

An Introduction to Television Programming

MCOM 4102: The Canadian TV Market in the New Millennium

Mass Communications, Carleton University

February 25, 2004

What have we done so far?

- **We looked at the key influencers of the Canadian television industry:**
 - **Advertisers**
 - **Audiences**
 - **Broadcasting policy**

What are we going to do now?

- **Learn about programming strategy:**
 - **Broadcasters**
 - **Specialty Services / Cable Networks**
 - **Distributors (Cable and satellite)**

Agenda

- **Major Canadian Players**
- **Programming Framework**
- **Essay Assignment #2**

Major Canadian players

	CWG	BGM	Shaw	Rogers	Alliance Atlantis	CHUM
Broadcast	<ul style="list-style-type: none"> • Global TV • CH 	<ul style="list-style-type: none"> • CTV 	<ul style="list-style-type: none"> • CHEX • CKWS 	<ul style="list-style-type: none"> • Omni 		<ul style="list-style-type: none"> • City TV • CKVR, CHRO, Others
Specialty & Pay	<ul style="list-style-type: none"> • Prime • RobTV 	<ul style="list-style-type: none"> • TSN • RDS • Discovery • CTV NewsNet • Comedy Net • Outdoor Life • Talk TV • RobTV 	<ul style="list-style-type: none"> • YTV • CMT • Superchannel • Moviemax • Treehouse 	<ul style="list-style-type: none"> • SportsNet. 	<ul style="list-style-type: none"> • History Television • HGTV • Life Network • Showcase Television • Historia (50%) • Series + (50%) 	<ul style="list-style-type: none"> • Bravo • Cable Pulse 24 • Canadian Learning Television • Much More Music • Much Music Network • Space: The Imagination Station • Star! Television • Musimax (50%) • Musique Plus (50%)
Production	<ul style="list-style-type: none"> • Fireworks Ent. 	<ul style="list-style-type: none"> • Dome 	<ul style="list-style-type: none"> • Nelvana • YTV Prod. 		<ul style="list-style-type: none"> • Alliance Atlantis 	<ul style="list-style-type: none"> • Significant In-house production
Distribution		<ul style="list-style-type: none"> • ExpressVu 	<ul style="list-style-type: none"> • Shaw Cable • Starchoice 	<ul style="list-style-type: none"> • Rogers Cable 		
Music			<ul style="list-style-type: none"> • Balmur Music 			
Publishing	<ul style="list-style-type: none"> • National Post • Local dailies across Canada 	<ul style="list-style-type: none"> • Globe & Mail 	<ul style="list-style-type: none"> • Kidscanpress 	<ul style="list-style-type: none"> • MacLean's • Chataleine 		

Comparison by industry

2002

- **Conventional TV** \$1.8 billion
- **Specialty & Pay TV** \$1.7 billion
- **Cable TV** \$3.8 billion
- **Satellite TV** \$0.9 billion

Broadcast and Specialty Comparison

- BCE and CanWest control 53% of the total revenues generated in the TV broadcast, specialty and pay services sectors

Private Broadcast, Specialty and Pay Revenues by Company

Rank	Company	Private Broadcast		Specialty & Pay*		Total	
		Rev. (mil.)	Share	Rev. (mil.)	Share	Rev. (mil.)	Share
1	Bell GlobeMedia	\$ 496	27%	\$ 311	31%	\$ 807	28%
2	CWG	\$ 721	39%	\$ 8	1%	\$ 729	25%
3	Quebecor	\$ 297	16%	\$ 9	1%	\$ 306	11%
4	CHUM	\$ 124	7%	\$ 89	9%	\$ 213	7%
5	Astral	\$ -	0%	\$ 187	18%	\$ 187	7%
6	Corus	\$ -	0%	\$ 116	11%	\$ 116	4%
7	Alliance Atlantis	\$ -	0%	\$ 76	8%	\$ 76	3%
8	CBC	n/a	n/a	\$ 91	9%	\$ 91	3%
n/a	OTHER	\$ 218	12%	\$ 123	12%	\$ 341	12%
n/a	Total	\$ 1,856	100%	\$ 1,011	100%	\$ 2,867	100%

(1) Ownership as of February, 2001.

(2) Based on controlling interest of services

(3) Data is for latest broadcast year available at time of compilation (ie. 1999)

(4) PPV revenue is excluded

Source: PwC analysis of CRTC data/information

* Updates to our database of minor misallocations among specialty and pay services have resulted in slight differences in market shares among companies than reported in our Phase 1 report submitted to the Commission on February 12, 2001.

BCE and CanWest are each about three times larger than the next largest player in the TV broadcasting, specialty and pay industry.

Cable/Satellite Comparison

Basic Subscriber by Operator, Feb/Mar 2003

Rank	Operator	Basic Subscribers
1	Rogers	2,269,700
2	Shaw	2,106,844
3	Videotron	1,433,000
4	ExpressVu	1,317,000
5	Cogeco	834,855
6	Starchoice	796,257

Agenda

- **Major Canadian Players**
- **Programming Framework**
- **Essay Assignment #2**

What is programming?

- **From a broadcasters perspective, it is the process of selecting, scheduling, promoting and evaluating programs.**
- **From a cable and satellite perspective, it is the process of selecting, promoting and evaluating programming services and their packaging.**

Programming is the core activity in the television businesses.

What is the goal of programming?

- **To maximize the size of an audience targeted by advertisers.**
 - **Mass appeal channels (e.g. CTV) programmers want as many viewers as possible.**
 - **Niche networks (e.g. TSN, Discovery) programmers want to maximize the number of viewers within their target audience.**
- **In the case of cable and satellite companies, the goal of programming is to maximize the number of subscribers and subscriptions to programming packages.**
 - **Cable must do this with a hybrid analog/digital environment**
 - **Satellite must do this in a completely digital environment**

Structural considerations

- **Conventional broadcasters deliver their signal to consumers ‘free’ with large over-the-air transmitters.**
- **Conventional broadcasters may be:**
 - **Independent and local only (e.g. CFMT, NTV)**
 - **A group of stations (e.g. NewNets)**
 - **A national network delivering programming via satellite to owned and operated or affiliate stations which transmit the signal locally (e.g. CTV, Global, CBC).**
- **Specialty services are delivered to cable and satellite distributors via satellite and are for subscribers only.**
- **Cable and satellite distributors redistribute conventional broadcasts, but are primarily in the business of selling subscription channels.**

Types of programs (from a programmers perspective)

- **Network programs**
 - Usually first-run original programming produced by US studios or independent production firms for broadcast or cable networks (e.g. ER, This Hour has 22 Minutes, Trading Spaces)
- **Syndicated programs**
 - Off-network series – network programming where the broadcasters copyright agreement has expired (e.g. Seinfeld or the Simpsons at 7PM; Star Trek on TNN)
 - Feature Films – movies made for the theatre in the TV window
 - First-run syndicated – series and specials produced and sold directly to broadcast stations (e.g. Entertainment Tonight, Dr. Phil, Andromeda)
- **In-house programs** – produced by the broadcast or cable network, (e.g. 6PM News; Dateline).

Five elements of programming

- **Compatibility**
 - Programmers strive to make their programming compatible with what most people do during the day (known as ‘dayparting’)
 - Broadcasters and specialty channels daypart based on the typical routine of their target audience
- **Habit Formation**
 - Audience members form viewing habits that must be respected (e.g. “24” at 9PM Tuesday on FOX; “The Simpsons” at 5PM on CBC)

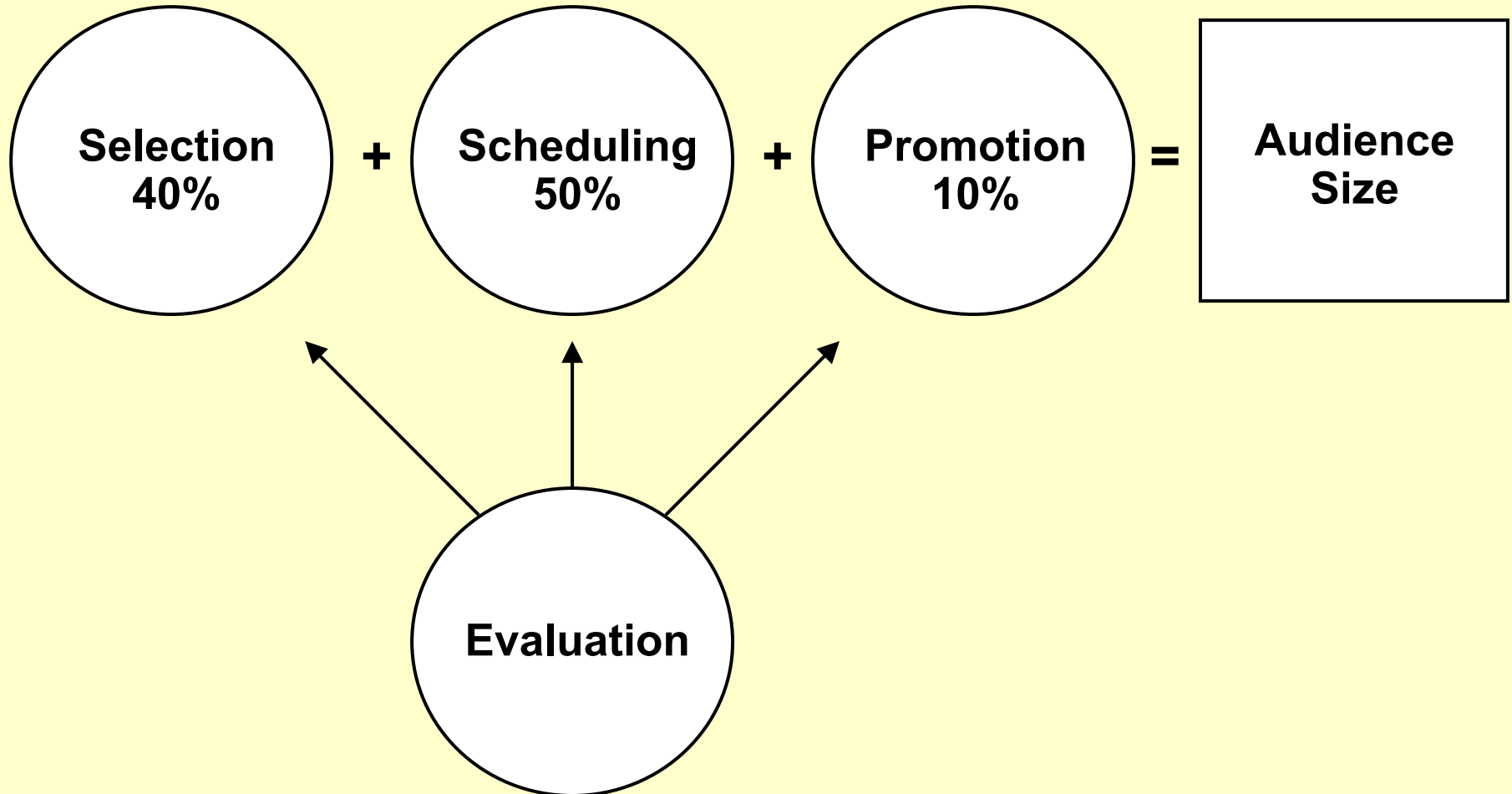
Five elements of programming (continued)

- **Control of Audience Flow**
 - Programmers try to program shows so that more viewers ‘flow to’ the next program or ‘flow in’ from rival networks, than ‘flow away’ to other channels.
 - Examples of this concept are ‘blocking’ similar programs together and ‘counterprogramming’ against rival networks.
- **Conservation of Program Resources**
 - Broadcasters must program nearly 24/7, yet audiences grow bored easily.
 - Programmers must devise ingenious ways to get the maximum mileage out of each program purchase.

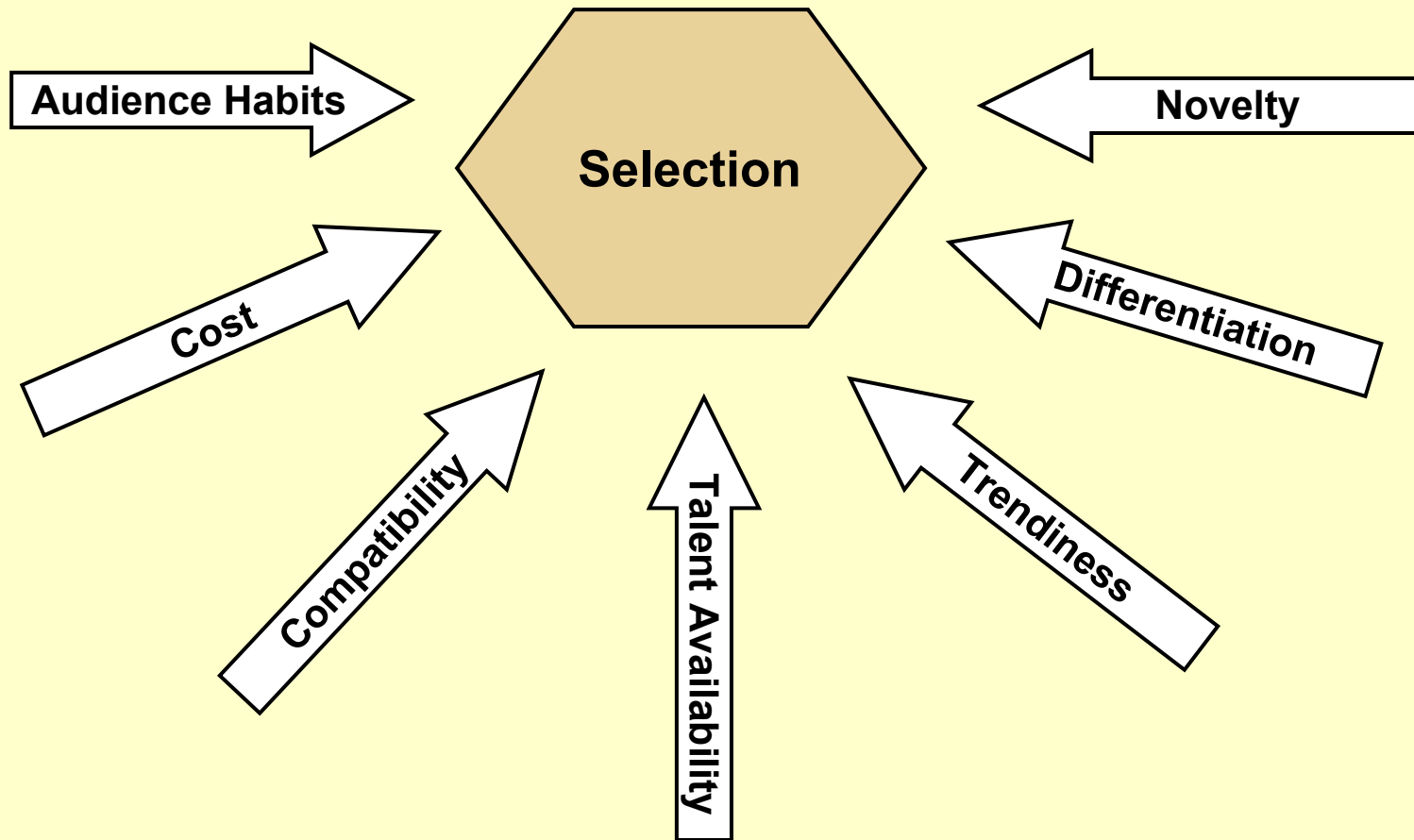
Five elements of programming (continued)

- **Breadth of Appeal**
 - **Programmers must choose between broadcasting and narrowcasting.**
 - **Broadcasting deals with shared feeling and interests among the larger population.**
 - **Narrowcasting deals with highly personalized tastes and needs.**

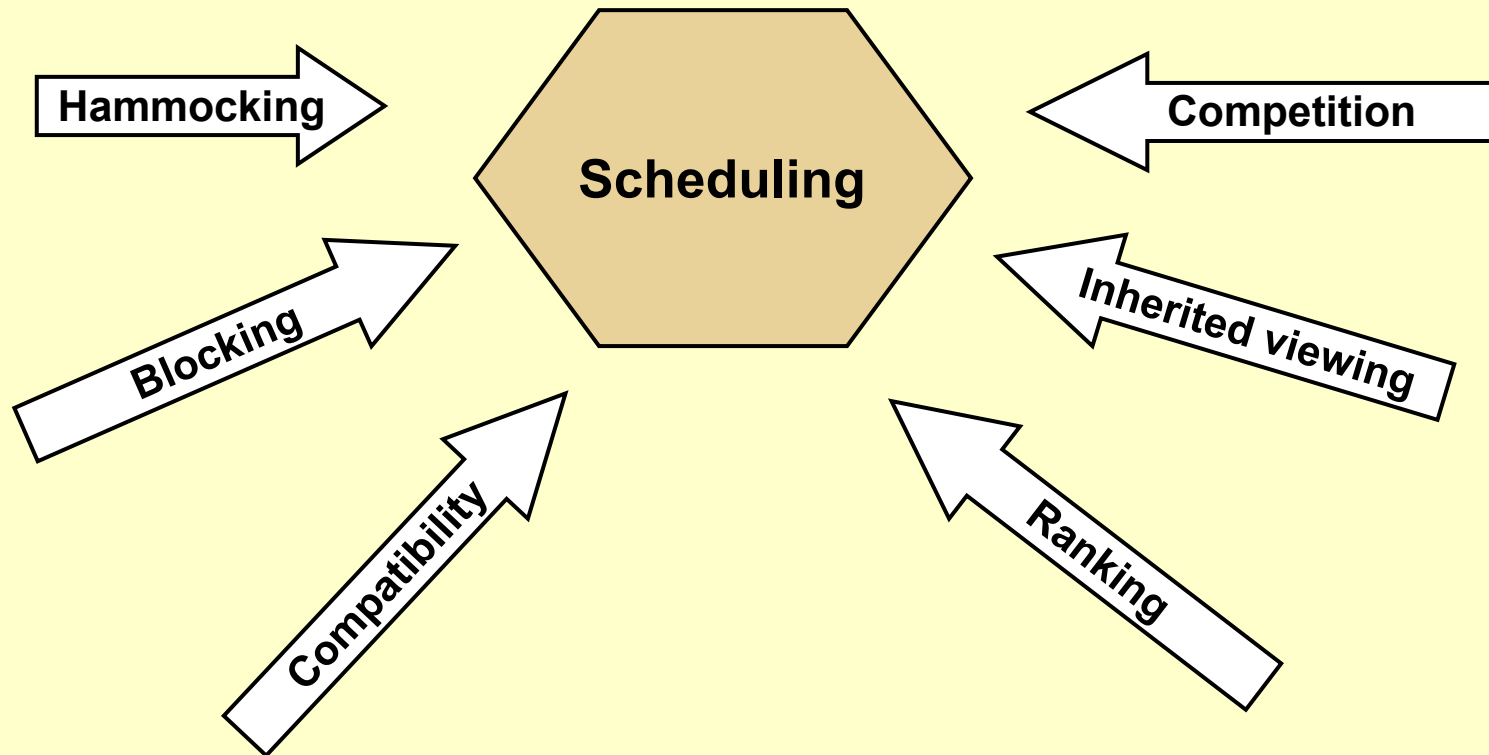
A Four-Part Programming Model



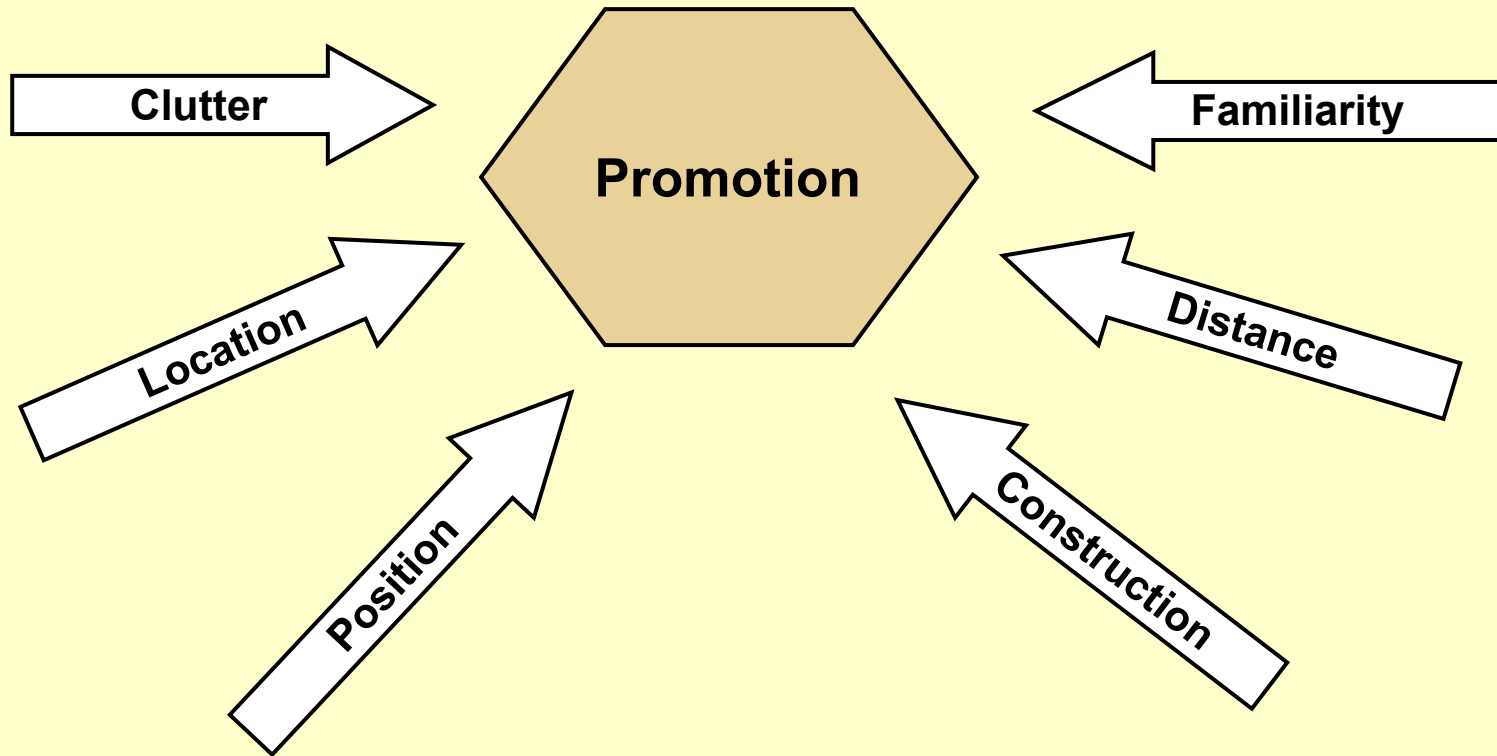
Selection Factors



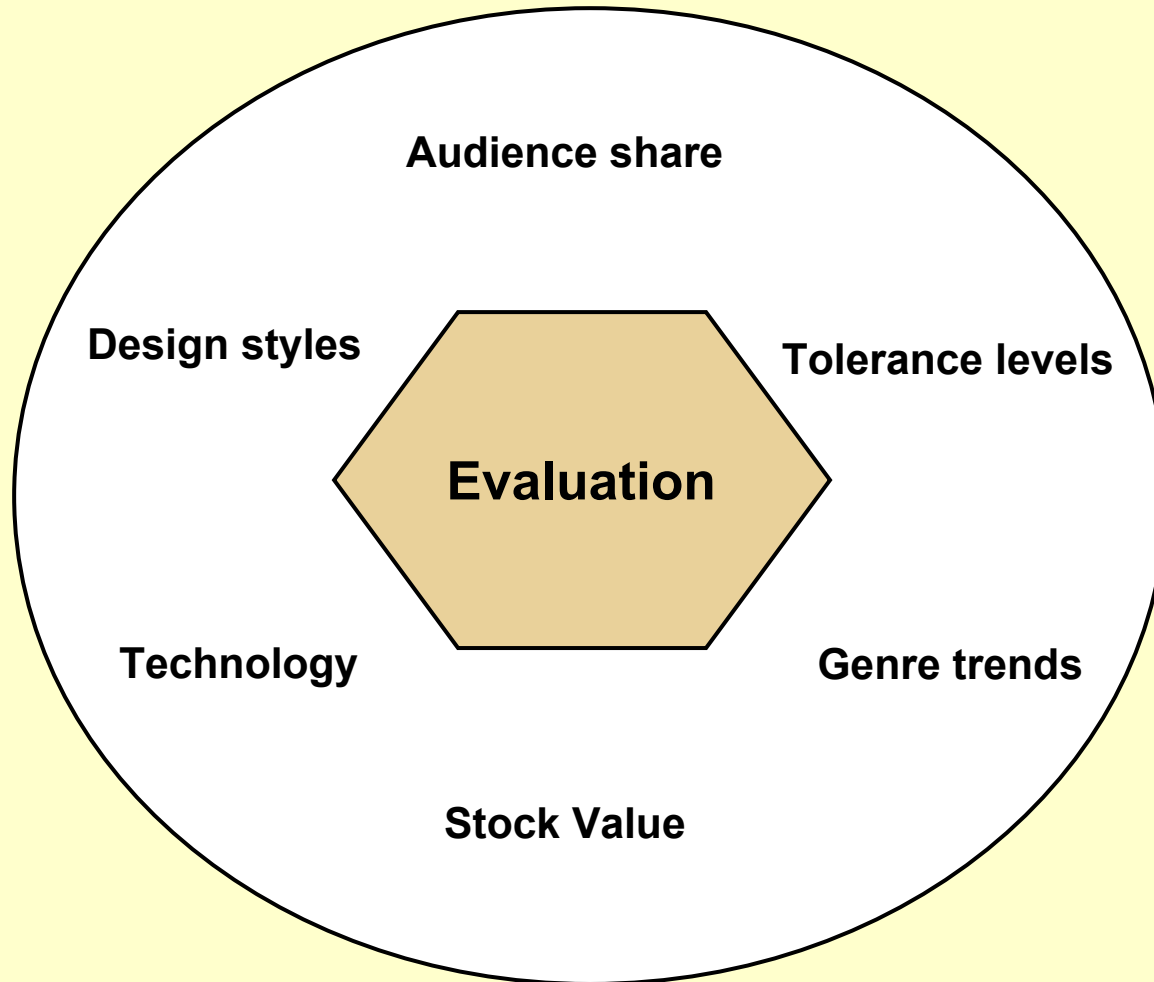
Scheduling Factors



Promotion Factors



Evaluation Factors



Discussion

- **What else must we consider in Canada?**

Agenda

- **Programming Framework**
- **Major Canadian Players**
- **Essay Assignment #2**

The second essay assignment ...

Essay #2 – Television Programming

- **Students will be required to write an essay on an aspect of programming strategy.**
 - **The scope of the essay could be as narrow one program or as broad as explaining a broadcaster or specialty TV channel's entire programming strategy (i.e. a cluster of programs).**
 - **The program(s) can be Canadian and/or American.**
- **Students are expected to research the program(s) origin, intent and success or failure.**
- **The essay should be between 6 and 8 pages double-spaced (approximately 1,500 and 2,000 words).**

Some resources ...

Canadian

- Playback (www.playbackmag.com)
- Cablecaster (www.cablecastermagazine.com)
- Marketing Magazine (www.marketingmag.ca)
- CRTC (www.crtc.gc.ca)

American

- Broadcasting & Cable (www.broadcastingcable.com)
- Variety (www.variety.com)
- Hollywood Reporter (www.hollywoodreporter.com)
- Multichannel News (www.multichannel.com)