Broadcast to Narrowcast

How to reach today’s TV viewer
Five steps to increasing your audience

Headline TV broadcast figures in the US have been steadily declining for 20 years, leading some to suggest that TV viewing is in its death throes. This masks the fact, however, that the way in which we watch TV has become increasingly fragmented and that overall TV viewing figures remain steady. As it stands, the ‘death of TV’ is a misnomer.

This report will show you how people are watching similar content now in different ways and at different times, which creates new opportunities for advertisers to target different groups. It will also show you how, within this new fragmented world, word of mouth recommendations are still key to content discovery.

This report is in three parts. The first part analyzes the current state of TV viewership in the US. The second part shows how different segments watch TV. The final part uses YouGov Profiles data to offer a defense of traditional TV advertising and an exploration of how people choose which TV programs to watch.

In summary:

TV viewing is varied. This report will reveal how to convince and encourage people to continue watching your content.

People still watch TV, but different segments watch in different ways.

Not all viewers are alike, and advertisers should take a more focused approach. This gives the opportunity for multi-channel ads.

All viewer segments notice TV advertising, regardless of which platform they are using.

TV services are not in control of what people watch next – recommendations from friends or family is one of the main ways people find out about TV shows.
Part 1: The state of TV viewership in the US
The fragmentation of TV viewing has meant headline figures are down

Source: Most watched series finales, per year, US Network figures
Daily consumption of live TV viewing figures as a whole has not fallen much

Daily TV consumption in hours

Source: The Nielsen Total Audience Report
The way in which we watch content is varied

Do you ever watch TV shows, movies, music videos, sporting events, etc., through the following devices' screens?

- TV screen/Monitor: 74%
- Laptop: 40%
- Phone: 35%
- Tablet: 27%
- Desktop PC Monitor: 25%

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
And the choice of platforms is also expanding

Do you access any of these TV platforms using hardware?

<table>
<thead>
<tr>
<th>Platform</th>
<th>Access Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roku</td>
<td>17%</td>
</tr>
<tr>
<td>Amazon Fire TV</td>
<td>13%</td>
</tr>
<tr>
<td>Xbox</td>
<td>13%</td>
</tr>
<tr>
<td>Playstation</td>
<td>11%</td>
</tr>
<tr>
<td>Chromecast</td>
<td>9%</td>
</tr>
<tr>
<td>Apple TV</td>
<td>8%</td>
</tr>
<tr>
<td>Android TV</td>
<td>8%</td>
</tr>
<tr>
<td>Slingbox</td>
<td>1%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
Binge watching is becoming the norm

How many episodes of the same show do you tend to watch in one sitting?

- 17% watch 1 episode
- 26% watch 2 episodes
- 19% watch 3 episodes
- 11% watch 4 episodes
- 14% watch 5 to 9 episodes
- 4% watch 10 or more episodes

48% watch 3 or more episodes in one sitting, and 18% watch more than 5

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
Part 1: Summary

The fragmentation of TV viewing has meant headline figures are down. There were 105.9 million viewers for M*A*S*H in 1983 while only 13.3 million watched American Idol in 2016. These were the most watched series finales in those years.

Daily consumption of live TV viewing figures has shown a more modest decline. 5.4 hours were watched daily in 2010. 4.8 hours were watched on average in 2017.

The way in which we watch TV content is varied. 74% may use a standard TV set, but now 35% use their mobile phone and 40% use their laptop.

Binge watching is entrenched. Nearly half tend to watch three or more episodes in one sitting.
Part 2.
One approach won’t reach all
Digital TV audiences create opportunities for new types of advertising that target specific groups with specific messages

1. **Identify**
   - Create a new segmentation from scratch
   - Plug-in your existing model

2. **Describe**
   - Create descriptions of your audiences using about 200k YouGov variables to describe each segment.

3. **Target**
   - Share across the business and with your media agency to create a single source planning tool. Tool can be augmented / data gaps filled with our recontact service.

4. **Execute**
   - Segment specific campaigns launched through our partnerships with DMPs and data houses.

5. **Evaluate**
   - Segments tracked within YouGov solutions to evaluate the success of campaigns, communications and NPD.
There are many ways of segmenting this market through dynamic segmentation. For example, we can show you these three groups:

**Subscription Streaming users**

This segment consists of inclusions and exclusions of following options:

- They include anyone who uses these services: Amazon Prime, HBO Now, Hulu, Netflix, Rabbit TV

- They exclude anyone who used these services: iTunes, Google Play, USA Network, HBO Go, SlingTV, YouTube, Xbox Live/Video, Sony Entertainment Network, Sony PlayStation Store, Vdio, Barnes & Noble/Nook, Chromecast, Channel-specific website (e.g. cbs.com, cwtv.com, etc.), other

**Free Streaming users**

This segment consists of inclusions and exclusions of following options:

- They include anyone who uses these services: iTunes, Google Play, USA Network, HBO Go, SlingTV, YouTube, Xbox Live/Video, Sony Entertainment Network, Sony PlayStation Store, Vdio, Barnes & Noble/Nook, Chromecast, Channel-specific website (e.g. cbs.com, cwtv.com, etc.), other

- They exclude anyone who used these services: Amazon Prime, HBO Now, Hulu, Netflix, Rabbit TV

**Free TV Users**

This segment consists of inclusions and exclusions of following options:

- They include anyone who stated: ‘No – I only use free TV services’ to the question: Do you ever pay for the TV services you use?
The Subscription Streaming user
Those who only watch: Hulu, HBO Now, Netflix, Amazon Prime Video, Rabbit TV

Are more likely to:
- Be 25-34
- Be a Democrat
- Have $500-$750 monthly disposable income

Top issues are:
- Minimum wage
- Self-defense

State:
- I like seeing ‘real looking people’ in ads
- Receiving e-mails directly from brands or companies can influence my purchasing decisions
- I search for products and services on my phone as a result of seeing posters and billboards

Types of advertising they are more likely than the average person to notice:
- Receiving emails from brands
- Small digital posters on the street / pedestrian areas

Source: YouGov Profiles
Base: Subscription Streaming users vs Nat rep. Highest Z score difference
The Free Streaming user
Those who stream with no subscription

Are more likely to:
- Be 25-34
- Be a Democrat
- Be a part-time employee

Top issues are:
- Homelessness
- Minimum wage

State:
- I enjoy watching ads starring my favorite celebrities
- I like to have the radio on in the background
- I recommend things to my friends and family that I have seen advertised on posters and billboards

Types of advertising they are more likely than the average person to notice:
- Small digital posters on the street / pedestrian areas
- Poster on the subway

Source: YouGov Profiles
Base: Free Streaming users vs Nat rep, Highest Z score difference
The Free TV user
Those who only watch free TV services

Are more likely to:
• Have less than $125 monthly disposable income
• Work part time
• Single

Top issues are:
• Foreign aid
• Death penalty

State:
• I would consider spending some time interacting with a promotional stand or event
• Posters and billboards help me become aware of new products and services

Types of advertising they are more likely than the average person to notice:
• Posters and billboards
• Direct mail

Source: YouGov Profiles Base: Free TV user vs Nat rep, Highest Z score difference
People will join a service for specific shows

Have you ever started using a TV service (i.e. Netflix, Amazon Prime Video, etc.) in order to view a specific TV program?

- Yes: 43%
- No: 52%
- Don’t know/can’t remember: 6%

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
And they are willing to spend to do so

Did you pay for the TV service that you used in order to view that specific TV program?

- Yes: 70%
- No – someone else was already paying for it: 13%
- No – it was a free trial, and I didn’t keep it after that period ended: 5%
- No – it was a free service: 11%
- Don’t know/can’t remember: 2%

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
There are many ways of segmenting this market through dynamic segmentation. For example, we can show you these three groups: Free TV users, Subscription Streaming users, and Free Streaming users.

People will switch between services for their show(s) 43% have switched to view a specific program.

And they are likely to spend their money to do so 70% paid when switching services to watch a specific program.
Part 3 – Targeting your customers
Despite the shifts, the three groups still tune in during prime time

Primetime TV viewing propensity

Source: YouGov Profiles
Base: Subscription Streaming users, Free Streaming users, Free TV users
The brands these groups are more likely to have a positive impression of:
Compared to the average person, these groups preferred these brands (out of a possible 1,615).

**Subscription Streaming users**
- Snapchat
- Naked Juice
- Metro PCS
- GameStop
- Stop & Shop
- Jack in the Box
- Lyft
- Jamba Juice
- Sprouts Market
- Journey’s

**Free Streaming users**
- Intel
- Sprouts Market
- Gap
- Stop & Shop
- Hot Topic
- Dunkin’ Donuts
- Deer Park
- 7-Eleven
- Naked Juice
- GrubHub.com

**Free TV Users**
- Jack in the Box
- Kenwood
- Zaxby’s
- Valero
- CheapTickets
- Chevron
- Princess Cruises
- Sleepys
- Office Depot
- Sizzler

Source: YouGov Profiles
Base: Subscription Streaming users, Free Streaming users, Free TV users, vs Nat rep. Highest Z score difference
### TV services are not in control of what people watch

How do you decide which TV programs to watch? Please choose all that apply.

<table>
<thead>
<tr>
<th>Source of Information</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendations from friends, family, colleagues etc.</td>
<td>35%</td>
</tr>
<tr>
<td>From watching trailers</td>
<td>33%</td>
</tr>
<tr>
<td>Theme/content/genre</td>
<td>33%</td>
</tr>
<tr>
<td>Looking at schedules and see what’s coming that you want to watch</td>
<td>25%</td>
</tr>
<tr>
<td>Based on the actors/crew involved and/or their previous work</td>
<td>23%</td>
</tr>
<tr>
<td>Looking at what is showing on my preferred TV channel</td>
<td>20%</td>
</tr>
<tr>
<td>Going with the choice of someone else watching</td>
<td>17%</td>
</tr>
<tr>
<td>Recommendations from TV service (i.e., ‘because you watched’)</td>
<td>16%</td>
</tr>
<tr>
<td>TV service lists it as popular/trending</td>
<td>12%</td>
</tr>
<tr>
<td>Review online (i.e., Rotten Tomatoes, metacritic, IMDB, etc.)</td>
<td>11%</td>
</tr>
<tr>
<td>Checking out what people are talking about online</td>
<td>11%</td>
</tr>
<tr>
<td>Review on TV service (i.e., number of stars awarded)</td>
<td>9%</td>
</tr>
<tr>
<td>Review on a TV show or the radio</td>
<td>8%</td>
</tr>
<tr>
<td>Review in printed media (e.g., newspapers, magazines, etc.)</td>
<td>8%</td>
</tr>
<tr>
<td>Looking at what is trending on Twitter</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: YouGov Profiles

Base: US 18+ Adults who watch TV

Recommendations from TV service comes low in deciding factors.
Theme, content and genre is the main factor

And what is the MAIN factor that helps you decide which TV programs to watch?

<table>
<thead>
<tr>
<th>Theme/content/genre</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendations from friends, family, colleagues etc.</td>
<td>32%</td>
</tr>
<tr>
<td>Recommendations from TV service (i.e., “because you watched”)</td>
<td>20%</td>
</tr>
<tr>
<td>Checking out what people are talking about online</td>
<td>6%</td>
</tr>
<tr>
<td>Going with the choice of someone else watching</td>
<td>4%</td>
</tr>
<tr>
<td>From watching trailers</td>
<td>4%</td>
</tr>
<tr>
<td>TV service lists it as popular/trending</td>
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</tr>
<tr>
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<tr>
<td>Review in printed media (e.g., newspapers, magazines, etc.)</td>
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</tr>
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<td>Review on a TV show or the radio</td>
<td>2%</td>
</tr>
<tr>
<td>Looking at schedules and see what’s coming that you want to watch</td>
<td>2%</td>
</tr>
<tr>
<td>Based on the actors/crew involved and/or their previous work</td>
<td>1%</td>
</tr>
<tr>
<td>Looking at what is trending on Twitter</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>3%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: YouGov Profiles
Base: US 18+ Adults who watch TV
Advertising can still reach all the groups

Thinking of the TV programs that you have watched in the last week, were any of these accompanied by ads or sponsorship?

<table>
<thead>
<tr>
<th>Category</th>
<th>Subscription Video on Demand users</th>
<th>Free Streaming users</th>
<th>Free TV users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>38%</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>37%</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Can't remember</td>
<td>22%</td>
<td>23%</td>
<td>24%</td>
</tr>
<tr>
<td>I haven't watched TV in the last week</td>
<td>3%</td>
<td>5%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: YouGov Profiles
Base: Subscription Streaming users, Free Streaming users, Free TV users
All groups notice advertising, so targeting specific audiences can increase your brand performance while decreasing costs

BrandIndex data showing improved brand perception among key segments for a bank using dynamic segmentation

This data is from a case study that shows how a bank used YouGov’s connected data to create its own dynamic segments for advertising campaigns. The effects of these campaigns were then measured using YouGov BrandIndex’s Impression metric. The red line is overall impression, and the blue lines show improvement in performance of the four segments that were identified as a focus priority in 2016. Overall, the bank benefited from increased audience engagement, significant uplift in annualized income and reduced costs.

Source: YouGov BrandIndex – 8 week moving average
Recommendations
Recommendation 1

The market is varied, and people watch TV in different ways. Advertisers must therefore focus on targeting these disparate segments appropriately. For example, using ‘real looking people’ in ads to get the attention of the Subscription Streaming user, or using a promotional stand for the Free TV user.
Be aware, however, that there is still such a thing as 'peak time' and that even Subscription Streaming users watch 'traditional' TV. They are not completely unreachable with TV ads. Also bear in mind that they tend to search for products they have seen as a result of ads.
Recommendation 3

Different segments are responsive to different messaging. For example, if looking to reach Free TV users, they are significantly more likely than the average person to notice direct mail. The same is true for Subscription Streaming users noticing email advertisements, giving advertisers an opportunity for multi-channel ads.
Realize that TV services are not as influential over content choice as you might think. Recommendation from friends or family remains one of the main ways people find out about programs and theme/content/genre plays an important role too.
Target brands to partner with. Free TV viewers are more likely to have a positive impression of Zaxby’s, Valero, and CheapTickets, while Subscription Streaming users have a positive impression of Jack in the Box, Lyft, and Jamba Juice. Sprouts Market is favored by the three groups.
Appendix
YouGov is an international data and analytics group. Our core offering of consumer data is derived from our highly participative panel of 5 million people worldwide. For each panelist we have tens of thousands of connected data points so we can answer the vast majority of research questions by interrogating existing data. Where we don’t have the answers already, we can perform quick turn-around re-contact surveys for client specific research.
How YouGov can help you

Through the continued expansion of our data suite, we are developing a complementary portfolio of proprietary decision-making tools and resources which can support media agencies and brands owners through all stages of the marketing workflow. For example, our clients can:

• Identify target segments through Profiles.
• Track brand performance over time with BrandIndex.
• Explore trends and marketing challenges through Reports.
• Do a deep dive through Omnibus or Custom Research to understand why consumer sentiments and indicators are changing.
This report has been created using in-depth data and analytics collated using YouGov Profiles.

About these data sources:

YouGov Profiles is the YouGov connected data vault which holds 221,375 variables collected from the most active 201,000 panelists in the US.

YouGov BrandIndex involves tracking the public perception of brands across the world. It is the authoritative measure of brand perception, monitoring thousands of brands across dozens of sectors. YouGov interviews thousands of consumers every day, yielding over 1.6 million interviews a year.
Let us show you the power of our connected data and solutions.

For a free, no obligation, demonstration please contact:

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