



Smart TVs – the Final Frontier for Interactive News?

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An often quoted adage in the world of news and media is that 'content is king'. This year's Reuters Institute survey has provided plenty of evidence about the growing importance of tablets and smartphones. However, it's always worth remembering when looking through this kind of data that in fact 'context is king' and that ultimately the majority of media (and specifically news) is still very much consumed at home on the 'first screen': television.

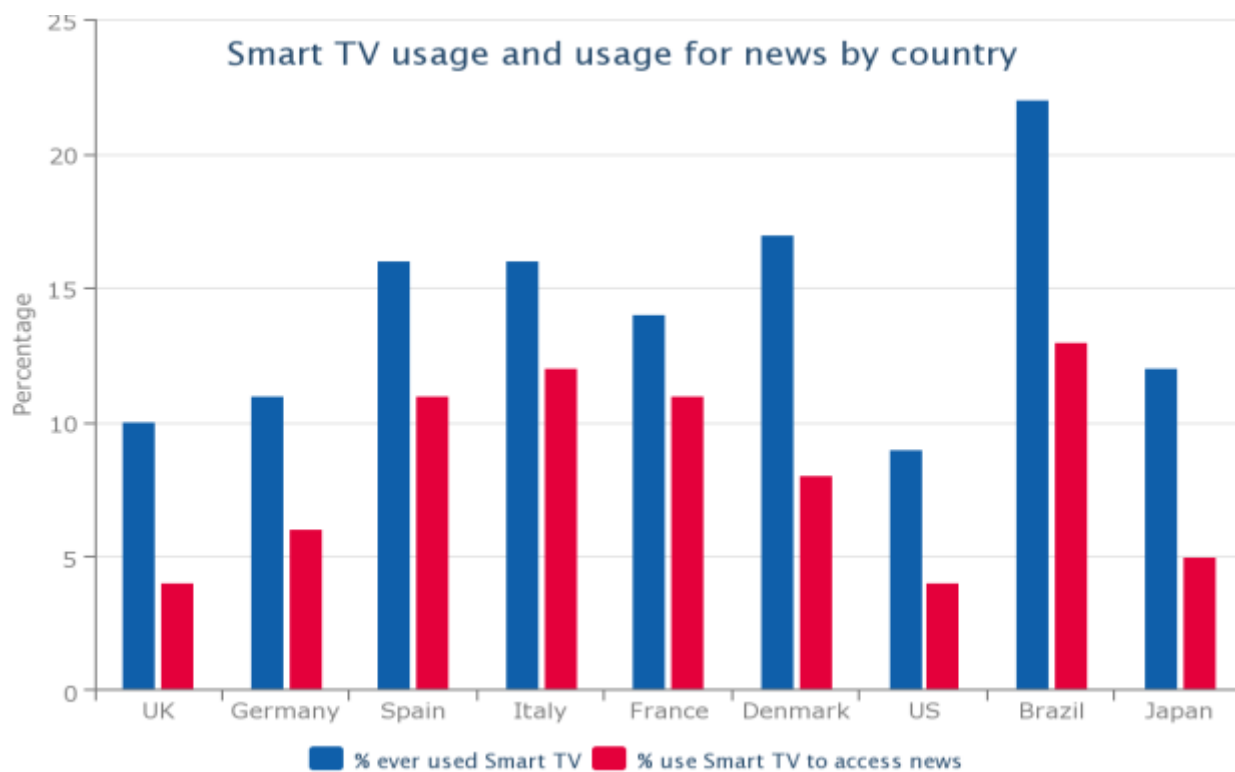
Television sets are still the only ubiquitous devices in the UK, with 97% of the UK population with access to digital TV¹. We still observe the continued large-scale consumption of news on the big screen, with television news still the source used by the most people across most markets in the survey (the exceptions being Brazil and Japan). This is changing, especially with younger audiences who clearly state that they prefer online news, with the choice, the control, and the participation that this provides.

The arrival of connected or 'smart TVs' raises the intriguing possibility of bringing together the two things we love most – the TV and the internet – into a single device.

We define smart TVs as televisions that can connect directly to the internet without the help of another device like a set-top box. This is normally done via an ethernet or wi-fi connection. Penetration of smart TVs in most markets in the study is above 10% and growing at a slow but steady rate. Though smart TV penetration is rising very slowly in certain markets (like the UK) penetration is in fact a lot higher in other markets like Denmark (17%) and Brazil (22%).

We can also see that news is widely used by smart TV owners, with over a third (34%) of UK owners accessing news on their device, rising to nearly three-quarters (73%) of smart TV owners in France using it for that purpose.

Smart TV usage and usage for news by country



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Q8a/Q8b Which, if any, of the following devices do you ever use for any purpose/ have you used to access news in the last week?

Base: All markets UK (n=2078) US (n=2028) Spain (n=979) Japan (n=978) Italy (n=965) Germany (n=1062) France (n=973) Denmark (n=1007) Urban Brazil (n=985)

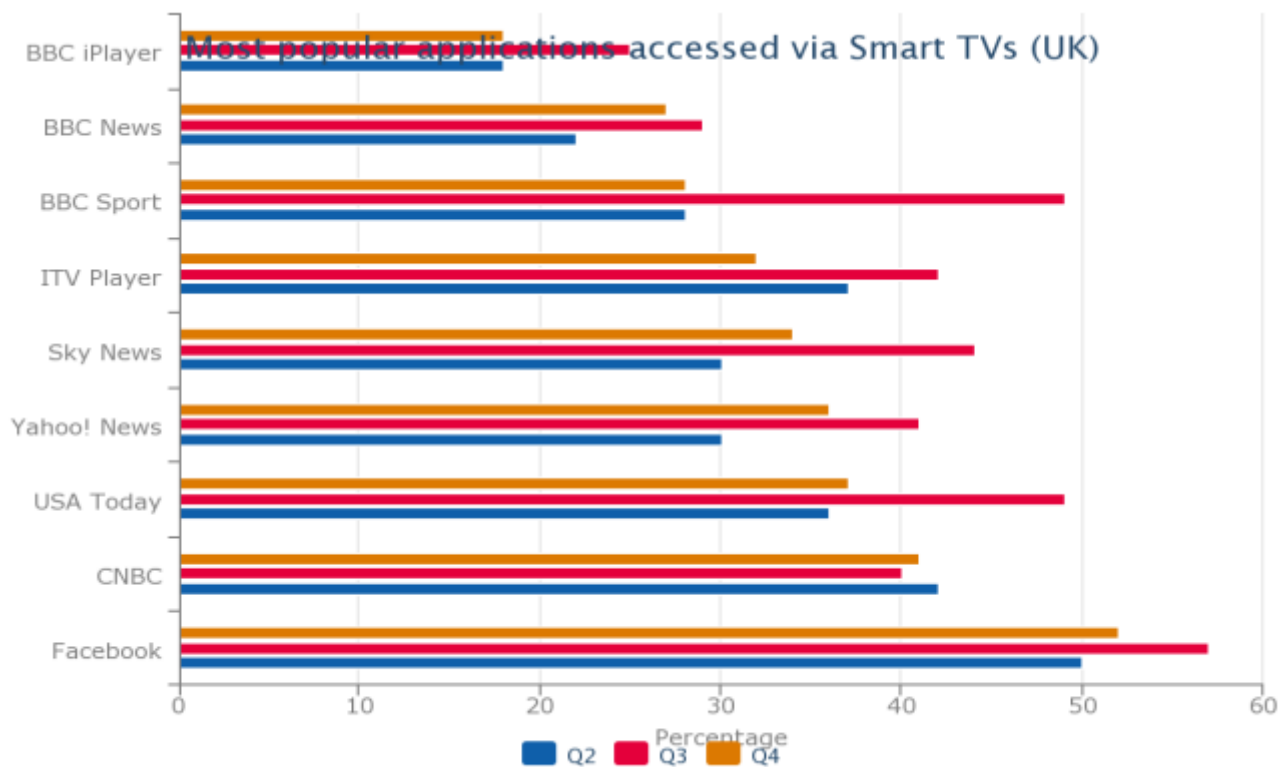
With a big push from consumer electronics manufacturers to make all large new televisions 'smart', it is anticipated that penetration and usage will grow rapidly. According to global technology specialists Gartner, 85% of all flat TVs produced by 2016 will be smart TVs.

So what impact will this technology adoption have on our consumption of news and specifically on television-delivered news? YouGov has been tracking the growing usage of linear and on-demand services on smart TVs since the start of 2012.

Our surveys show that video on-demand services (such as the BBC iPlayer, YouTube, Netflix, and Lovefilm) are the biggest factor driving both purchase and usage of smart TV devices. But we also find that news is the third most common application (behind linear broadcast and catch-up TV) for smart TV owners in the UK, with well over a third (38%) of UK smart TV owners accessing online news services on a weekly basis.

More specifically, throughout last year we have seen significant increases amongst smart TV owners' usage of a range of 'apps'²

Most popular applications accessed via Smart TVs (UK)



Q8a/Q8b Which, if any, of the following devices do you ever use for any purpose/ have you used to access news in the last week?

Source: YouGov Smart TV Tracker, Q2 & Q3, Q4 2012 – proportion of App users who access on a weekly basis (various base sizes).

What this demonstrates is a desire to find out more information related to 'live' events at that moment on that device. Very often 'second screens' are used to 'dig deeper' into an

event to find out more information relating to a TV event but it now seems that that capability also sits well on our 'first screens'.

We also see global news brands such as Yahoo!, USA Today, and CNBC gaining traction in UK living rooms on the big screen – mirroring the kind of developments we have seen with the internet over the past decade. Part of the picture could be the fact these are the kind of apps that come preloaded with some TVs and also feature prominently in smart TV apps stores. However, that said, the increase in usage is also down to consumer appetite for the content that they provide.

The openness of smart/connected TV platform and the ease with which apps can be created using web technologies opens up new opportunities for traditional news brands across many markets. Last year, the *Guardian* launched a smart TV app in the United States, alongside its web and mobile portals aimed at American



The Guardian's TV news app

audiences. Previously, getting carriage via the US cable networks would have been an expensive and tortuous process.

We also notice this trend in other markets, especially in Germany where smart TV penetration is higher (already in Q2 2012 it was 11%) and where we see 'accessing new services' usage higher than any of the other smart TV applications, with just under a third (29%) using news services on their smart TV on a daily basis. France also appears to be a market where news consumption on smart TVs is particularly prevalent, with 11% of the survey sample accessing news on their smart TV (this is a very high proportion of the overall 14% who use a smart TV). Part of this may relate to the early adoption of

interactive news on television in France, with a pioneering system called Antiope and later versions of teletext.

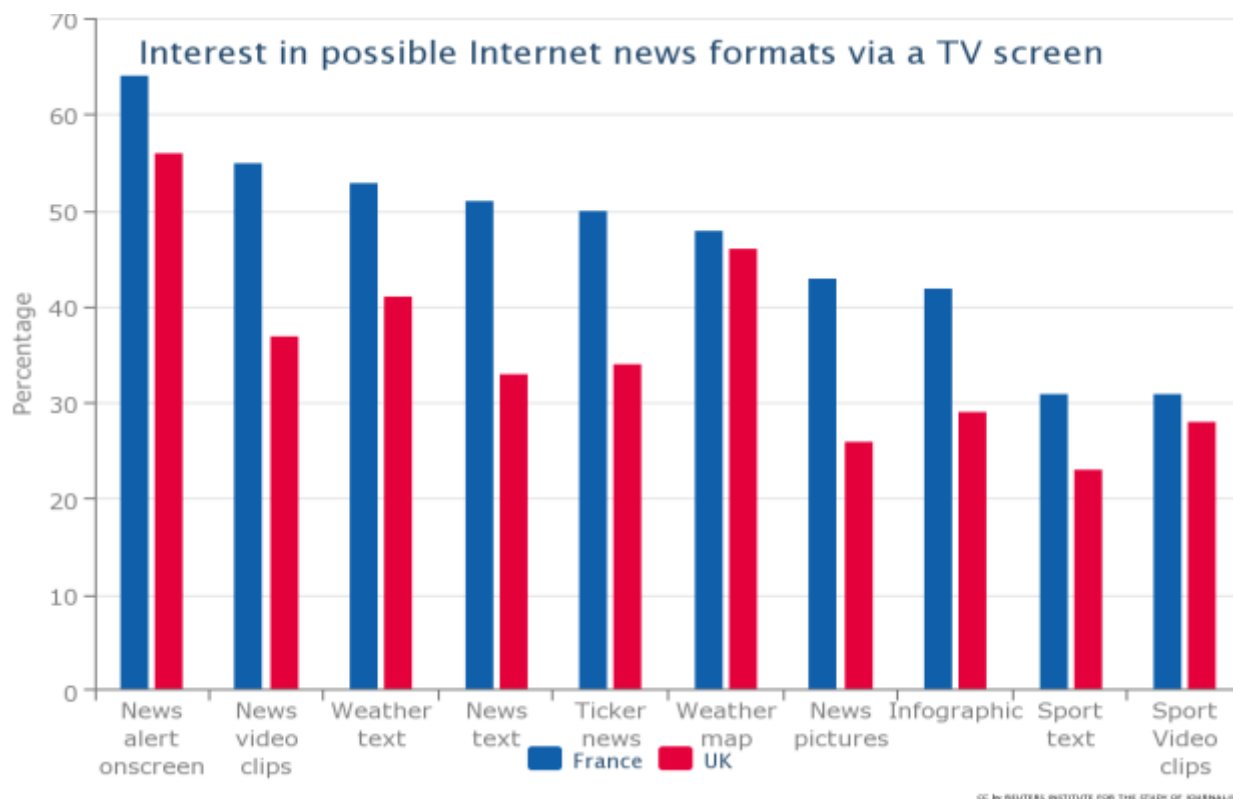
Whilst it might appear at first to be counter-intuitive to have text-based content on a big screen, there are a number of other successful precedents in Europe. The BBC 'Ceefax' service ran from 1974 to 2012 in the UK and was a text-based service delivered on a television with a focus on time-sensitive text-based information, such as breaking news, financial stock prices, weather, TV listings, and sport. The BBC red button service now continues to provide not only visual but text-based information, with 45% of the UK population using the service on a monthly basis.

But news providers are still uncertain whether internet-style content will work on a shared 'lean back' device with a large screen. To understand audience demand for different types of content, we asked a series of questions in both the UK and France.

When asked about the specific appeal of internet-delivered news content, the most appealing concept across both markets was a breaking news alert (that is pushed to the corner of your screen for a short time), which appealed to just over half (56%) of the UK population and almost two-thirds (64%) of the French one.

Weather-related services also fared well. Sports news (text and video clips) was popular with men but of very little interest to women. News lovers – those with a high interest and frequency of access (20% of the sample) – were more likely to show interest in all these categories.

Interest in possible Internet news formats via a TV screen



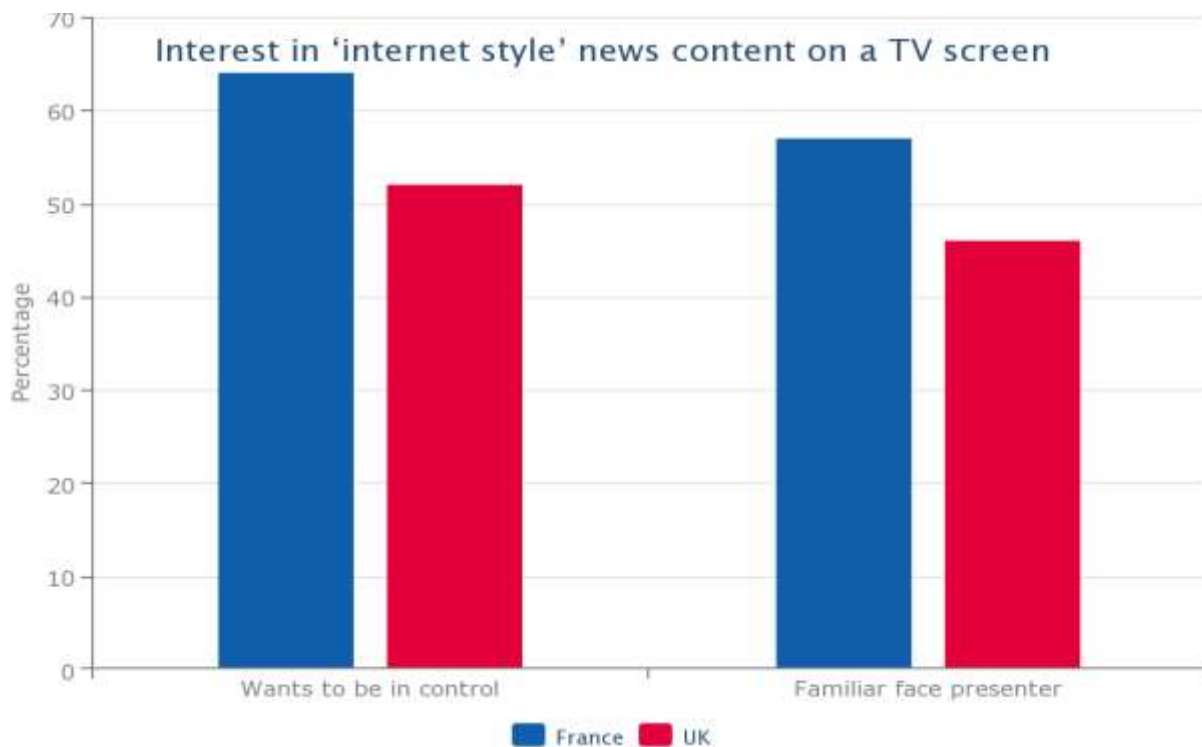
QS15 Thinking about the possibility of accessing internet news services via your television, how interested would you be in the following types of news. Base: France (n= 972), UK (n=2078)

The popularity of news alerts is in some way surprising because it actively interrupts linear viewing, as opposed to other propositions which would require an active decision to go to a menu system to access internet-based content. Even so, it seems that there is a genuine appeal for disruptive ‘push’ functions, in particular when breaking news is concerned, even when consumers are in ‘pull modes’ of consumption.

We often hear of this ‘pull mode’ more commonly referred to as the television ‘lean back’ (passive) medium, where content is just consumed, versus internet-delivered ‘lean forward’ (active) media, where consumers have an opportunity to either make decisions about what content they want to receive (beyond merely the ability to change channel or time-shift) or indeed contribute towards that content or towards the discussion around that

content. The complication around internet-delivered services, whether on a smart or a connected TV, is to do with the device being a shared device (as opposed to laptops, tables or smartphones which are mostly ‘personal’ individual devices). However, for news (which could be relevant for all members of the household), this objection might not be an issue (in the way that it is e.g. for social media usage on shared devices such as the television). We observed that when asked if consumers wanted to ‘be in control of my news experience’) almost half (46%) of the UK sample agreed, with this number rising to almost two-thirds (64%) of the French sample agreeing. This clearly shows the desire to move from a top–down model of news communication to one where user choice (beyond merely being able to switch channels) will be a factor in the design and delivery of television-based news services in the future.

Interest in ‘internet style’ news content on a TV screen



QS16 : When thinking about getting internet news via your televisions to what extent do you agree or disagree with the following statements?

Base: France (n= 972) UK (n=2078)

Smart or connected television seems to be a natural fit for the delivery of news content, particularly for 'push' notices of breaking news and also for in-depth reportage when consumer just don't have enough from their standard TV bulletin. This feeds into our basic desire to always be kept up to date and the ability to dig deep into a story beyond the headlines. Interactive news and information content is now available on any screen and, as our homes become increasingly connected, that news passes more and more fluidly between the small and the big screen.

- i. [Ofcom Communications Market Report 2012](#)
- ii. An 'app' refers to application software. This is a term used to describe computer software that causes a computer to perform useful tasks beyond the running of the computer itself.