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Insights on the Evolution of Video [UK]



More video is being consumed than ever before, but there are major changes in **the way** consumers are watching

Those who remember the early 1980s might recall running home from school or work to watch their favourite TV show. This kind of “appointment viewing” habit started to change as technology like the VCR in 1984, and later, DVDs in the early 2000s, gave consumers more choice over when and how they watched these shows.

By the time the internet introduced streaming from Netflix, Amazon Prime, NowTV, and others in the 2010s, consumers could finally watch what they wanted, when they wanted.



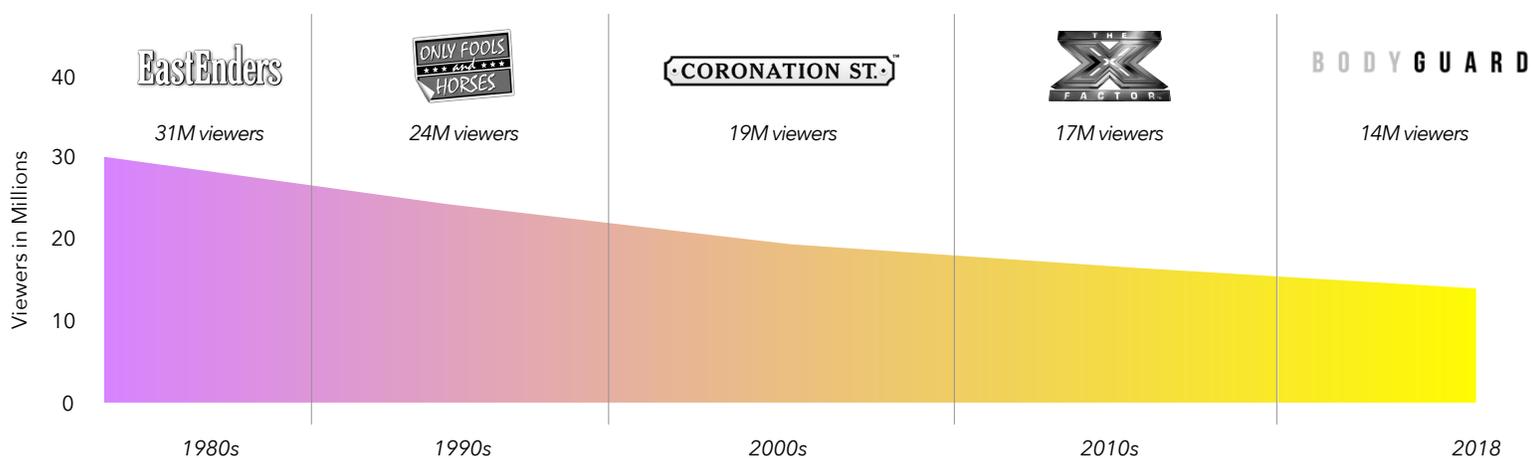
This change in TV-viewing behaviour, coupled with democratised content creation, has had a massive effect on TV viewership.

TV finales exemplify this change. EastEnders drew an audience of 31 million people when it aired in the 1980s.¹ With the advent of time-shifted TV and more programming choices available, fewer people began to tune in live. Live viewership TV has steadily declined over the years.

The most watched TV episode of 2018 was Manhunt, and that brought in only 9 million viewers.¹ It's important to note that this is not a commentary on the quality of shows, but an indicator of the explosion of choices for viewers and the impact of time-shifted viewing.

TV Episode Viewership¹

most-viewed series episode per decade



¹Source: BARB Top 10 Programmes Since 1981, 2019

Audiences are spending less time watching traditional TV, but increasing their total time spent with video entertainment.

According to a 2018 report from the UK Broadcasters' Audience Research Board (BARB), traditional linear TV viewing among UK citizens of all ages has declined 16% since 2012, and 5% since last year, coming to rest at about 3 hours and 20 minutes a day. That decrease is even sharper among Gen Z and Millennials, who spend 34% less time with traditional TV than they did in 2012, and approximately 15% less time since last year.² Content creators are responding to this shift in behaviours, as TV season length is also on the decline.³

However, looking at viewership holistically, including streaming and time-shifted TV, it is clear that content consumption is actually *growing*. BARB predicts that by 2022, the UK will reach new heights in terms of viewing minutes per day—but that viewing will be diffused across an ever-growing selection of devices to fit viewers' situations and desires.⁴

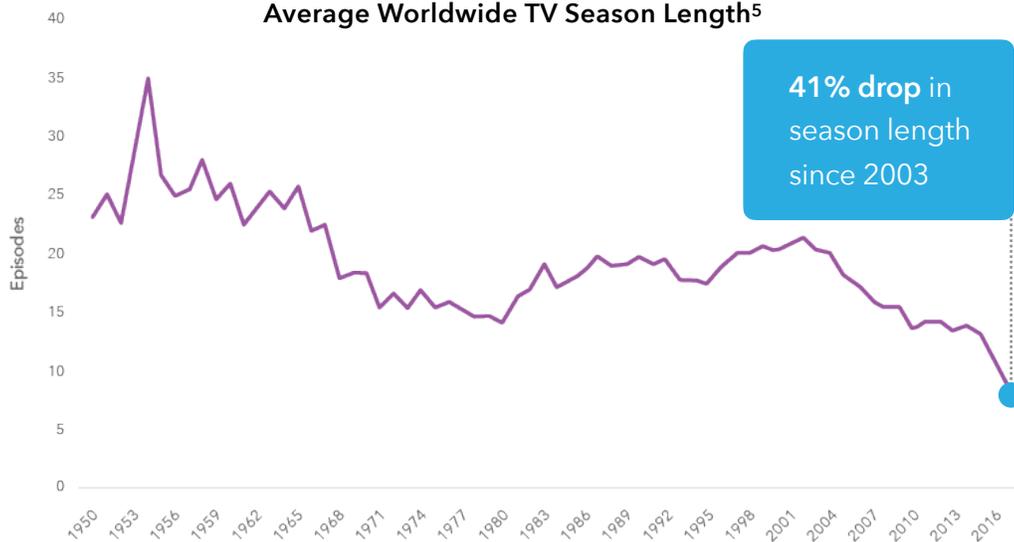


Broadcast TV viewing has declined

38 minutes

since 2012²

Average Worldwide TV Season Length⁵



41% drop in season length since 2003



²Source: Ofcom, *Streaming overtakes TV for the first time, 2018*
³Ben Lindbergh, "Mourning the Loss of the Long TV Season"
⁴BARB, *The Viewing Report, 2018*
⁵Source: Ben Lindbergh, "Mourning the Loss of the Long TV Season", 2017, Travis Bell, *The Movie Database, 2017*

Younger viewers watch more online video than broadcast TV.

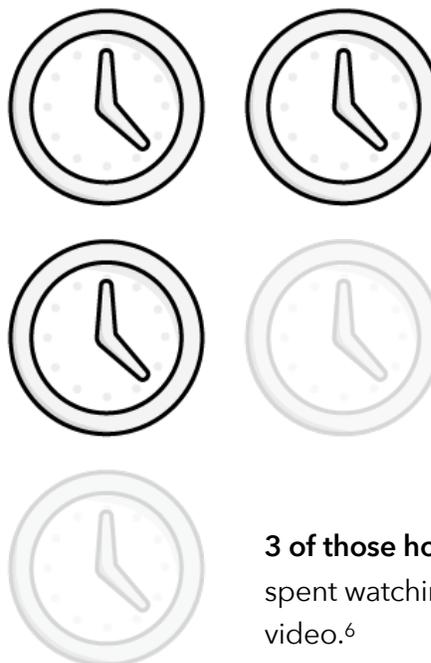
Gen Zs and Millennials spend roughly 5 hours per day watching TV and video content, with a growing selection viewed online. For Gen Z and Millennials (ages 16-34)—only 46% (about 2 hours) is devoted to broadcast. The other 64% (3 hours) is spent watching online video. In prior research, BARB found that young people serve as the trendsetters, and that the general popular adopts their behaviours within 5-8 years. This serves as a positive indication online video consumption will continue to grow.⁶

The always-on, always-multitasking way we live today has made it crucial for audiences to exert more control over their viewing experience. The popularity of short, snackable video sessions right alongside longer, binge-watching marathons serves as proof. When asked their preference, nearly 60% of 16-24 and 50% of 25-34 year-olds say they prefer to watch back-to-back episodes.⁷ It is evident that younger audiences are eminently comfortable fitting video into their routine, however it suits their mood and circumstances.

Gen Zs and Millennials spend

5 HOURS

daily watching TV and video content



3 of those hours are spent watching online video.⁶

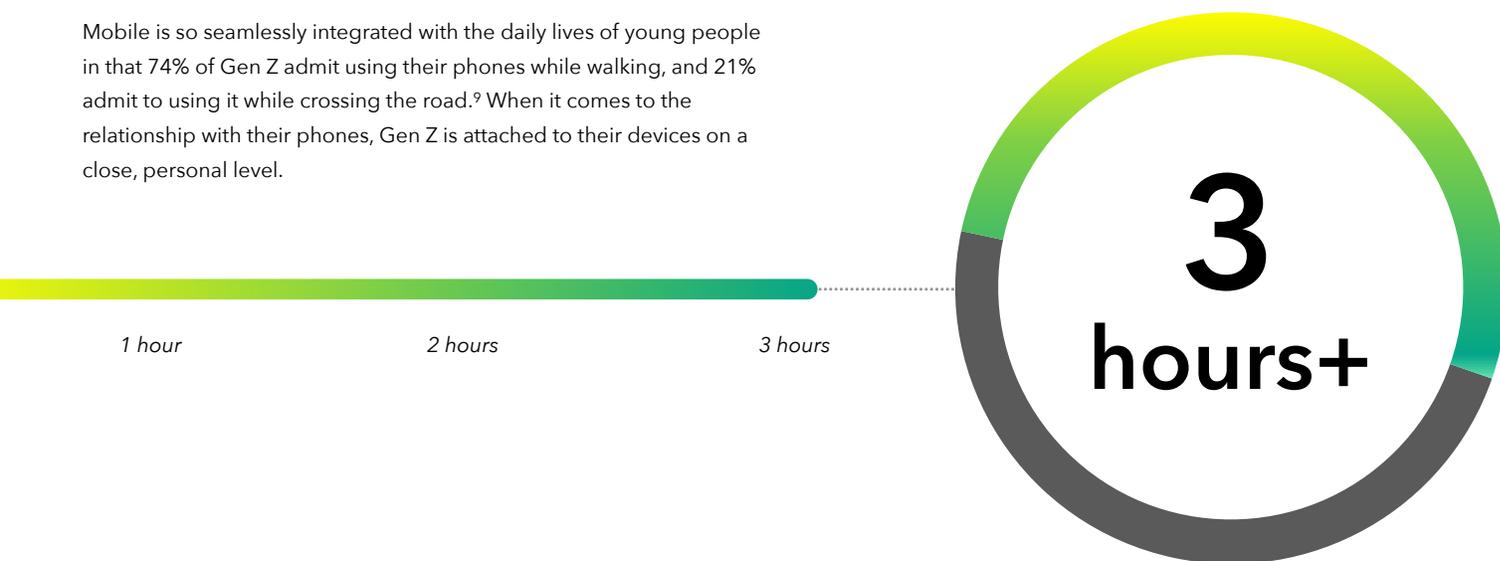


⁶Source: BARB, The Viewing Report, 2018
⁷Source: Global Web Index, 2018

With increased online video consumption, mobile plays a greater role in consumers' media diets.

Over half of Gen Z and Millennial internet users spend at least 3 hours online on a mobile device each day. Over a third of Gen Z and nearly a quarter of Millennials spend 4 or more hours.⁸

Mobile is so seamlessly integrated with the daily lives of young people in that 74% of Gen Z admit using their phones while walking, and 21% admit to using it while crossing the road.⁹ When it comes to the relationship with their phones, Gen Z is attached to their devices on a close, personal level.



per day, on average, is spent online on a mobile device, by **52% of all UK internet users 16-34**¹⁰



⁸Source: Global Web Index, 2018; Gen Z = 16-24 years old, Millennials = 25-34 years old

⁹Source: Deloitte, Mobile Consumer Survey, 2017

¹⁰Source: Ofcom, Streaming overtakes TV for the first time, 2018

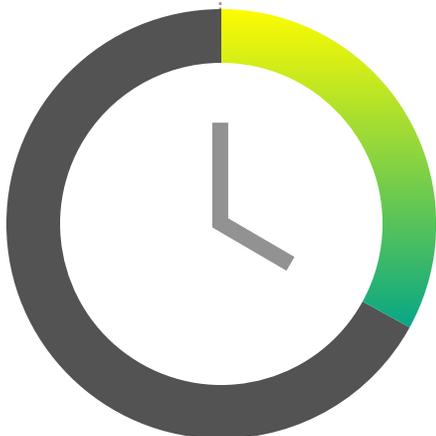
Young people watch more video content on mobile than ever before.

Of every hour online,

33%

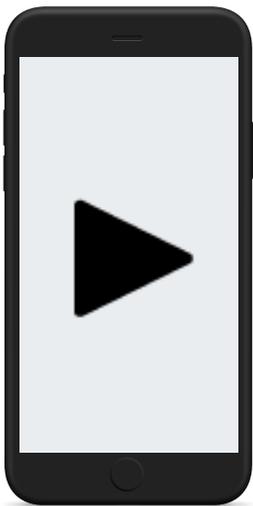
is dedicated to watching video.¹¹

For every hour spent online on mobile, Gen Z spend 24 minutes, and Millennials spend 22 minutes watching video.¹¹ Over two-thirds of Gen Z and Millennials say they have increased the amount of mobile video they watch over the past year. Females tend to drive this trend, particularly those who are older Gen Z and younger Millennials.¹² However, the general trend suggests everyone sees the effects of technology more closely interwoven in their daily lives.



¹¹Source: VidMob, State of Social Video Report, 2018; Gen Z = age 16-24, Millennials = age 25-34
¹²Source: 2019 UK NRG Study commissioned by Snap Inc.

Mobile video adoption is growing among all audiences.



Today,

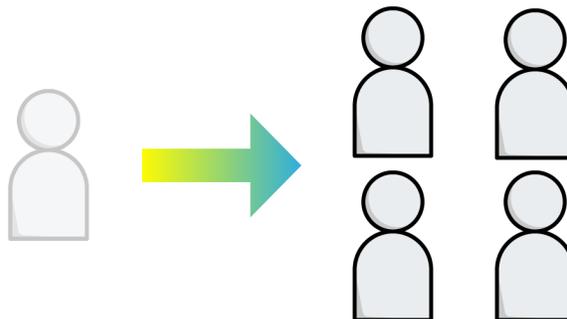
29 million

consumers **watch video**
on their smartphones.¹³

The number of consumers watching online video has **skyrocketed**

increasing 4x

since 2011, when **only ~7 million** said they watched mobile video.¹⁴



¹³Source: eMarketer, "UK Digital Users: eMarketer's Estimates and Forecast for 2017-2022," 2018
¹⁴Source: Deloitte, Mobile Consumer Survey, 2017

Mobile video satisfies a desire for a personal entertainment experience.

Consumers attribute their boost in mobile video viewing to advances in technology, more choices in video content, and more overall time spent on the internet.¹⁵

For Gen Z and Millennials, watching mobile video via app or website...¹⁵



Mobile video satisfies a desire for a personal entertainment experience. Teens and young adults see mobile video as a welcome distraction (90% agree) that helps them discover new interests (88%), keeps them in the know (85%), and stimulates their mind or makes them think (86%)— a confluence of factors that means they come away feeling positive and uplifted (87%) after watching mobile video.¹⁵

Functional features like search, discovery, aggregation, and personalisation boost the emotional benefits of mobile video. Helping users find what they're looking for—either via easy-to-navigate search functions or with personalised recommendations—is key to mobile video engagement, and not just for practical reasons.¹⁵



What's next?

Short-form. 10 minutes or less.

As mobile grows to be the dominant medium of consumption, content must adapt to be mobile-first. Short-form content, typically defined as content lasting 10 minutes or less, is emerging as a viable solution.¹⁶ Where more traditional long-form content is akin to a full meal, short-form is like an on-the-go snack: consumed alone, satiating a quick need, and bringing a little excitement to the day.

Skewing younger and highly mobile, short-form content is uniquely suited to satisfy media diets of the future. While 43% of total audiences watch short video clips on their mobile phone, that number spikes to 62% among 18-24 year olds.¹⁷ The younger generation, leading busy lives with many competing priorities for their attention, favours the on-the-go experiences of short-form.

% Watching Short-Form Video Weekly¹⁸



¹⁶Source: Google Ads

¹⁷Source: Ipsos, Technology Tracker, Q3 2018

¹⁸Source: 2019 UK NRG Study commissioned by Snap Inc.

User-generated content like social stories and casual videos engage consumers.

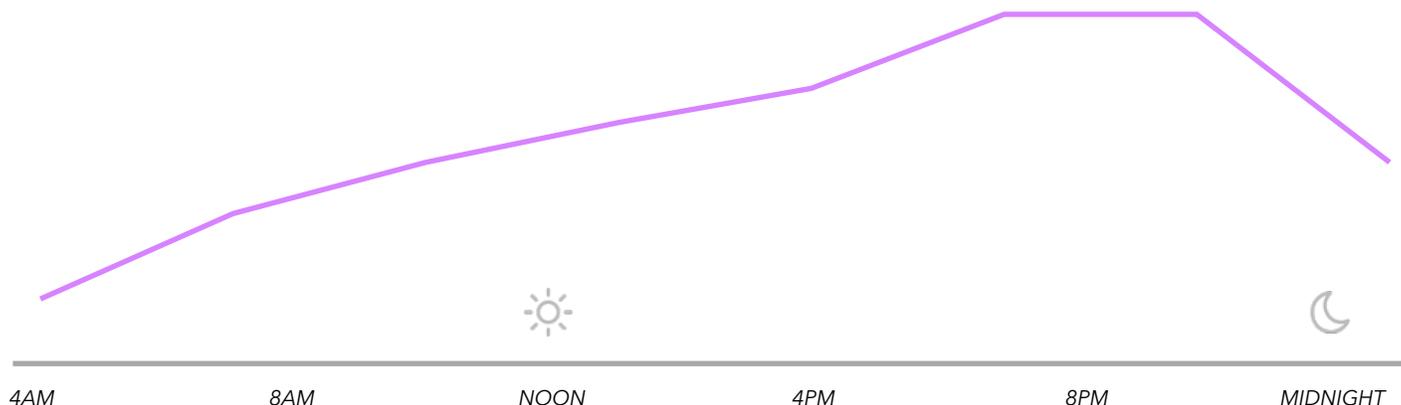
Nearly all surveyed (97%) said they watch short videos from friends or influencers, with 68% saying they view user-generated content at least daily. This percentage is even higher among teens, 74% of whom watch user-generated content at least once a day.¹⁹

But consumption of premium short-form content is becoming an increasingly important part of young people's media routines. Nearly two-thirds of Gen Zs and Millennials watch premium mobile short-form content at least weekly, and about 40% watch daily.¹⁹ As broadcast TV viewership falls precipitously for these groups, with total minutes declining 40% among Gen Zs and 30% among Millennials over the course of 2017²⁰, mobile short-form viewing is predicted to rise.²¹

Allowing viewers to exert control over the video experience makes it feel personal. Not only do Gen Zs and Millennials want more control over when and where they access video content, which 82% consider important, they also want to control the *content itself*.¹⁹ This is particularly true of digitally-native Gen Z, who consider haptic interaction a must-have (76%).¹⁹ Younger audiences increasingly see mobile video as a "choose your own adventure" offering – available whenever they want, and customisable for their interests, needs, and moods.

Premium short-form is gaining traction because of its customisable, flexible nature, giving viewers the high-quality production value of TV without the time commitment. Watched most during the traditional prime-time slot of 5-11PM on weekends and weekdays, premium short-form delivers on similar need states for today's teens and young adults as TV did for previous generations.¹⁹ Overall, about 60% of Gen Zs and Millennials say they watch premium short-form on weekday evenings and weekends. Millennials, older and less likely to be in school, over-index on late-night (11PM-1AM) viewing, while school-age Gen Zs are more likely to watch in the early afternoon, perhaps during a lunch break.¹⁹ A smaller time commitment and the flexibility to watch when and where a daily schedule permits, combined with its emotional storytelling appeal, makes premium short-form an unparalleled offering for the digital age.

% Who Watch Short-Form Video, by Hour¹⁹



¹⁹Source: 2019 UK NRG Study commissioned by Snap Inc.

²⁰Source: Ofcom, Streaming overtakes TV, 2018

²¹Source: BARB, The Viewing Report, 2018

Snapchat is a mobile video destination.



The video-driven Discover platform is growing rapidly, with 30% more people watching Publisher Stories and Shows every day compared to last year, and each person consuming more Stories per day on average.²²

On average,

2 in 5

Snapchatters watch Discover feed content every day.²³

The platform's new approaches to mobile video have attracted wide audiences. Catering to a range of interests, 21 unique shows in Discover reached a monthly active audience of over 10M viewers in late 2018.²³ While unscripted series, interactive series and memes/collective series represent some of the most popular content on the platform, some shows stand out as particularly effective:

- Snap Original "The Dead Girls Detective Agency," produced with television giant NBC Universal, reached more than 14 million unique viewers, and over 40% of those who watched the first episode went on to complete the entire season²²
- Bitmoji Stories, an interactive take on the meme format, reached over 40 million viewers shortly after its release in December 2018²⁴



²²Source: Snap Inc. internal data Q4 2018

²³Source: Snap Inc. internal data Q4 2018

²⁴Source: Snap Inc. internal data December 2018

Collaborating with established television networks on mobile-native versions of traditional shows and entertainment, Snapchat is developing innovative content that's made for mobile, while retaining all of the storytelling and emotional benefits of linear TV.

ASMR series like "So Satisfying," memes like "Bitmoji Stories," and chat fiction like "Hooked" appeal to Gen Z's and Millennials' preference for bite-sized videos that involves them in the content. Overall, 80% of Snapchatters have watched these kinds of videos at some point.²⁵ News, reality and sports programming remains popular with this audience as well.²⁵

Snapchat's initial run of series has shown it can successfully deliver on a premium experience. Scoring two Creative Arts Emmy for James Corden's *Next James Corden* and a nomination for *The Voice*, it's clear Snapchat can credibly provide high-quality content. Moreover, Snapchat's Originals have effectively integrated the medium into their content. It's in the translation of the meaning of TV—rather than an attempt to completely replicate the experience—that seems to be working for Snapchat.²⁶

INTERACTIVE UNSCRIPTED MEMES ASMR ORIGINALS



²⁵Source: 2019 UK NRG Study commissioned by Snap Inc.
²⁶Source: Troy Patterson, *How Snap Originals beat Facebook and Instagram in adapting to social media*, 2018

