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Question	Your response
Q1. How are audience demands and expectations evolving, and how does that vary for users of different TV platforms and different demographics?	Confidential - N This submission is based on research conducted for the Routes to Content project at the University of Huddersfield and the University of Leeds since 2019. You can read more about the project and access the four reports produced by the project here: https://ahc.leeds.ac.uk/arts-humanities-cultures/dir-record/research-projects/1840/routes-to-content

Routes to Content aims to understand how and why viewing habits have changed in the UK with the rise of new subscription video-on-demand (SVOD) and online video services, alongside changes in technology. The project consists of two waves of qualitative audience research with UK adults conducted in 2019 and 2020, and a survey consisting of computer assisted self-interviews of a representative sample of 1,495 UK adults conducted in May 2021. The data relies on individuals' own self-reports of their TV habits.

This submission largely focuses on the survey data which combines questions on participants' use of TV technologies and services with questions related to participants' experience, expectations, values and genre preferences. This enables the research to consider a range of factors beyond demographics in order to understand *why* people watch in specific ways. Specifically, we conducted unconditional latent class analysis (LCA) to identify three categories of viewers according to the types of TV service that they watch (free-to-air, BVOD, SVOD, free video sharing, pay-TV, TVOD). LCA locates underlying patterns among individuals. The three categories show the underlying and distinct ways that individuals in this survey access television content and how individuals in those categories are statistically more or less likely to approach a number of other aspects of their television watching differently.[1]

Our LCA revealed three distinct categories of viewer:

1. All-Watchers (53% of sample): Watched the full range of available services, from linear broadcast channels, to VOD, pay-TV and video streaming services.
2. Free-Watchers (30% of sample): Primarily watched linear broadcast channels, BVOD services and free video streaming services (such as YouTube).
3. Subscribers (17% of sample): Mainly watched SVOD services.

[1] Johnson, C, Sandvoss, C and Grant, A (2023) *Ways of Watching: categorising television viewers in an age of streaming*. Available at: https://ahc.leeds.ac.uk/downloads/download/318/ways-of-watching-report-final

There are demographic differences between these three categories. Specifically, Free-Watchers were significantly older, with an average age of 58, compared to the average age of 44 for both the All-Watchers and the Subscribers. Free-Watchers were also more likely to be white than the other two groups. Household income was also a factor, with the All-Watchers having the highest household income and the Free-Watchers the lowest.

This challenges that assumption that age is the primary factor explaining changing audience behaviours and suggest that we need to pay far more attention to household income and ethnicity as demographic factors.

Furthermore, our research revealed that demographics are not the only factors that explain these differences in viewing behaviour. In particular, *our research identified significant differences in viewing behaviour and experience between the three categories of viewer.* While demographically, the All-Watchers and Subscribers are fairly similar (differentiated only by household income) in terms of viewing behaviours and experiences there are far more similarities between the Free-Watchers and the Subscribers. We describe these as the differences between a 'sociable' or 'selective' approach to television.

All Watchers have a sociable approach to television. They reported the highest TV viewing hours, commonly watch with others, are most likely to learn about new content from friends and family, and have a far more varied TV viewing experience than the other two groups. They reported watching the widest range of genres and experiencing the widest range of positive emotions when watching TV. Despite being most likely to select 'switching off' as the primary function of TV, they were also most likely to report feeling challenged in their beliefs when watching television. We hypothesise that because they largely watched with other people, they were more likely to encounter programming that was less personalised or in line with their existing tastes.

Free-Watchers and Subscribers (together just under half – 47% – of our sample) had a more selective approach to television. They reported below-average viewing hours, were more likely to that All-Watchers to watch TV alone and had a lower emotional response to TV viewing.

Free-Watchers, however, appeared to be motivated to watch TV for information and education. They were most likely to report using TV to watch news and factual programming and to report feeling critical about the way the world works when watching television. As with All-Watchers, they generally supported public funding for television. We hypothesise that their primary viewing of linear broadcast TV stems, in part, from a preference for television underpinned by public service values.

By contrast, Subscribers were the least likely to report feeling critical and challenged when watching television. They were less engaged with political, local, breaking and UK news than the other two groups and were more likely to access news from social media and newspapers. Their general experience of television was the least diverse of the three categories of viewer, as they watched the narrowest range of genres. We hypothesise that their preference for SVOD is associated with narrower tastes and interests.

In summary our research indicates that:

1. Changing audience demands are driven as much by viewing behaviours, expectations and values as they are by demographics characteristics, such as age.
2. It is unhelpful to class viewers as either linear or non-linear viewers (or VOD or non-VOD viewers). Most of our participants used a range of different services to watch TV, combining linear TV with on-demand and online video services.
3. The configurations of TV services that viewers use align with the diversity and quality of their viewing experience. Those that use the widest range of TV services had more diverse viewing experiences and engaged with a wider variety of genres. This suggests that maintaining a mixed broadcast ecology with access to a

	range of different kinds of services appears to support diversity of viewing for a significant proportion of viewers. 4. Those viewers who particularly rely on television for news and factual content are the highest users of linear television. These viewers (Free-Watchers) also had the lowest household income. This points to the importance of free-to-air linear television for a significant proportion of the audience (30%). Despite using on-demand services (such as BVOD and free video sharing services), linear TV remains a vital source of information and knowledge for these viewers. This suggests that BVOD services could do more to make the news, current affairs and factual genres not found on SVODs more accessible and prominent within their on-demand services.
Q2. What do audience trends mean for the financial prospects and sustainability of TV distribution platforms, and what are the key decision points over the next ten years?	Confidential - N Our research suggests that linear television is still used and valued by the majority of television viewers, despite the increased use of VOD over the 2020s. Even those audiences that regularly use BVOD, SVOD and pay-TV continue to use and enjoy linear broadcast television. However, although the Subscribers is the smaller group in our sample (17%), given the age difference between Subscribers (average age of 44) and Free-Watchers (average age of 58), we hypothesise that the differences between these two categories of 'selective' viewer might be generational. As such, we expect the size of the Free-Watcher group to decline and the size of the Subscribers group to increase. Being more likely to have grown up in an age of multi-channel television than the Free-Watchers, the Subscribers appear to have a more personalised approach to watching television and make far less use of television for news and factual information. This accords with finding from our qualitative research where we conducted semi-structured interviews with a demographically representative sample of 28 UK adults in August/September 2019 and returned to the same participants in May 2020, during the first Covid-

19 lockdown. This research demonstrated how the Covid-19 lockdown catalysed the uptake of VOD services across all participants. By May 2020, most of our participants were turning to VOD as part of their habitual TV viewing activities.[2] It also examined the ways in which the use of SVOD services, in particular, was shaping people's expectations of television more broadly.[3]

In this research, we found that participants particularly valued the flexible availability provided by SVOD services and tended to evaluate SVOD services above BVOD services for the quality and range of their catalogues and their superior user experiences. SVOD services were more commonly associated with culturally legitimated genres (such as movies and high-end drama) and were also experienced as better able to help our participants find the content that fulfilled the increasingly important role that television was playing in their lives during Covid-19.

These findings relate to the very specific context of the first Covid-19 lockdown in which television viewing was playing an increasingly important role in people's lives. As such, we should not assume that people continue to value SVOD above other forms of television. However, what the research does indicate is the ways in which changing viewing behaviours can alter people's expectations of television. Specifically, our research suggests that on-demand expectations are shaping wider meaning-making about what television is and should be. As people shift their default viewing behaviour from being primarily driven by linear to integrating on-demand services into their routines, their expectations of what television is, and should be, are likely to be increasingly shaped by transnational SVOD services.

This could have significant consequences for public service media in the UK, which faces structural disadvantages when competing with the major transnational SVOD providers. A core question for

[2] Johnson, C and Dempsey, L (2020) *Covid-TV: Routes to Content During Covid-19*. Available at: https://ahc.leeds.ac.uk/arts-humanities-cultures/dir-record/research-projects/1840/routes-to-content

[3] Johnson, C and Dempsey, L (2023) Public service television in the age of subscription video on demand: shifting TV audience expectations in the UK during COVID-19, *Media, Culture and Society*, OnlineFirst, Available open access at: https://journals.sagepub.com/doi/full/10.1177/01634437231203875

	future policymakers is how to ensure that the underpinning aims of PSM as a social intervention are fulfilled in the wake of competition from such large transnational players operating in a platform economy. Answering this question requires examining the impact of SVOD services, and the wider platform ecosystem that supports them, on the ability of PSM organisations to fulfil their public service remits. Our research suggests that an unequal market will lead to unequal sets of expectations from audiences. To address this, we need a wide-reaching regulatory approach that places the public interest at the centre of platform, as well as PSM, regulation.
Q3. How do broadband networks and supporting infrastructure need to evolve to support resilient delivery of TV over the internet in the future?	
Q4. In what ways might different types of 'hybrid' terrestrial and internet services deliver benefits for audiences and what risks may arise?	
Q5. Given the sharing of infrastructure, what would the implications for other sectors be if there was a change to the use of digital terrestrial television (DTT)?	
Q6. What coordination and planning across the value chain might be necessary to secure good outcomes for audiences and key providers over the long term?	

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