

UK NEWS !!

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More UK viewers are choosing to access VOD content on their main TV rather than laptops, tablets or other multiscreen devices thanks to the impact of connected TV devices. The trend is partly thanks to connected TV services like Now TV from Sky (which comes with its own attractively priced Roku-style streaming set-top device for delivering online video to the television set) and partly thanks to the aggressive roll-out of Internet connected boxes from all Pay TV providers in the UK and an increase in TV-based support for content subscription services (e.g. you can sign-up to a subscription VOD service and then access it through an app on what would once have been called a traditional TV platform and is now a hybrid broadcast/streaming platform).

The impact of connected TV devices on VOD viewing has been highlighted by figures from the latest Mediabug tracker. This is a bi-annual survey of 3,000 UK consumers maintained by the research firm Decipher. Pointing to more TV-based support for content subscription services, the company notes that YouView recently joined Virgin Media offering Netflix and EE has joined the market with their EE TV box, containing support for catch-up services and subscription content from Wuaki.

Mediabug Wave 5 (the latest survey results) show that both PCs and tablets lost share of online VOD viewing (5% and 2% respectively) while Apple TV (+1%), Now TV (+1%), Chromecast (+1%) and Smart TVs (+2%) all saw an increase in share of viewing. Dr. Hamish McPharlin, Director of Decipher Media Research declares: Our findings really show how TV connected devices are making their mark. McPharlin adds that, right now, it is the main TV that is attracting the VOD usage from these devices, as that is where the connected set-top boxes are located. He reckons secondary TVs (like in the kitchen) do have a role to play in the migration of VOD from portable devices (e.g. tablets, PC) to the television screen but not enough of them are connected at this stage. In 18 months or so, it could be a different story, he suggests.

Decipher declares: Mediabug consistently demonstrates that despite the popularity of handheld devices, video consumption is enjoyed mainly in the home. What we are seeing is a realisation of the desire to enjoy video consumption, from an increasing number of sources, on the best screen in the house .

Some operators have been reporting that tablets are increasingly being treated as a substitute for a secondary television once they have offered multiscreen services. Based on all the Decipher research (and not just the latest Mediabug tracker), does McPharlin think secondary televisions (connected or not connected) will be made redundant by video on handhelds? Our data is not yet conclusive on whether tablets or secondary TVs would win a battle of the second screen. I believe that both will continue to have a role, particularly as it appears that TV operators such as Sky and Virgin will continue to develop the technology in their set-top boxes to reach out to both types of devices in the home.

One impact that tablets are having, confirmed by Decipher's consumer research, is an increase in television viewing at the expense of other media. Our research indicates that tablets, rather than taking up TV viewing time [from a television screen], are taking up the time of other activities, such as book reading, McPharlin reveals. Many times we have observed that consumers have developed a behaviour of watching a programme on their tablet in bed before turning the light out. Previously they would have spent this time reading a chapter of a book. Secondary screens and tablets simply enable more scenarios and more rooms to be activated to viewing, whether planned or unplanned.

The Mediabug Wave 5 data has good news for BSkyB, finding that when it comes to watching video, its Now TV boxes are the most frequently used OTT boxes in the UK. 20% of Now TV owners use their boxes daily. Now TV continues a steady rise in subscriptions, adding 1.2% [in the last six months] to finish with 4% of online homes. To put that in context, Netflix also continued its strong growth, mostly amongst Pay TV homes, and has added another 3% of UK online homes, bringing it to a total of 16%. Amazon Prime is now in 7% of online homes.

Meanwhile Sky On Demand is the most prevalent connected TV VOD service overall, helped by the fact that 29% of online UK homes now have a Sky+HD box [satellite broadcast, DVR, Internet connection] and that figure is up 3% in the six months since the last survey. As a result, 21% of online UK homes are connected to Sky on Demand. Meanwhile, Smart TVs are in 24% of UK online homes, with 19% of online homes using a Smart TV that is actually connected (this figure has been growing steadily for a number of years).

Mediabug also shows that those who use Smart TVs for VOD have a high frequency of usage, showing that they have a high satisfaction rate.