






1 Northern Ireland's communications market

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1.1 Northern Ireland: fast facts

	UK	Northern Ireland	Wales	Scotland		Northern Ireland Urban	Northern Ireland Rural
Bundling	81%	79%	79%	72%	Proportion of homes with a bundle of services ¹	77%	83%
Computer devices 	29%	15%	28%	20%	Proportion of homes with a desktop PC	16%	14% ⁺
	64%	54%	58%	51%	Proportion of homes with a laptop	53%	55%
	58%	62%	61%	56%	Proportion of homes with a tablet	60%	66%
Television 	94% [↓]	98%	96%	97%	Proportion of homes with a TV	98%	98%
	62%	64%[↓]	60% [↓]	61% [↓]	Proportion of TV homes with any paid-for TV	60% ⁻	70% ⁺
	49%	52%	49%	46%	Proportion of TV homes with any free-TV	50%	57%
	38% [↑]	33%[↑]	36%	32% [↑]	Proportion of TV homes with smart TV	36%	28%
	83% [↑]	83%	86%	81%	Proportion of HDTV homes with an HDTV service	79% ⁻	88% ⁺
	71%	62%	76%	69%	Proportion of homes who watch on-demand content*	56%	68%
	32%	24%	25%	35%	Proportion of homes with a subscription to paid-for on-demand content*	21% ⁻	29% ⁺
Radio ² 	46%	27%	46%	39%	Proportion of homes who watch catch-up TV services (including live and catch-up)*	25%	31%
	90%	89%	92%	87%	Average weekly reach of radio services among adults 15+	/	/
	21%	21%	23%	21%	Average weekly listening hours among adults 15+	/	/
Landlines and mobiles 	57%	57%	58%	53%	Ownership of DAB radios among adults 15+	/	/
	94%	94%	94%	90%	Proportion of adults with mobile phone	95%	93%
	76% [↑]	76%	74%	70%	Proportion of adults with smartphone	76%	75%
	76% [↑]	74%[↑]	66%	83% [↑]	Proportion of smartphone owners with a 4G service	72% ⁺	77%
	82%	84%	80%	81%	Proportion of homes with a landline phone	82%	88%
Internet 	60% [↑]	45%	54%	49%	Proportion of homes who have ever used VoIP	43%	48%
	88%	83%	84%	77%	Proportion of homes with internet access	82%	86%
	83%	79%	79%	73%	Proportion of homes with broadband	76%	84%
	66%	68%	58%	57%	Proportion of people who use their mobile phone for internet activities	67%	69%

Significance testing against Ofcom Technology Tracker figures:

↑/↓ Figure has significantly increased / decreased compared to Half 1 2016

+/- Figure is significantly higher / lower for nation's urban than rural, and vice versa

Significant differences between the UK and the nations have not been highlighted in the table. Please refer to the chapters for this information.

Source: Ofcom Technology Tracker H1 2017, and RAJAR

Base for Ofcom Technology Tracker: All adults aged 16+ (n = 3743 UK, 495 Wales, 510 Scotland, 493 Northern Ireland, 251 Northern Ireland urban, 242 Northern Ireland rural)

1. From 2017 the calculation of bundle take-up has changed – previously it was based on consumers who said they had a bundle. It is now based on those who have two or more services with the same supplier, therefore includes those previously unaware of being in a bundle

2. Radio figures taken from RAJAR data

Our TV landscape is evolving. We are no longer confined to the broadcasters' schedules.

1.2 The changing TV landscape

1.2.1 Introduction

Instead we are scheduling our own viewing to fit in with our lives, supplementing live broadcast TV¹ viewing with broadcasters' on-demand and streaming services, recorded TV and subscription on-demand and streaming services like Netflix and Amazon Prime Video, which are becoming increasingly mainstream. Combined with the increase in take-up of fixed broadband (79% of households in Northern Ireland in 2017, compared to 66% in 2012) and portable devices (76% and 62% of people used a smartphone and tablet in 2017 compared to 34% and 9% in 2012).²

This has given us the freedom to watch what we want, when we want, wherever we want to watch it.

But it is not a simple shift from live broadcast TV to on-demand and streaming services. Live broadcast TV remains important, but increasingly people are using different services and types of content to meet different needs. This section is designed to explore the needs these different services are meeting, and the benefits and disadvantages of this new approach to TV consumption.

1.2.2 Highlights from the research

- More than eight in ten (85%) people in Northern Ireland like the ability to watch what they want, when they want. Two thirds (65%) of people in Northern Ireland said they like to watch TV programmes and films on-demand to avoid adverts, or because there are no adverts.
- "Binge watching" is now commonplace with 83% of people in Northern Ireland having done this, 32% saying they do it at least weekly.
- Only a quarter of people in Northern Ireland (26%) said they sat together with family members to watch the same TV programme or film on the same device every day.
- Three in ten (27%) said that at least once a week, members of their household sit together in the same room while watching different programmes on different screens.
- Almost half (46%) of people in Northern Ireland say they watch programmes and films by themselves every day.
- Over half (57%) of people in Northern Ireland say they prefer to watch big national events on live broadcast TV instead of on-demand because it's good to know everyone is watching at the same time. Nearly half of respondents (46%) said the same for sports programmes.

Methodology

This section draws on new Ofcom research carried out between 27 April and 9 May 2017, conducted

by Populus. This research was conducted via an online survey comprising 2,356 interviews among adults aged 16+, and 505

interviews among 12-15 year olds. There were a total of 150 adult interviews in Northern Ireland.

¹ The term 'Live TV' covers live scheduled programming that is broadcast as part of a linear channel.

² Ofcom Technology Tracker

1.2.3 The services people use

Video on demand is becoming more mainstream

Ofcom's Digital Day research conducted last year¹ showed that live TV (viewed at the time of broadcast) accounted for 97% of all viewing time in Northern Ireland, clearly playing a central role in people's TV consumption. However, data from BARB show that the amount of time adults in Northern Ireland spend watching live TV has fallen since 2010².

Alongside the continued popularity of live TV, the numbers of people watching on-demand and streaming services are increasing.

Digital Day found a ten percentage point increase between 2014 and 2016 in the proportion of people in Northern Ireland who said they watched any video-on-demand content (36% vs. 46%). This increase was driven by paid on-demand (for example, Netflix or Amazon Prime), which increased by 11 percentage points, from 17% to 28%, while free on-demand (for example, iPlayer or YouTube) increased to a lesser degree, by seven percentage points (27% vs. 34%).

Given this shift towards a wider range of services being used to watch programmes, Ofcom conducted research to investigate the drivers behind the use of these different services, and people's perceptions of the benefits and disadvantages of watching on-demand and streaming services (such as BBC iPlayer, ITV Hub, Netflix, Amazon Prime Video, YouTube, Facebook).

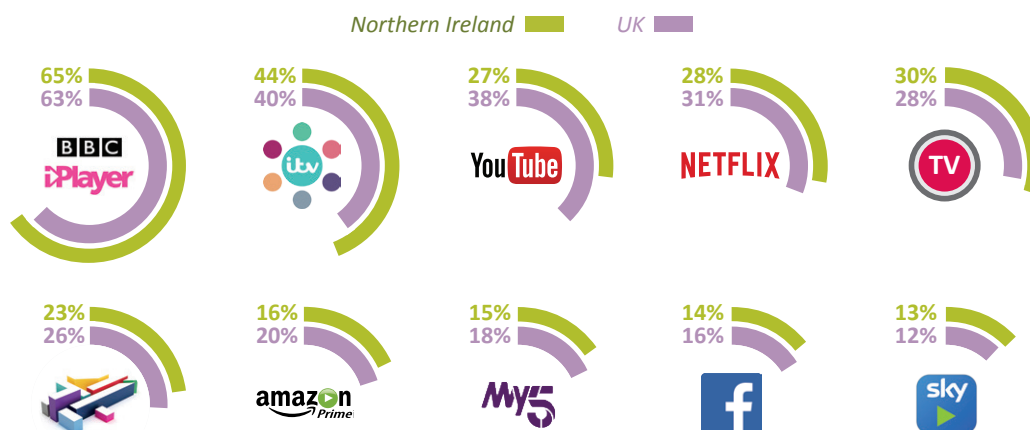
Nearly a third of adults in Northern Ireland watch programmes and films on YouTube

When asked what services they used to watch TV programmes and films, BBC iPlayer and ITV Hub were the most popular among adults in Northern Ireland, with 65% citing

BBC iPlayer, and 44% citing ITV Hub. This was followed by recorded TV (30%). Just over a quarter (27%) say that they use YouTube for watching programmes and films,

28% use Netflix and 23% use All4, with all other services below 20%. Responses from Northern Ireland were largely in line with all other UK nations and the UK as a whole.

The proportion of adults who use different services for watching TV programmes/films (%)



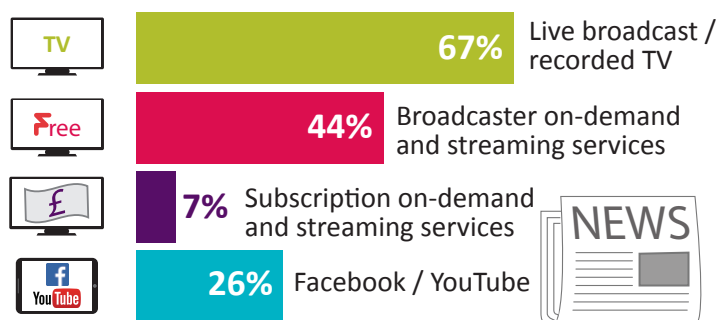
¹ <https://www.ofcom.org.uk/research-and-data/multi-sector-research/digital-day>

² Adults 16+. Average daily viewing time declined by 44 minutes (-17%) to 3 hours and 34 minutes per adult in 2016.

1.2.4 Reasons for using different services

Live TV is most popular among people in Northern Ireland for keeping up to date with the news

Services used by people in Northern Ireland to 'keep up with the news / keep up with what's happening around me'



To understand why people are using different services, we asked them which service they would use for a range of different needs.

Live broadcast TV is still the main viewing choice for keeping up to date with the news and current events. When we asked live-TV users in Northern Ireland why they used live TV, 67% said it was for 'keeping up to date with the news and what's happening around me'. This compares to 15% of users of iPlayer, All 4 or other broadcaster on-demand and streaming services and 7% of users of Netflix, Amazon Prime or other subscription on-demand and streaming services. This emphasises the important role live broadcast TV continues to play in keeping us informed and up to date.

Keeping up to date with the news is not the only reason for watching live broadcast TV.

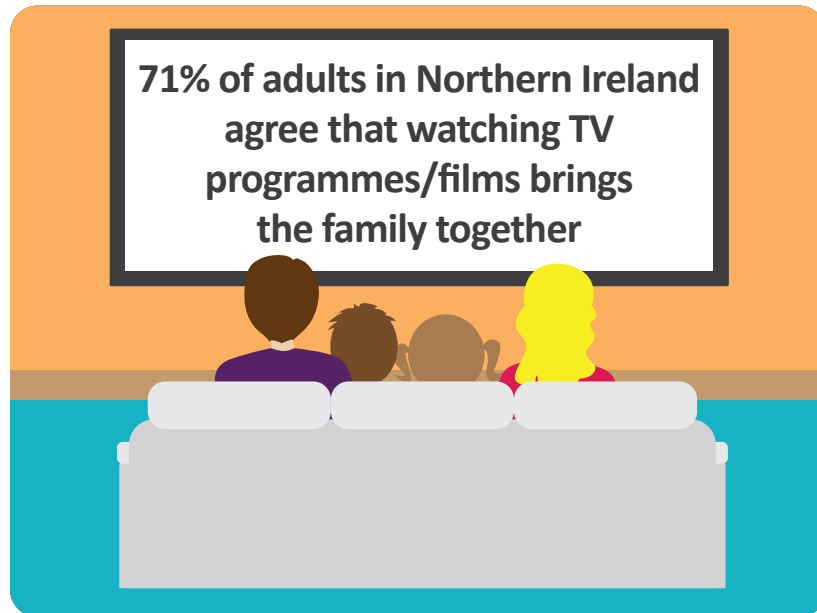
A sense of 'keeping up with others' and 'unity' partly explains the continued popularity of watching live broadcast TV. Over half (57%) of people in Northern Ireland say they prefer to watch big national events on live broadcast TV instead of watching at a time of their choosing because it's good to know everyone is watching at the same time. Nearly half of respondents (46%) said the same for sports programmes.

TV can be a great way of carving out a bit of 'alone time' and among respondents in Northern Ireland, it was the most popular reason for watching live broadcast TV. Seven in ten (71%) do so for some 'alone time'.

Among respondents who watch subscription on-demand and streaming services 65% do so for this reason and among those who watch broadcaster on-demand and streaming services, the figure is 57%.

When we asked respondents how often, if at all, they watched TV programmes and films by themselves on any device, almost half (46%) of people in Northern Ireland said they did so every day. A third of people (33%) said they did this several times a week. However, more than half (55%) of people in Northern Ireland agreed with the statement "people spend too much time watching by themselves on their tablets and smartphones nowadays".

TV is also the way many people de-stress and unwind. Over half (54%) of the people in Northern Ireland who watch live TV do so to de-stress. This is consistent with respondents who use Netflix, Amazon Prime or other monthly subscription services, with again over half (54%) saying they do so to de-stress.



Respondents who use broadcaster on-demand and streaming services also watch programmes for this reason, with 41% saying de-stressing and unwinding is important for them.

‘Family time’ is also a valued reason for viewing, with seven in ten (71%) of people in Northern Ireland agreeing that watching TV programmes and films brings the family together. When asked which services they used for family time, live broadcast TV (36%), subscription on-demand and streaming services (Netflix, Amazon Prime etc.) (38%) and broadcaster on-demand and streaming services (30%)¹ were popular.

This shows that all of these services play a role in family life, with subscription on-demand and streaming options becoming more mainstream. These services are also useful for keeping children entertained, with an equal proportion of people in Northern Ireland using live broadcast TV (11%), broadcaster on-demand and streaming services (7%) as well as subscription on-demand and streaming services (12%) for this.

More than eight in ten (85%) people in Northern Ireland agree that they enjoy the ability to watch what they want, when they want.

Flexibility is valued not only in terms of choice of when and where to watch content, but also to be selective in exactly what to watch. Two thirds (65%) of people in Northern Ireland said they like to watch TV programmes and films on-demand to avoid adverts, or because there are no adverts. Online TV and video viewing allows people to tailor what they’re watching in a way that gives them control over their own personal viewing experience.

¹ There is no statistically significant difference between these two figures, due to low base sizes.

1.1.5 Changing viewing behaviours

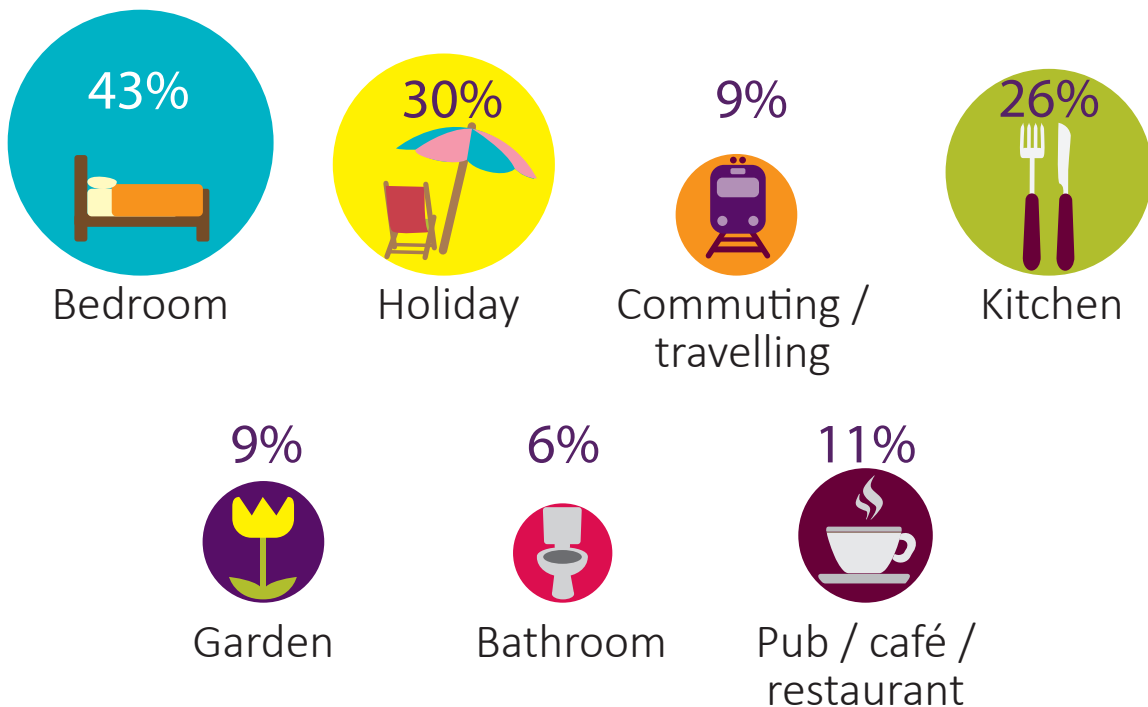
Three in ten people in Northern Ireland watch programmes and films when on holiday or on a break away from home

The availability of different services to watch TV programmes and films, coupled with the proliferation of portable devices, has changed not just what people are watching, but when and where they are watching it. Half (51%) said they liked the freedom of being able to watch content when and where they wanted on their tablet or smartphone.

Home-based viewing is still most popular in Northern Ireland, with 43% saying they watch at home in their bedroom, and 26% saying that they watch in their kitchen. This is higher among respondents in Northern Ireland than in any other nation. Among respondents in Wales, 13% watch at home in their kitchen, 16% of people in Scotland do so and 16% of the UK.

However, many are watching while out and about, with 30% saying they watch when on holiday/breaks away from home, 9% saying that they watch programmes/films while travelling/commuting and 11% saying they watch when in a pub/café/restaurant.

Locations where adults in Northern Ireland watch programmes/films on any device or service



Three in ten said members of their family frequently sit in the same room together and watch different programmes

The proliferation of new viewing options is clearly changing behaviour. As we have seen, this brings many benefits, but establishing a new viewing etiquette can sometimes be challenging.

As noted earlier, the majority of people in Northern Ireland agreed that watching TV programmes and films brings the family together, however three in ten (27%) said that at least once a week, members of their household sit together in the same room while watching different programmes on different screens.

This can be a good thing. When asked how they felt about this, 21% of respondents in Northern Ireland said it made things peaceful, 11% said it stopped arguments (a benefit of everyone getting to choose what they want to watch), and overall, six in ten (60%) said they didn't mind.

However, it can also cause tension. A quarter (24%) of respondents in Northern Ireland said that it makes talking to people in the room difficult; this is higher for people in Northern Ireland than in the UK overall (16%). And one

in ten (10%) said it disrupted face-to-face communications.

This suggests that despite feeling that watching TV together brings the family closer, the use of multiple screens can sometimes be frustrating. But this doesn't mean people no longer have family TV time; a quarter (26%) of people in Northern Ireland said they sat together with family members to watch the same TV programme or film on the same device every day, while 71% said they did this at least once a week.

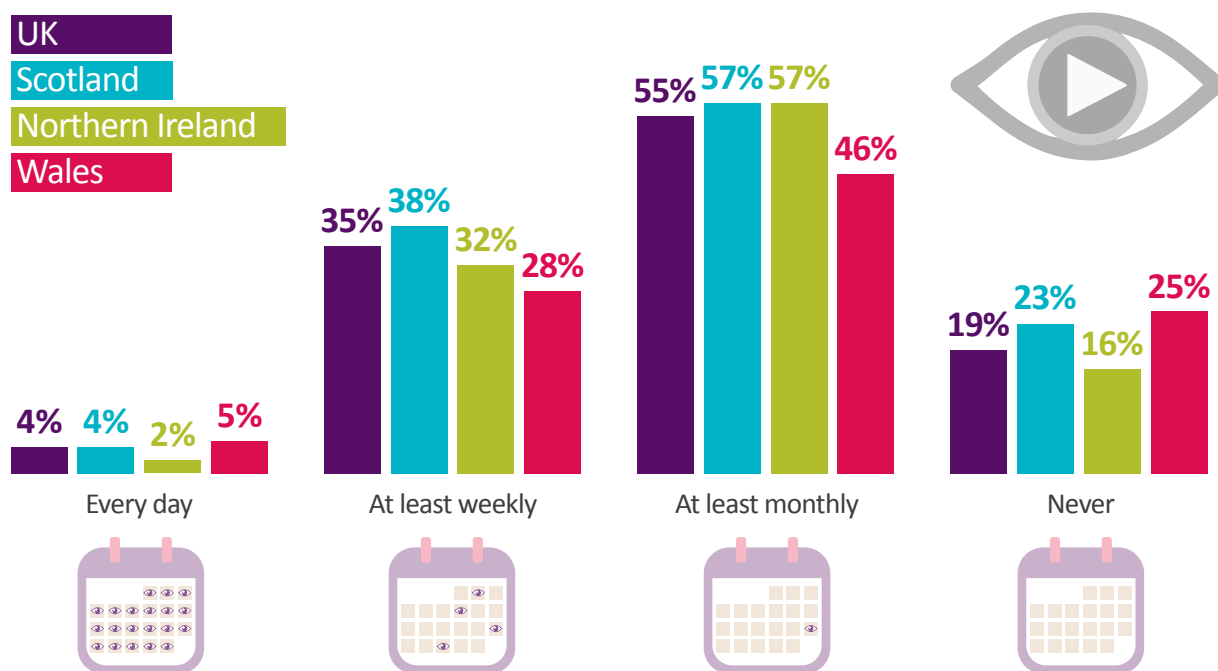
Six in ten people in Northern Ireland watch lots of episodes of the same programme in one sitting because it's relaxing

Another feature of the new TV landscape that online TV and video has created is the ability to watch multiple episodes back-to-back, sometimes referred to as "binge watching". As the reach of

subscription online TV and video services has increased, so has the availability of entire series. It is no longer necessary to wait a whole week to find out what happens after the cliff-hanger, and many people in

Northern Ireland are taking advantage of this, with 83% 'ever' doing it, 57% saying they do it at least monthly and 32% saying they do it at least weekly.

How often people watch multiple episodes of the same programme back-to-back in one sitting



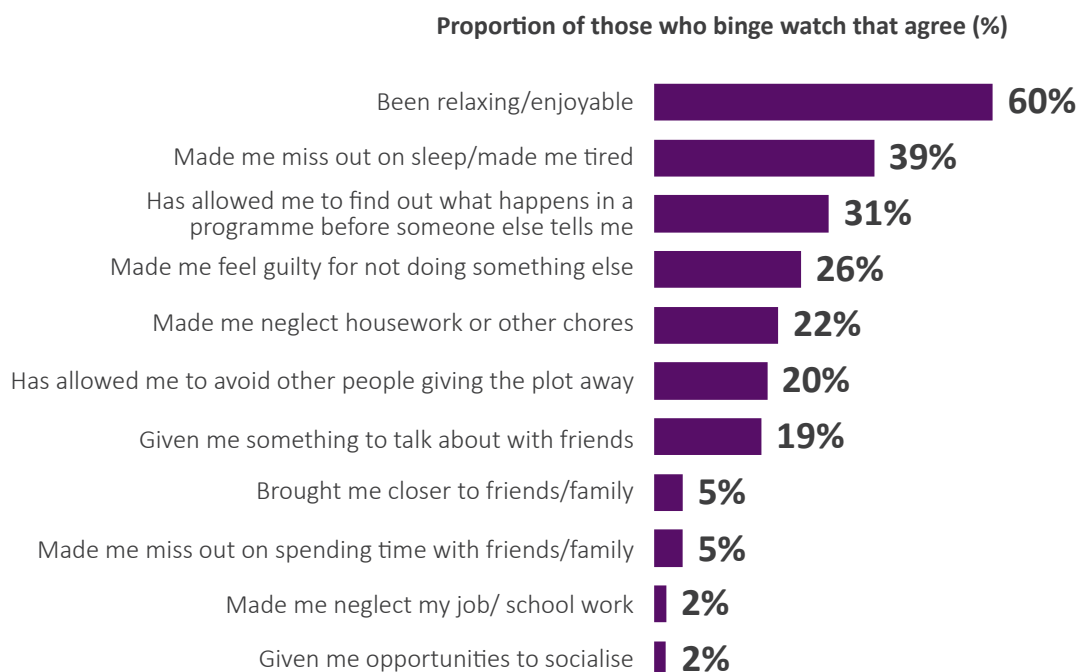
In addition, several subscription on-demand and streaming services are now putting original content at the forefront of their branding. Netflix's popularity is linked to its original content, with programmes such as *House of Cards* and *The Crown* getting a lot of media attention. The same is true of Amazon Prime with series like *The Grand Tour* and *The Man in the High Castle*. High quality content such as this may be part of the reason why people are binge watching.

When asked about why they binge-watch programmes, six in ten (60%) people in Northern Ireland who had binge-watched in the last month said that they found the experience relaxing and enjoyable. Having the ability to choose how many episodes to watch in one sitting is giving people autonomy over their viewing time, thus making it more enjoyable.

Binge-watching also provides a chance for people to spend time with others; a quarter (25%) said they did it with a family member, 18% with a partner, while 19% said it gave them something to talk about with friends.

Some of this binge-watching behaviour is a way of avoiding friends and family who might ruin the plot's twists and turns. Nearly a third (31%) of people in Northern Ireland who had binge-watched in the last month said it allowed them to find out what happens in a programme before someone else tells them. One in five (20%) said it allowed them to avoid other people giving the plot away. That people binge-watch and want to stop the plot from being given away shows how immersed they are in the content.

On the other hand, it seems that sometimes the content can be too good; one in ten (9%) of respondents who binge-watch at least once a month said that they always watched more episodes of the same programme in one sitting than they had intended to. This binge-watching can sometimes have unfortunate side-effects. For instance, over a third (39%) of people in Northern Ireland said that binge-watching had made them miss out on sleep, or made them tired the next day. A quarter (26%) said it made them feel guilty for not doing something else, 22% said it had made them neglect housework or other chores, and 5% said it made them miss out on spending time with friends/family.

Figure 1.1: Effects of binge watching on people in Northern Ireland

Source: Ofcom research 2017

Q23. Watching lots of episodes of the same programme in one sitting is sometimes called binge watching. Thinking about when you have done this, do any of the statements below apply?

Base: All respondents who binge watch at least once a month (UK 1301, Scotland 117, Northern Ireland 85, Wales 74)

Some have therefore decided to act in order to change their binge-watching behaviour

Overall, 36% of respondents in Northern Ireland who said they had binge-watched in the last month had considered changing

their behaviour. Two in ten (22%) said they had rationed the amount of TV they watched, 11% said they had found an alternative

activity/hobby, 8% said they now watched more live broadcast TV, but only 2% had gone so far as to cancel a subscription service.

Despite all this, live broadcast TV is still an important part of our TV-watching portfolio

People are changing the way they view, by turning to different services for different needs and drawing heavily on the flexibility and choice offered by on-demand and streaming services, which can be watched anywhere at any time. However, traditional live broadcast TV is still at the heart of this new viewing experience. When asked what they would do first when wanting to watch a TV programme or film, the top answer was 'switch on the TV and see what's airing on live broadcast TV'.

This response was chosen by half (53%) of people in Northern Ireland. The second-ranked answer was 'go straight to recorded TV', selected by 12% of people in Northern Ireland, followed by 'go straight to iPlayer, All4, ITV Hub or other free-to-view broadcasters' online services' (10%) and 'go straight to Netflix, Amazon Prime, Now TV or other on-demand services that you pay a monthly subscription for' (6%).

As we saw above, live broadcast TV is not just 'background noise'; it still dominates as the place to keep up

with what's going on in the world and to share important moments with friends, family and the nation. BARB data demonstrates this. The UEFA European championships featured in six of the top ten most-watched programmes at the time of broadcast among adults in Northern Ireland, rather than being watched later on a DVR or catch-up. *The Secret, I'm a Celebrity, Coronation Street* and *Emmerdale* completed the top ten programmes watched live in 2016¹.

¹ Source: BARB, Adults 16+. Based on the single best-performing episode of a programme watched live at the time of broadcast. Filtered on a minimum programme duration of 10 minutes. These viewing figures do not capture out-of-home viewing in pubs and other social spaces.