On-demand services: understanding consumer choices

A research report for Ofcom

Prepared by Essential Research

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Executive summary

Background and objectives

Ofcom, together with the Authority for Television on Demand (“ATVOD”), is the regulatory authority for the editorial content of certain on-demand audiovisual services. One of Ofcom’s roles is to determine appeals against decisions by ATVOD as to whether a service falls within the scope of regulation. A service falls within that scope if it is an “On-Demand Programme Service” (“ODPS”) as defined in Part 4A, section 368A of the Communications Act 2003 (“the Act”). In particular, a service is an ODPS within this definition if, “… its principal purpose is the provision of programmes the form and content of which are comparable to the form and content of programmes normally included in television programme services.”

The provisions of the Audiovisual Media Services Directive (“AVMS Directive”) can be used to help interpret the statutory definition in the Act. One of these provisions says that: “It is characteristic of on-demand audiovisual media services that they are ‘television-like’, i.e. that they compete for the same audience as television broadcasts.” In other words, the Directive indicates that on-demand audiovisual services which, by virtue of the programmes they provide, are sufficiently similar to, and compete with, linear TV services, are the kinds of services that should fall within the scope of regulation.

Essential has previously (in 2009) conducted research for Ofcom about what makes a service “TV like.” The research Essential has now done complements the 2009 report. In particular, by exploring whether services were seen by participants to be considered as reasonable substitutes for linear TV, or not, when they want to watch TV programmes, and what are the factors that inform participants’ choices.

The main objective was to help Ofcom understand which on-demand audiovisual services tended to be considered as competing alternatives to watching linear scheduled TV (channels) when they want to watch TV programmes, and why.

By doing this, we hoped to create a spectrum upon which different types of audiovisual on-demand services could be mapped. The spectrum would show
at one end which services tended to be considered as competing alternatives, and at the other which tended not to be considered as competing alternatives.

Following a similar study conducted in 2009, it was also important to uncover new findings and show how the video on-demand landscape has evolved since then.

The findings of the research are designed to help Ofcom make decisions about whether services are ODPS within the statutory definition. The findings do not determine whether any particular service falls within that definition.

**Research approach:**

A qualitative methodology was used for this research, to provide an in-depth exploration of attitudes and behaviours in relation to on-demand service use, and to examine use among specialist service users.

The fieldwork comprised 14 discussion groups and eight in-home in-depth interviews. The sample was recruited to ensure a spread of age / lifestage and socio-economic groups. All participants were users of video-on-demand services.

The project was commissioned in March 2012. The fieldwork took place between 20 April and 5 July 2012 and the final integrated debrief was presented to Ofcom on 24 July 2012.

**Summary of key findings:**

**The viewing landscape**
The viewing landscape has evolved significantly in the years since Essential undertook its first research study for Ofcom into attitudes towards on-demand services (2009). There are now many more on-demand services available to viewers, which can be accessed on multiple devices such as smartphones, smart TVs, tablets and computers. Ofcom’s quantitative research shows that the take-up and use of VOD services has increased. Please see Annex 2.

Traditionally, linear TV has been the default choice for viewers when deciding what to watch. Our research found that this is still the case for certain types of content (e.g. news, live sport, soaps and big events). However, among on-demand service users, this research study found that negative attitudes towards linear TV appear to be strengthening, with participants voicing increasing frustration with its inherent rigid schedule, and tending to believe that the quality of the content had deteriorated further.
The VOD landscape
Participants tended to say that they watched on-demand content with a higher level of engagement than linear TV. They felt they were going to on-demand services as a conscious choice / destination, and therefore this active viewing experience was valued more than linear TV, which can sometimes be viewed in a passive manner and in some cases is simply put on as background noise.

Our research found that participants selected linear TV and the on-demand services they used according to three main factors:

- **Mood**, e.g. to relax, be informed, indulge themselves, or share
- **Context**, e.g. who they are with, the time of day and where they are
- **Content**, e.g. the genre, the length and the recency of the programme

We found that the age / lifestage of the participant, their ‘tech savviness’ and the types and range of media devices that they owned also played a part in their choice of watching either on-demand or linear TV services.

As a result, when participants were asked to sort the audiovisual services they used, in terms of importance to them, and frequency of use, many of them had sophisticated views that made it hard to create a typical hierarchy; different services fulfilled different needs, dependent on factors such as mood, context and content.

**Understanding which services are reasonable substitutes for linear TV**
The main objective of the study was to understand which on-demand services were considered by users as competing alternatives to linear TV when they want to watch television programmes, and why. The study explored this by asking participants their views on a range of on-demand services\(^2\) in terms of whether they tended to consider them as reasonable substitutes for linear TV\(^3\).

The participants were asked to consider what would affect their choice of these online services in comparison to choosing a linear TV channel as part of the discussions (see discussion guides in Annex 1).

Nine services were used as stimuli in the study. They were chosen from a range of currently available, relevant on-demand services:

\(^2\)Participants were asked to look at all these services online before taking part in the research groups, to ensure a degree of familiarity with them, and thereby facilitate the discussion
\(^3\)We tested the phrase “credible alternative” in the pilot and found that participants struggled fully to understand what this meant. We replaced it with the phrase ‘reasonable substitute’ in the main study, as participants found this easier to understand.
Based on the participants’ feedback, we identified ten factors that tended to inform choice when participants made decisions on whether they tended to consider that an on-demand service was a reasonable substitute for linear TV or not.

We identified the ten factors by assessing the language and characteristics participants used during the discussions to describe the different services. Each factor has a sliding scale, from ‘tended to be considered as a reasonable substitute for linear TV’, to those services that ‘tended not to be considered as a reasonable substitute for linear TV’. Depending on where on this scale a service sat indicated whether participants tended to consider it a reasonable substitute or not.

It should be noted, however, that assessing a service on the basis of one factor alone was not enough. The more factors we took into consideration when assessing a service, the more we were able to learn; and therefore take a view as to whether a service could be considered as a reasonable substitute for linear TV, according to participants’ perspectives.

The ten factors were:

1) **Purpose of the service** – viewers expect services to provide entertainment and/or information. When a commercial aspect is apparent (e.g. promoting a brand or product), a service tended not to feel like a reasonable substitute for linear TV.

2) **Look and feel of the service** – some services had the distinctive formats/layouts of websites, whereas others showed content reminiscent of TV channels or schedule slots. Some displayed both qualities: websites with a “channel feel”.

- 4OD on YouTube
- Adult Swim
- Top Gear on YouTube
- Arsenal Player
- Fosters
- Journeyman Pictures
- Babelgum
- Vevo
- Channel Flip
3) **Frequency with which content is refreshed on the service** – although viewers cannot choose content shown on linear TV, it is refreshed continually. Services that refreshed their content most frequently tended to be considered as a reasonable substitute for linear TV.

4) **Who controls what is watched** – the more control the viewer had over what they watched (creating their own viewing experience by searching out content, surfing between short sections of video, stitching clips together or creating playlists) the less it tended to be considered as a reasonable substitute for linear TV (where the viewer can watch only the current broadcast).

5) **Effort expended to find the service** – services that can be accessed, simply, via the TV remote felt much closer to linear TV than services that involved plugging in a laptop and typing on a computer keyboard.

6) **The viewing experience** – a service that can be watched on a TV screen in comfort affords an experience that tended to be considered as most similar to linear TV. Services watched on small screens on the move offered a different experience (although not always an inferior one).

7) **Length of content** – the length of content on a service was a telling characteristic. Content that was shorter than around twenty minutes tended not to be considered as a reasonable substitute for linear TV.

8) **Volume of content** – services with a limited amount of content available for viewers tended not to be considered as a reasonable substitute for linear TV – which has lots of mainstream content.

9) **Perceived quality of content** – content on a service that has been uploaded by amateurs or which felt low-quality, did not feel akin to what viewers expected to find on their TV screens.

10) **Where the content originated** – familiar content (e.g. because characters, or the host, have appeared on TV) automatically made a service feel closer to linear TV than services showing original content.

The participants were then asked to group the stimulus services, along with other services they had frequently mentioned in discussion, according to whether they thought them as more or less of a likely choice in comparison to linear TV.
The spectrum below shows how the nine services tested as stimulus in the study (in blue), along with some other frequently mentioned services (in yellow) appeared when plotted on a spectrum. Starting from the left hand side, we see first the services that tended to be considered by participants as the most obvious reasonable substitutes for linear TV services when they want to watch TV programmes. Next, we see examples that were less clear cut, but still tended to be considered as reasonable substitutes, and finally, we see the services that tended not to be considered as reasonable substitutes for linear TV:  

4 Arsenal Play straddles as it is considered very much a substitute by Arsenal fans, but not at all by non-fans.
1. Background and objectives

Research background

Together with the Authority for Television on Demand ("ATVOD"), Ofcom is a regulatory authority for the editorial content of certain on-demand audiovisual services. One of Ofcom’s roles is to determine appeals against decisions by ATVOD that a service falls within the scope of regulation. A service falls within that scope if it is an "On-Demand Programme Service" ("ODPS") as defined section 368A in Part 4A of the Communications Act 2003 ("the Act"). In particular, a service is an ODPS within this definition if, “… its principal purpose is the provision of programmes the form and content of which are comparable to the form and content of programmes normally included in television programme services.”

Part 4A was inserted into the Act by the Audiovisual Media Services Regulations 2009, to implement the requirements of the Audiovisual Media Services Directive ("AVMS Directive"). It was amended by The Audiovisual Media Services Regulations 2010. The provisions of the Directive can be used to help interpret the statutory definition of ODPS in the Act. One of these provisions says that, “It is characteristic of on-demand audiovisual media services that they are ‘television-like’, i.e. that they compete for the same audience as television broadcasts.” In other words, the Directive indicates that on-demand audiovisual services which, by virtue of the programmes they provide, are sufficiently similar to, and compete with, linear TV services are the kinds of services that should fall within the scope of regulation.

Essential has previously (in 2009) conducted research for Ofcom about what makes a service “TV like.” The research Essential has now done complements the 2009 report, but does not repeat it. In particular, by exploring whether services tended to be considered by participants as reasonable substitutes for linear TV, or not, when they want to watch TV programmes, and what are the factors that inform participants’ choices, so as to provide insight as to whether those services are considered to be competing alternatives to linear TV services.

Research objectives

The primary objective of the research was to help Ofcom understand which on-demand audiovisual services are regarded by users as competing alternatives to watching linear scheduled TV (channels) when they want to watch TV programmes, and why.

To do this, it was necessary to:

- examine viewers’ behaviour when they watch TV, and understand their motivations for watching;
- find out which audiovisual services viewers consider as options when they want to watch audiovisual content;
- examine their reasons for choosing one audiovisual service over another; in particular, when they want to watch TV programmes; and
- understand how viewers decide which device to watch content on, where, and when.

By doing this, we have been able to:

1. create a spectrum on which to map different types of audiovisual service:
   - one end of the spectrum would show services that tended to be seen by viewers as a competing alternative to linear scheduled TV;
   - the other end of the spectrum would show services that tended not to considered as a competing alternative to linear scheduled TV.

2. develop some key considerations that could be used by Ofcom in the future when examining new on-demand audiovisual services, and which might help Ofcom to decide whether they were considered as competing substitutes for watching linear TV.

Another important objective was to ensure that the research used the findings from Ofcom’s first research study into attitudes towards on-demand services in 2009\(^8\), to inform the new study’s approach and design, and to explore how use and attitudes of VOD have changed. The 2009 study was carried out with both users and non-users of VOD, and focused on what made a service “TV-like”. In this study, all participants were VOD users and we explored whether services tended to be considered to be reasonable substitutes for linear TV, or not.

\(^8\)http://stakeholders.ofcom.org.uk/market-data-research/other/tv-research/vodresearch/
2. Methodology and sample

A qualitative methodology was used for the study to ensure an in-depth exploration of attitudes and behaviours, and to examine use among specialist service users. The study began with a pilot in order to decide on the most effective sample and methodology, and trial the discussion guides and stimulus material.

Sample:

All participants in the study were viewers of linear TV and on-demand audiovisual services. This was to ensure that all participants were able to give an informed view about whether or not they tended to consider an on-demand service as a reasonable substitute for linear TV.

Across the sample there were:

- A mix of genders across each group and the depth interviews
- A mix of people from different socio-economic groups (ABC1s and C2Ds)\(^9\)
- A mix of lifestages among people aged 18 and over:
  - Couples with no children
  - Young family (children aged 2-12 at home)
  - Older family (children aged 13+ at home)
  - ‘Empty nesters (where children had grown up and left the home)
- A mix of media device ownership and use

The pilot and half of the main study were conducted in London; the remainder of the fieldwork was conducted in Manchester.

We made some changes to the sample following the pilot. Initially it was decided that the sample would be split evenly between mainstream and specialist service users, but it became apparent during the pilot that specialist service users were able to give more informed opinions on the services shown as part of the stimulus material. As a result the number of specialist service users in the sample was increased for the main study, at the expense of the mainstream users.

Mainstream on-demand audiovisual service users were classified in this study as those who used:

- Personal video recorder (“PVR”) services (e.g. Sky+, V+ and Freeview+)

\(^9\) See annex for definitions of socio economic groups.
- TV on-demand services (e.g. Sky Anytime and Virgin On Demand)
- Online catch-up services (e.g. BBC iPlayer, 4OD and SkyGo)
- Online on-demand services (e.g. Lovefilm, Netflix, iTunes and YouTube)

**Specialist** on-demand audiovisual service users were classified as those who used:

- Any of the above services; and
- Other more specialist online services and apps (such as The Food Network, Funny or Die and Guardian video).

In addition, the number of participants in each group was reduced following the pilot; initially, there were eight people in each group, but during the main study there were six people in each group. Due to the amount of stimuli shown in each group, and the detail required from each participant, having reduced numbers in the main study allowed moderators more time to probe responses and show stimuli.

**Methodology:**

The chosen research method was a combination of:

- in-home, semi-ethnographic depth (“in home depth”) interviews, conducted by a moderator using a pre-agreed discussion guide and lasting two hours each. ‘Semi-ethnographic’ means that part of the session was spent simply observing the behaviour of the participants in their natural in-home viewing environment while using on-demand services, and the rest spent discussing it with the participant; and

- focus group discussions, held in a research viewing facility or similar venue, conducted by a moderator using a pre-agreed discussion guide and lasting two hours each.

The sample in the pilot was as follows:

- 2 x pilot groups (in London)
  - 1 x empty-nesters, C2D, mainstream service users
  - 1 x on-the-go advocates\(^\text{10}\), ABC1, mainstream service users
- 2 x pilot in-home depths (in London)
  - 1 x pre-family (house-sharers), ABC1, specialist service user
  - 1 x older family, ABC1, mainstream service user

\(^{10}\) In the pilot study we recruited some participants based on a combination of device ownership and services used. Advocates tended to own and use a range of portable media devices including smartphones and tablets.
The sample in the main study was as follows:

- 4 x specialist service user groups (in London)
  - 1 x pre-family (house-sharers), ABC1
  - 1 x young family, C2D
  - 1 x older family, ABC1
  - 1 x empty nesters, C2D

- 4 x specialist service user groups (in Manchester)
  - 1 x pre-family (couples), C2D
  - 1 x young family, ABC1
  - 1 x older family, C2D
  - 1 x empty nesters, ABC1

- 4 x mainstream groups
  - 1 x Smart TV users, ABC1 (Manchester)
  - 1 x pre-family, ABC1 (London)
  - 1 x young family, C2D (Manchester)
  - 1 x older family, ABC1 (London)

- 3 x specialist service user in-home depth interviews
  - 1 x young family, C2D (London)
  - 1 x older family, C2D (Manchester)
  - 1 x empty nester, ABC1 (London)

- 3 x mainstream service user in-home depth interviews
  - 1 x pre-family (couple), C2D (Manchester)
  - 1 x young family, ABC1 (Manchester)
  - 1 x empty nester, ABC1 (Manchester)

There were 14 discussion groups and eight in-home depth interviews. We spoke to 92 participants in total.

All participants completed two pre-tasks before the research sessions:

- Those participants who took part in the in-home depth interviews completed a five day viewing diary, recording everything they watched on linear TV and on-demand, and a video diary, to add colour to their viewing diary.
- Specialist group participants completed a four-day ‘deprivation diary’, recording their experiences of being allowed to watch only linear TV, and acquainted themselves via live web links with the services to be shown as stimuli during their group.
Mainstream group participants completed the viewing diary, and were also asked to acquaint themselves via live web links with the services to be shown as stimuli in their group.

The second pre-task completed by group participants was introduced after the pilot to ensure that all participants were able to provide informed opinions on the services shown as stimuli.

**Discussion guides**

In each research session, whether in-home depth or focus group, a pre-agreed discussion guide was used by the moderator. All guides used are attached in full in Annex 1 at the end of this report.

The guides followed traditional qualitative research practice whereby the session starts with general topics and gradually moves to more specific topics. So the guides used in this study opened with a very broad discussion about the participants, their lifestyles and habits; moved next to focus on audiovisual consumption in general; then to a discussion around linear TV versus on-demand service preferences and motivations for use; and finally to an exploration and discussion regarding the on-demand services in question.

**“Credible Alternative” becomes “Reasonable Substitute”**

To uncover the factors and features that make an on-demand service more or less similar to linear TV, with a view to identifying services that tended to be considered by users as competing alternatives when they want to watch TV programmes, the phrase “credible alternative” was developed. Participants in the study needed to discuss whether the on-demand service in question tended to be considered as a credible alternative to watching linear TV or not.

However, during the pilot study it was recognised that participants struggled with the term “credible alternative”. The word “alternative” in particular caused problems, with some assuming that it meant that the service should feel entirely different to linear TV, rather than providing a substitute.

As a result, in the main study a proxy for “credible alternative” was used, which was “reasonable substitute.” This worked much better as a reference point for respondents and therefore provided more consistent results.

**Project timeline:**

The project was commissioned in March 2012, and the final integrated debrief was presented to Ofcom on 24 July 2012. The flow was as follows:
The pilot fieldwork was completed between 20 April and 2 May, and the main study fieldwork was completed between 25 June and 5 July.
3. Research findings:

a) The viewing landscape

Traditionally, linear TV has been the default choice for viewers when deciding what to watch. And even within this sample, all of whom were viewers of on-demand audiovisual services, it was claimed that linear TV still made up more than half of their total viewing time. It was also considered to be a great place for serendipitous content discovery when flicking through the many channels now available.

Among the participants, linear TV remained the first choice as a destination for live sport, big events (like the opening ceremony of the Olympics and the royal wedding), news and soaps. These programmes were considered to be best viewed as they are aired, and ideally on a large screen in a comfortable environment.

We found that many of the participants expressed continued frustration with linear TV. Despite the many channels available, criticisms were still levelled at the perceived quality of the content, with many feeling that the number of “trashy” programmes appearing on schedules had increased and that there were far too many repeated programmes. Many also felt that there was too much advertising on TV, breaking programmes up and putting viewers off.

“What I find is, you get to a certain point in the evening and there’s just nothing on telly – you end up watching repeats of things like Die Hard!”

Specialist user, pre-family, female, Manchester

One of the most frustrating things for participants was the rigid schedule of linear TV. Viewers of on-demand audiovisual services were accustomed to creating their own viewing schedule and felt that being able to watch only what was on at any given time was the most discouraging element of linear TV.

Viewing services are selected according to three main factors: mood, context and content

When making a decision about what to watch, participants did not tend to choose between linear TV or on-demand services as such. That is, they were not simply asking themselves: “Do I want to watch a linear or an on-demand service?” Instead, decisions were made more practically, with many (sometimes unconscious) elements affecting choice.
Mood
We found that the mood the participants were in when deciding what they wanted to watch could affect the type of content they chose and therefore the service they chose.

We identified a range of moods which participants said influenced their choice, but the most common appeared to be:

- **To relax** – the need to sit back and be entertained. Usually viewers wanted to take their minds off things and escape, choosing a film or something similar. In most cases, this meant viewing on a large screen. Therefore, either linear TV or an on-demand service could be chosen, usually dependent upon the audiovisual set-up in the individual’s home. If nothing to meet this mood was considered available on linear TV, individuals with pay-TV movie services or online services such as LoveFilm or Netflix could choose a film to watch on their main TV screen.

- **To be informed** – the need to learn about something new or find out more about something they are interested in. A popular choice here would be a documentary. This kind of content tended to be associated with public service broadcasters and therefore tended to motivate a choice of linear TV or mainstream online catch-up services such as BBC iPlayer or 4OD.

- **To indulge themselves** – this tended to be a very personal choice, often described as a “guilty pleasure.” This might be an episode in a series the participant was enjoying. In this instance, on-demand services were often chosen because they can be easily accessed via portable, internet-enabled devices such as a laptop or tablet, and the content enjoyed in a “quiet zone” in the home, or even in bed. On-demand services also tended to be a preference here because they enabled the viewer easily to locate and stream or download the specific episode of the series they wished to watch, which might not be currently accessible on linear TV.

- **To share** – when a viewer wanted to interact whilst watching content, and discuss what they were watching. This tended to be short-form content like a music video, or something on YouTube. In these cases, we found that smaller screens such as laptops, and especially tablets and smartphones, to be the devices of choice as they enabled content to be viewed and shared around a group of friends or family. This also meant a tendency towards short form on-demand services, amongst which YouTube was, for the majority, the service most commonly mentioned in this context.
“It really depends what I’m in the mood for… So I’d go to Netflix if I wanted to relax with my partner and Everton.tv if I was out with my mates.”
Specialist user, younger family, female, London

“I always know that on Monday my other half has football, so I catch-up on all my trashy stuff from E4! It’s like my guilty pleasure evening!”
Mainstream user, pre-family, female, Manchester

Context
The situation the participants were in when making their decision about what to watch also influenced their choice of service. They tended to take into consideration what was going on around them and therefore what was appropriate to watch and also what was available.

We identified a range of factors participants said they bore in mind:

- Who they are with – are they alone, or with their partner, or with their children or with friends?
- What time of day it is – is it a weekday or the weekend?; is it before or after work?; how much time does the viewer have to watch content? Some days are considered to be “good linear TV days,” whereas others aren’t.
- Where they are – are they at work, at home or on the move? The viewer’s location makes a difference to their decision, as it dictates what devices and services are available to them.

“In the mornings we’ll stick BBC Breakfast on whilst we’re getting ready, but in the evening we might find something on BBC iPlayer or catch-up on something on the PVR....”
Mainstream user, older family, male, London

“It depends who’s at home really – if my kids are still up, generally we’ll watch whatever they’ve got on, but when they go to bed we’ll watch something we’ve recorded, or find something on Lovefilm”
Specialist user, younger family, male, Manchester

Content
The types of content participants wanted to watch affected their choice of service. Participants often had specific content preferences in mind when deciding what to watch.

We identified three elements that played a part here:

- The genre – was the viewer looking for something funny or something a bit more serious?
• The length – were they looking for a programme to fill half an hour, or did they have all evening to sit down and watch content?
• Recency – this was not an important element for all participants, but there were some viewers who felt this played a part. Were they looking for a brand new blockbuster or series, or a “golden oldie”?

“My grandchildren come round most afternoons, so sometimes I’ll put Peppa Pig episodes on back to back – it’s great.”
Mainstream user, empty nester, female, London

“If I’ve only got half an hour then I’ll usually just put the telly on and flick through the channels, but if I’ve got plenty of time I’ll usually go to iPlayer and catch-up on something I’ve missed.”
Specialist user, pre-family, female, London

Viewer type also makes a difference to service selection

Who the participant was, and which screens / devices they owned, were other major factors affecting the choice of service. Their knowledge, and the equipment they had to watch content on, were not often factors within their control, or factors that they were even aware of, but they did contribute to their choice of service.

The three main factors we identified were:

1) Age / lifestage – Older viewers tended to be less knowledgeable than younger viewers about what services are available and what the devices they own can do. Those with young children at home were most concerned about protecting them from potentially harmful viewing content, whereas those with older children at home were learning from them about additional services and device features

2) Technological savviness – The participants in our sample varied greatly in their ability to use on-demand services (which was not necessarily linked to the devices they owned). Some participants had a basic ability, which limited the number of services they used, whereas others were more advanced and were using a wide range of specialist services. This mix of abilities meant that sometimes children were able to access services without their parents knowing that they could.

3) Device ownership – The devices viewers owned did not necessarily correlate to their technical ability or their lifestage. Since digital switchover, many viewers have invested in new and high-specification TVs. Those participants with multiple internet-enabled devices,
especially those with mobile devices (such as tablets and smartphones) tended to watch more on-demand services, as they had more opportunity to do so. We found that not all participants with games consoles, however, were aware of their ability to watch multiple programmes and services.

“To be honest, the kids know far more than we do. My son’s only 8 but he has an X-box and does all sorts of things with that…”

Mainstream user, Smart TV group, female, Manchester

“Since I’ve got my iPad, it’s changed my life! I used to have to go along with whatever everyone else was watching, but now I can go get in bed and watch stuff on-demand – and I get to choose it.”

Specialist user, older family, male, London

“I have ESPN Goals and Everton.tv on my iPhone, so I tend to watch stuff on those apps when I’m out and about with my mates. It’s a bit like banter, but taking it to the next level…”

Specialist user, younger family, male, London

Establishing device and service hierarchies

During the discussions the participants were asked to sort the audiovisual services they used in terms of importance to them, and frequency of use. As explained above, as there are so many contributing factors when making a decision about what to watch, they often found it difficult to create a typical hierarchy of the services they used.

Different services fulfilled different needs in terms of mood, the content on offer, and on which occasion they would be appropriate. So deciding whether one service was deemed more important than another was often not possible for participants to do.

We found that among the participants we spoke to, linear TV was no longer necessarily the first choice when deciding what to watch; there were now many other options available to viewers, which they felt often offered greater flexibility.
b) The VOD evolution

It became apparent that the video-on-demand landscape had changed significantly since the 2009 study. There are now many more on-demand services available to viewers, which can be accessed on many different devices. Please see Annex 2.

What do we mean by ‘VOD’?

The term “video on demand” covers all manner of on-demand audiovisual services, whether they show programmes or not. The VOD spectrum below seeks to depict how participants categorised the range of different services they used, when asked to sort them spontaneously.

**The VOD Spectrum¹¹:**

The spectrum can be split into four categories, as follows:

**Personal video recorder ("PVR") content**
The most widely used form of VOD by participants was the content they recorded to their PVRs. Participants recognised that PVRs’ functions have evolved over the years and now allow them more control and flexibility. As they know what content will be available to them here, this was often a first port of call when they had a particular programme in mind. It also enabled them to control the linear TV schedule somewhat (in a similar way to “live

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¹¹ Participants tended to group Sky Go with other major broadcasters’ catch up services. However, participants used other functions on Sky Go such as live streaming or archive content.
pause”), allowing them to choose to record, when a programme they wanted was scheduled at an inconvenient time.

**TV VOD:**
This form of VOD was only available to those who had specifically subscribed to a TV VOD package, but it allowed even greater flexibility than PVR VOD. The ability to browse content that had previously been shown on TV, which participants may have not necessarily realised was possible, provided an element of serendipity and choice. It also provided those who forget to record programmes with a second chance to view content.

**Catch-up services:**
These services were available to all our participants (unlike PVR content and TV VOD, since not all participants were subscribed to TV packages with recording functions), but were not always accessible through a large screen. Participants who had Smart TVs, or who could link other VOD-enabled devices to their TVs, could use these services in a similar way to TV VOD, but the fact that they are also available online made catch-up services much more versatile. Participants were watching these services as apps on mobile devices when out and about or on holiday, on laptops in bed, and even on PCs while at work.

**Online services:**
The use of these types of services differed from the catch-up services as they were rarely used by participants to catch up on content they had missed on linear TV. Instead, participants tended to use these services to browse and discover new content. The services in this tranche ranged from mainstream services like Lovefilm, to more specialist services like Arsenal Player and Adult Swim. As with the catch-up services, participants appreciated that they were available across multiple platforms and devices.

We found that the devices participants used to access a service, and in particular the frequency that a service was used, did not contribute greatly to where on the spectrum participants placed the services. The nature of the service itself had the most bearing on where on the spectrum participants perceived that each service sat.

**Differences between mainstream and specialist VOD service users:**
The participants in the sample were all either “mainstream” or “specialist” VOD service users. “Specialist” VOD service users were included to ensure that there were viewers within the sample who used, or were familiar with, on-demand services beyond the more traditional catch-up and streaming services.
In this research study, mainstream users tended mostly to use their PVR, their TV package VOD service and catch-up services. They would often top this up with some online services, with a subscription to Lovefilm or Netflix, and some videos or programmes on YouTube.

Specialist users tended to use some of the same services that mainstream users did, but they would also use many other online services. Some were linked to specialist interests, whether sporting, academic, travel or otherwise, and some were linked to particular genres they enjoyed, whether comedy or current affairs. Since these participants tended to use many different on-demand services, many of them were used quite infrequently, sometimes less frequently than by mainstream users, but specialist users’ total time spent watching on-demand content was generally higher than that of mainstream users. Examples of the services used by mainstream and specialist service users in our sample are shown below:

Differing attitudes to linear and on-demand content

All participants said they tended to watch video-on-demand with a higher level of engagement than linear TV. Although linear TV counted for more than half of total viewing time for the majority, participants felt that they often paid less attention, or were less engaged, when watching linear TV, with the programming acting as ‘background noise’ or a time-filler.

Video-on-demand was seen as a liberator, because it offers flexibility and choice for viewing content. Participants felt that when they were going to on-
demand services, this was a conscious choice and destination; they were seeking out something in particular to which they would give their full attention. The content chosen was therefore often considered to be more valued than linear TV in general.

“On TiVo you can actually go onto it and search and browse. You only need the first two letters and you’ve got the back catalogue – literally anything. TV just can’t compete with that.”

Specialist user, pre-family, female, Manchester

However, this was not the case with every on-demand service used, and all linear TV. Some participants claimed that they still tuned in daily to watch their favourite soaps, or weekly for TV programmes scheduled at convenient times like Newsnight or Saturday Breakfast. In addition, some participants also claimed to while away time watching user-generated videos such as “cat on skateboard”-type clips on YouTube, or use services like Vevo to put music videos on in the background.

Device use

Our research found that participants tended to use a range of media devices to watch on-demand services. There were some DIY arrangements in place as well, with some linking laptops and PCs to their TVs via HDMI cables in order to watch content on large screens in comfortable environments. Others were using games consoles or their Smart TVs to access on-demand services directly through their TVs.

However, many viewers within the sample, including specialist service users, were not using their VOD-enabled devices to their full potential. For most, this was because they did not yet understand the devices’ capabilities. Many participants had recently purchased new devices that they were still coming to grips with, while others owned devices whose functions had evolved without their knowledge.

This was often the case with Smart TV owners, but they were also the first to admit that they were still learning about the full functionality of their devices, and felt that they would be up to speed soon.

“It’s called a Smart TV is it! We’ve only had it for a few weeks, so I’m still getting to grips with exactly what it does… I’ll get the hang of it eventually!”

Specialist user, empty nester, female, London

We found that games console users were also often using these devices only for their primary function, or did not realise the full potential of the devices’ VOD abilities. However, many were learning from their children about what
they could do with their games consoles and were excited about watching on-demand services on their main TV.

The advanced ability of children to use multiple devices to access on-demand services and content was a cause for concern for some parents. Many were unaware, often until they took part in the research study, that the devices their children owned (and often used privately), such as games consoles and iPod touch, could be used to access VOD.

**The prevalence of YouTube**

Most, if not all participants in the research, were using YouTube. Its wide availability across so many devices has made it a popular choice for viewers, particularly when out of the home or when viewing content with friends or family.

However, as a service, participants perceived it to have evolved greatly in recent years. Different participants were using it for different functions and therefore felt that it had a great many roles to play within the VOD landscape. There were six distinct identities that became apparent during the course of this study:

1) **User-generated ‘funny’ or other viral videos** – YouTube is most closely associated with the service, and this is where its heritage lies. Practically all participants used YouTube for this reason, and many claimed that they shared videos with friends in addition over email and Facebook.

2) **Music videos** – YouTube was also used for listening to music. Participants enjoyed the fact that they could create playlists to suit different occasions, and claimed that when they had friends round or hosted parties, this was a popular choice.

3) **“How to…” videos** – YouTube was often the first port of call when participants wanted some advice or instruction on how to do something new. From rewiring a plug, to creating music of their own, YouTube had a video to show them how.

4) **Hosting channels** – YouTube also hosts other channels and services. There were only a few people within our sample who used YouTube in this way, but many claimed that it could be a good back-up option when a linear catch up service was having technical problems.
5) **TV programmes** – about half the sample also claimed to use YouTube to watch TV programmes.

6) **Films** – a minority of participants claimed to use YouTube to watch full-length films, in particular foreign language or more obscure films that cannot typically be found via mainstream film services.

“There’s such a vast amount of content, it’s become its own verb now. Like people say ‘I’ll Google it’, now people also say ‘I’ll YouTube it’.”

**Specialist user, pre-family, female, London**

Participants felt that sometimes YouTube was a place to catch up on the latest trending “cat on a skateboard” video, whereas at other times it was a place to find programmes that they knew and loved.

Taking into account the diverse roles and functions participants ascribed to YouTube in the course of the research discussions, it became clear that in the eyes of some users, at least, YouTube has come to occupy more than one place on the VOD spectrum.

Therefore, while YouTube’s “home” was among the various mainstream and specialist online services listed on the spectrum, its use has caused it, in the eyes of the research participants, to spread into the territory of more than one service category on the spectrum, namely:

- **TV VOD**: YouTube was used to access music videos, programmes and films that might otherwise be accessed by the user’s TV VOD service; (this was often on a large TV screen via a STB or games console).
- **Catch-up services**: when accessing mainstream channels and programmes officially hosted on YouTube or unofficially posted there by other users.
- **Online services**: YouTube was for many the first port of call when searching and browsing both mainstream and specialist audiovisual content and, as such, was one of the most popular services in this part of the VOD spectrum.
YouTube re-mapped on the VOD spectrum:

PVR content:

TV VOD:

Catch-up services:

Online Services:

Content recorded through recording functions like Sky+ and Freeview+

On-demand content through TV subscription packages

Catch-up services from the main broadcasters

Online services, some of which are available as apps as well as websites
c) Identifying ten factors that help explain whether on-demand services are reasonable substitutes for linear television

The main objective of the research was to understand which kinds of on-demand audiovisual services tended to be considered by participants as reasonable substitutes to watching linear TV, when they want to watch TV programmes, and why. This final section seeks to understand the factors that informed their choices when making decisions involving on-demand services.

What is a “programme”?

Before going into detail about the individual factors that affected decisions, it is necessary to draw attention to the word “programme”, and what this meant to participants who took part in the study. It became apparent that participants had quite clear and specific ideas about what a “programme” is.

Participants tended to mention three elements that defined a programme in their eyes. Its length was perhaps the most important element, and something that immediately sprung to mind. Viewers also felt that a programme needed to have a narrative, essentially to tell a story, and to be produced by a broadcaster they were familiar with.

“If it’s not complete I don’t consider it a full programme. I think anything shorter than about 15 minutes isn’t a programme – and that’s pushing it!”

Specialist user, young family, female, London

However, there were some who felt the definition could change significantly in the future. Participants recognised that viewing is becoming increasingly “snacky”, and it is a dynamic environment.

“With the older generation, when we watch something we tend to dedicate ourselves to it, but with the younger generation they can’t actually sit down and watch an hour long programme. They are always on YouTube and their phones – they much prefer clips...”

Niche user, young family, male, London

There were also a handful of participants within the sample who were endeavouring to reintegrate whole programmes, which had been uploaded in
parts, by stitching the parts together. A couple of participants from the sample who had used this facility had experienced it as an automatic facility (i.e. when one clip finished the next automatically started) on services like YouTube, and when doing it this way the experience was satisfactory. However, those participants who were attempting manually to “stitch” programme sections together found the process quite frustrating. Finding all the clips in the first place was not easy, and more often than not there would be a vital clip missing in the chain, which ruined the overall experience. As a result, watching programmes using this method does not yet offer what is considered a reasonable substitute.

“I’ve tried it in the past, and I’ve watched say clips 1-3 of about 8, but then suddenly you can’t find clip 4. So you miss a whole chunk and it becomes really difficult and frustrating. I have to be really desperate to watch something to use this process!”

Mainstream user, younger family, female, Manchester

It is clear from this that participants’ opinions on what a programme was could affect their decision about whether an on-demand service was considered to be a reasonable substitute to linear TV, in so far as certain services were perceived to carry more or less “programme” content.

**The on-demand services tested as stimulus in the study**

Nine specific services were tested as stimuli in the research study during the focus group discussions. All participants were provided with live web links to each of the services, in advance of the group, and asked to familiarise themselves with the services and the content they showed. This pre-task was introduced to ensure that the discussion in the groups would not be about the relative appeal of each of the services, but would objectively assess whether or not the services were considered to be reasonable substitutes for linear TV.

The nine services tested were chosen as a range of currently available relevant on-demand services. The links used to access them were (in no particular order):

- 4OD on YouTube ([http://www.youtube.com/user/4od?feature=results_main](http://www.youtube.com/user/4od?feature=results_main))
- Adult Swim ([http://www.adultswim.com/](http://www.adultswim.com/))
- Top Gear on YouTube ([http://www.youtube.com/user/TopGear](http://www.youtube.com/user/TopGear))
- Arsenal Player ([http://player.arsenal.com/](http://player.arsenal.com/))
- Fosters ([http://fostersfunny.co.uk/tagged/The_Fast_Show](http://fostersfunny.co.uk/tagged/The_Fast_Show))
- Journeyman Pictures ([http://www.journeyman.tv/](http://www.journeyman.tv/))
To test each service in the group discussions, the site was brought up on a computer screen and explored. Some examples of content were played to participants.

**Understanding whether these services are ‘reasonable substitutes’**

After the services were explored on the computer, group participants were asked to discuss whether they considered each service to be a reasonable substitute for linear TV.

As already mentioned, participants were not always able to agree to what degree a service was, or was not, considered to be a reasonable substitute for linear TV. But by unpicking the language they used when having this discussion, identifying different factors that participants tended to use to inform their choices, and understanding how these different factors were associated with each service, it was possible to take a view after the fieldwork was complete.

Each service tested can be plotted on the scale associated with the ten factors (illustrated below), and a view can therefore be taken on whether a service is considered as a reasonable substitute for linear TV when viewers want to watch TV programmes.

**Understanding the factors that inform decisions about whether a service is perceived as a reasonable substitute for linear TV**

Opinions on which on-demand services were considered to be reasonable substitutes for linear TV differed quite considerably during the discussions. Even though the focus of the discussions was not about the individual appeal of the content offered by each service, this factor still played a part in participants’ assessment. Participants felt that services offering content with a more mainstream appeal tended to be considered more likely to be a reasonable substitute for linear TV. However, what constituted ‘mainstream’, or what constituted ‘specialist content’, was not something they could agree on.
“We’re never actually going to agree on whether this service is more like TV or whether it is too niche for that – ultimately it depends on whether it is your sort of thing or not, and we’re not going to agree on that either!”

Mainstream user, empty nester, male, London

As a result, regardless of what decision viewers made about a service, the language and characteristics they used to describe that service during the decision-making process were a much better indicator of whether or not it was considered to be a reasonable substitute for linear TV.

From the language used by participants when articulating their views, we were able to identify certain “factors” that participants tended to use to inform their choices about whether they thought a service was considered to be a reasonable substitute for linear TV. We identified ten factors in total, which together contributed to participants’ perceptions of how far an on-demand service tended to be considered as a reasonable substitute for linear TV.

We have described each factor in terms of a sliding scale from “reasonable substitute” to “not a reasonable substitute’.

For example if we take the factor ‘volume of content’ (below) as an example, when a service is plotted at the “lots of content” end of the scale, it tended to be considered as a reasonable substitute for linear TV, and when it is plotted at the “very little content” end of the scale it tended not to be considered as a reasonable substitute for linear TV:

![Diagram showing volume of content scale]

Obviously, users choose services on the basis of more than one factor. One factor in isolation does not provide a full understanding of whether a service tended to be considered a reasonable substitute or not.

This is illustrated in the example below, where the on-demand services YouTube and BBC iPlayer are plotted against two of the factors - ‘volume of content’ and ‘length of content’:
Looking at the first factor: “volume of content”, it would appear that YouTube is more of a reasonable substitute for linear TV than BBC iPlayer, because there is more content available on that service. But when the second factor ‘length of content’ is considered, YouTube would be at the other end of the scale.

Moreover, in order to take an informed view on these, or other, services, a number of the ten factors may need to be taken into consideration. In many cases, by taking a combination of factors into account, the more one can learn about the service and therefore derive help in forming a view on whether it is considered to be a reasonable substitute for linear TV or not from the viewers’ perspective. Some factors may, in particular cases, need to be given more weight than others.

Accordingly, in the latter part of this document we have applied the factors derived from participant feedback to create a spectrum of on-demand services, illustrating which were perceived by our participants to be the most obvious substitutes for linear TV, when they want to watch TV programmes, which were the least obvious substitutes, and which tended not to be considered reasonable substitutes at all.

Each service is plotted against each factor’s sliding scale to illustrate how far, when taking each factor into consideration, the service tended to be considered to be a reasonable substitute for linear TV. This analysis is described more fully on page 63, but first we will look at each factor in detail.

**The ten factors in detail**

We identified ten factors that appeared to inform participants’ choices when deciding whether an on-demand service is considered to be a reasonable substitute for linear TV. Each factor is explained in detail over the following pages.
Factor 1: Purpose of the service

Expectations were that on-demand services, like linear TV, are there to provide programmes which entertain and inform viewers. When the purpose of a service felt more commercial, with a heavy focus on certain kinds of material clearly promoting a product or personality, it didn’t tend to feel like a substitute for linear TV. It is important to note here, that this concern did not extend to forms of commercial activity commonly experienced in the linear TV environment such as sponsored programmes or advertising. The concern was over the purpose of the site as a whole and whether it presented itself as a promotional or sales vehicle to which any audiovisual material was simply an adjunct.

“The fact that some of these services have ‘shop’ as option at the top makes me think that they are not just about entertainment, but they’re actually there to sell products.”

Mainstream user, empty nester, male, London

We have described the reasonable substitute end of the scale for this factor as “a purpose to entertain / inform”, whereas the other end of the scale (not considered to be a reasonable substitute for linear TV), is “a purpose to sell a product or personality”.

Factor 2: Look and feel of the service

Some services were felt to have the distinctive format and layouts of websites, others showed content in a way reminiscent of TV channels, electronic programme guides, or schedule slots. This latter style of design tended to be considered as a more obvious choice as a reasonable substitutes for linear TV.

We have described the reasonable substitute end of the scale for this factor as “designed like a TV channel”, whereas the other end of the scale, not considered as a reasonable substitute for linear TV, is “designed like a website”.

There were also some services that displayed both qualities – looking similar to a website but showing content that was reminiscent of a TV channel. Adult Swim was a good example of this, and therefore sat right in the middle of the scale.

“This service looks like a website; it’s really cluttered and has all those tabs along the top to promote things.”

Specialist user, pre-family, male, London (speaking about Adult Swim)
“The stuff on there [Adult Swim] looks like something that would have been on MTV once, like Beavis and Butthead or something like that.”
Mainstream user, pre-family, female, Manchester

Factor 3: Frequency with which content is refreshed

Although viewers can’t choose the content that is shown on linear TV, they are aware that it is refreshed continually. Feedback from the research indicates that in a similar way, the extent to which a web site holds up-to-date material to view is a factor in whether a service is considered to be seen as a reasonable substitute for linear TV.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “daily”, whereas the other end of the scale (not considered as a reasonable substitute for linear TV), is “hardly ever” changed.

This factor was most important for frequent users of on-demand services. For those who were new to a service it was not top of mind as they wouldn’t necessarily realise how frequently the content was refreshed, but for those who use services frequently this factor tended to play a major part in their decision about whether it tended to be considered as a reasonable substitute for linear TV.

“4OD is more up-to-date than a lot of the other services, it has new things on there all the time. So I’d go there first for TV.”
Specialist user, young family, male, Manchester

“This is all very well and good, but I bet this is all the content they’ll ever have on here. And if that is the case, you’d only ever visit the site once in your life!”
Specialist user, pre-family, male, London (speaking about Fosters)

Factor 4: Who controls what is watched

The more active control a participant had over which content that they could choose to watch through the navigational devices offered by the service, the less likely they were to see it as a reasonable substitute for linear TV. Features like “search” or the ability to create a playlist are not something that linear TV has; instead, you just have to watch what is on. Flexibility and control were associated with on-demand services rather than with linear TV.

We have described one end of this scale as “the broadcaster controls what is watched”. This might be where access is simply to a controlled selection of items previously broadcast on a related channel, or simple opportunities to pay-per-view purchase a catalogue provided by a service. At the other end of the scale, what was considered not to be a reasonable substitute for linear TV
is: "the viewer controls what is watched". By this we mean that the more the user can create their own viewing experience; by searching out content, surfing between short sections of video, stitching clips together or creating playlists, the more control they have, the less it was considered as a reasonable substitute.

“The fact that you can search for stuff on YouTube and upload your own videos makes it completely different to TV.”
Specialist user, empty nester, female, London

Factor 5: Effort expended to find the service

Services that were accessed easily, and particularly in ways familiar from linear TV, such as remote controls or electronic programme guide listings including VOD content, tended to be considered as more of a reasonable substitute for linear TV than services which involved plugging in and booting up computers, and typing on a keyboard. Accessing linear TV is not much more difficult than pressing a button and selecting a channel, so services that involved a great deal of technical input for participants tended not to be perceived as a reasonable substitute for linear TV.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “via a TV remote control”, whereas the other end of the scale (not considered to be a reasonable substitute for linear TV), is “via a computer keyboard”.

This factor was particularly important in contrasting services available through ‘smart’ devices, such as smart TVs, tablets and smartphones with those that can only be accessed through a web-based interface on a computer.

“Sometimes I can’t actually be bothered to turn my computer on, so I just turn the TV on instead!”
Specialist user, pre-family, female, Manchester

“If I can use my iPad, it is actually just as easy as my TV remote – you just click on the app and choose what you want!”
Mainstream user, young family, male, London

Factor 6: The viewing experience

Across our sample, many participants owned and regularly used small-screen audiovisual devices such as tablets and smartphones. Even amongst those who watched audio visual content on a small screen, a service that could be watched on a TV screen in a comfortable manner was generally felt to afford
an experience most similar to linear TV, and therefore tended to be considered as a reasonable substitute for linear TV. Services watched on small screens, sometimes on the move, afforded a very different experience (although not always an inferior experience) and were therefore considered not to be an obvious choice.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “on a big screen on the sofa”, whereas the other end of the scale, which was not considered to be a reasonable substitute for linear TV, is described as “on a smartphone on the bus”.

This factor was very important for older participants who preferred to view content on larger screens in a comfortable environment, but ultimately it was important for all participants, as linear TV firmly occupies this space.

“Would you sit down for the evening and watch Channel Flip?! No! It’s not the same as sitting down and watching iPlayer or TV.”

Specialist user, empty nester, male, London

“I would never watch something on a smartphone, the screen is far too small. It would be like watching lots of little dots rushing about!”

Mainstream user, empty nester, female, London

**Factor 7: Length of the content on the service**

As previously mentioned, the length of the content on a service was considered by participants to be a very telling factor. A service that showed content that was shorter than around fifteen to twenty minutes was not considered to be something that would normally be shown on linear TV, and therefore tended not to be considered as a reasonable substitute.

The reasonable substitute end of the scale for this factor was “long form content”, whereas the other end of the scale, not considered to be a reasonable substitute for linear TV, is “mainly clips”.

This factor was considered to be slightly less important for younger viewers in the sample aged under 30, who were more accustomed to watching clips, and were therefore less rigid in their choices about the length of content that could be a reasonable substitute for linear TV. Our older participants, in particular, however, were adamant that, for them, content shorter than about twenty minutes was a clip and therefore tended not to be considered as a reasonable substitute for linear TV.

“The stuff on this service is all quite short, a bit like YouTube clips really.”
Specialist user, pre-family, male, London (speaking about Channel Flip)

Factor 8: Volume of content on the service

Linear TV now includes a wide range of different channels, and offers a diversity of content to viewers at any one time. Services that were chosen as reasonable substitutes for linear TV often tended to offer high volumes of content as well.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “lots of content”, whereas the other end of the scale, not considered to be a reasonable substitute for linear TV, is described as “very little content”.

This factor was not always top of mind for many participants, but frequent users, whether mainstream or specialist users, were quick to mention this as a consideration in their decision.

“There is actually a great deal of content on that service I’d come back to this time and again.”

Specialist user, empty nester, female, Manchester (speaking about Journeyman Pictures)

Factor 9: Perceived quality of the content on the service

Content on a service which had been uploaded by amateurs, or which felt low-quality in appearance, contrasted starkly with the content participants expected to find on linear TV. As a result, this was also a factor in the decision on whether or not a service was perceived as a reasonable substitute for linear TV.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “professionally produced”, whereas the other end of the scale, not considered to be a reasonable substitute for linear TV, is described as “user generated”.

Online VOD services were often associated with content that was user generated or of poorer quality than services available through a TV. As a result, mainstream users were more concerned about this factor than were specialist users, as they were more accustomed to watching mainstream services like BBC iPlayer and Lovefilm which are known for their high quality.
“Anything that has been uploaded to the web by amateurs doesn't feel like TV to me – how can it?”

Mainstream user, young family, male, London

Factor 10: Where the content on the service originated

Familiarity with the content or personality or originating TV brand shown on a service played an important part in the decision-making process. If participants recognised the characters in the programme, or the broadcaster host of the programme, and felt they were a trusted brand, they automatically felt the service was closer to linear TV than a service that showed original content.

We have described what was considered to be the reasonable substitute end of the scale for this factor as “familiar TV content”, whereas the other end of the scale, not considered to be a reasonable substitute for linear TV, is described as “unfamiliar brands or content”.

“These are all old BBC comedies so we all know and recognise the characters.”

Specialist user, older family, male, London (speaking about Fosters)

The factors fall into three themes

We felt that each of the factors described above can be grouped under one of three themes which link them together:

1) Factors to do with the service itself
   - Factor 1: The purpose of the service
   - Factor 2: The look and feel of the service
   - Factor 3: The frequency with which content is refreshed on the service
   - Factor 4: Who controls what is watched on the service

2) Factors to do with the experience of using the service
   - Factor 5: The effort expended to access the service
   - Factor 6: The viewing experience

3) Factors to do with the content on the service
   - Factor 7: The length of content
   - Factor 8: The volume of content
   - Factor 9: The quality of the content
   - Factor 10: Where the content originated
In the section of the document which follows we have applied the factors derived from participant feedback to create a spectrum of the on-demand services used as stimuli in this study, as well as some services participants mentioned themselves during the research period. This spectrum illustrates which services tended to be perceived by our participants as the most obvious substitutes for linear TV, when they want to watch TV programmes which were least obvious substitutes, and which tended not to be considered reasonable substitutes at all.

In the section below, each service is plotted against each factor’s sliding scale to illustrate how far, when taking each factor into consideration, the service tended to be considered as a reasonable substitute for linear TV. The final spectrum created by this exercise is found in the Conclusions section.
d) Mapping the on-demand services tested as stimuli in the study

4OD on YouTube

As illustrated below, when plotting 4OD on YouTube against the four factors to do with the service itself, it tended to sit at (or closer to) what was considered to be the “reasonable substitute” end of the scales. Generally it was considered to be very similar to the service 4OD, but because it was on YouTube its “look and feel” was considered to be seen as less like a TV channel and more like a website:

4OD on YouTube tended to sit more in the middle of the scales when plotted against the two factors to do with the experience of using the service, as shown below. Although some participants were able to access YouTube as an app on their Smart TVs / tablets, most used a PC or laptop to access this service, which tended to make it feel less like a reasonable substitute for linear TV.
“This is where 4OD on YouTube can’t really be a substitute for TV – to watch it I have to plug in my laptop, search for it and watch it on my knee. Lovefilm I can access through my X-Box on my TV.”
Specialist user, pre-family, male, London

When plotted against the four factors to do with the content on the service, 4OD on YouTube tended to be considered as a reasonable substitute for linear TV. This was mainly because the content was taken directly from Channel 4.

“Well, all this content comes from TV, it’s basically Channel 4 on demand, so it would be an obvious choice if you wanted to watch something that had been on Channel 4.”
Mainstream user, older family, female, Manchester
Overall, when plotted against the ten factors that informed participants' decisions on whether a service is a reasonable substitute for linear TV, 4OD on YouTube tended to be considered as a reasonable substitute.
**Adult Swim**

As illustrated below, when Adult Swim is plotted against the four factors to do with the service itself, it tended in participants’ perceptions to sit somewhere between being what was considered as a reasonable substitute for linear TV, and what tended not to be considered as a reasonable substitute. Its look and feel was considered to be similar to a TV channel, and the content was refreshed quite frequently. On the other hand, it was also considered to have a slightly commercial feel and to be a service where viewers have a lot of control over the content which is available and/or how they watched it.

“If you watch TV, you’re watching what they’re telling you to watch. But if you were to go to somewhere like Adult Swim you’re choosing what you watch yourself.”

Specialist user, pre-family, male, Manchester

<table>
<thead>
<tr>
<th>1. Purpose:</th>
<th>To entertain / inform</th>
<th>To sell a product / personality</th>
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<tr>
<td>Adult Swim</td>
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<td><img src="image" alt="Adult Swim" /></td>
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<table>
<thead>
<tr>
<th>2. Look and feel:</th>
<th>Like a TV channel</th>
<th>Like a website</th>
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<tbody>
<tr>
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<table>
<thead>
<tr>
<th>3. Frequency content is refreshed:</th>
<th>Daily</th>
<th>Hardly ever</th>
</tr>
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<tbody>
<tr>
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<td><img src="image" alt="Adult Swim" /></td>
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<tr>
<th>4. Who controls what is watched:</th>
<th>Broadcaster control</th>
<th>Viewer control</th>
</tr>
</thead>
<tbody>
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</table>
When considering the factors to do with the experience of using the service, Adult Swim didn’t tend to feel to participants like a reasonable substitute for linear TV. It is only really available as a website online, so participants had to search for the service using a computer keyboard and watch the content through a computer screen, rather than a TV screen.

Participations’ perceptions relating to the factors to do with the content shown on the service were mixed, but they tended to suggest that Adult Swim tended to be considered as a reasonable substitute for linear TV, although not necessarily an immediate choice. Participants felt there was a great deal of good quality content available, which was long enough not to be considered “clips”. There was also the suggestion that, although the content itself wasn’t familiar for most, it was reminiscent of content that would be shown on MTV or Channel 5, late at night.

“There’s enough content on there, and enough diversity within it, to make it feel like it could be a substitute. It feels like something that would be shown on Euro Trash on Channel 5!”

Mainstream user, older family, female, Manchester
Overall, this service tended not to be considered by participants as an obvious choice for a reasonable substitute for linear TV, when they wanted to watch TV programmes, but on balance it was seen as closer to linear TV than pure clip-based content might be, mainly on the strength of its brand and layout.
Top Gear on YouTube

The factors to do with the service itself suggested that Top Gear on YouTube tended not to be perceived by participants as a reasonable substitute for linear TV. Apart from the fact that participants agreed that its purpose was to entertain users, it was perceived as generally lacking the characteristics that would make it a reasonable substitute. The content was perceived to be clip based in its look and feel and also in the way participants navigate between clips or create could create playlists and generally interact with the content.

“Top Gear is TV – it’s on TV – but on YouTube it’s just clips that you’re choosing, so it would be a poor substitute for the real thing.”

Specialist user, empty nester, male, London
The factors to do with the experience of using the service suggest the same thing. Those without Smart TVs had to access this service through their computers, and many felt that the nature of the service meant they would use it like YouTube and not like TV.

“You would just ‘snack’ on a service like this, watching a clip here and a clip there. You wouldn’t sit down and put Top Gear on YouTube on like you would TV.”

Mainstream user, older family, male, London

As shown below, when it came to the factors to do with the content shown on the service, participants felt that Top Gear on YouTube was very much split. The length and volume of the content meant that viewers wouldn’t tend to choose it as a reasonable substitute for linear TV when they want to watch TV programmes; it was considered to show clips, and there weren’t enough of them. However, the quality and the nature of the clips were felt to be very much reminiscent of linear TV.

“Despite the fact that we may even have seen these clips on TV before, the fact that they are clips mean you wouldn’t choose them as a substitute for TV, because they’re not.”

Specialist user, empty nester, male, London
This service, despite showing heavily branded content that is closely associated with linear TV, tended not to be considered by participants as a reasonable substitute for it when they want to watch TV programmes. This was mainly due to the length of the content and the manner in which viewers use the service.
Arsenal Player

The factors to do with the service itself show that participants understood that the service was there to entertain and inform Arsenal fans, but it was also perceived to be there to promote Arsenal Football Club. It was clear to participants that the content was refreshed frequently, like the content on linear TV, but they were aware that they could browse through and pick what they wanted.

“If I was an Arsenal fan I would definitely choose this service as a substitute I reckon, but it still feels to me like it’s there to promote the team as well, not just entertain the fans...”

Mainstream user, young family, male, Manchester
The experience of using the service was felt to be quite like browsing a website. Participants didn’t feel like this was the sort of service they would use on a TV; it was more about active choosing of content whilst viewing, browsing video or reading text content or watching a mixture of clips / programmes from time to time.

When looking at the factors to do with the content shown on the service, individual viewers were torn. There was a mix of different lengths of content, and although much of it was exclusive, some could be found on TV. However, it was all perceived to be of high quality.

“There is a lot of stuff on there, and some of it looks like short interviews with managers, and other stuff looks like entire matches – so I guess it could be a substitute sometimes...”

Specialist user, empty nester, male, London
For a minority of participants, this service tended to be considered as a reasonable substitute for linear TV. It offered a large amount of high quality content that was refreshed frequently. However, for most participants it wasn’t. The service itself felt very much like a website, with quite a commercial feel, and was tailored towards those who could watch short clips when they were online and access a mixture of written, visual and video material.
Fosters

As shown below, when looking at the factors to do with the service itself, Fosters was not seen by participants to be a reasonable substitute for linear TV. The service felt very commercial, since it was perceived to provide certain kinds of audiovisual material only as a marketing tool for Fosters and participants had to enter their date of birth before they could enter the site. Many pointed out that the content probably changed very rarely, if at all, so it tended to feel a long way from what was considered as being a reasonable substitute for linear TV services when they want to watch TV programmes.

“*This is basically a giant advert for Fosters isn’t it? I mean the fact that you have to enter your date of birth before accessing the site says it all really.*”

Mainstream user, older family, female, London
The factors to do with the experience of using the service told the same story. Most felt that this was not a site that would be easy to find, and when they did, they’d have to watch it on a small screen on a computer.

“How would you ever find a site like this? The last thing I would search for if I was looking for comedy content would be Fosters…”
   
Mainstream user, young family, male, London

Finally, when looking at the factors to do with the content shown on the service, the only thing which would mean participants might have chosen Fosters as a reasonable substitute for linear TV was the fact that the characters were so well-known. However, since there was very little content available, and it was mainly just clips of perceived poor quality, this ensured that it tended not to be a choice for participants.

“I was actually a bit disappointed when I watched some of these. I was expecting brand new episodes, when actually it is just short clips that seem to have been put together by amateurs...”

Mainstream user, pre-family, female, London
This service tended not to be considered by participants as a reasonable substitute for linear TV. Of all the services tested in the study, it was considered by them to be the least likely they would choose when they wanted to watch TV programmes.
Journeyman Pictures

As shown below, it is apparent when looking at the factors to do with the service itself that Journeyman tended to be considered by participants as a reasonable substitute for linear TV. Due to the amount of content on the service and its investigative nature, most felt that it was probably not refreshed that frequently, but it was perceived to be an informative yet entertaining service that was reminiscent of certain TV channels.

“This service feels a lot like BBC3 or Sky Arts, or something like that. It’s all very high-brow stuff, with full length documentaries on practically every hot Current Affairs topic.”

Mainstream user, older family, male, London

Most participants felt that they would sit down and watch this service in the same way they would watch linear TV if it were available on a linear service. However, this wasn’t possible for most, as it is only available online.
The factors to do with the content itself show that Journeyman tended to be considered as a reasonable substitute for linear TV. Apart from the fact that the content does appear to be new and different, the style and sheer volume made the service an obvious choice for documentary fans.

“There are some top quality documentaries on there; I’ve watched some of the previews. I would actually give up my subscription to Netflix and subscribe to Journeyman instead!”

Specialist user, empty nester, female, London
This service tended to be considered by participants as a reasonable substitute for linear TV, and for some it would be an obvious choice if they were in the mood for documentaries or current affairs. A minority even felt they would consider this service at the same time as BBC iPlayer.
Babelgum

When looking at the factors to do with the service itself, it is clear that participants did not tend to consider Babelgum as an obvious choice as a substitute for linear TV. The site’s layout and design gave it the look and feel of a website, and it was perceived that the viewer has wide control of content choice and the content is not refreshed that frequently.

“This just looks like a website to me. The fact that it’s so interactive doesn’t make it feel like a substitute for TV.”

Specialist user, older family, female, Manchester
Most participants didn’t feel that this was a service they would come across naturally, rather that they would be directed to its content via YouTube. This made it feel like the sort of service they would browse on their computers rather than sit down in front of for the evening.

The factors to do with the content shown on the service suggest that Babelgum tended not to be considered as a reasonable substitute for linear TV. Much of the content was perceived to be new, and its length, its unfamiliarity, and the fact that some of the content was perceived to be user generated, all contributed to this.

“Most of the stuff on Babelgum seemed to be short clips, and some of it even looked like it had been uploaded by viewers, like YouTube…”

Mainstream user, older family, male, London
Overall, this service was not considered to be a reasonable substitute for linear TV. The content was felt to be more obscure, and therefore not so reminiscent of TV content. In addition, some of the content was perceived by participants to be user-generated, immediately distancing the service from being considered as a reasonable substitute for linear TV when participants wanted to watch TV programmes.
Vevo

Looking at the factors to do with the service itself, participants were quite split. Vevo felt like a website, particularly since users could sign in and create playlists, but ultimately it was there for their entertainment and the content was perceived to be refreshed daily.

“This was a great site, I’ve seen it advertised on YouTube and wasn’t sure what it was. I liked the fact that you could create playlists of your favourite songs and stuff.”

Specialist user, pre-family, male, London

The factors to do with the experience of using the service tended towards it not being considered as a reasonable substitute for linear TV. Accessing the service was nothing like TV, especially since users had to choose a song, rather than browse through the content, though some felt that the viewing experience would be similar to how they watched MTV or 4Music.

“Although all these services are actually really different to each other, I would use them in the same way. Put them on and leave them to play in the background whilst I was doing the ironing!”

Mainstream user, older family, female, London (speaking about YouTube, Vevo and MTV)
For participants, the factors to do with the content shown on Vevo were decisive. Despite the fact that most participants felt that music videos were clips, they also felt that the depth of the content, its quality and most importantly the fact that it had all been seen on TV tended to make Vevo to be considered as a reasonable substitute for linear TV services showing content of a certain kind. It just wasn’t necessarily top of mind.

“If you think about it, we’ve all seen this stuff on the music channels on TV, so if you were looking for something as a substitute, this would be have to be choice, wouldn’t it?”

Mainstream user, young family, female, Manchester
This service, like Journeyman and 4OD, was considered by participants to be a reasonable substitute for linear TV, but it wasn’t necessarily an obvious choice. The fact that some participants didn’t perceive music videos to be “programmes” complicated the decision, but ultimately they agreed that the content on Vevo could also be found on linear TV.
**Channel Flip**

The factors to do with the service itself show that Channel Flip felt very commercial to participants, with a limited amount of content available. It was likened to a website that was set up purely to provide certain forms of non-TV programme-like material to promote a product – like the Fosters service reviewed above.

> “I don’t know, but to me this just feels like David Mitchell or Richard Hammond’s PR companies have said ‘you need to raise your profiles’…”

**Specialist user, older family, male, London**

The factors to do with the experience of using the service show that for the participants it didn’t tend to feel like a reasonable substitute for linear TV.

> “This is not the sort of content I would associate with TV. I’m actually more likely to find this stuff browsing YouTube than by actually seeking out the site.”

**Specialist user, older family, male, Manchester**
The factors to do with the content shown on the service also supported the conclusion that Channel Flip tended not to be considered by participants as a reasonable substitute for linear TV when they wanted to watch TV programmes. Participants felt that there was not enough content, and that it was mainly short form clips of perceived poor quality. In addition, although they recognised the hosts of some of the content, the clips themselves were not something they associated with linear TV.
content, but the main factor was that participants thought the service felt like a vehicle to sell particular TV personalities.
4. Conclusions: a spectrum of on-demand services

Achieving our key objective

In this report we have described how we approached our key objective of helping Ofcom understand which on-demand audiovisual services are regarded by users as competing alternatives to linear TV services when they want to watch TV programmes, and why. In particular, we have done this by creating a spectrum of on-demand services, with the services mapped according to how far users regard them as competing alternatives to linear TV or not.

We arrived at the spectrum via a discursive qualitative research process. This sought to explore and understand participants’ evolving attitudes to, and usage of, linear TV and on-demand services, to identify the factors that users take into account in considering options when they want to watch TV programmes; and finally to assess, in the light of these factors, how far users tended to regard the on-demand services we tested to be competing alternatives to linear TV.

In the course of our qualitative investigation we discovered a number of contextual factors which helped greatly informed our final exercise of creating a spectrum of on-demand services. These factors can be summarised as:

- evolving attitudes towards linear TV amongst on-demand service users;
- the role of age, lifestage and device ownership in affecting choice;
- the role of mood, context and content in influencing users’ choices when selecting linear TV and/or on-demand services to access audio visual content; and
- ten key factors which are taken into consideration by users when assessing an on-demand service

The list above demonstrates the very nuanced and diverse set of attitudes and preferences we encountered across our sample and which we have detailed in our report.

However, when it came to assessing the on-demand services in question, we were able to find sufficient common ground to synthesise our findings and produce a spectrum of on-demand services, which we show on the following
page, followed by a summary of the rationale for each service’s position on the spectrum.

**A spectrum of on-demand services**

The spectrum below shows the nine services tested as stimuli in the study (in blue), along with some other frequently mentioned services (in yellow). It starts (at the left hand side) with the services that participants tended to consider as the most obvious reasonable substitutes for linear TV services when they want to watch TV programmes, followed by examples that were less clear cut but still considered to be reasonable substitutes, finishing with services that were not considered to be reasonable substitutes for linear TV:
Summarising the position of on-demand services on the spectrum

PVR content, TV VOD services and catch-up services sit right at the left hand side of the spectrum - these tended to be considered as the most obvious choices when looking for a reasonable substitute for linear TV.

Netflix, Lovefilm and iTunes were chosen next, mainly because the content on these services can be accessed only by subscription or pay per view. In addition, feature films are not always top of mind as TV content. Lovefilm sits slightly further down the spectrum simply because iTunes and Netflix are more closely associated with American series, and therefore TV programmes.

Kids’ shows on YouTube sit in the same space. For children’s entertainment this was often the next port of call if there was nothing suitable on the catch-up services. Adults tended to go the likes of Lovefilm or Netflix instead.

Journeyman Pictures and Adult Swim were next in line. Although the content on these services couldn’t be more different, if viewers are in the mood for what they show, they would choose these services. They wouldn’t be an obvious first choice, but they still tendered to be considered as reasonable substitutes for linear TV.

Vevo and music videos on YouTube were the last service choices for content that tended to be considered as a reasonable substitute for linear TV. This was mainly because music videos, like films, were not top of mind as TV content, and also because some felt that music videos were clips rather than programmes.

The rest of the services tended not to be considered as reasonable substitutes for linear TV. On Arsenal Player the majority felt it was quite commercial and too much like a website, with a mixture of written, visual and video content, but they speculated it might have a different appeal for a fan – a view confirmed by the small number of Arsenal fans encountered across the sample.

Babelgum, Channel Flip and Fosters each tended to feel as though they were too commercial to be considered as reasonable substitutes; Fosters in particular. Their content was also felt to be of lower quality, with a heavy reliance on short form ‘clips’.

Information videos on YouTube were often user-generated and were used for an entirely different purpose than linear TV. Although they were created to inform viewers, it was in a purely practical way, unlike documentaries or news.
User generated “funnys” on YouTube, Guardian Video and videos on the BBC website were all classed as services which showed “clips” by viewers. Although they did use these services often, they tended not to be considered as a reasonable substitute for TV. It was the same story for Top Gear on YouTube, as well as the fact that viewers could create playlists and interact with the content.
5. Annex 1

This annex contains the following sections:

a) Ofcom's quantitative research on the take-up and use of VOD services.

b) Summary of the UK's occupation grouping system.

c) Qualitative discussion guides:
   - Main Study Discussion Guide: In-home depths
   - Main Study Discussion Guide: Mainstream user mini-groups
   - Main Study Discussion Guide: Specialist user mini-groups

d) Stimulus used to represent the services tested in the main study.
A) Summary of the UK’s occupation grouping system

Occupation groups: a summary

A
Approximately 3% of the total population.
These are professional people, very senior managers in business or commerce or top-level civil servants.
Retired people, previously grade A, and their widows.

B
Approximately 20% of the total population
Middle management executives in large organisations, with appropriate qualifications.
Principal officers in local government and civil service.
Top management or owners of small business concerns, educational and service establishments.
Retired people, previously grade B, and their widows.

C1
Approximately 28% of the total population.
Junior management, owners of small establishments, and all others in non-manual positions.
Jobs in this group have very varied responsibilities and educational requirements.
Retired people, previously grade C1, and their widows.

C2
Approximately 21% of the total population.
All skilled manual workers, and those manual workers with responsibility for other people.
Retired people, previously grade C2, with pensions from their job.
Widows, if receiving pensions from their late husband's job.

D
Approximately 18% of the total population.
All semi-skilled and un-skilled manual workers, apprentices and trainees to skilled workers.
Retired people, previously grade D, with pensions from their job.
Widows, if receiving a pension from their late husband's job.

E
Approximately 10% of the total population.
All those entirely dependent on the state long-term, through sickness, unemployment,
old age or other reasons. Those unemployed for a period exceeding six months (otherwise classify on previous occupation). Casual workers and those without a regular income. Only households without a Chief Income Earner will be coded in this group.

b) Qualitative Discussion Guides: In Home Depth interviews

Ofcom: On-demand Programme Services
Discussion guide –Depths
2 hours

[PRE-TASK COMPLETED: Viewing Diary and Video Diary]

1. Introduction to research (5 mins)
   - Thank the respondent for completing their Pre-tasks
   - Session to follow MRS guidelines / regulations
   - Voice recorder for internal research purposes, video camera for any Vox Pops
   - No right or wrong answers, just want them to be honest
   - We will want to have a look around their home and meet other household members
   - Session will last for approximately 2 hours

2. Introduction and context setting (20 mins)
This section is to get to know the person and understand their audio visual set up at home:
   - Respondent introduces themselves – name, where they are living, what they are doing / working on, what do they like doing / hobbies etc.
   - What have they seen / watched recently that they really enjoyed
     - This programme could be in any format, on any screen, via any service provider
     - Ask them to explain the context of this viewing experience
   - Before going into too much detail about the different services you are using to watch video content, we are really keen to explore the different technological devices they use to watch this content
     - What TV package do they have
     - *(Pay TV users only)* Do they have any on-demand services as part of the package (e.g. Virgin On-demand, Sky Anytime Plus)
     - Is there a main TV – where is it, and who uses it for what. If not, why not
     - Do they tend to watch TV as it is broadcast or record it and watch it later (what is the ratio)
     - What other viewing devices do they have (laptops, PCs, phones, tablets)
     - Where are these devices kept
     - What are they being used for (probe: TV programmes, films, online video etc.)
     - Who uses them and why

   - *Moderator to go on a TOUR OF THE PERSON’S HOME, asking the respondent to point out the different devices and explain the context of their use. Moderator to probe, using the questions above, to understand the dynamic of the audio visual set-up in the house*
• **Moderator to take the opportunity to talk to other household members they see on the tour and ask them any questions about devices that relate to them and film any relevant parts**

• **Moderator to explain:** “We’re here to talk to you about the services you use to watch TV and video. As I’m sure you’re aware, the way in which people can view TV and video content has changed a lot recently, and the different service providers are keen to understand how the service they provide fits into the bigger picture. There are now so many different ways that people can watch the content they like... as it is broadcast on TV, by using services like Sky+ to record content and watch it later, by using an on demand TV service like Virgin, catch-up services like iPlayer, by using online streaming services which you pay for (like Love Film), or which are free (like Babelgum), and many other services besides (YouTube for example). So we want to talk to you about the services you’re using, and why.”

3. **Pre-task Review (20 mins)**
This section will give us a chance to go through these tasks and interrogate some of the responses:

• **Moderator to ask respondent to get their pre-task and flip camera out so that you can go through diaries with them**

• **Start with the ‘VIEWING DIARY’** – briefly:
  - How did they find the experience of filling out the diary
  - Were they surprised by anything as they filled it out (probe: how many on-demand programme services they use)
  - Were most quite similar or did things change depending on the day of the week / were they were
  - What percentage of their viewing was linear, catch-up, on-demand; and within that, what percentage is on which device

• **Moderator to have a look at the 5 days the respondent filled out and probe on any areas that you feel need further explanation**

• **Probe in detail on the following areas:**
  - Why particular services were chosen – was this instead of another service (if so, why) or because it was the only option
  - Why particular locations were chosen – available technology or something else
  - Do they have a preferred location / screen for certain services – why is this
  - How do they describe the services they use – what language is used, and what characteristics are described

• **Moderator to make a note of any questions they want to ask other household members having probed on these areas**

• **Are there any services they might have not included – are there any obvious gaps, or are there any services that they weren’t sure about (Moderator to add them to the diary)**

• **Then look at the ‘VIDEO DIARY’**
  - How did they find the experience of using the flip camera
  - What sorts of things have they filmed
4. Meet the Household (20-30 mins)
This section will give us a chance to talk to other household members to help understand the overall viewing dynamic in the house:

- **Moderator to ask if they can talk to other members of the household.**
  Try to spend about 10 mins with each member (a parent should be present when talking to children under 11)
- **Explain that you are there to talk about the different services they use to watch TV and Video**
- **(Individually) Briefly:** What is their preferred way in which to watch content
  - As it is broadcast live on TV, recorded content from their PVR, via catch-up services, online etc... why is this
  - Focusing on more niche methods: What are the benefits of these services over others (probe: quality, screen size, comfort, choice, flexibility etc.)
  - What other ways do they often use to watch content?
- **Probe in detail:** What on-demand services do they use *(moderator to explain what on-demand means is where necessary)*
  - How important are these services to them – what do they feel are the benefits and drawbacks of these services
- **What devices do they prefer to use to watch content (both live TV and on-demand)**
  - TV (via Blu-ray / game console), PC, Laptop, tablet, smartphone... why is this
  - What are the benefits of these devices over others
  - How important is ‘mobile’ to them – i.e. portable connected devices and being able to watch content on-the-go
- **(As a group) What is the household dynamic when it comes to viewing content**
  - On a typical day, who would be where... watching what... using which service... with who... why is this
  - Is there a typical day, or does it depend on external factors (week day vs. weekend)
  - Is there a focal point or ‘hub’ in the house where most content is watched – does this revolve around live TV, or are they watching content time-shifted (Sky +, BBC iPlayer)
  - How much of household viewing is done together as a family, vs. individually
  - How much of a difference does the content itself / the device used make here

- **Moderator to gather any relevant Vox Pops from other household members and thank them for their time**

5. Understanding ODPS relationships (up to 50 mins):
This section will help us to understand how different on-demand services relate to linear TV usage, as well as the characteristics that make them different to each other

- Moderator to explain that we are now going to talk about the relationships between the different viewing services that they use
- Moderator to work with the respondent to write down on small cards all the different services they use to watch content (including PVR services and linear TV) and arrange them randomly on a table
- Taking each card in turn, what is it that motivates them to use these services
  - Probe: content / screen size / time / location / other people
  - What devices are they using to watch these services – is this by choice or necessity
- What desires are they trying to satisfy and what mood are they in
  - Moderator to use the MOOD TREE to help them articulate their mood – which figures on tree best sum up how they are feeling when they decide to use a service
- Are there particular occasions when each service is the main consideration – why
- Moderator to introduce the VIEWING SERVICE CARD SORTING EXERCISE
- Respondent sorts the cards on the table into different groups as they feel appropriate, and then explains the groupings (moderator to photograph the card sort)
  - Why are certain services grouped together
  - What are the characteristics that link these services
- Are there any other ways they could groups these cards
- Is it possible / necessary to re-group the services by motivation, or would the groupings remain the same as before (moderator to photograph if groupings change)

- Moderator to ask: “Thinking about the services we have just discussed, when you want to watch programmes, which of these services are you choosing between”
- “Now, we all know that programmes come in all sorts of formats and lengths now – from MTV music videos, to a 2 minute opinion piece on Channel 4, to 4 hours of non-stop Big Brother footage… so a programme is anything that one would normally see on TV. Examples could be feature-length films, sports events, situation comedies and panel shows, documentaries, children’s programmes, news, dramas, music videos and teleshopping. But, it also means the kinds of things you think of as TV programmes. When you want to watch them, of whatever particular type at the relevant time, what services do you choose between.”
  - Are any services discounted because they are not used to watch programmes
  - Are there any services that would be chosen before any of the others
• Is it possible to create a spectrum where there is one service which they are most likely to choose and another service which they are least likely to choose, with the other services arranged in between
  o Why do certain services sit at end one or the other
  o Probe: content, motivation for use, device used to access the service
• Moderator to photograph the spectrum

6. Thank and Close
• Gather any additional Vox Pops and collect their ‘Viewing Diary’ & flip camera
• Thank them for their time and give them their incentives
c) Qualitative Discussion Guides: Mainstream Mini-groups

Ofcom: On-demand Programme Services
Discussion guide – Mainstream Mini-groups
2 hours

[PRE-TASK COMPLETED: Viewing Diary]

1. Introduction to research (5 mins)
   - Thank respondents for completing their Pre-tasks
   - Session to follow MRS guidelines / regulations
   - Voice recorder for internal research purposes
   - No right or wrong answers, just want them to be honest
   - Session being filmed and people watching in the room behind the mirror
   - Session will last for approximately 2 hours

2. Introduction and context setting (25 mins)
   This section is to get to know the participants and understand their viewing habits:
   - Respondents introduce themselves – name, where they are living, what they are doing / working on, what they like doing / hobbies etc.
   - What have they seen / watched recently that they really enjoyed
     - This programme could be in any format, on any screen, via any service provider
     - Ask them to explain the context of this viewing experience
   - HOUSEHOLD AV DEVICES AND SERVICES (MODERATOR CAPTURE ON CARDS ALL SERVICES MENTIONED FOR USE IN SORTING EXERCISE)
     - What TV package do they have – how is this used most frequently (linear vs. PVR)
     - What TVs do they have – who uses them for what (probe for Blu-ray / game console)
     - What other viewing devices do they have (laptops, PCs, phones, tablets, Smart TVs)
     - What are they being used for (probe: TV programmes, films, online video etc.)
     - What are the benefits of some devices over others
   - VIEWING BEHAVIOUR: (MODERATOR CAPTURE ON CARDS ALL SERVICES MENTIONED FOR USE IN SORTING EXERCISE)
     - On a typical day, who would be where... watching what... using which service... with who... why is this
     - Is there a typical day, or does it depend on external factors (week day vs. weekend)
     - Is there a focal point or ‘hub’ in the house where most content is watched
o What other services do they use to watch content – were these chosen instead of TV (if so, why) or because they were the only options
o Why were particular locations chosen – available technology or something else?
o Do they have a preferred location / screen for certain services – why is this
• **Moderator to ask respondents to think back to their pre-task exercise:** How did they find the experience of filling out the diary
  o Were most days quite similar or did things change depending on the day / location
  o After hearing what other people have said, are there any services they want to include

3. Understanding ODPS relationships (30mins):
**Moderator to explain that we are now going to talk about the relationships between the different viewing services that they use to watch content**
• **Moderator to explain:** “We’re here to talk to you about the services you use to watch TV and video. As I'm sure you’re aware, the way in which viewing content is brought to people has changed a lot recently (especially with the rise of on-demand services), and the different service providers are keen to understand how the service they provide fits into the bigger picture.”
• **Where necessary, moderator to introduce the ‘DIFFERENT WAYS TO WATCH TV AND VIDEO’ CONTENT BOARD to help respondents:**
  o As it is broadcast on TV (‘Linear TV’)
  o By using a box to record content and watch it later (e.g. Sky+ or Freeview+)
  o By using TV on-demand services (e.g. Sky Anytime+ or Virgin On Demand)
  o By using online catch-up services (e.g. Sky Go, BBC iPlayer or 4OD)
  o By using online streaming/download services which you subscribe to (e.g. Lovefilm or Netflix)
  o By using free online services (e.g. Babelgum, YouTube or 4music.com)
• We want to talk to you about the different services you’re using, and why

a) Understanding what services they use and the relationships between them:
• **Moderator to work with the respondents to write down on small cards all the different services they use to watch content (including linear TV and PVR services) and arrange them randomly on a table**
• **Moderator to introduce the VIEWING SERVICE CARD SORTING EXERCISE**
• Respondents sort the cards on the table into different groups as they feel appropriate, and then explain the groupings (moderator to photograph the card sort)
Why are certain services grouped together
What are the characteristics that link these services
Are there any other ways they could group these cards

Taking each group in turn, what is it that motivates them to use these services – what desires are they trying to satisfy and what mood are they in
Is it possible / necessary to re-group the services by motivation for use, or would the groupings remain the same as before (moderator to photograph if groupings change)

b) Understanding which services are used to watch programme-like content, and which aren’t
   \textit{Moderator to ask:} “Thinking about the services we have just discussed, when you want to watch programmes, which of these services are you choosing between?”
   “Now, we all know that programmes come in all sorts of formats and lengths now – from MTV music videos, to a 2 minute opinion piece on Channel 4, to 4 hours of non-stop Big Brother footage…so a programme is anything that one would normally see on TV. Examples could be feature-length films, sports events, situation comedies and panel shows, documentaries, children’s programmes, news, dramas, music videos and teleshopping. But, it also means the kinds of things you think of as TV programmes. When you want to watch them, of whatever particular type at the relevant time, what services do you choose.”
   - Are there any services that would be chosen before any of the others
   - Are any services discounted because they are not used to watch programmes
   Is it possible to create a spectrum where there is one service which they are most likely to choose and another service which they are least likely to choose, with the other services arranged in between
   - Why do certain services sit at end one or the other
   - Probe: content, motivation for use, device used to access the service
   \textit{Moderator to photograph the spectrum}

4. Understanding which programme services are REASONABLE SUBSTITUTES to watching linear TV (70 mins)
   \textit{This section is to assess the characteristics of ODPS which are considered TV-like and therefore need to be regulated}

a) Refining the spectrum (15mins)
   \textit{Moderator to take the Live TV card and ask:} “Thinking about the services that are left on the table (i.e. those they would choose between to watch programmes), which of these services do you feel would be a reasonable substitute for watching live TV?”
   Taking each service in turn:
   - What are their primary reasons for using this service
What device/platform do they tend to watch it on
Why did they choose this service over any other
Are there any other programme services that they could have used instead
Why would they be a substitute – what makes it similar (probe for characteristics)

b) Testing Stimulus (55mins)

• Moderator to explain that we would now like them to discuss the services that they were asked to look at, at home
• MODERATOR TO ASK GROUP WHICH SERVICES THEY LOOKED AT IN ANY DETAIL, AND START BY DISCUSSING THESE IN TURN
  o (Show card with service logo) What did they think of this service?
  o Would they / do they use this service or similar services (CAPTURE)
  o Where on the ‘spectrum’ would a service like this sit
  o Probe for characteristics that play into this decision.
• Moderator to introduce remaining services on the STIMULUS LIST (NB: IF PUSHED FOR TIME OMIT VEVO AND BABELGUM FROM LIST)
• Is there anything that they want to change about the order of the services on the spectrum after having examined these new services?
• Moderator to show the TV PROGRAMME RULES BOARD and explain: “The reason we have asked you to do this exercise is because there are some complex rules that programmes broadcast on TV have to follow. Some on-demand services have to follow a limited number of similar rules because they show programmes. What do you think about this?”

• ALLOW GENERAL DISCUSSION RE. REGULATION AWARENESS AND EXPECTATIONS FOR SERVICES ON TABLE. (NB: DEFLECT ANY DISCUSSION AROUND COPYRIGHT)
• Looking at the spectrum they have just created, which services do they think have to follow these limited rules as well?
• Do you have any concerns around potential regulation of services – do you feel they might be changed/diminished in any way?

5. Thank and Close
• Gather any additional Vox Pops and collect their ‘Deprivation Workbooks’
• Thank them for their time and give them their incentives
c) Qualitative Discussion Guides: Specialist Mini-groups

Ofcom: On-demand Programme Services
Discussion guide – Specialist Mini-groups
2 hours

[PRE-TASK COMPLETED: Deprivation Workbook]

1. Introduction to research (5 mins)
   - Thank respondents for completing their Pre-tasks
   - Session to follow MRS guidelines / regulations
   - Voice recorder for internal research purposes
   - No right or wrong answers, just want them to be honest
   - Session being filmed and people watching in the room behind the mirror
   - Session will last for approximately 2 hours

2. Introduction and context setting (15 mins)
   This section is to get to know the participants and understand their viewing habits:
   - Respondents introduce themselves – name, where they are living, what they are doing / working on, what they like doing / hobbies etc.
   - What have they seen / watched recently that they really enjoyed
     - This programme could be in any format, on any screen, via any service provider
     - Ask them to explain the context of this viewing experience
   - HOUSEHOLD AV DEVICES AND SERVICES (MODERATOR CAPTURE ON CARDS ALL SERVICES MENTIONED FOR USE IN SORTING EXERCISE)
     - What TV package do they have – how is this used most frequently (linear vs. PVR)
     - What TVs do they have – who uses them for what (probe for Blu-ray / game console)
     - What other viewing devices do they have (laptops, PCs, phones, tablets, Smart TVs)
     - What are they being used for (probe: TV programmes, films, online video etc.)
     - What are the benefits of some devices over others
   - VIEWING BEHAVIOUR: (MODERATOR CAPTURE ON CARDS ALL SERVICES MENTIONED FOR USE IN SORTING EXERCISE)
     - On a typical day, who would be where... watching what... using which service... with who... why is this
     - Is there a typical day, or does it depend on external factors (week day vs. weekend)
     - Is there a focal point or ‘hub’ in the house where most content is watched
o What other services do they use to watch content – were these chosen instead of TV (if so, why) or because they were the only options
o Why were particular locations chosen – available technology or something else?
o Do they have a preferred location / screen for certain services – why is this

• DEPRIVATION RECAP
  o How did they find the experience of not being able to watch any on-demand content
  o Did anything surprise them / was there anything they found difficult
  o What services would they have used if they were allowed to use on-demand

3. Understanding ODPS relationships (30mins):  
*Moderator to explain that we are now going to talk about the relationships between the different viewing services that they use to watch content*

• *Moderator to explain:* “We’re here to talk to you about the services you use to watch TV and video. As I’m sure you’re aware, the way in which viewing content is brought to people has changed a lot recently (especially with the rise of on-demand services), and the different service providers are keen to understand how the service they provide fits into the bigger picture.”

c) Understanding what SERVICES they use and the relationships between them:

• *Moderator to introduce the VIEWING SERVICE CARD SORTING EXERCISE*

• *Moderator lay out services captured so far and check if respondents want to add any more*

• Respondents sort the cards on the table into different groups as they feel appropriate, and then explain the groupings(*moderator to photograph the card sort*)
  o Why are certain services grouped together
  o What are the characteristics that link these services
  o Are there any other ways they could groups these cards

• Taking each group in turn, what is it that motivates them to use these services – what desires are they trying to satisfy and what mood are they in

• Is it possible / necessary to re-group the services by motivation for use, or would the groupings remain the same as before (*moderator to photograph if groupings change*)

d) Understanding which services are used to watch PROGRAMME-like content, and which aren’t
• **Moderator to ask**: “Thinking about the services we have just discussed, when you want to watch programmes, which of these services are you choosing?”

“Now, we all know that programmes come in all sorts of formats and lengths now – from MTV music videos, to a 2 minute opinion piece on Channel 4, to 4 hours of non-stop Big Brother footage…so a programme is anything that one would normally see on TV. Examples could be feature-length films, sports events, situation comedies and panel shows, documentaries, children’s programmes, news, dramas, music videos and teleshopping. But, it also means the kinds of things you think of as TV programmes. When you want to watch them, of whatever particular type at the relevant time, what services do you choose.”

  o Are any services discounted because they are not used to watch programmes
  o Are there any services that would be chosen before any of the others

• Is it possible to create a spectrum where there is one service which they are most likely to choose and another service which they are least likely to choose, with the other services arranged in between

  o Why do certain services sit at end one or the other
  o Probe: content, motivation for use, device used to access the service

• **Moderator to photograph the spectrum**

4. **Understanding which programme services are REASONABLE SUBSTITUTES to watching linear TV (70 mins)**

*This section is to assess the characteristics of ODPS which are considered TV-like and therefore need to be regulated*

  c) Refining the spectrum (15mins)

• **Moderator to take the Live TV card and ask**: “Thinking about the services that are left on the table (i.e. those they would choose between to watch programmes), which of these services do you feel would be a reasonable substitute for watching live TV?”

• **Taking each service in turn:**

  o What are their primary reasons for using this service
  o What device/platform do they tend to watch it on
  o Why did they choose this service over any other
  o Are there any other programme services that they could have used instead
  o Why would they be a substitute – what makes it similar (probe for characteristics)

  d) Testing Stimulus (55mins)

• **Moderator to explain that we would now like them to discuss the services that they were asked to look at, at home**
• MODERATOR TO ASK GROUP WHICH SERVICES THEY LOOKED AT IN ANY DETAIL, AND START BY DISCUSSING THESE IN TURN
  o (Show card with service logo) What did they think of this service?
  o Would they / do they use this service or similar services (CAPTURE)
    o Where on the ‘spectrum’ would a service like this sit
    o Probe for characteristics that play into this decision.
• Moderator to introduce remaining services on the STIMULUS LIST (NB: IF PUSHED FOR TIME OMIT VEVO AND BABELGUM FROM LIST)
• Is there anything that they want to change about the order of the services on the spectrum after having examined these new services?
• Moderator to show the TV PROGRAMME RULES BOARD and explain: “The reason we have asked you to do this exercise is because there are some complex rules that programmes broadcast on TV have to follow. Some on-demand services have to follow a limited number of similar rules because they show programmes. What do you think about this?”
• ALLOW GENERAL DISCUSSION RE REGULATION AWARENESS AND EXPECTATIONS FOR SERVICES ON TABLE. NB DEFLECT ANY DISCUSSION AROUND COPYRIGHT
• Looking at the spectrum they have just created, which services do they think have to follow these limited rules as well?
• Do you have any concerns around potential regulation of services – do you feel they might be changed/diminished in any way?

5. Thank and Close
• Gather Vox Pops and collect ‘Deprivation Workbooks’
• Thank them for their time and give them their incentives