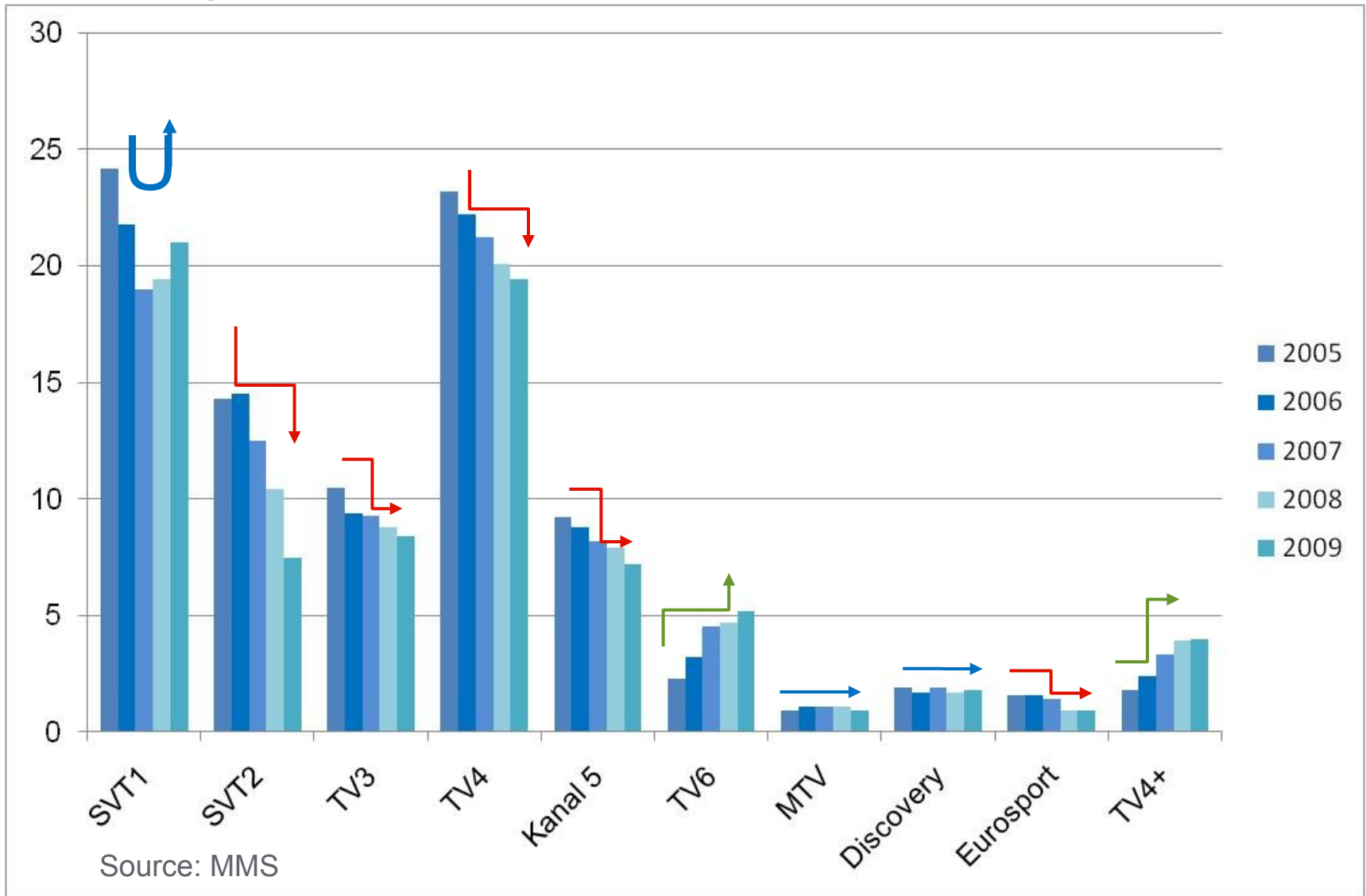
Reach per day (%)



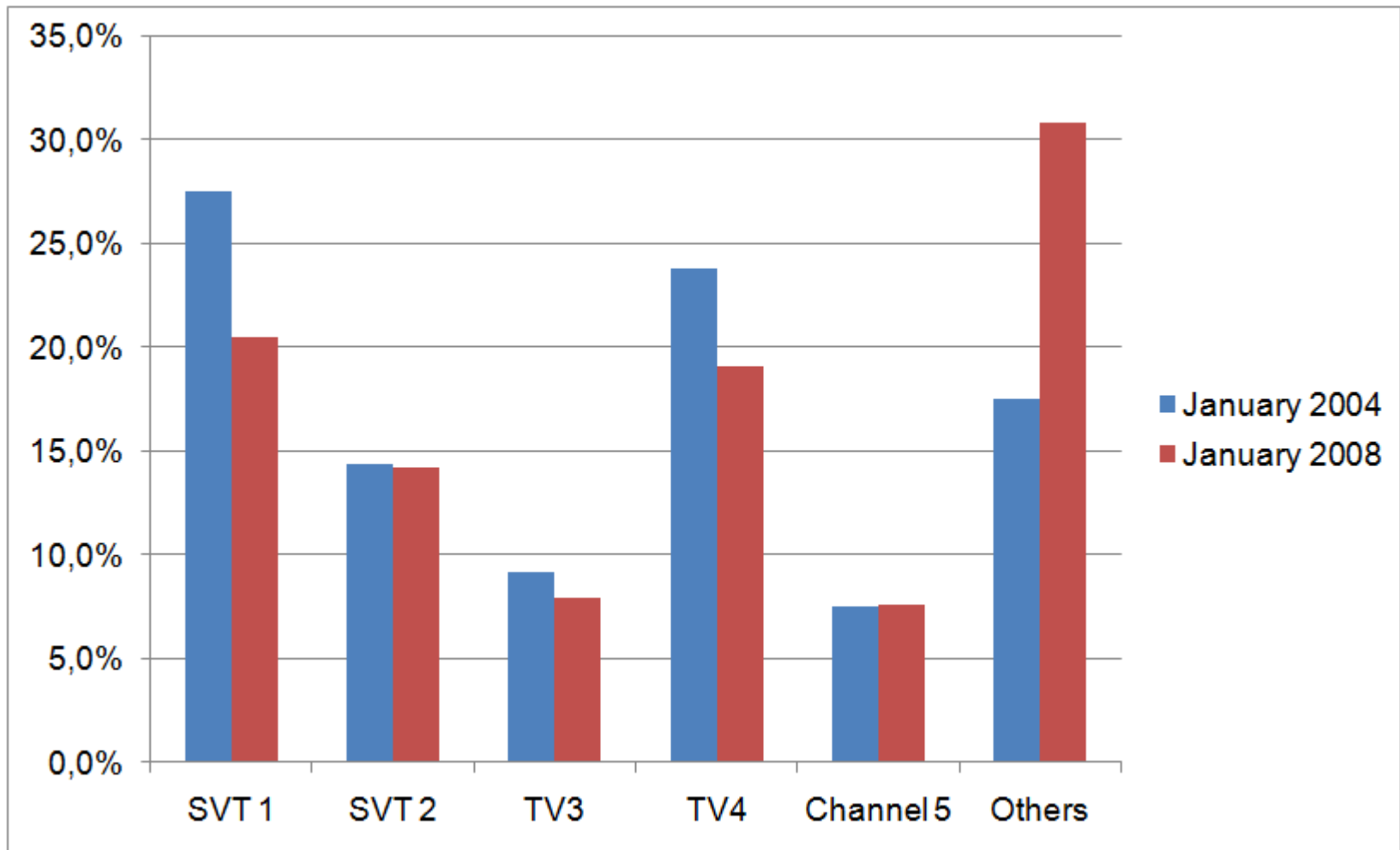
Viewing time per day



Viewing share

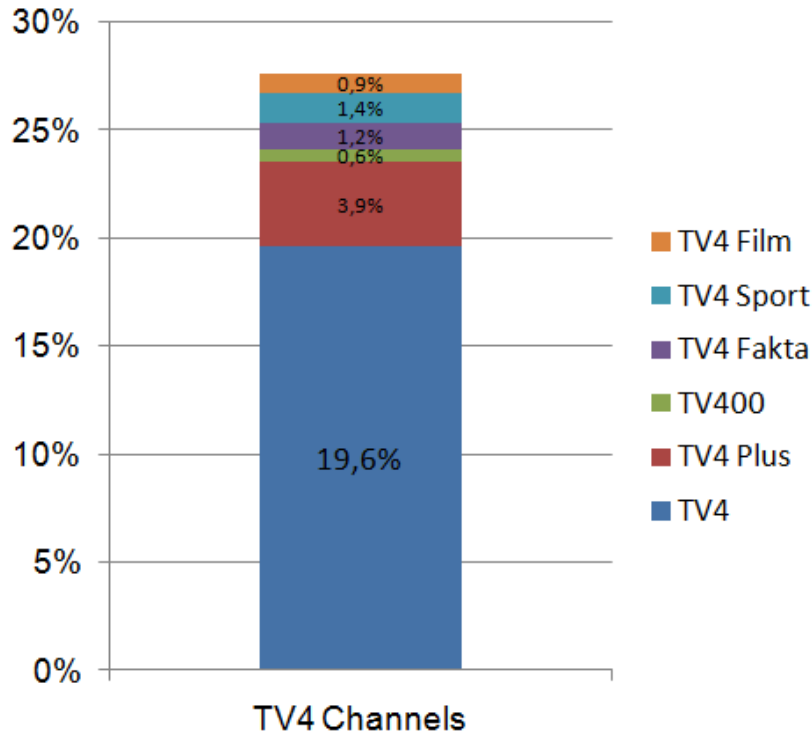


Viewing shares: traditional channels



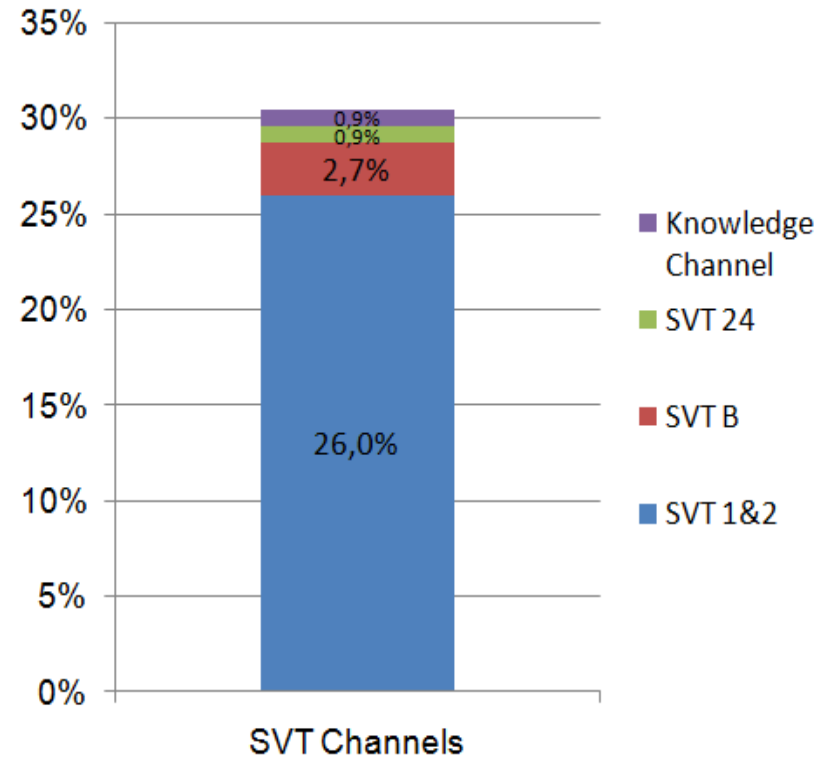
Source: The Digital TV Commission's Final Report

SVT and TV4 reached in April 2010 a combined share of around 58% thanks to their new niche channels



TOTAL TV4: 27.6%

19,6% traditional channel
8% new niche channels



TOTAL SVT: 30.5%:

26% traditional channel
4,5% new niche channels.

Source: Eurodata TV Worldwide and relevant partners / One TV Year in the World

Digital TV: a new, more competitive environment

- With switch to digital, new channels are launched: more viewing options and increased competition
- MMS' experience: before the switch-off, analogue HHs declared they would go for the cheaper solution (five free to air channels) but most of them finally chose the DTT PayTV package (Boxer).
- Traditional channels may initially suffer, but many of the new “competing” channels often belong to same operators, thus compensating “lost” viewing.
- Example: in 2005, TV4's share was 23%. In 2009 the main TV4 channel dropped to 19 %, but topped 28% after launching 8 new niche channels.

Sweden:

DIGITIZATION AND Television Audience Measurement

TAM Environment

- Joint Industry Committee: MMS (1992)
- National people meter panel: Nielsen (since 1993)
- 1993: 600 HHs – 5 channels
- 1998: Panel expansion from 600 to 1000 HHs
- 2006: Panel expansion from 1000 to 1200 HHs
- 2010: 1350 HHs – Hundreds of channels

Sweden's TAM Panel: the 2006 Expansion & Upgrade

- In September 2006, the panel completed its expansion from 1000 to 1200 reporting households.
- Purpose: anticipate the effect of digitization.
- Metering system was changed: migration to a new, state-of-the-art meter.
- The new meters could measure all digital channels and new TV devices.

AGB Nielsen's Balance

- In general terms, it was a smooth process.
- Greatest effort was in the meter substitution process. Panel HHs over installed so as to secure quality in-tab levels during the meter-substitution phase.
- Production System was updated with the new HHs data (families bought new devices, set-top-boxes, etc.).
- Panel Matrix was redefined to reflect the new viewing platforms. The weighting structure was also re-worked.
- Establishment Survey Questionnaire was updated together with MMS.

Sweden:

TAM Challenges in a DiGITAL environment

Digitization brings along...

- More channels
- Time shifted viewing
- Video On Demand
- New platforms and devices

More Channels

- Multichannel households, audience fragmentation
- 18 channels account for 88% of share; rest of viewing (12%) distributed among more than 600 signals!
- Small channels: people meter size may not be enough to report ratings and demographics on a daily basis
- Cost-effective complementary solutions can be implemented (Set-top data, set meter panels)

Time Shifted Viewing

- Digitization is a major driver of time-shifted viewing
- TSV rates depend upon two key factors: TSV devices penetration in households and services offered by operators; user friendliness is key.
- If TSV is not measured, ratings decrease
- TSM is measured in Sweden since March 22, 2010. TSV data included in currency
- VOSDAL reported overnight; Consolidated viewing: up to seven days after original broadcast

Video On Demand

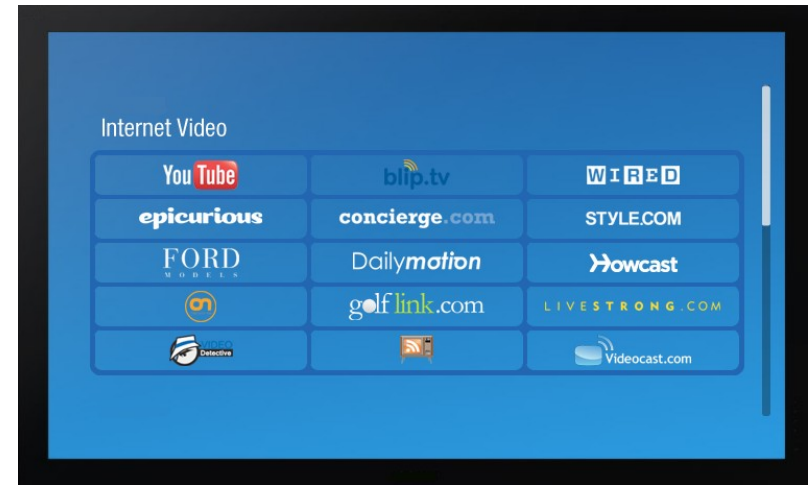
- Two types of VOD:
 - “Catch-up” TV: broadcast content from previous days is made available through a menu. Similar to TSV, except that users don’t need to record anything.
 - “Catalogue” Mode: TV content that is not recent, or non-TV content that is made available through a menu. Measurement and reporting issues still open.

New platforms and devices

PCs used for watching TV



TVs connected to Internet



TV on the Web



- Live
- Catch-up
- On Demand (library)

Digitization in Sweden: key learnings for JIC and TAM operator

- Opportunity to renew the panel with state-of the art technology
- Beyond DTT. The new system was chosen to measure other new TV viewing possibilities such as: TSV, flat screens IPTV, Web TV, VOD, etc., which were already identified as key trends and could not be measured with the previous metering technology.
- The system was ready to measure TSV and the contract for this service was signed in 2009: TSV contributes with about 2 to 2.5% of total viewing and keeps growing.
- Digitization brings along more channels, new platforms, richer content and diversity and increases sales of new TV equipment that enhance the viewing experience: these are major drivers of growing TV viewing figures.
- TAM panel must follow all these trends and measure them accurately

Thank YOU!
Mult'umesc foarte mult!