



Ofcom Consultation - The Future of Public Service Media Google & YouTube Submission

Google is pleased to respond to Ofcom's Small Screen: Big Debate Consultation. The UK has a vibrant TV ecology made up of different players, public service broadcasters (PSBs) and non-PSBs. This mixed ecology has delivered abundant choices for audiences and significant investment opportunities for content production. Through market forces and targeted interventions, the UK has created a successful, world-leading TV sector where PSBs compete alongside pay-TV providers and global online video services, supported by a thriving production sector. As Ofcom and the UK Government consider the future of PSM it is important that any new regulatory intervention looks to maintain and support PSMs and the wider mixed ecology. We support the ambitions for strong PSMs and want to work in the ecosystem to deliver the right approach for PSMs on each product, while at the same time enabling continued innovation to the benefit of users.

While Google and PSB/PSM organisations come from different origins, we share many of the same underlying values, in particular around universal access to information from trusted and diverse sources. Our submission describes the role Google and YouTube are already playing in helping PSBs reach existing and new audiences in a changing media landscape; shows how YouTube creators are complementing mainstream media by offering diverse, educational and engaging content that enriches the UK creative ecosystem; and then responds to specific questions from the consultation.

How Google supports PSM and the wider ecosystem

At Google we aim to organise the world's information and make it universally accessible and useful, building products that are open and work for everyone. We currently operate 9 products with over a billion users globally, including Android, Maps, and of course Search, where even 23 years after launch 15% of all searches are new to us every day.

The Internet is a great enabler for the TV and film industries and UK creative talent alike. The intersection between the Internet and TV creates a wealth of opportunity: consumers benefit from improved access to an abundant choice of high-quality content, while the TV and film industry has new mechanisms to innovate, showcase their creativity and, ultimately, thrive in the longer term.

Commercial partnerships are an important way that Google helps PSBs achieve their statutory objectives in the changing media landscape. Aligned with our mission, we have long-standing partnerships with

PSM providers around the world, joining forces to find new ways of engaging audiences and creating new revenue streams.

We aim to be a technology partner to the television industry, and we invest to ensure our products work for broadcasters and content creators. For example:

- We operate three types of products built for the TV screen, all of which we've worked collaboratively with the UK TV ecosystem to bring to market:
 - Android TV is our smart TV operating system available to original equipment manufacturers (OEMs) and operators to utilize on their devices. We currently have 10 OEM partners in the UK offering devices powered by Android TV, and we have worked extensively with Digital UK to enable the platform to work for all key stakeholders in the UK TV ecosystem.
 - Google TV is our entertainment experience, built on Android and available to retail customers via Chromecast with Google TV and 3rd party TV devices. We launched the service in the UK in October 2020 with BBC, ITV and C5 fully integrated. Google continues to invest in supporting the rest of the PSM community in joining and benefiting from the platform too, although individual broadcasters will naturally make their own choices.
 - In addition to Chromecast with Google TV, we offer Chromecast and Chromecast Ultra, devices that plug directly into a television and allow a user to "cast" content from any Chromecast-enabled application on their phone to their TV (users can also "cast" content to the Chromecast with Google TV). Our Cast Software Development Kit (SDK) is freely available and enables app developers to integrate this casting functionality on their applications.
- The BBC, ITV & Channel 4 are all integrated into our Watch Actions feature on Search - with more providers coming soon - which provides direct links to a broadcaster's first-party app to watch a show when its title is queried.
- All UK broadcasters have developed a range of mobile apps for Android, with each being available via the Play Store on all Android mobile devices in the UK market. For the PSBs, their mobile apps were downloaded over 18M times via our Play Store in 2020 and, on average, saw almost half a million hours of watch time every day. All UK broadcasters have also Cast-enabled their apps, allowing users to "cast" content from those apps to their Chromecast-enabled TVs.
- Several broadcasters use Google Cloud not only to build their streaming services, but also to enable remote working and production and increase business efficiency. In the UK, Sky uses Google Cloud Platform for many parts of its technical infrastructure, [including Sky Q](#).

In addition to developing partnerships around technology, we have a history of broader engagement with PSBs including:

- When the BBC moved to publish nearly 2,000 'Bitesize Daily Lessons' online to help parents during the recent school closures, we partnered with them to launch a new Search feature to

help children test their knowledge in key subjects and direct them to additional expert resources.

- [ITV used our Google Cloud Platform](#) to build a custom viewer analytics tracker, in order to manage the infrastructure requirements of ITV Hub and automatically scale this during peak periods.
- Several PSBs around Europe, including the BBC & RTE, have participated in the [Google News Initiative fellowship](#), a scholarship program that places budding young journalists in newsrooms and increases their knowledge of digital tools available.

YouTube's support for PSBs/PSM and the wider ecology

Every day, millions of UK citizens visit and explore YouTube, including to access a significant amount of content produced in the UK. YouTube is a global open platform that allows users to watch what they want, when they want. The future of PSM matters to us because it matters to our users.

Across the UK's creative industries, YouTube and other video-sharing platforms play an important role in promoting new talent throughout the UK and globally. The ease with which users can upload their own videos to YouTube has allowed

British people to share their talents -- from those who want to sing and dance to those who want to share their medical expertise, creators from every corner of the country can build an audience, an income stream and, for those who want it, a creative career. According to a recent study, 83% of the British media and music companies surveyed who use YouTube agreed that the platform shines a light on undiscovered talent. YouTube is also well positioned to help creators reach and engage new audiences. People today have access to a diverse range of high-quality, easy-to-find content -- content that aligns with the values Ofcom looks to promote -- including content developed by the next generation of UK creators. A new PSM regime should continue to encourage this, supporting and sustaining individuals and independent production companies who are producing this content.

In addition to growing a thriving creator base, YouTube also works in partnership with broadcasters. Critically, we are incentivised to help them deliver their commercial objectives in order that they use our platform. This alignment in values and incentives has led to natural collaborations with PSBs and a history of deep and fruitful partnerships with them.

These partnerships are designed to help each PSB achieve their own commercial goals. Currently, for example:

- BBC Radio 1 aims to reach younger audiences and uses YouTube to reach that audience through promotional clips and links from YouTube to iPlayer where viewers can watch full length shows. They have over 7M subs and 3bn views. BBC Three has a similar strategy and has 2.1M subscribers and nearly 1bn views.

- ITV has grown revenue streams both in the UK and around the world. They distribute their global formats, such as Saturday Night Takeaway, Love Island and I'm a Celebrity Get Me Out of Here, and export that content to global audiences. ITV has 49+ YouTube channels with more than 10m total subscribers.
- More than 80% of the content uploaded by UK creators and media companies is viewed outside of the UK, which benefits both the BBC and ITV, who have global production companies with formats they sell to broadcasters abroad. YouTube acts both as a monetisation and promotional platform for these formats.

The PSBs work with us because we provide a means to reach additional domestic audiences and new global audiences, as well as to discover and collaborate with new talent. Different broadcast-producers have distinct business models and YouTube works with them to discover new opportunities that work alongside, and complement, their commercial strategies and PSB objectives. There is no obligation for PSBs to upload content, and at every stage they choose how much and what they wish to make available. Some broadcasters - both PSBs and non-PSBs - choose to upload short clips or teasers, while others may choose to upload long form content, like Sky who share hosted highlights for every Premier League match on the Sky Sports YouTube channel.

This flexible approach has been hugely successful for PSBs: together BBC, ITV, Channel 4 and Channel 5 have nearly 51M active subscribers on YouTube, and there have been over 8.7bn views of their content. We have seen UK PSB content grow over 50% year on year, which is faster than the platform growth itself. That in part is driven by our discoverability systems in the UK and abroad, with more than 60% of PSB/PSM providers' content consumed on YouTube coming through suggestions made to users either by our recommendation engine or on their own home feeds (i.e. content that users don't specifically search for).

As we move forward it is important that a new PSM regime allows for these types of partnerships to continue to flourish and for new talent to be discovered via platforms like YouTube.

Responses to Ofcom consultation questions

Consultation question 1: Do you agree that a new regulatory framework for PSM delivery should support a more flexible "service neutral" delivery approach that is more outcomes focused?

Consultation question 2: Do you agree with our proposal for a clear accountability framework?

We are broadly supportive of a new accountability framework that reflects the range of ways in which PSMs can deliver content to viewers. The PSB regulatory framework should evolve to reflect the opportunities from online content delivery and the increased choice available to UK viewers, both on what to watch and how to watch it.

We support a new framework that empowers PSBs/PSMs to experiment with new and emerging mechanisms to reach audiences and gives them a more holistic view as to how people are engaging with their content. We also believe a more outcomes-focused approach will help futureproof the PSM regime and allow for flexibility on behalf of designated PSMs.

However, it is important that Ofcom provides details around the role for, and any obligations on, devices, services and platforms that may fall under this regime as we are concerned about the lack of legal certainty for a potentially broad number of content delivery services. For example, it is unclear whether the regime would give rise to information sharing obligations, and if so, whether the scope of this information sharing would be determined by the PSM providers. We would welcome protections that limit the use of data shared for reporting to that purpose only, as well as safeguards that ensure sufficient notice and due process for companies that are expected to provide information to support PSM accountability. We would welcome clarity in this regard, mindful that the system must allow for flexibility in how information may be provided by relevant platforms.

With respect to YouTube, all our partners and creators have access to significant, relevant real-time data on consumption of their content - views, unique viewer numbers, audience demographics, geographic traffic reports, monetisation (including ad format, ad rates, sell-through rates) and details of how their content is being discovered (homepage, search, recommendation, existing subscribers). We also recognise that PSMs need data to demonstrate that they meet their public service obligations and are supportive of cross-industry efforts to provide de-duplicated audience figures across platforms. Expanding BARB's remit would make it possible to understand the full picture of how UK viewers consume PSM content, while also enabling more granular accountability efforts, such as measuring and improving content created for communities that don't often see themselves represented on TV. As the accountability framework evolves over time, a more expansive BARB could help provide a comprehensive picture, allowing the wider ecosystem to be better informed about how users are interacting with public interest content beyond the core providers.

Consultation question 3: What do you think should be included in the "PSM" offer?

Consultation question 4: What options do you think we should consider on the terms of PSM availability?

To support and preserve the UK's PSM offerings and allow for innovation to flourish, the new regime should ensure that the benefits afforded to PSBs/PSMs are proportional to the public service obligations they carry; ensure PSM content remains visible in a way that respects user choice; and recognise the inherent differences between the various devices, services and platforms on which PSM content may be consumed.

1) Must carry/must offer

With Android TV and Google TV, we give choice to users of how they want to consume the content they are interested in. First, in the UK all PSBs make their mobile apps available on the Play Store. In addition, PSBs have the option to take simple steps, if they wish to, for their apps to be available on all Android TVs and Google TV via the Play Store for TVs. Such steps compare favorably to PSBs' current implementation where they have the arduous task of individually working with dozens of OEMs to have their apps and content available on other devices. Additionally, with respect to Android TV, we have worked extensively with Digital UK, the PSBs and OEMs that offer Freeview Play Android TV devices in the UK to make this process as seamless as possible.

Furthermore, we have built a set of APIs (that are both open and in line with industry standards) that all partners including the PSBs can use to integrate their apps fully into the experiences of Android TV and Google TV, further helping users discover and access their content. We invite and encourage PSBs to integrate with these technologies so that they can advance their public service mandate through the TV experiences supported by Google.

Whereas making PSB apps available on IP-enabled TVs is consistent with the tradition of free, universal consumer access to PSB's over-the-air content, video-sharing platforms and over-the-top (OTT) video services present very different contexts. Such services typically are neither considered by PSBs nor understood by viewers to be substitutes for broadcast television. Under the Audiovisual Media Services Directive ("AVMSD"), video-sharing platforms are distinct to broadcast and VOD services, while SVoD and OTT video services must be able to retain the ability to show content relevant to their offering. Moreover, these services do not offer navigational tools to help viewers choose content via a mix of third-party apps and programmes. On YouTube, for example, all PSB content on the platform reflects the considered judgment of the PSBs regarding their commercial strategy; while many PSBs make some content available on YouTube, the content is often limited to short clips or teasers as PSBs encourage users who access content on YouTube to use their own first-party players to access full-length content. As such, any content uploaded to YouTube by PSBs is at their sole discretion, whilst our Content ID system gives them protection against unauthorised uploads of their content.

Requiring PSBs/PSMs to offer and make available their whole catalogue of AV content on VSPs -- and in turn requiring services like YouTube to carry the entirety of this content -- would be a dramatic departure from the current practices of PSBs/PSMs as well as those of online services, and makes little sense from either a commercial or a public interest point of view. Not only would it undermine PSBs' own OTT offerings and business models, but also risks crowding out other content that may retain PSM-type value. It would also negatively impact the pipeline of talent underpinning the UK's creative economy (talent that is often recruited by PSM providers, both in front of and behind the camera) and may impact the livelihood of countless creators.

More specifically:

- As the PSBs recognise in their submissions, the goal here should not be to create a one-size-fits-all approach that would have the same impact on VSPs as it does on linear TV as it does on VOD and so on. There are inherent differences in each of these content delivery mechanisms, and any revised regulatory framework should reflect this (as was the case with the AVMSD). As such any mandate in this space should be for the benefit of well-defined digital services (i.e. PSB/PSM applications) that (i) deliver content to specific connected devices whose primary purpose is to aggregate and distribute audiovisual media content including broadcast programming; (ii) are intended to be presented on the covered device; and (iii) offer content at no charge to viewers in accordance with their underlying public service purpose. Recommendations should provide for sufficient flexibility to allow for offerings tailored in response to users' needs and desires.
- While technical standards should be aligned where possible to allow for content to be made available as seamlessly as possible between parties, it is important to enable devices and services to innovate over time and meet new user expectations. In some instances PSBs require often arduous and technically complex checks, and even redesigns, before devices are allowed to carry the relevant apps. Absent international standards or PSBs building apps to the platform's specification, it is important that "self-certification" processes do not impede access and that reasonable time is given to parties to work out what is practical. As already noted, we want to work in partnership with PSBs/PSMs, and finding new ways to integrate and surface their content can help reach new audiences in ways that benefit both users and PSBs/PSMs.
- Because a key aim of a regulatory intervention is to safeguard PSBs'/PSMs' universal availability, the PSMs/PSBs would have to offer all content that users would reasonably expect from that PSB/PSM, as currently appreciated and understood by viewers today. This should not decline over time, e.g. with content that viewers would expect to watch kept separate and only provided on payment (therefore allowing for monetization of such "reserved content" that was kept outside the scope of the regulation). The regulation should also be constructed in a way that still ensures sufficient flexibility to respond to user preferences (e.g. in how offerings or experiences are curated).
- Over and above this core offering, all other considerations and use of functionalities should be left to commercial negotiations between the main parties.

2) Prominence and attribution

In a world where there is increased choice around how users access content but also the content they can choose to watch, discoverability of certain content, such as PSM, is important. We therefore support appropriate prominence -- as linked to access, discoverability and availability -- which does not come at the expense of user choice. Services and devices should have the freedom to innovate, design

and develop the best interfaces and consumer experiences for their users and to meet evolving habits and demand. A prescriptive prominence regime that, for example, would require PSM content to be highlighted or otherwise promoted in a specific way, risks stifling innovation in user interfaces and product design, whilst limiting consumer choice.

There will be instances where the most relevant content for a viewer will be non-PSB content. An updated regime should not make it harder for users to find and consume the content they wish to watch. As such, regulation should not impose prominence at the level of search and recommendation systems on connected TVs. Where PSM/PSB content is clearly attributed and easily discoverable, search tools that aim to help users surface other content should not simply default back to making PSM/PSB content prominent.

This is even more true for video-sharing platforms such as YouTube. Currently YouTube serves PSB content to users not because it is obligated to, but because PSBs continue to produce high-quality and authoritative content. YouTube remains committed to promoting trustworthy, well-produced content. That is why YouTube provides information panels that provide users with more background and context when they search for or watch certain content and recommend videos from more authoritative sources on certain topics such as news and politics -- whether that is from PSMs like the BBC, publishers like The Telegraph or individual trusted partners like the NHS.

Consultation question 5: What are the options for future funding of PSM and are there lessons we can learn from other countries' approaches?

Consultation question 6: What do you think about the opportunities for collaboration we have referred to? Are there other opportunities or barriers we haven't identified?

Consultation question 7: What are your views on the opportunities for new providers of PSM?

On the future funding models of PSM, it is important to reflect further on what a collaborative framework for the future could involve in order to drive greater reach of public interest content as well as help PSM providers not just survive but also thrive in the years ahead.

The ongoing pandemic has brought home how important television is to society, providing a source of trusted news, connections in a time of isolation, and entertainment in a time of anxiety. This is also true of the Internet as platforms have played an equally important role in reinforcing human connection, keeping citizens informed and helping to entertain the nation. Indeed, many of the UK's most well-known "faces of lockdown" were not delivered by traditional television at all. For example, Joe Wicks -- a YouTube creator for almost a decade -- delivered massive live audiences and significant charitable donations to the NHS to become a household name. Similarly, entertainment names as diverse as the National Theatre and Jay Flynn -- an out-of-work publican who began a weekly pub-quiz, for which he received an MBE -- used YouTube to reach and entertain home-bound audiences in Britain and beyond.

Every day, individual creators from across the UK and many start-up British media companies upload to VSPs content that is well-produced, educational and engaging. Some -- although by no means all -- of that content arguably fits the Reithian principles of “inform, educate and entertain” as well as other public interest conditions around diversity. For example, [FreeScienceLessons](#) -- a channel focused on GCSE level Chemistry, Physics and Biology produced by Manchester-based, ex-teacher Shaun Donnelly -- regularly peaks at a daily audience of more than 100,000 unique viewers for his science GCSE videos during exam season. In the same vein, Cosmic Kids Yoga, a British story-telling yoga channel helping kids keep fit that creator Jaime Amor launched when she moved out of London, has accumulated more than one million subscribers and served more than 200 million views.

The success of that diverse content is driven by the market locally and globally (with more than 80% of UK creators’ content on YouTube viewed outside of the UK), which in turn serves the policy aims which underpin the PSM regime. We want to continue to work with PSMs on product partnerships, developing ways to reach audiences, and helping transform their business infrastructure. We also want to find new ways to collaborate. For example:

- In the UK we have begun running talent workshops, in partnership with the BBC, looking to inspire the next generation of talent in the UK and help guide them on what content both YouTube users and PSM commissioners are looking for.
- In Spain we recently announced our partnership with RTVE, the public service broadcaster, to deliver a training programme for those looking to kick start, or grow, their expertise within the audiovisual sector.

However, it is important to remember that the core purpose of the original PSB framework -- which has been the bedrock of the flourishing UK media ecosystem -- was to address clearly identified market failure and then tailor solutions to avoid distortions and unintended consequences. An updated regime should look to do the same, taking into account the vast changes in the market and the ways that PSM is thriving -- both beyond and including the traditional providers. The market has already fostered a fantastic creative ecosystem and Ofcom should consider how to further encourage public interest content beyond the PSM providers. We would be happy to help in this regard by, for example, convening creator roundtables to discuss this further.

Finally, as a way to help both PSM providers and other creators, it would be valuable for Ofcom to continue to produce regular reports and analyses of the changing nature of content provision amongst public value genres. That data could be informed by the expanded PSM accountability framework and would allow an ongoing review of where the market may be failing and where the proportionality of PSM benefits are most needed. It would also give the industry and wider public a better understanding of the changing nature of public service media.

Conclusion

We are pleased to respond to this consultation and to work with Ofcom to develop a robust framework that supports and enables PSMs, continues to develop diverse content creators and fosters the spirit of innovation across the UK's media ecosystem. We are also happy to provide any technical assistance or address any inquiries that Ofcom may have regarding our products, services and vision for a successful framework for the UK.