

Free-to-air channels still delivering vision

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Last week the Herald highlighted the structural pressures facing commercial broadcasters. Today, Julie Flynn makes the case for free-to-air television.

In 2005 a newspaper journalist at a television forum asked the legendary channel Nine boss Sam Chisholm how concerned he was about the threat to commercial free-to-air television from the internet.

"I'd rather be sitting where I am, mate, than where you are," Chisholm replied with his trademark wit. The 400-plus audience erupted.

This week it's open season again. Predictions of the demise of television have been a constant over the last decade; first we were going to be eaten alive by pay TV, then the internet and now it's the national broadband network.

As the chief executive of Free TV Australia I've learnt not to take these outbursts too seriously. They are usually full of scary headlines, but light on facts. The truth is that commercial free-to-air television has proved remarkably resilient and remains a strong, vibrant industry. Television viewing and consumption habits are evolving, and broadcasters have spent more than a decade innovating and adapting to changing technology and consumer behaviour, in the process building on television's strengths.

Coincidentally, Free TV has just this week launched its latest trade marketing campaign, which highlights the "new effects of television". Drawing on Australian and international research, it demonstrates how television viewing habits are evolving and how these changes are positively impacting television's effectiveness.

The Seven Network's recent season launch promoted not only its new and returning programming but its successful digital media platforms and cross-platform advertising delivery, too.

The Ten Network's "upfront" presentation focused on its strongest slate ever of Australian dramas as well as engaging its audience both on the main platform and across platforms.

The recently debt-free Nine is talking about new acquisitions and spending more on content.

As always, the networks are competitive with one another as well as the myriad other media seeking consumer eyeballs and time.

That competitive spirit has seen commercial free-to-air broadcasters play a central role in Australia's cultural life for more than 50 years. Free TV is in more than 99 per cent of Australian homes and 14 million people are connected through commercial free-to-air television every day.

The Australian Multi-Screen Report shows that despite the competition, television viewing is strong and remarkably stable. People watch about 100 hours a month, with new devices driving incremental viewing: Australians now spend about five hours a month watching video on mobiles and PCs.

We are a serious business as well as a cultural force.

Today, more than 15,000 people will go to jobs either at one of the commercial broadcasters or the hundreds of ancillary businesses they support. These include more than 70 independent production companies, for which commercial television remains the major source of commissions. Many of them would struggle without a strong commercial television sector that each year spends more than the entire ABC budget on Australian content alone.

In 2011-12 the industry invested a record \$1.35 billion in Australian programming: drama, sport, news and current affairs and light entertainment. It is easy to criticise "fast tracking" and the challenges foreign product faces, but this ignores the value of live rights and first-play shows from Australian producers.

And the ultimate arbiters - viewers - continue to vote with their remotes: local content accounts for 46 of the 50 most-watched programs so far this year.

Meanwhile, social media is driving deeper engagement between viewers and what they watch. According to a Yellow Pages Social Media report, one in three of those surveyed are using social media while watching television.

This has enabled the old "water cooler effect" of television to become instant. Free TV's must-watch programs regularly trend worldwide on Twitter.

It is stating the obvious that there will be more challenges from internet protocol television and internet services, particularly with the government investing \$37 billion in the national broadband network.

But it is not an either/or option. Many television receivers are already connected to the internet and hybrid over-the-air and online products are steadily making their way into the market and Free TV channels feature front and centre on all existing pay TV and internet protocol TV services.

Free TV will also be lobbying to ensure we have some say over how our services are monetised by third parties.

No doubt the critics will continue to shout that the sky is falling in, but the industry is focused on the future and ensuring that we continue to play a central role informing and entertaining audiences with strong, locally produced content, for free.