

BVOD VIEWING SURGES TO MONTHLY RECORD AS MORE ADVERTISERS EMBRACE ONLINE TV

Viewing of commercial Broadcaster Video On Demand jumped 43% to a new record in February versus a year earlier as Australians watched more TV content on connected devices, anywhere, at any time of their choosing.

Total commercial BVOD minutes neared the 3 billion mark during February to become the biggest BVOD month since OzTAM Video Player Measurement (VPM) ratings launched in 2016.

This rise represents a significant boost to traditional "overnight" audience ratings for many high-rating linear TV shows and shows that TV is moving to meet its audiences as their viewing habits change.

And while BVOD viewing represents a small but fast-growing percentage of overall TV viewing, a series of new research findings and data points underline the power and potential of the BVOD phenomenon for advertisers:

- Figures from ThinkTV shareholders show that broadcasters are getting viewing uplifts to individual programs of as much as 20% from their BVOD viewing figures.
- New data collected by ThinkTV shows that more than 500 new advertisers used BVOD services to reach and target customers in 2018.
- OzTAM VPM data shows that on average two-thirds of BVOD is watched on-demand, a third is live-streamed, and that the volume of BVOD viewing leapt 63% year-on-year in 2018.
- New ground-breaking research from Dr. Karen Nelson-Field, Professor of Media Innovation at University of Adelaide, reveals that brands which advertise on both broadcast TV and Broadcaster Video On Demand get more than <u>twice the sales impact compared with brands that combine their broadcast TV ads with ads on social video</u> <u>platforms</u>.

Kim Portrate, Chief Executive of ThinkTV, said February's record viewing figures for BVOD showed that TV has moved to means its audiences, who can now flock to shows they love whenever and wherever they want. Ms Portrate said: "Commercial TV first embraced BVOD almost a decade ago and today BVOD is truly coming of age with higher-speed internet connections and smartphones that put more computing power in the palm of your hand that was used to put man on the Moon 50 years ago.

"So it's little surprise that more and more brands are embracing BVOD. Marketers want to reach and engage the attention of their target audience. TV is the engine room that drives most campaigns because it delivers both. What we now know from Professor Nelson-Field's research is that Broadcast TV's fast reach and scale combined with BVOD's online audiences is the best route to chase the incremental reach that will truly deliver sales growth.

"Professor Nelson-Field's findings show BVOD and Broadcast TV are effective for the same reasons. They generate more attention because they take up 100% of the screen and are 100% viewable with no scrolling down the screen. This matters. So combining TV with BVOD, not surprisingly, creates the greatest multi-platform campaign sales impact of all."

In 2019 broadcasters will make it easy to understand the complete picture of their audience with Total TV ratings, courtesy of OzTAM and Nielsen's Virtual Australia (VOZ), that will bring together viewing on TV sets and connected devices. In the first half of 2019 the TV industry will unveil the first ever Total TV ratings dashboard, to track the performance of shows across all screens for seven, 14 and 28 days after first screening.



Leading digital executives from TV's commercial networks united in acknowledging the soaring BVOD viewing figures and the benefits that advertisers are getting from this increasingly central part of the video advertising ecosystem.

- Network 10's Director of 10 Interactive Christian Williams said: "We're seeing massive growth in BVOD which is fantastic for the industry. BVOD gives us great flexibility to tell stories beyond the stories in a brand safe, 100% viewable environment. The platform has opened up more opportunities for content makers and advertisers to engage audiences in creative and innovative ways propelling the medium, along with its linear TV counterpart, into a must-have in any advertising schedule."
- Pippa Leary, Director Sales, Strategy and Product Commercialisation at Nine, said: "We are at a point where the digital audience for some shows is adding 20% plus to the overnight audiences and we are setting new growth records in the Australian BVOD space. That audience for some franchises, like *Married at First Sight*, is 300,000-400,000. That is a sizable and valuable audience for marketers in its own right. The thing marketers need to be focused on is how TV works with BVOD. We know audiences are watching on TV digital devices and we are working rapidly to ensure that OzTAM can provide marketers a full picture of the total TV viewing agnostically across linear and digital devices."
- James Bayes, Seven West Media's Network Digital Sales Director, said: "VOZ (Virtual Australia) will be a landmark for the Australian TV industry, bringing together TV and online video measurement in a single currency for the first time. VOZ will enable the market to measure and understand cross-screen audience behaviour in a way we've never had the chance to do before. This will be a ground-breaking development for advertisers in their ability to target audiences across screens and deliver better outcomes."
- Nev Hassan, National Digital Sales Director at MCN/Foxtel, said: "We're not at all surprised by the growth of BVOD viewing as we have seen a steady increase of users engage with content across multiple devices. Particularly because from a Foxtel point of view, we are creating and promoting multiple touchpoints to access the wealth of premium content we have available on either our set-top box on-demand section, or our Foxtel Go and Now product. For MCN, the opportunity is to continue to create and evolve the advertising opportunities across these platforms to ensure we provide a better viewing, and advertising, experience."

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About ThinkTV

ThinkTV Pty Ltd is a dedicated research-driven, marketing and technology development company focused on helping the advertising and marketing community get the very best from commercial TV. From understanding how audiences engage with TV to celebrating advertising creativity, ThinkTV leads a collective effort to demonstrate how advertising in broadcast-quality content environments provides the greatest return on investment. ThinkTV was formed in May 2016 with founding members Nine Network, Seven Network, Network Ten and Multi Channel Network/Foxtel. Thinktv.com.au @ThinkTV