

Ofcom consultation on IPS Designation

ITV plc response

Summary

ITV is very proud of ITVX, the fastest growing streaming service in the UK over the past two years, with a 35% growth in viewer hours, and winner of Best On Demand Service at the Edinburgh TV Awards. At the heart of this success is a laser focus on serving UK audiences. From the design of the service and range of content on offer, to the presentation of this content within the service, ITV is focused on understanding what audiences want to watch and making it as easy as possible for them to discover and access those shows.

This focus on audiences is absolutely essential given the very fierce competitive environment in which ITVX operates. The service is competing with the sheer scale of the publicly-funded iPlayer, global streaming players such as Netflix, Amazon, Disney and Apple, as well as social media. With more choice than ever before, audiences can easily vote with their feet if services do not meet their needs. Increasingly, this means offering the best of British content alongside the best from the rest of the world.

On any measure, the success of ITVX will be central to the viability of ITV's role as a provider of PSB in future, and so unequivocally making a 'significant contribution'.

ITVX will play three main roles critical to delivering our public service remit:

- Acting as a destination for audiences to discover a wide range and diversity of high quality content: including original commissions, repeats and acquisitions on a free basis - whenever and wherever audiences expect, in competition with global players
- Increasing viewing to PSR content: ensuring audiences are aware of the full range of content offered, with recommendations tailored to preferences and viewing choices
- Funding PSR content: allowing ITV to raise the revenue necessary to invest in UK commissions at scale, alongside UK and international acquisitions

Whilst content available only to paying subscribers cannot strictly be regarded as PSR under the Media Act (though it is a crucial source of future funding for such content) the free offer on ITVX will play a very significant role in delivering ITV's remit, to the extent we think it likely we will regard all freely-available content on ITVX as remit-delivering, either very directly (e.g. news) or in supporting the commercial model necessary to fund investment in UK content at scale. We will set this out clearly via future Statements of Programme Policy.

For ITVX to thrive as a designated IPS under the Media Act, Ofcom needs to ensure that ITVX can continue to be a fully integrated service, making both PSR and non-PSR content readily available and promoted. We are concerned that Ofcom's requirement for there to be 'no adverse impact' from the promotion of non-PSR content, and for audience attention to be diverted away from such content relative to PSR content, fundamentally undermines the ITVX model. These concerns would be heightened were Ofcom to adopt an unduly restrictive approach to what constitutes 'PSR', perhaps reflecting much of the public debate which draws from the days when PSB faced no competition for audiences or advertising. Instead, Ofcom should recognise that the hybrid nature of ITVX has been critical in increasing viewing to PSR content - surely the ultimate purpose behind the Media Act regime, and crucial for funding commercial PSB.

Context

ITV is very proud of its streaming service, ITVX. Launched in December 2022, as a replacement for our separate ITV Hub and Britbox services, ITVX has been the fastest growing streaming service in the UK over the past two years, with a 35% growth in viewer hours. It was named Best On Demand Service at the Edinburgh TV Awards.

At the heart of this success is a laser focus on serving UK audiences. From the design of the service and range of content on offer, to the presentation of this content within the service, ITV is focused on understanding what audiences want to watch and making it as easy as possible for them to discover and access those shows.

This focus on audiences is absolutely essential given the very fierce competitive environment in which ITVX operates. The service is competing with the sheer scale of the publicly-funded iPlayer, global streaming players such as Netflix, Amazon, Disney and Apple, as well as social media. With more choice than ever before, audiences can easily vote with their feet if services do not meet their needs. Increasingly, this means offering the best of British content alongside the best from the rest of the world.

Ofcom notes in the very first paragraph of its consultation that *"It is ... critical that viewers can easily find and discover public service content."* Of course, for content to be easy to find, it needs to exist in the first place - which requires, for a commercial PSB like ITV, a sustainable commercial model to underpin investment at scale in UK content. We are therefore encouraged that sustainability of PSB has been set as a central theme for Ofcom's latest review of public service media (PSM). This also links closely to the Government's requirement for UK regulators to deliver economic growth.

There should be no tension between ensuring the commercial success of the service whilst also ensuring that ITVX makes a significant contribution to the delivery of ITV's public service remit. ITVX will continue to provide a mix of commissions, archive and acquisitions, all of which have a critical role to play. This mirrors how our linear PSB channel has for decades offered brilliant new UK content alongside repeats and acquisitions (from UK and abroad), all to support the delivery of our public service remit. The concept of a cross-subsidy model for commercial PSB - where a commercially viable overall service funds individual loss-making genres - is long established (our concerns about the BBC's very significant use of the Licence Fee to fund high volumes of US acquisitions remain, given the lack of commercial imperative for such an approach and disproportionate impact on the market).

However, what has changed is the capacity of the commercial PSB system to deliver the obligations placed on it historically. As it stands - and as reflected in Ofcom's Section 229 report during the relicensing process for Channel 3 - the future benefits of PSB status may be lower than the historic linear regime delivered, as requirements around prominence apply to only a subset of services that UK audiences use to find TV, whilst PSBs operate in a more competitive environment than ever before. At the same time, the sheer scale of competition - whether competition for viewers or competition for advertisers - encouraged by decades of Government policy and regulatory action to increase competition to PSBs - has eroded the surplus previously used to fund PSB obligations.

This same competition has compromised the commercial model for commissioning many different types of content on a free-to-air basis. Most notably and well-documented, there is no longer a commercial model for free-to-air children's content, particularly for older children. The Young Audience Content Fund demonstrated that whilst the challenge of funding production could be eased somewhat, there was no audience demand for the content produced. We saw viewing to our CITV channel fall 69% between 2017 and 2022, delivering an average audience of just 4,000 by the time we closed the loss-making service.

But the challenges of funding UK-focused content are not limited to children's TV. Concerns have been raised consistently about genres such as science, religion and arts, for instance. At the heart of the challenge is the indisputable fact that such shows no longer deliver the scale of UK audience to make such productions profitable for FTA ad-funded distribution - and, in most cases, there is no sizable global secondary market to fill the gap. Whilst audiences might well perceive a societal value to the provision of such content, their viewing behaviours suggest less value on a personal level. This is unlikely to change even if more funding for production can be found to address the market failures.

The impact of increased competition - and increased costs of production - can even be seen in genres that still do deliver significant audiences. Notably, even UK-focused drama may be becoming increasingly unsustainable at its current scale.

The impact of these changes is of course not limited to PSBs. As we set out in our response to Ofcom's consultation on proposed changes to its guidance in relation to the commissioning of independent productions, we recognise that producers are also facing challenges. Again, the old world - of PSB surplus distributed to independent producers - no longer works. The impact of global competition on the UK market will be a consistent theme across all of Ofcom's work this year.

It is clearly important that Ofcom's approach to individual elements of implementing the Media Act takes account of the very different circumstances in which today's interventions are being introduced. It will be vital that Ofcom ensures its work aligns with the twin objectives of sustainability and growth.

We believe that ITVX can make a substantial contribution to delivering ITV's PSM remit - and to sustainability and growth. As we set out below, it is already designed to ensure we can deliver our public service remit - with UK commissions and acquisitions sitting seamlessly alongside the best of global content, all readily discoverable and promoted - just as our audiences expect and demand. Such hybrid services - offering a wide range of content, and both free and pay tiers - were clearly allowed for by Government in the way in which the Media Act was drafted.

However, we are concerned that Ofcom's approach to IPS designation - read in conjunction with its approach to Statements of Media Content Policy (SoPPs) - is more restrictive than intended. Specifically, the principle that promotion of non-PSR content should have 'no adverse effect' on the promotion of PSR content would seem to prohibit any promotion of non-PSR content at all, even where audiences have actively chosen to pay for such content. Indeed, Ofcom suggests we may need to deliberately make such content harder to find than currently in order to reduce audience attention versus PSR content.

It is important Ofcom's guidance does not prevent PSBs from making it as easy as possible for audiences to find and access all the content they expect. There is not a set amount of viewing to allocate between PSR and non-PSR content, somehow at the whim of PSBs (or regulators). The harder a service becomes to navigate, the more viewers are pushed content that they do not want to watch, the less they will use the services at all - delivering lower viewing and lower revenue to fund commissioning. Ultimately, preventing the promotion of non-PSR content will undermine the provision of PSM. [38]

Even should this issue be addressed, we note that Ofcom's approach to prominence, inclusion and dispute resolution for DIPS has still not been set out. This is the key intervention that has the potential to actively improve the sustainability of the PSM system, should Ofcom choose to implement it robustly.

Unfortunately, PSBs are being asked to apply for designation of their IPS on trust, as details of the prominence regime will only follow after the deadline for applications. Early signs are not entirely encouraging, given the Government's decision to exclude a number of platforms and devices already used to watch TV at scale, and Ofcom's apparent emphasis on proportionality [39].

Absent a regime that in the round helps deliver sustainability of commercial PSB, the likely consequence will be a continued decline in the provision of key PSB genres such as news, current affairs or investment with independent producers or outside London. This will be particularly the case if ITV is left with no choice but to deliver a linear-only PSB offer, as the value of the linear interventions is declining at pace. Ofcom needs to consider as a matter of urgency how it can provide clarity about the way different elements of its role will interact, and the implications of that for PSB sustainability.

Determining what constitutes a 'significant contribution to PSB remit delivery'

Ofcom proposes the following approach in relation to judging whether a PSB IPS will make a significant contribution to remit delivery:

- Ofcom will consider significance in the context of each PSB's individual remit
- It will look at the extent to which the content that the PSB intends to use to fulfil its individual public service remit will be included in the IPS
- Ofcom expects that the IPS provider will include in the IPS all the content on the relevant services that the PSB has identified in its SoPP as intended to fulfil its individual remit.

We agree that this approach gives Ofcom broad discretion in reaching a view, which is important as each PSB is likely to take a different approach to remit delivery and the role of DIPS, given their differing remits, ownership and funding models.

ITVX will play three main roles critical to delivering our public service remit:

- Acting as a destination for audiences to discover a wide range and diversity of high quality content - including original commissions, repeats and acquisitions on a free basis - whenever and wherever audiences expect, in competition with global players
- Driving increased viewing to PSR content - by ensuring audiences are aware of the full range of content offered and by ensuring that recommendations are tailored to their preferences and viewing behaviour
- Funding PSR content - allowing ITV to raise the revenue necessary to investment in UK commissions at scale, alongside acquisitions from at home and abroad, to offer on a free basis

On any measure, the success of ITVX will be central to the viability of ITV's role as a provider of PSB in future, and so unequivocally making a 'significant contribution'.

Given ITVX includes our PSB linear channel in simulcast, alongside simulcasts of our other linear services, we will include in our IPS all the broadcast content that we identify as intended to fulfil our individual remit, as well as (self-evidently) any remit-delivering ITVX-only content.

The extent to which all broadcast programmes remain available on-demand beyond this point may vary, whether due to rights issues (e.g. fair usage rules for content included within news and daytime shows, sports rights) or audience benefit (e.g. it is possible that providing news on a full bulletin catch-up basis is less useful than a bespoke streaming offer). Ofcom acknowledges this in its consultation (para 4.11) but might usefully reflect this specifically in its assessment criteria. In general, though, the vast majority of the content that is broadcast on ITV channels is also offered on-demand via ITVX at some point, often for an extended period.

We are therefore confident that ITVX already delivers the final two requirements. We have no other comments on Ofcom's overall approach in this area, which seems appropriate.

Making public service remit content 'readily discoverable and promoted'

What exactly is ITVX?

To consider what making public service remit content 'readily available and promoted' means requires an understanding of each PSB IPS individually. Given their different approaches to meeting audience needs, their designs and content libraries are different and so too the way in which they help audiences discover content.

ITVX offers UK audiences a huge range of content, with over 21,000 free hours, representing a significant increase on the 4000 hours available at the start of 2022. This content offer is a mix of the very best content available globally. New ITV commissions sit alongside the ITV archive. We offer a wide range of acquisitions, both from the UK and abroad. This is what UK audiences want and expect - and, in some ways, an evolution of the linear PSB system which has combined the best of commissions, repeats and acquisitions, from the UK and elsewhere, for decades.

We have transformed the viewer experience on ITVX, making it easier to discover, more accessible, more prominent and better to navigate - with an ever-changing mix of personalised content recommendations. And we have increased our investment in marketing and this has enabled us to reach more viewers more consistently, reacting to trends and preferences.

It is this focus on what our audiences want that is driving the success of ITVX. The streaming home of ITV has outpaced all other major streaming platforms in terms of growth in viewer hours since its launch - with a 35% growth in viewer hours in two years, ahead of BBC iPlayer, Netflix, Disney+, Channel 4 and Amazon Prime.

2024 saw huge audience traffic to the service across a range of content, from the biggest must-watch events streamed live to the best UK drama and the biggest, bingeable reality series in streaming.

In the two years since launch ITVX has had 6 billion streams, growth of 77% versus the two years prior to launch.

Live sport has delivered some of ITVX's biggest audiences - with ITVX's five biggest sporting events, three Euro 2024 matches and one 2022 World Cup audience, attracting nearly 70 million streams combined. The 25 Euro 2024 matches on ITVX this summer attracted 133 million streams.

Looking at ITVX viewing alone, and based on streams to most watched episode - Mr Bates vs The Post Office takes the crown as ITVX's most watched commissioned title of 2024, very closely followed by hit reality shows, Love Island, and I'm A Celebrity Get Me Out of Here!. Drama thrillers Red Eye starring Jing Lusi and Richard Armitage and Trigger Point starring Vicky McClure complete the top five most streamed commissioned titles on ITVX since launch.

To date drama has been the biggest genre on ITVX, accounting for 1.5 billion streams. Red Eye, After The Flood, Trigger Point, The Long Shadow, Joan, Until I Kill You as well as of course, Mr Bates vs The Post Office have all been popular streaming choices, for all these titles more than 40% of their total audience has come from streams through ITVX. In 2024, ITV began making major commissioned dramas available in the early morning on ITVX, ahead of their broadcast on ITV1 in the evening.

Reality is another huge genre in streaming and since ITVX's launch Love Island has delivered a massive 640 million streams.

With 100 million streams to its catalogue on ITVX, The Only Way is Essex is another reality top performer, alongside Big Brother, which since coming to ITV in 2023 has also amassed 100 million streams, including streams to Celebrity Big Brother and Big Brother: Late and Live.

I'm a Celebrity tops the entertainment genre and it is currently enjoying its biggest ever audiences on ITVX. In the first two weeks of this year's series it was streamed 53 million times, up by 23% on last year, and up 205% on 2021.

Coronation Street and Emmerdale have clocked up an impressive 600 million streams since launch, making them amongst the top performing titles on ITVX. ITV's flagship continuing dramas have recently received their own dedicated destination on ITVX, with episodes dropping daily at 7am ahead of their evening ITV1 broadcast.

Amongst the deep rich archive of titles, top performing acquired box sets include Family Guy, One Tree Hill, The Originals, Love/Hate, Love and Death and The Twelve as well as UK series favourites including Vera, Midsomer Murders, Unforgotten, Benidorm and Broadchurch.

ITVX boasts one the UK's biggest free to stream film libraries and top movies over the period including The Harry Potter Films with over 10 million streams, the Bond collection with over 6 million, and further blockbusters including Gladiator, Mamma Mia, Jurassic World; Fallen Kingdom and most recently the original Star Wars Trilogy and Rogue One also featuring amongst the highlight titles.

ITVX was one of the first UK streaming services to market with FAST Channels and since launch we have refined the offer to a top 12 channels, including The Only Way is Essex, ITVX Kids and Sport, which are now delivering 60% more streaming hours than a year ago, with two thirds of FAST channel viewers under 55.

Streams to the dedicated news service on ITVX are up 29% year on year, with ITVX News attracting half a billion streams since launch.

Audiences are voting with their feet - and it is critical that Ofcom's approach to implementing the Media Act does not cut across this.

Delivering public service outcomes via ITVX

ITV's public service remit is to "make available a range of high quality and diverse programmes." ITV's major contributions to the PSB system include: a very significant investment in originated UK content (more than anyone other than the BBC); productions outside London and from independent producers (where again, only the BBC has consistently provided more); national and international news and current affairs; and regional news (the only competitor in regional TV news to the BBC, and something neither Channel 4 or Channel 5 provide). We meet our remit by offering viewers multiple chances to view - via repeats and on-demand content. And, of course, we deliver a profit-making schedule in order to fund the commissioning and acquisition of content at scale, including the ability to cross-subsidise loss-making genre such as regional news.

The full range of our content - from soaps to daytime, entertainment to sport, drama to current affairs, whether commissioned or acquired - all contributes to a PSB system that

informs, educates and entertains, and that reflects the lives and concerns of different communities and cultures across the UK.

ITVX already plays a significant role in helping ITV deliver these outcomes. As set out above, it is driving significant viewing to a wide range of programmes. This in turn is transforming ITV's commercial model, helping to ensure the sustainability of PSB into the future. Whilst content available only to paying subscribers cannot strictly be regarded as PSR under the Media Act - though it is a crucial source of future funding for such content - the free offer right across ITVX is playing a very significant role in delivering ITV's remit, to the extent we think it likely that we will regard all freely-available content on ITVX as remit-delivering, either very directly - such as news - or in supporting the commercial model necessary to fund investment in UK content at scale. We will set this out clearly via future Statements of Programme Policy.

Of specific relevance and importance to Ofcom's approach to the designation of PSB IPS, though, is the proposed approach to the treatment of 'non-PSR' content. The overall positioning of Ofcom's proposals suggests that it views non-PSR content as detrimental to PSB. In ITV's case, this could not be further from the truth. We explore this below.

Non-PSR content and 'no adverse impact'

The single biggest challenge with the draft guidance is in relation to Ofcom's approach to the inclusion of non-PSR content within designated IPS and its proposal that the promotion of such content should have 'no adverse impact' on the promotion of PSR content. Ofcom proposes that:

*"Condition 2 will not be satisfied if we consider that the promotion and discoverability of non-PSR content **adversely affects** the promotion or discoverability of PSR content. We propose that high traffic areas of the homepage as well as other high traffic areas and features of the IPS (see paragraph 4.19 above) should **predominantly** consist of PSR content. If IPS providers intend to make non-PSR content available within the IPS, we would expect them to explain **how they will ensure that the promotion and ready discoverability of PSR content would not be adversely affected.**"* (consultation 4.30 / guidance A1.26)

Ofcom's draft guidance goes further, stating that it considers that:

*"the high traffic areas of the homepage as well as other high traffic areas and features of the IPS..., should **predominantly** consist of PSR content in order to satisfy Condition 2."* (guidance A1.26, emphasis added)

It goes on to suggest that PSR content will need to be positioned such that:

"audiences' attention to this content is likely increased relative to non-PSR content." (consultation 4.32 / guidance A1.23)

This approach appears to represent a fundamental misunderstanding of the form such IPS take now, and might take in future, and to undermine the Government's intent in legislating to allow such hybrid services.

ITVX is a fully hybrid service, offering access to a substantial free product (with ads) and a premium pay product (predominantly the same AVOD content but without ads in most instances, but also access to some additional pay-only content). It is possible that in future ITV will be able to offer our customers even more content within the premium tier - either via an expanded ITV-owned catalogue or via partnerships with third parties - or to offer access to additional content outside of the Premium tier that might still not be regarded, strictly speaking, as PSR content.

The integration of PSR and non-PSR elements into a single, seamless service is critical to the future success of ITVX - including its ability to contribute to the delivery of our public service remit.

At the heart of our issue with the current draft is that it seems to have interpreted 'readily available and promoted' through the lens of a zero sum game - where promotion of one thing is at the expense of another, where consumption of PSR must be increased relative to consumption of non-PSR content. We believe this misunderstands the role of a hybrid service competing with the likes of Netflix, Amazon and YouTube for audience time and attention. What should matter is that PSR content is promoted and readily discoverable, and that the service as a whole delivers as much viewing as possible to PSR content.

The launch of ITVX has provided a worked case study of this effect. In moving from Hub to ITVX, we integrated Britbox into ITVX, creating a tier of paid-for (i.e. arguably non-PSR) content within the overall service. Whilst originations are clearly at the heart of PSR under any definition, we also very significantly increased the scale of freely-available archive and acquired content too. Whilst we regard archive and acquisitions as part of our PSR content offer alongside originations - supporting the delivery of our remit in the same way such content has been deployed on our PSB channel for decades - what is interesting is that the availability and promotion of non-PSR content (behind a paywall) and what might be viewed in some quarters as 'PSR-lite' (e.g. freely available repeats of commissions, or acquired content) has delivered a significant uplift in viewing to originated PSR in key genres. Whilst not exhaustive, comparing the performance of ITV Hub in its final year (Jan-Nov 2022) to the same period for ITVX in 2024:

- The number of news and current affairs streams is up 81% and streaming hours up 49% (nb. hours is up less than streams due to the availability of short-form news content)
- ITV drama streaming hours are up 91%
- Entertainment streams are up 80% and streaming hours up 58%
- Kids streams are up 131% and hours up 79%

It is the improved overall service - including the integration of PSR and non-PSR content and the promotion of this wide range of content aligned to audiences interests - that has delivered an uplift in performance both for the service as a whole but also to key PSB genres.

There are other benefits to providing an integrated service. Such integration allows ITV, for instance, the opportunity to promote the premium service to non-subscribers, a key source of future revenue. It also allows us to give premium subscribers ([X]) a service that ensures they can easily access the content most likely to appeal to them - which is obviously likely to include the premium content they've chosen to pay for.

Requiring us to divert audience attention away from Premium content (or, under an unduly restrictive definition of PSR, even away from repeats and acquisitions) would obviously hamper our ability to shape ITVX in the interests of our audiences (e.g. by making it harder for ITV to surface Premium content to users who have paid for it), and would likely damage the commercial model.

Despite the requirement in law being only that PSR content be 'readily discoverable and promoted', Ofcom appears to have designed a regime that de facto prevents a PSB from offering anything other than a PSR-only service for designation purposes. Given the prominence requirements for third party platforms are, on the face of the law, more demanding than 'readily discoverable and promoted', demanding 'prominence' instead, the logical extension of this position is that platforms like Sky and Virgin Media will be precluded from promoting their own paid-for services or content within their own guides, as this would 'adversely affect' the prominence of PSB programming.

Discoverability and applying the BBC approach to other PSBs

Ofcom states that it intends to apply the definition of 'discoverability' created for the BBC: *"enabling audiences to find PSR content in the IPS that is new to them and may interest them and/or which they might not otherwise come across."* (consultation 4.17) We disagree that a one-size-fits-all approach is appropriate, or aligned with the legislation.

Ofcom's proposed definition is unduly restrictive - it is unclear why audiences would not want to 'readily discover' all public service remit (PSR) content of interest to them, not just that which they had never heard of or viewed. Indeed, Netflix is famous for the extent to which its algorithms deliver exactly that user-centric experience. Limiting discoverability to content that people haven't watched before is likely to prevent the promotion of the content that is most popular or that they have watched before. Functions such as 'continue watching' would appear to have an 'adverse impact' on the discoverability of PSR content if discoverability only applies to content that is new or that they have not seen before. This would make the service less user-friendly. That in turn will hamper the competitiveness of PSB services versus global companies that are not similarly restricted, and so reduce viewing and therefore revenues which, for ITV, directly arise from viewing volumes.

This is not to say that ITV would never recommend content to users that they had not come across. We are keen to showcase the full range of content available on ITVX, as this will help build viewing volumes and encourage people to use the service more regularly. Such promotion might be on the basis of whether content shares key characteristics with programmes that a user has watched, or simply via our human editors ensuring that our top picks cover a wide range of content types.

Measurement and reporting of 'promotion'

We can see that a simple pan-industry 'metric' for the promotion of PSR content is an appealing concept, though we believe that exploring the validity of such an approach would require caution.

For instance, we are aware of commercial third-party tools that claim to be able to measure content promotion on connect platforms / devices. We are aware, too, of academic research that claims to offer similar insight. Whilst a range of such tools may have merit, all come with questions about their approach and methodologies. We would be concerned at a one-size-fits-all approach at this stage - discussions around Project Origin illustrate the complexities that can sit behind seemingly uncontroversial ideas.

We note also that the precise form that ITVX takes may vary somewhat across different devices and platforms (ostensibly to accommodate technical differences between platforms and the extent to which they are capable of reliably running ITVX to the quality expected by audiences), and that this can change over time as technologies and user interfaces evolve and innovate (or legacy technologies cease to be supported by the firms offering them). A single 'measure' of promotion may therefore be unlikely - whilst reporting a huge number of variants would be disproportionate as a regulatory intervention.

Finally, the measurement of 'promotion' or 'prominence' will be a core part of any commercial negotiations with third-party platforms. Whilst we hope to conclude sensible arrangements with all the biggest players in the market, this is not an inevitable outcome. Ofcom should be cautious around mandating any form of approach whilst the market is still very much in flux.

In our view, the way in which different PSBs - and platforms - approach the measurement of things like PSR 'promotion' or PSB 'prominence' will emerge and evolve over time, and so some flexibility may be required.

Hammocking for a digital age

Ofcom notes that it is trying to replicate the old concept of linear 'hammocking' in a digital age. We note that hammocking was most effective when audiences lacked alternative choices - absent a wide range of alternatives, audience might stick with a schedule and watch something they might not actively have chosen

Any attempt today to impose viewing choices on consumers in this way will simply result in them moving to services that more readily surface the content they want to watch. Requiring PSMs to reduce the discoverability of the content that most consumers want to watch (either because it is non-PSR or because it is PSR that they likely already know about) will inevitably reduce viewing as viewers switch to more user-friendly services.

We note also that there appears to be a contradiction between the aspiration of 'hammocking' and the requirements explored above that prevent PSBs from promoting non-PSR content, which would seem to be a necessary part of any 'hammocking' concept.

Ultimately, increased viewing to PSR content will only happen as part of a general uplift in overall viewing to PSB IPS - not by attempting to substitute one form of viewing within the service with another. As we set out above, we are keen to showcase the full range of content available on ITVX, as this will help build viewing volumes - including to PSR content - and encourage people to use the service more regularly.

Personalisation

Ofcom states that it considers that:

“IPS providers may decide to make use of algorithmic personalisation to help audiences to discover PSR content, for example with recommendations based on a user’s viewing history. Personalisation can be a useful tool to ensure audiences are served content that will meet their needs and interests. IPS providers should apply suitable curation to the IPS to ensure that the ability of audiences to discover a broad range of PSR content is not adversely affected.” (consultation 4.21)

We would share any concern that PSR content might vanish from view within a PSM IPS due to algorithms - but are concerned that Ofcom may be ruling out a range of common features with the overly stringent nature of a ‘not adversely affected’ test.

For instance, ‘recently watched’ rails, which by definition will be data-driven but unlikely to offer the full range of PSR content included within the streaming service, will result in a potentially limited range of recommendations depending on viewer behaviour.

More broadly, recommendations for new programmes based on previous viewing history will be deliberately designed, in part, to ensure that viewers can easily find similar types of programmes to those they watch regularly. To the extent that viewers might have a preference for certain types of content over others, this will be reflected in recommendations because audiences want the most straightforward route to their favourite types of content.

A premium subscriber with a preference for content available only in the premium tier is likely to see more such content appear in any algorithmically-driven areas of the UI.

Equally, we would also not want to recommend content to audiences that we know from our data that they don’t want to watch, as this would likely drive viewers away.

It is therefore possible that as content discovery journeys offered by streaming services become more tailored, not all viewers will see all genres in all areas of the user interface.

We are concerned that such audience-centric approaches might not be compatible with a blunt requirement that the discoverability of a wide range of PSR content on ITVX not be “adversely affected” by the use of algorithms, given that by definition should the algorithm recommend non-PSR content then this must be at the expense of PSR content and so by default have an adverse impact?

Instead, we suggest Ofcom reframes this requirement to align with the statutory test: that any approach to algorithmic discovery is deployed in a way that ensures the IPS also ensures that PSR content is readily discoverable and promoted.

Diverse range of content

ITV has, for decades, provided a diverse range of programmes and genres on ITV1. We would expect in future that this will remain the case. As Ofcom notes, this is likely to predominantly be in the genres of sports, entertainment, news and current affairs, drama, soaps and factual content. We do not anticipate this genre mix changing significantly in relation to ITVX, though the streaming service does currently offer other genres too (notably film and comedy).

Ofcom proposes that:

“in order to satisfy Condition 2, IPS providers must promote and make readily discoverable a diverse selection of genres of content on their IPS to meet the needs of as many different audiences as possible.” (consultation 4.26)

With many thousands of hours of content available in ITVX, it is obviously impossible for all content to be actively promoted to all users. As such, ITVX already provides readily discoverable fixed access points to all content by genre, offering audiences a straightforward route to content discovery.

The areas of the UI that are more changeable - featuring editorial and algorithmic curation - will clearly feature only a subset of the content available. These areas will also heavily feature ITV-originated content in all key genres, alongside premium content and high quality acquisitions.

Taken together, the fixed and dynamic areas of the UI meet the requirement for a range of PSR-delivering content to be readily available and promoted. We would not expect this requirement to be at the expense of the commercial performance of the service, nor the user experience.

News

Ofcom states that:

“it is particularly important that news and current affairs content will be promoted and easy for users of IPS to discover. We propose that an IPS provider must ensure this is the case if Condition 2 is to be met.” (consultation 4.29)

ITVX has a fixed news ‘rail’ on the homepage, alongside fixed access to news via the genre pages. We also ensure that at key moments - perhaps breaking news or weekly coverage of Prime Ministers Questions - that news is promoted within the dynamic areas of ITVX.

Together such an approach ensures that ITV news is readily available and promoted. We believe this meets the necessary legal threshold, which should be reflected in Ofcom’s guidance rather than adding the additional (and non-statutory) requirement that news be

'easy' to find, which may lessen clarity if taken to mean something other than the statutory test.

Read across to Statements of Programme Policy

ITV has responded separately to Ofcom's detailed consultation on its proposed approach to Statements of Programme Policy. We do not repeat the detail of that response here, but the two responses should be read together given the close interaction between the subjects.

Here, we simply note that in reference to the proposals in paragraph 4.43 of the Designation consultation that Ofcom will "*consider the extent to which the PSB has drawn on audience research and stakeholder engagement to monitor its performance,*" ITV does not currently plan to carry out stakeholder engagement in support of its SoPP (a requirement perhaps better aligned with the oversight of the publicly-owned and publicly-funded BBC than a commercial broadcaster) and that any audience research included would have been drawn from ITV's ongoing research (for commercial purposes) rather than anything bespoke (given the unjustifiable cost).

Timings for applications for designation

In order for PSBs to be supported by the Media Act provisions around prominence, inclusion and dispute resolution, Ofcom envisages applications for designation by autumn 2025. However, its latest implementation roadmap (from February last year) suggests there will be no clarity at that point about the levels of protections that might be afforded by the new regime. Ofcom is therefore asking PSBs to request designation in advance based on trust - assuming that the value of the new regime will outweigh the very substantial costs Ofcom is creating via its approach to designation and SoPPs, for PSBs to forgo such protections in the first half of 2026 and delay application, or to apply and then request Ofcom withdraws its decision should the benefits not outweigh the costs. Such a misalignment does not appear to be in the interests of audiences, nor the sort of support for PSB that Parliament so clearly intended. It also creates considerable uncertainty for PSBs and platforms in negotiating deals for 2026 and beyond now.