

Culled from the headlines of the TV Industry's Trade Press, **CONTENT MATTERS** is a Bi-Monthly Newsletter curated and contextualized by **KATZ Content Strategy's Bill Carroll**.

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## INSIGHTS TO KNOW

### **1. Friends with benefits:**

TV-Connected devices bring consumers together in the living room.

### **2. Why Rebrand?**

That was the question asked on the PROMAX BRIEF site. In a sea of content, what does rebranding gain for channel brands?

### **3. 2016-The Year:**

Communications Trends Report gets specific, indicating that the industry and marketers will stop targeting Millennials as a single demographic.

### **4. Millennials on Sports Video:**

Why ESPN and other traditional cable providers should worry. The trend we should all be aware of...

### **5. I Want My TV:**

Why Young & Rubicam's global CEO David Sable isn't worried about the future of television.

### In a report about co-viewing from the Nielsen Newswire ...

The popular industry narrative of fragmented video viewing often features visions of viewers migrating away from the television and connecting with content alone in their bedrooms, basements and man caves.

With a steady flow of viewing options being brought to market and a nearly 20% year-over-year increase in digital video growth among U.S. adults, it's not hard to understand why this line of thinking plays out. However, TV remains a mainstay as the primary screen for viewing long form video content. And connected devices, spurred by streaming video, have consumers connected in a familiar spot: the living room.

While looking closer, in a related Nielsen report, it was stated that content is still king, but consumers are shaping their own content-discovery experience, and the evolving media landscape has not lessened consumer demand for quality, professionally-produced content. What has changed is the number and reliability of new media available to viewers. The recent proliferation of new devices allows consumers to connect with content anytime and anywhere. What used to be

a schedule to watch programming now seems like little more than a suggestion, as viewers can choose to watch live linear programming, video on-demand, or through subscription services and apps, among other ways to tune in.

Timeshifting content (using a DVR or video-on-demand technology) continues to resonate with consumers, and while still a small part of overall usage across platforms and devices, daily time spent using a multimedia device continues to climb. All Americans spent a little more than 141 hours a month connecting with traditional television. The overall population also saw over an hour increase in time spent watching time-shifted content.

But not all consumers are watching the same way. Among the different race/ethnicities featured in the report, content consumption varies widely. Black viewers' monthly time spent watching traditional television was the highest of any group, with these consumers logging an average of more than 201 hours per month. On the other hand, Hispanic and Asian American viewers under index in regard to monthly time spent watching traditional TV, with about 117 and 82 hours, respectively.

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Early data, which leveraged both Nielsen's as well as Roku data, used actual metered viewership habits to determine that viewers come together to co-view on television. In fact, co-viewing among two or more viewers accounted for more than one-quarter (27%) of all viewing on a Roku device. And the percentage of co-viewing is even higher among some genres. For instance, co-viewing gave the biggest boost to audience impressions among the children's and sporting events genres,

by 38% and 28%, respectively, with other genres we looked at still range at or close to 25%. Broadcasters should be encouraged that living room co-viewing still remains a key component for long form and event programming. Although not explicit in the findings, this is great reason to celebrate! Numerous studies in the past decade have concluded that viewing in groups INCREASES ad recall, making Television a more valuable tool in the marketing arsenal than other one-to-one (digital) experiences.

**As reported on the PROMAX BRIEF site...**

In 2015, the TV industry saw an onslaught of change that shows no sign of slowing. Networks are doing what they can to keep up, and one of the major things they are doing is rebranding in an attempt to grab viewers' attention. The term "network rebrand" can involve everything from an entirely new look and logo, to just a light revamp of existing on-air branding or anything in between.

According to branding expert Lee Hunt, that might seem chaotic, but it's actually a great thing for TV brands. "There is a cataclysmic change happening in the industry," Hunt said. "The fragmentation in audiences, drop in ad revenue, rise of SVOD services -- it's making networks realize they need to make changes. And in order to survive, they need to rethink how they present themselves to viewers." As that idea of what a linear channel mean continues to change, so does the quagmire of branding it. "You need to be fresh and continually evolve," he said, "but also be consistent and reliable -- so you have to balance those two."

While networks acknowledge that digital options are out there, linear TV will

always be around, and it will remain a vital part of the new branding culture. It's not about transforming into a digital entity or stubbornly sticking to just the linear network, it's about coexisting as one single brand. "Now, in order to compete with both linear and on demand, you have to stand for something," said Hunt. "Your brand has to work as well as a linear network as well as a tab in the on-demand space. That is what network brands can be in this new world: A filter of making choices."

Hunt concludes that the network brand remains relevant, but the world around it is changing. This is true even though a large portion of a channel's audience might not be "tuning in" to TV, per se, which means that the channel brand has to exist in any form the viewer wants it — whether that's on air, online, app, or on social.

"Programming will always lead the way," according to Hunt. "Any good brand has to expand and contract in changes in programming. The reality is that content is going to continually change because networks will always look for the next big thing."

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In an effort to not just be "a collection of shows," branding goes a long way in proving that networks practice what they preach, with programming following branding and vice versa. The role of "curator" is vital in today's TV environment in which "too much TV" means each channel is on its own in the race for more

eyeballs. Broadcasters have to observe these changes to be sure that their established local market brands are adapting to this evolving environment. Take heart, though. "Curation" is just a Millennial term for good, old-fashioned "Programming." And isn't that what we do best?

**THE DEATH OF MILLENNIALS was the heading of the section in this year's HOTWIRE PR 2016 COMMUNICATIONS TREND REPORT press release...**

We will finally stop targeting Millennials as a single demographic, but instead will look to target audiences based on specific mind set and certain values. With a sub heading, AGE WHAT IS IT GOOD FOR? Age is just a number. While age is one of the first things we find out about a person. It is based on the assumption that our age is one of the key features that defines us. That may have been true once, but those stereotypes aren't true today. Other characteristics like the hobbies and the causes that pique our emotional interests; those are the things that we need to focus on.

The age bias is particularly apparent when we consider Millennials, those born between 1980 and 2000, a third of the world's population. In other words, a lot of people in very different life stages, with different responsibilities, worries and interests. Your average 18-year-old is likely with their parents and deciding what to do after graduation. Meanwhile, a typical 34-year-old might be concerned with mortgage, climbing the career ladder and having children. It makes it impractical to reach this entire age bracket with a one-size-fits-all approach.

While Millennials do share some

common characteristics, they pride themselves on being unique. We need to drill down into the data and understand what motivates different segments rather than assuming they all act the same. Those who target audience based on mid set and certain values will come out on top. It is anticipated that this year, we will see increasingly sophisticated and age agnostic content targeting different groups within this audience.

The report goes on to indicate that we need to find ways to reach these younger audiences by properly understanding and engaging with new channels and influencers. Among those venues are Snapchat, You Tube, Tumblr and Pinterest. We need to be able to identify vloggers and be able to talk about their appeal and interests. We need to be able to not only understand how content creation varies between channels, but also the type of content which resonates with audiences. Professor Burghardt Tendrich at USC concludes: "For decades, communications have prospered or perished on their ability to reach mass populations. However, technology not only affords that communicators engage distinct personas ...the need for communicators to build community through context, authenticity, and storytelling rather than one-size-fits-all messaging."

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The report concluded that we will see increasingly sophisticated content that targets different groups of this younger aged audience in an agnostic manner. We may even forget about age in general, believing that it is just a number, and focus

marketing (and hopefully programming) on their passions and the life they choose to live. With all of the granular data that is becoming available, we as broadcasters have to get ready to deal with this change in approach to Millennials.

**This article excerpted from FORTUNE tells us ...**

If you don't spend a lot of time on YouTube, you may not have heard of Whistle Sports. But you could be regularly watching their videos without knowing it.

They produce a range of videos (often funny, often viral) for several digital platforms. Like many social startups, one of the hidden weapons Whistle Sports boasts is a treasure trove of user data that can say a lot about where trends are headed. The Whistle Sports study from last summer about millennials' preferences for sports video is a telling look at what might change in the next few years. The study found that young people are as compelled by YouTube celebrities as they are by traditional television. For sports content, they are more used to seeking out videos from these influencers on YouTube and Facebook than from ESPN.

When asked where they go to consume sports-related video content, those 25 to 34 still predominantly say ESPN. But in the younger bracket, 13 to 24, YouTube and Facebook win over ESPN. Young people are increasingly ignoring the places that have been thought of as the incumbents. Despite the changes in platform preference, content is still king.

Traditional cable networks like ESPN will soon be at a disadvantage, judging by the study. The older generations will stick with the brands they love, but the young people prefer a behavioral, social way of connecting with sports that is different than the traditional. Watching a full game or highlights is something for which you head to ESPN. But the Whistle Sports study finds that the teenage audience is more interested in things like "fails" or behind-the-scenes videos, or crazy dunks, or trick shots, or pranks.

To be sure, it's not shocking that a study conducted by a digital network would produce findings that are encouraging for its model. And old habits die hard—even when a new trend is touted as the next thing, it takes quite a while for it to become the status quo. Sports fans of a certain age know by now where they like to get sports content, and they will continue to go there. The folks at Whistle Sports conclude: "No one wouldn't say that ESPN is the thousand-pound gorilla that does a lot of things right, but the key is being ahead of the curve and addressing these new audiences, and they haven't had to make that a priority because they've been so mega-successful."

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Whistle Sports is betting big on the 13-24 demographic. It is a group that watches sports with two additional screens in their hands—that is, when they even do watch on a television. We are told that instead of sitting back, choosing a channel, and watching whatever is on that channel, the

under-30 set opens up Facebook or Snapchat or Twitter. Like everything else, they expect their entertainment to be searchable and on-demand. That's a totally different model of how sports fans engage with media and something that not only cable, but broadcasters need to be able to adjust in the future.

**“The future of TV is powerful,” David Sable said in a conversation with DIGIDAY...**

“There will still be TV thousands of years from now. It might be broadcast into your brain telekinetically, but it will still be TV.” The proliferation of devices might be fragmenting the TV industry — introducing seemingly thousands of new platforms and screens to watch video content and as a result hurting live TV ratings — but a lot of what is being watched is still TV content. Just because the video is delivered through a different pipe doesn’t mean the content itself isn’t TV.

The popularity of services like Netflix and Hulu is a great example of why the TV business isn’t in danger. What’s changing is the definition of what TV is — an important distinction that needs to be made, according to Sable. Even if the content is not produced by a TV studio or distributed by a linear TV network, if it’s considered to be “premium video content,” then it’s still TV. “Those who still define TV as only ABC, CBS, NBC, you’re out of sync. It’s wrong,” said Sable. “We pine for premium, which is what’s important. So let’s set the record straight: The narrow definition of TV is

‘digibabble.’ TV is the new TV.”

And Sable is not concerned by the growing number of online publishers and video creators. Just look at Vice. “The guys who started with a free magazine in Canada sold [a show] to HBO,” he said. “They’ve now made a deal for a cable network. If that doesn’t make you feel good about the future of this business, nothing anybody can say can possibly bring you around.”

One thing that does concern Sable — at least in terms of what it means for advertisers — is the growing trend of people either paying for content or downloading ad blockers to ignore ads altogether. “Ad blocking is a problem. It hasn’t hit video yet, but it could,” he said. “Right now, it’s hitting an environment that is woefully poor, not just because of the equality of the ads, but also the quality of the tracking. People are being inundated with ads that aren’t targeted as well as they should be, and it’s pissing them off. So they have every right to [make the ads] disappear until we figure out how to actually make things relevant to you.”

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As David Sable concludes, insisting that: “Because people like advertising. Really? Yes, Ads are only interruptive if it’s interrupting in a way that’s obnoxious,” “Between commercial breaks isn’t

interruptive. It’s always been that way, and if it’s really good, I watch it.” So the commercial based system can survive. Remembering that: The narrow definition of TV is ‘digibabble.’ TV is the new TV.”