



Time-shifting on Satellite: A Window into On-Demand Behaviour?

March 24, 2004

There is growing demand to understand how on-demand TV will impact viewing

1st Phase:

Conventional TV

Characterized by channel scarcity and mass oriented content.

Concepts:

- Day-parts
- Prime-time



Over-The-Air

2nd Phase:

Multi-channel Universe

Characterized by a multitude of niche oriented channels.

Concepts:

- Program wheel
- Multiplexing



Cable



Satellite

3rd Phase:

On-demand

Characterized by more **control** over when and how content is consumed.

Concepts:

- Downloads
- Pause



DVR/PVR

VOD



Home Network

Reports on changing audience behaviour are filtering out

- TiVO users:
 - watch more hours of television than average
 - they watch mostly time-shifted television (skipping the commercials), and
 - the most viewed shows continue to be prime-time US network programming (or high impact).
- VOD:
 - buy rates for VOD movies are higher than those for pay-per-view (PPV)
 - SVOD is popular

Where else can we turn for information on audience behaviour?

Carriage of distant signals creates a rudimentary form of time-shifting

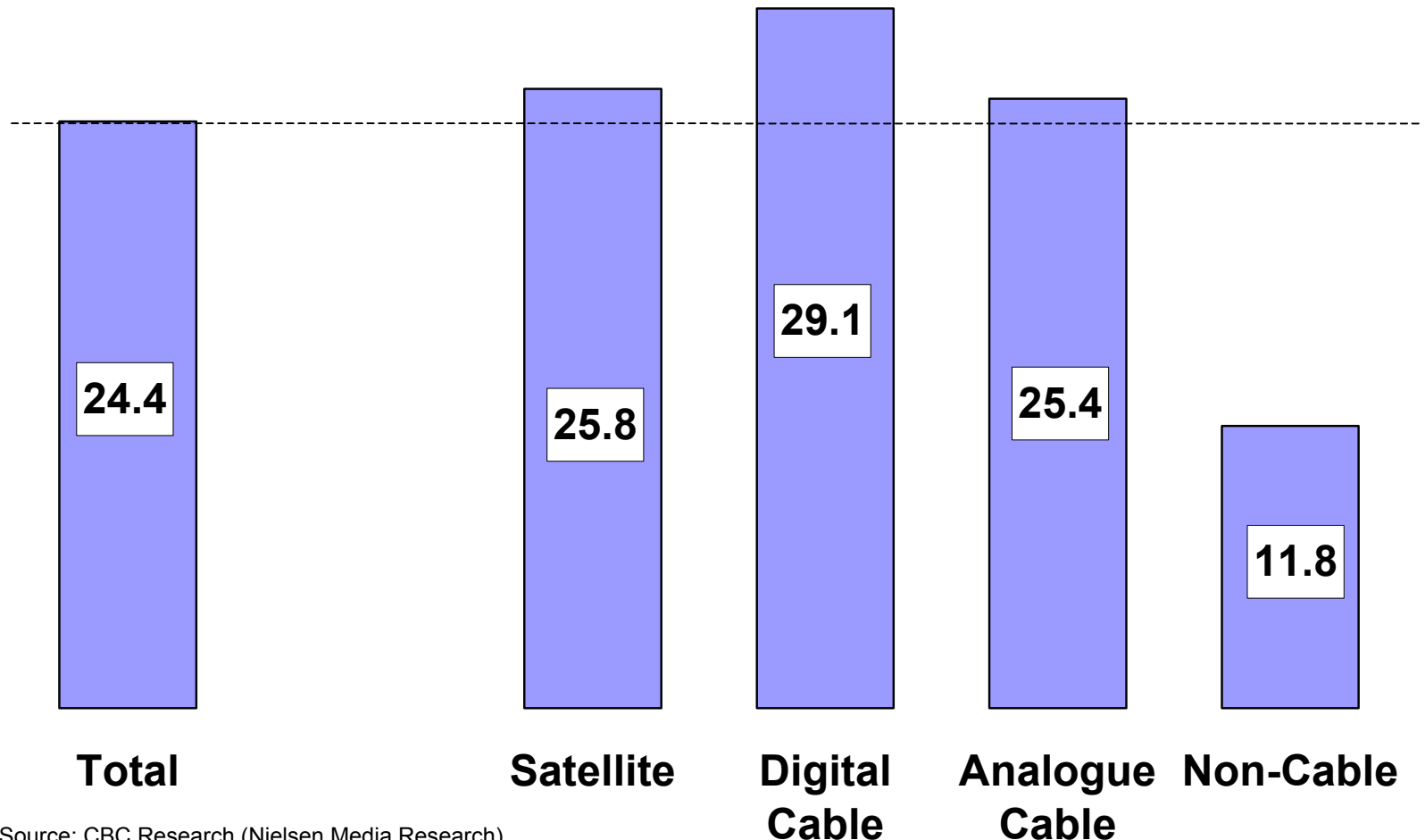
- DTH operators carry distant signals of broadcasters from 6 time zones
- Distant signals are available as part of the basic package
- There are well over 2 million Canadian DTH households (20% of the market)

DTH subscribers have up to 6 start times throughout the day to watch programs from broadcasters.*

* Scheduling, market and carriage all influence time-shifted choice.

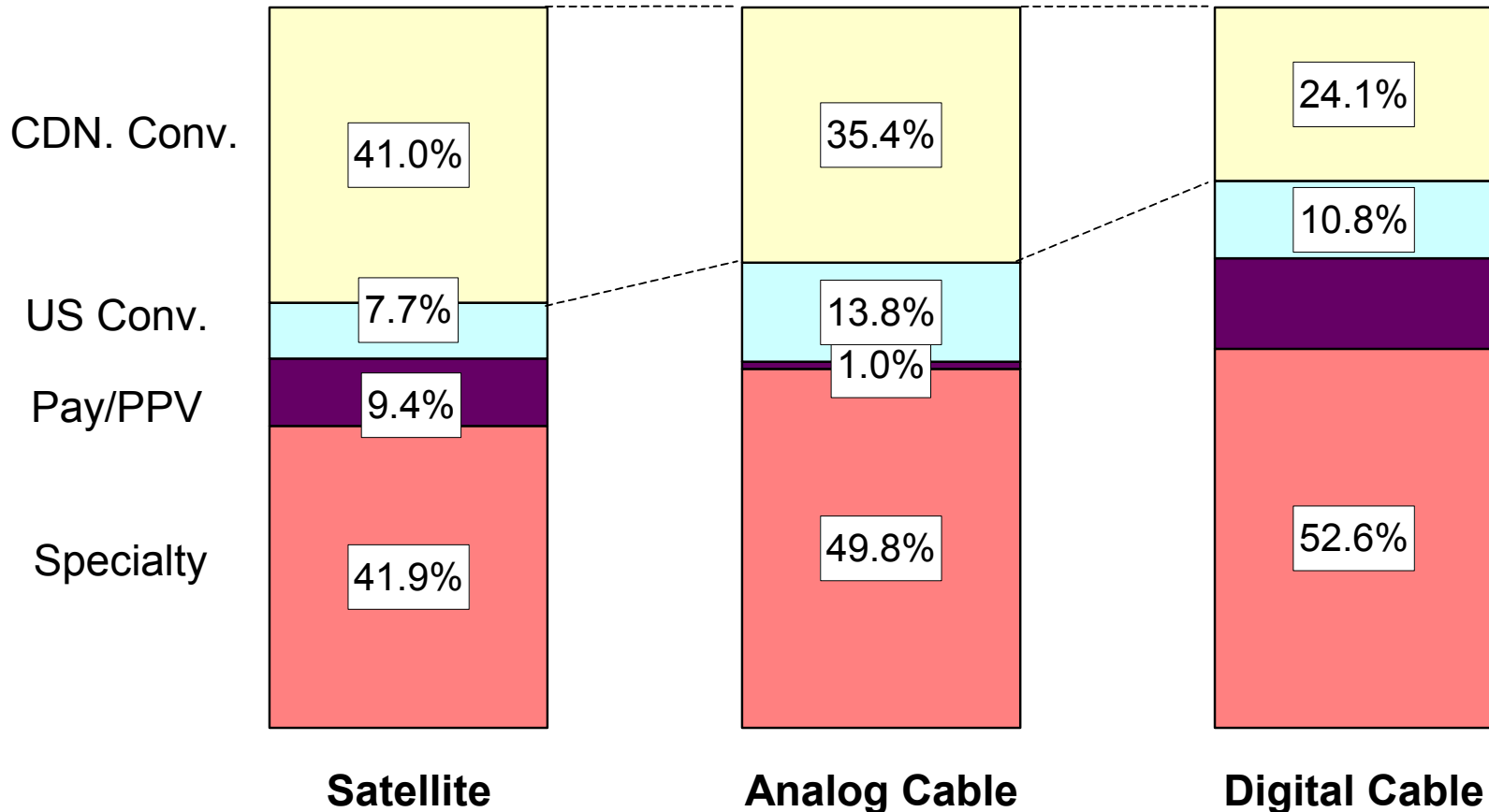
Digital cable has the highest per capita viewing

Anglophone Per Capita Viewing Per Platform
September 1 to December 28, 2003



Satellite households are watching more Canadian conventional services

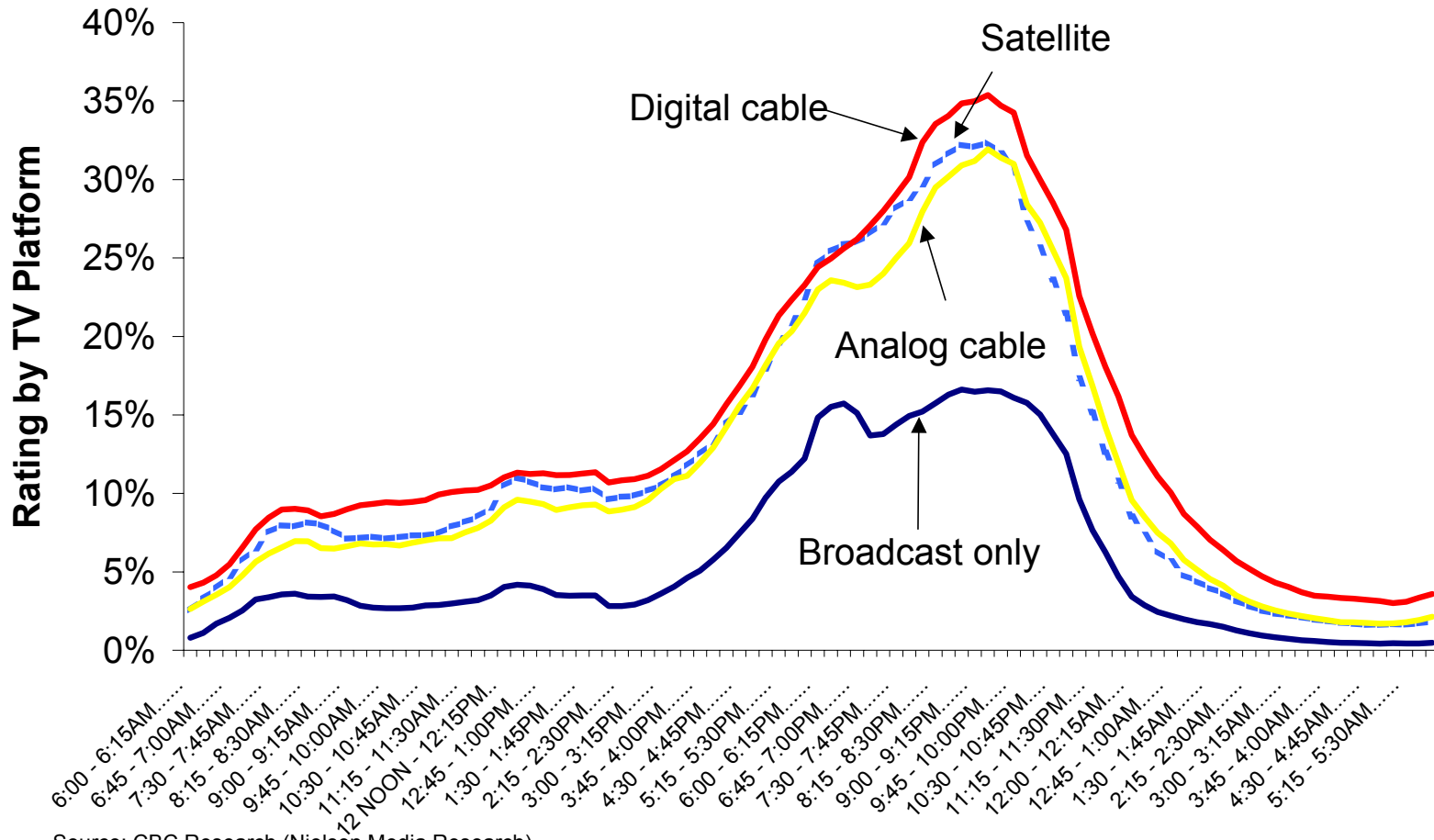
English TV Audience Share Per Platform
September 1 - December 28, 2003
24 Hours



Source: CBC Research (Nielsen Media Research)

Viewing on digital cable and satellite in the evening is slightly different

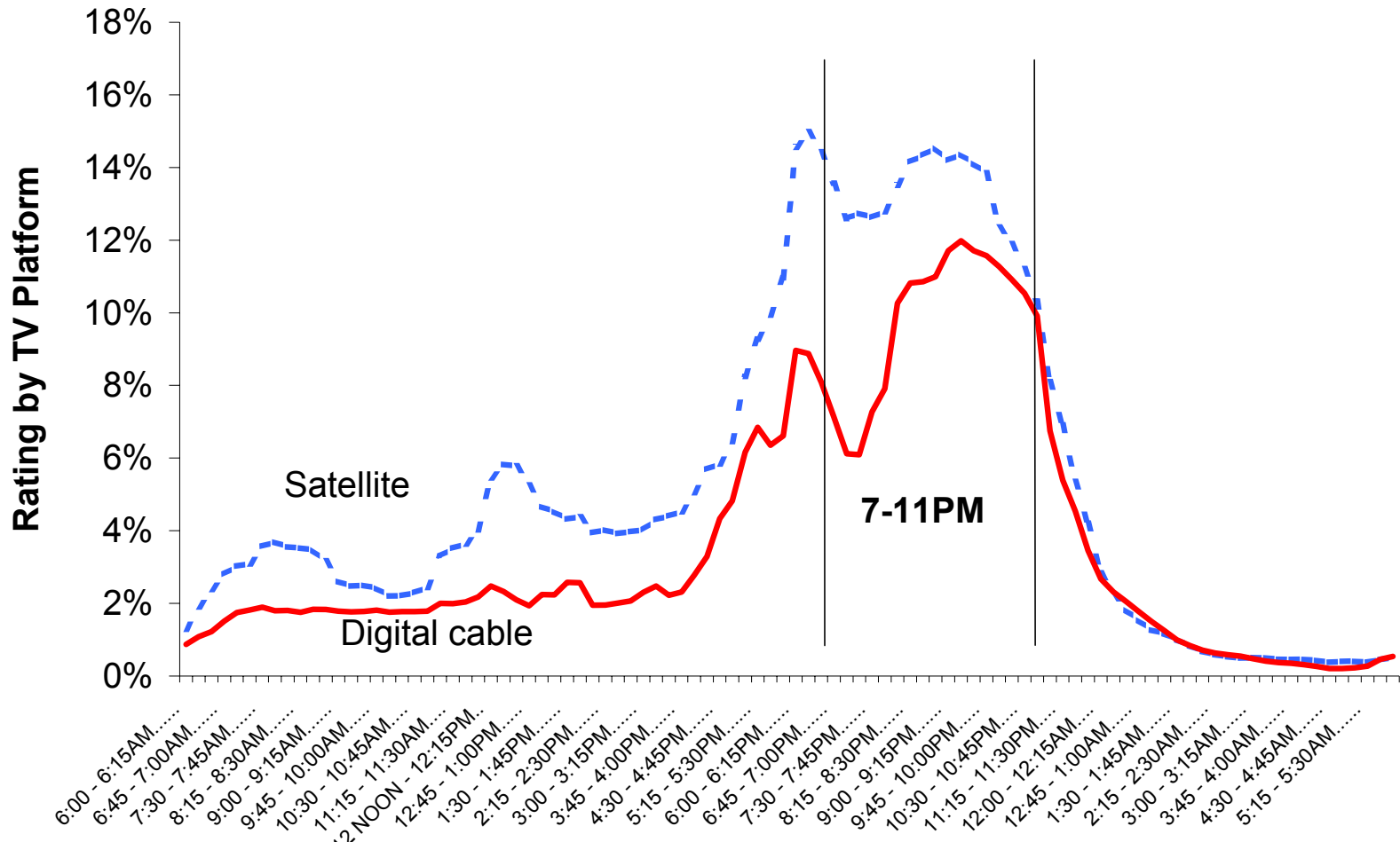
Hourly Viewing Curve of All English Television Stations
September 1 - December 28, 2003
Monday to Friday



Source: CBC Research (Nielsen Media Research)

The difference is due to different viewership behaviour to Canadian conventional services

Hourly Viewing Curve of All English Canadian Conv. Stations
September 1 - December 28, 2003
Monday to Friday



Source: CBC Research (Nielsen Media Research)

Observations

- Availability of time-shifting has not increasing average hours tuned
- Time-shifted stations are selected more frequently
- Time-shifted choice changes consumption patterns