



How a Summer of Sport will Create a New Dynamic in Broadcasting



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64 years have passed since the UK last hosted the Olympic Games. The 1948 Olympic Games was the first post war Olympics acting as a symbol of world unity, representing optimism and hope for the new world. It will also always be remembered as the first Olympics to be shown on television.

Since 1948 the UK, the Olympics and broadcasting has moved on. Television broadcasts are now not only available on the television sets consumers have in their homes, but also on smartphones, laptops and tablets, allowing you to watch content whenever, wherever.

By the time London 2012 starts on the 27th July, it is expected to take digital viewing opportunities to a new level and will almost certainly be the largest in the history of live video streaming and potentially the most watched event of all time.

With such a plethora of products enabling people to watch content in many different ways, live and on-demand, broadcast and streamed over the internet, in long-form and short-form; audiences will have multiple opportunities in how and when they view this year's Olympics. It presents broadcasters and sponsors of London 2012 with a host of opportunities running up to, during and after London 2012.

As media usage fragments, it is increasingly hard to know what your audience is really doing with digital media. Deciding where sponsorship opportunities are and identifying which will be a commercial success is no easy task and this is where understanding through research can help.

That's why Essential Research, part of the SPA Future Thinking Group has developed the Essential Eye; a continuous study of UK adults providing a comprehensive single source of insight focusing on how and why audiences use digital media and technology.





Breadth of Broadcasting

The BBC, as in 1948, will act as host, broadcasting over 5000 hours of the Olympic Games. It is making 24 separate HD-quality live video streams available to satellite and cable broadcasters and aside from the BBC, Sky and Virgin Media will have the capability to show every single minute across all of the Games' sporting events, effectively enabling people to create their own tailored viewing experience, on any device they want to use.



Broadcasters go 3D

As well as HD, the BBC will be showing the opening and closing ceremonies and the illustrious 100m men's final in 3D, while Eurosport is launching a dedicated 3D channel. 3DTV penetration in UK homes is estimated to be just 6%, but many feel that these showpiece events could be triggers to further 3D uptake, just as the 1966 World Cup final showcased the potential of colour TV broadcasts and, 40 years later, the 2006 World Cup drove uptake of HDTV.

60% of UK consumers believe 3D TV services to be hype and currently only 15% believe 3D to be a must have device



With a recent survey conducted for Freeview suggesting that 3D is lacking wide appeal compared to other technologies, it remains to be seen if the Olympics will spark the consumer demand for 3D that pay TV broadcasters such as Sky are investing heavily in.

Whilst a majority of UK consumers are aware of 3D services the latest Essential Eye data highlights that 60% believe it to be hype and currently only 15% believe 3D to be a must have device.





Multi-platform viewing has been a hot topic for a number of years. The emergence of smart phones, tablets and other devices has enabled consumers to view content on the move, and away from the arm chair. Broadcasters are therefore enabling content distribution through a wide variety of media by developing content for mobile and tablet apps as well as apps for video streaming.

Recent figures from The Essential Eye show that the UK is leading the way when it comes to smartphone use – we've now reached a point where more than half of UK adults have a smartphone (56%) - and 12% have an iPhone. Additionally 70% of smartphone owners have used their smartphone to access the internet in the past week rising to 82% of iPhone owners. Meanwhile tablet usage has also grown from 3% to 11% within the last 12 months.

Back in 2008 the BBC saw huge demand on their website for Olympic content with 9.7m hours of Olympic video consumed on the site. Watching live video on the site averaged at 15 minutes per day, whilst watching clips on demand averaged around three minutes 20 seconds per day.

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Four years on however, with growth in smart mobile technology and video-on-demand a common part of everyday lives, for many, the expectations have changed.

The success of Sky Go illustrates the appeal of watching content on the move for the UK consumer. Sky reported in January this year that they had over 1.5 million unique users per month accessing Sky Go- which can be viewed via laptop/pc, mobile or Xbox. The recent rollout to Android mobile phones will only grow the customer base. Likewise the BBC in May 2012 reported that iPlayer usage has shown a 94% increase in mobile users in the past 12 months, with 15 million visits in April 2012. (Mobile devices now account for a total of 15% of all programme requests).

With huge demand expected, the technical challenges of delivering a smooth experience to VOD users watching the 2012 Olympics will be a key concern for ISPs, broadcasters and mobile network operators.





At SPA Future Thinking we have over 15 years' experience of working alongside leading brands, broadcasters and media agencies.

Our Comms Suite helps analyse and measure the impact of sponsorship (our broadcast sponsorship optimisation solution uses data from our 450+ study strong norms database), product placement and multimedia campaigns.

With 11 worldwide partners, seven Worldwide Olympic Partners, a further seven London 2012 Official Olympic Supporters and 28 Official Olympic Providers and Suppliers this year's Games will not be short of sponsors.

For Worldwide Olympic Partners such as Samsung it has enabled them to launch the Samsung Galaxy S III as the official handset of the 2012 Olympic Games. For Samsung it's a great way of ensuring maximum exposure and for Olympic enthusiasts it also includes special Olympic content.



Key for sponsors to understand will be sales opportunities. The Essential Eye, shows that 87% of iPhone users and 66% of smartphone users regularly check their emails on their phone

Sponsorship offers a multitude of objectives from brand positioning, signalling, generation of trials and ultimately sales. These opportunities will not simply focus on targeting consumers but also trade, clients, investors as well as positioning the brand within the community.

Key for sponsors to understand will be sales opportunities. The Essential Eye, shows that 87% of iPhone users and 66% of smartphone users regularly check their emails on their phone (March 2012). There will be massive opportunities for brands to engage with their audiences at the Olympics at a more immediate level. Currently 14% of mobile phone owners have received promotions and vouchers from places near to where they are and an additional 11% would like to receive these.





For other companies who didn't want to part with huge sums of money to sponsor the Olympics, the question of how to stand out over the Olympic period when customers are bombarded with Olympic messaging is important.

Even after avoiding the banned buzzwords associated with the Olympics – such as 'London 2012', the spend on advertising is likely to clutter the market with a huge range of messages. With industry analysts predicting a "summer of love" for ITV, it becomes more important for communications to stand out – a role where traditional research can prove effective in ensuring your advertising spend isn't wasted in a sea of competing messages.

Those Not Interested in Sports

Channels not covering the Olympics this summer will therefore be hoping to capture those audiences with little interest in sport and for these broadcasters knowing your audiences will be key to protecting audience share and advertising revenue.





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SPA Future Thinking is the result of a merger between a number of specialist agencies in 2010 and 2011, and has developed to become one of the fastest growing and largest independent market research companies in Europe, with more than 200 employees and offices in the UK, Germany, France and Italy and a partner network in 38 countries worldwide. With combined industry experience of over 40 years we offer thought leadership across a wide range of specialisms and we provide genuine expertise and understanding across a wide range of industry sectors.

Our knowledge of media and marcomms extends from brand proposition and development, effectiveness of broadcast sponsorship, to researching all forms of today's media.

For more information about the company please contact John Whittaker on +44 (0) 1865 336 400 or at john.whittaker@spafuturethinking.com

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Essential Research is a full service market research consultancy specialising in media, communications, technology and entertainment. It became part of the SPA Future Thinking Group in 2011.

All senior staff have relevant clientside research and strategy experience at organisations such as the BBC, ITV, Channel 4 and DDB. Essential Research have won numerous industry awards including Best New Agency at the MRS Research awards.

The Essential Eye is a tracking study of 3,000 UK adults per quarter that reveals how audiences are using new media technology and importantly, what they are using it for.

For more information on the Essential Eye or Essential Research please contact Stuart Knapman on +44 (0) 20 7843 9777 or at stuart.knapman@essentialresearch.com

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**Richard Barton, Managing Director
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Richard has been with the company since 2001. Promoted to the board at aged just 28, Richard was made Managing Director for London in 2008.

He is a hands on quantitative specialist and he and his team are responsible for setting up and overseeing large, complex and often international tracking studies for some of our biggest media and telecoms clients.

Richard often debriefs the most senior stakeholder clients, summarising data to identify the business critical issues and interpreting findings so that we can provide recommendations. He has particular experience of modelling surveys using conjoint or Brand Price Trade Off to inform NPD, likely uptake, pricing levels and general feasibility across a range of industries. He is a member of the MRS and the MRG.

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**Stuart Knapman, Senior Director
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Stuart is a Senior Director at SPA Future Thinking and its subsidiary Essential Research. He has sixteen years' experience of researching consumers and particularly their interactions and relationships with media and technology.

He joined the BBC in 1998, initially in the World Service, before moving to the BBC New Media division as Head of Pan-BBC research managing the corporation's flagship research projects.

Stuart joined Essential Research as a partner in 2006, and has won numerous awards including the MRS 'New Consumer Insights' award and the AOP 'Best Insight Project' award in 2010.

Stuart's work has informed areas as diverse as ITV's cross-platform content strategy, Microsoft's mobile advertising strategy, and the BBC's approach to digital participation as well as its communications strategy for digital content.

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