What to Watch?

Audience motivation in a multi-screen world

Australian Government
Screen Australia

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ABOUT THE REPORT

Over the last year Screen Australia has made a significant contribution to understanding the transitional nature of the screen sector, as distribution mechanisms converge and access points fragment.

Our 2011 discussion paper *Beyond the Box Office: Understanding Audiences in a Multi-screen World* provided a comprehensive overview of how audiences are shaped by their screen activities, as well as unprecedented information on the downstream audience size for feature films across their whole first release cycle.

What to Watch? Audience Motivation in a Multi-screen World is a companion piece. It questions why audiences watch what they watch, exploring how motivations change for feature films, TV drama and documentaries (referred to collectively as 'screen stories') across different distribution mechanisms or platforms (cinema, DVD and Blu-ray, online video, subscription and free-to-air television).

Key insights

1. Lifestyle factors are key motivators when viewing scheduled content.

For cinema and television, where content is made available according to a programmed schedule, it tends to be the lifestyle opportunities offered by each platform that are top of mind motivators for viewers – the social event and immersive screening environment of cinema, for example, and the ability to turn on the television at any time of the day to relax and unwind for free.

When the content itself is a key motivator on these platforms, it tends to be because people want to see the film or program as soon as it is released. Although this is a consideration for many, it isn't representative of the most important motivators overall. Viewers seeking particular content are more likely to be frequently engaged with the platform or among those most responsive to word of mouth and direct marketing messages.

3. The **internet** has broken down supply constraints, with most online viewers watching **more** screen stories overall as a result.

Most online viewers use the web as a complementary content source, not as a replacement, with 57 per cent saying that overall they're now watching more feature films, TV drama and documentaries than they did five years ago.

For producers, the opportunity for online viewing to extend the experiences of traditional platforms offers not only new ways to distribute content but also new ways to promote it. No matter how the audience got there – primarily motivated by the platform, content or both – they will always come to the point of having to choose what to watch from the films and programs available.

At the same time, however, more choice for the viewer means more competition for the producer.

For online viewers, choice is virtually unlimited. With such a wide selection available, browsing for content becomes more difficult and 70 per cent of online viewers search for a specific title. In such an environment, content awareness has never been more important.

2. When content is provided on demand, people are looking for depth of catalogue and control over **when** and **how** they watch it.

DVD/Blu-ray and online offer a wider selection of content that audiences can access on-demand to complement, or even replace, scheduled viewing.

Given the in-home experience and growing mobility offered by these on-demand platforms, it's not surprising that greater comfort and flexibility in time and place of viewing are among the top motivational considerations for DVD/Blu-ray and online viewers. And decisions based on aspects of the content itself, rather than the platform, are also more often cited as primary considerations than they are for viewing at the cinema or on television.

Successful titles can build momentum from their first release, with the buzz intensifying as they make their way onto other platforms. Trailers and word of mouth continue to play a significant role for feature films on DVD/Blu-ray and online, while catching up on missed programs, watching back-to-back episodes and seeking out programs not yet locally broadcast are the standout motivators for TV drama and documentaries.

4. Social media networks offer a strategic opportunity to build awareness as word of mouth evolves in speed and scale.

Awareness built through other platforms plays a very important role in guiding the decisions of people seeking out content online, with 41 per cent saying that ads and trailers at the cinema, on television and outdoors are an influence.

Furthermore, 26 per cent of online viewers said they often see, hear and read interviews with the cast and crew via television, radio, magazines and newspapers. 22 per cent said they viewed official screen content sites and 28 per cent viewed general sites.

However, social media networks such as those offered through Facebook and Twitter are growing in influence. Not only have they given trailers a new lease on life but 30 per cent of online viewers now say they often read posts on these sites before deciding what to watch and half of those post comments back once they've viewed.

While word of mouth cannot be controlled, it can be influenced by targeting the right types of audiences with the right types of marketing messages.

5. People who care about **both screen culture and social media** are the perfect targets for social media marketing.

Out of four audience profiles identified in the research, one group, Connectors, is deeply connected to both screen culture and social media. For social media marketing, they are perfect targets.

Connectors account for 34 per cent of people aged 14 years and above. They're generally affluent, modern, young people who live in cities. They stay in touch with the latest technology, and rely on social media to organise their lives. They find the time and the cash to watch all kinds of content, on all platforms.

75 per cent of Connectors watch feature films, TV drama and/or documentaries online. Of those, one in five hype their viewing experiences via social media and other online forums. The scale and complexity of these networks gives the hype from Connectors immense reach.

This offers opportunities for Australian productions.

6. Australian audiences value Australian stories. The challenge is to make sure they can continue to find them.

Nine in 10 people feel it's important to have a local film and television industry that makes Australian stories, with the most commonly cited concern being to ensure local stories aren't overrun by Hollywood productions.

That's good news, but the challenge is clear. Creative, dynamic efforts are needed to ensure audiences continue to be engaged with Australian stories in an increasingly competitive multi-screen world.

Introduction

Screen Australia's *Beyond the Box Office: Understanding Audiences in a Multi-screen World* was published in April 2011. The report comprehensively mapped screen activity over a five-year period, providing a benchmark to measure the changing size and shape of audiences.

It found that while Australians have added many new devices to their screen diet, they haven't necessarily switched off the old ones. This is best exemplified by free-to-air television which, in the face of a growing array of on-demand alternatives, has shown that the proportion of viewers watching broadcasts on a weekly basis has remained stable.

However, the paradigm is shifting, with early adopters driving change. These people tend to be younger, innovative and interested in technology. They have the highest participation rates across all distribution platforms, with the exception of free-to-air television, with which they are now engaging slightly less often than they were five years ago.

As these 'youthful' adopters grow into time-poor 'adults', they are unlikely to discard their screen devices. Rather, a generational shift is occurring, that will see audiences evolve into savvy consumers who embrace a myriad of ways to view content. They will instinctively combine screen options to maximise their discretionary viewing time through mixing on-demand and scheduled programming at home, in transit and at public screenings.

Of course, the notion of accessing content across several distribution platforms is not new, with feature films a good example. As revealed in *Beyond the Box Office*, today cinema accounts for less than one in 10 viewings. This shrinking share comes after fundamental changes in home-based viewing over the last 60 years, with the introduction of television in the 1950s, the growth of physical video in the 1980s and the more recent emergence of online distribution. The fact is, people are still going to the cinema, although the reasons they do have evolved now that it's not the only way to see a movie.

Online services have been catering to screen audiences since the mid-2000s. At the same time as YouTube created a phenomenon around the streaming of user-generated content, iTunes began selling television programs and movies. These business models have continued to mature and others have also appeared, with long-form content now a staple online. This is largely thanks to a greater capacity to stream or download large files and an audience looking for more substantial offerings than just snacking on short clips.

But with so many different types of content available, it is inevitable that the motivations underpinning people's decision-making will vary. *What to Watch? Audience Motivation in a Multi-screen World* builds on, and refines, the broad consumption trends identified in *Beyond the Box Office* to engage with this granularity. It specifically focuses on 'screen stories' – feature films, TV drama and documentaries – reflecting both the Federal Government's cultural policy objectives and Screen Australia's role in providing an authoritative source of information on these content types.

To build this detailed picture Screen Australia commissioned Auspoll to facilitate a series of focus groups and attitudinal surveys. They explored motivations by content type and distribution platform, the importance that viewers place on Australian content and their level of engagement with social media (see *Methodology* for more details). The research aimed to deliver outcomes on two levels:

- the first was to explore what audience motivations might tell us about current and future patterns of consumption, and in particular to identify the types of people who are driving convergence;
- the second was to focus on new strategic opportunities offered by the rapidly changing online environment that could help producers of Australian feature films, TV drama and documentaries to connect with their audiences – across all platforms.

What to Watch? affirms the strong social currency that exists in both the act of collective consumption and the discussion of this consumption with others. Understanding the dynamics of this conversation, and the extent to which new tools of social media can help shape it, is a vital step in ensuring that Australian screen stories continue to have traction on traditional distribution platforms as well as getting a foothold in the highly competitive online market.

Motivations

Viewers have many different reasons for watching narrative screen content. Although the breadth of these motivations means they are difficult to analyse, this report has gleaned a number of insights by focusing on a sample of statements at the forefront of the viewer's decision-making process.

These motivations were identified through focus groups then quantified in an online survey to gauge what factors were considered, and ultimately deemed to be most important, when choosing to watch a title from a selection of popular cinema and television releases as well as a recently viewed title on DVD/Blu-ray and online.

Decisions about what to watch can be distilled into three main types – platform-based, content-based and integrated or 'hybrid' decisions – each with a set of related motivating factors.

PLATFORM-BASED DECISIONS

– WHEN THE EXPERIENCE OFFERED BY A PLATFORM MATTERS MORE THAN WHAT'S WATCHED

Platform-based decisions are those in which the chosen film or program is not as important as the activity or engagement itself. Many of the motivational statements in this category emphasise lifestyle, personal routine and social engagement, such as hanging out with friends at the cinema or wanting to relax in front of the television after putting the kids to bed. In these instances the viewer has chosen to go to the cinema or watch television first, and exactly what to watch is a secondary decision.

Statements that characterise platform-based decisions include: 'I was socialising with friends, family or colleagues'; 'It was part of an evening's entertainment'; 'It just happened to be on television at the time'; and, 'I wanted to relax and unwind'.

"A lot of my friends are in the city. We catch up and go see a movie on Tuesday because it's more affordable."

NATHAN: LATE 20S, CONSULTANT, CREMORNE

CONTENT-BASED DECISIONS

– WHEN THE CONTENT MATTERS MORE THAN HOW IT'S WATCHED

Content-based decisions are those in which the film or program is what really matters and the choice of when, how and with whom it is watched is of lesser importance – a means to an end. In this case, viewers may be influenced by word-of-mouth or advertising, as well as their own taste and interest in aspects of the content itself – its genre, topic, cast, director, etc.

For example, viewers may seek out a film after a friend has sent them the trailer, or want to track down the earlier work of a filmmaker they've just discovered.

Statements that characterise content-based decisions include: 'I became interested after watching a trailer'; 'I became interested after hearing about it from friends, family or colleagues'; 'I didn't want to miss out'; 'I was interested in the adaptation (sequel, book, play, etc)'; and 'I am a fan of the actor, director, producer'.

"I have no compulsive desire to see something as soon as it comes out. I can wait a year, two years, I really don't care ... Good films don't age, don't date."

ALISON: PERSONAL CARE ATTENDANT TO PEOPLE WITH DISABILITIES

INTEGRATED DECISIONS

– WHEN WATCHING PARTICULAR CONTENT ON A PARTICULAR PLATFORM IS WHAT MATTERS

Integrated decisions occur when people want to see a specific piece of content in a specific way. This is generally because a platform has specific attributes that the viewer feels will heighten their enjoyment of a film or program they want to see. For example, viewers keen to see a recently released film may want to watch it in 3D at the cinema or fans of a TV drama may want to watch back-to-back episodes on DVD or via download.

Statements that characterise integrated decisions include: 'I wanted the big screen and sound of the cinema'; 'I wanted to have the content in a format that lets me watch it on portable devices'; 'I wanted to watch episodes in a row'; and 'I could record the content and watch it at a more convenient time'.

"I love watching nature documentaries on the IMAX screen. It's so big it feels like I'm there."

IAN: LATE 60S, RETIRED GRANDFATHER OF THREE

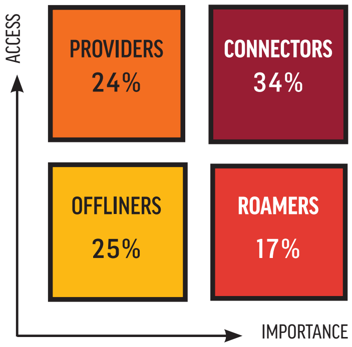
Audiences

Factors such as age, attitudes and access to technology have an impact on people's screen content consumption – both their level of participation and the reasons they choose to watch particular content on particular platforms.

This report categorises audiences aged 14 years and above into segments based on common attributes. The first approach, developed by Auspoll for Screen Australia, is based on holistic audience profiles; the second is based on age as this remains one of the most defining characteristics affecting behaviour.

Juxtaposing the various motivational drivers for each audience segment across a range of content types and different platforms reveals tactical opportunities for the screen industry – areas where viewers' decisions can be influenced – as well as shedding light on consumption trends.

ATTITUDES AND ACCESS TO TECHNOLOGY



AGE SEGMENTS

28%

Young Australians (aged 14–29) are very active consumers of screen stories, particularly feature films and TV drama, across most distribution points except television, and tend to place a high importance on technology. Their disposable incomes can't always keep up with their demand for content, and they have grown up in a world of widespread digital piracy, which is likely to be a contributing factor to their very high rates of online viewing.

34%

People aged 30–49 have generally established themselves in the workforce and many will have young families. Because they are time poor they may be more inclined to use screen stories as a form of unwinding after a busy day. Their participation is close to average across most distribution points, slightly down for cinema and above average for DVD/Blu-ray.

22%

People aged 50–64 are also time poor with many competing priorities that may eat into their discretionary time. Their careers may be more demanding and their children older and more active. The age group marks a tipping point, as the frequency of viewing screen stories on distribution points, other than subscription and free-to-air television, starts to record sharp declines that continue as people get older.

17%

Older Australians (65 years and over) have low monthly participation rates for screen stories across all distribution platforms except television. They are still engaged, but are typically more discerning in the types of content they watch. In fact, when it comes to the influence of hype and their awareness of certain screen stories, they are more like younger people than the middle-aged.

PROFILE SEGMENTS

Taking into account the values of viewers as well as their access to technology and the importance they place on it, four distinct profiles emerged:

Connectors (34 per cent of the population) are typically affluent, modern people who are generally younger, live in the city and are highly engaged with the digital age. They are conscious to stay in touch with the latest technology and rely on social media to organise their lives. They are very active consumers of screen stories across all platforms, with the highest participation rates for feature films at the cinema, and for both TV drama and documentaries on DVD/Blu-ray. Online rates in particular are very high.

Providers (24 per cent) are also relatively affluent and well equipped with the latest gadgets, but are less reliant on them, placing a greater importance on family. They prefer relaxing and enjoying their home life, with many dabbling in technology or being a facilitator on behalf of their children. They have above-average participation rates for screen stories across most distribution platforms, particularly movies on subscription television, but have comparatively low levels of online viewing.

Roamers (17 per cent) tend to have lower incomes and struggle to access technology, but value the use they do have. They are more likely to be single and live within their means, with aspirations typically limited by costs. As a free and accessible platform, social media plays a big role in their lives. They have below-average monthly participation rates for screen stories across most platforms except online.

Offliners (25 per cent) too have lower incomes but are generally older and are more likely to be retired and living in rural areas. They have less access to technology and don't place as much importance on the access they do have when compared to the other segments, preferring to relax at home and spend time with the family. They have low monthly participation rates for screen stories across all platforms except free-to-air television.

Stories on screen

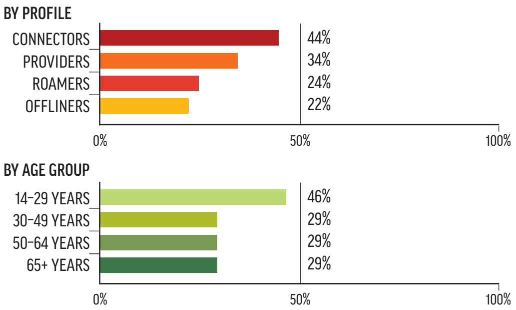
AT THE CINEMA

Cinema is synonymous with feature films. It provides a more social and immersive screening experience than in-home alternatives and has long benefited from being at the start of the release cycle, with viewers eager to see the latest titles.

WHO'S WATCHING?

Overall, 34 per cent of people aged 14 years and above watched a feature film at the cinema at least monthly, with Connectors and those under 30 showing the highest rates of participation.

Proportion who watch a feature film at the cinema at least monthly



Source: Compiled by Screen Australia from research conducted by Auspoll

WHY?

For many people, 'going to the movies' remains an event, not just a way of consuming screen content, a fact reflected in the reasons respondents gave for seeing a specified film at the cinema: more than half agreed that the 'cinema ambience', 'big screen', 'relaxation' and 'socialising' were reasons they had seen the film in that way.

When asked to identify the single most important reason, 'socialising' topped the list, followed by 'tagged along' with others. The latter was particularly relevant for Providers and the over-65s. However, desire to see the film itself was also strong for many people, with 'saw the trailer' ranked number three overall and number one for young people. 'Interest in the adaptation' ranked number four overall and, although only cited by around 20 per cent of people as one of their considerations, almost half of those said it was the most important reason they had seen the film. This was particularly relevant for Offliners and over-65s.

Broadly speaking, those who are more frequent cinema-goers (Connectors and Providers) do so for social reasons first, which indicates an emphasis on the platform rather than the content, although the focus on trailers among young people – the most frequent cinema-goers of all – perhaps indicates that cinema-going is such a part of their social life that the film itself becomes more top of mind as a motivator. Along with Connectors, young people were also more likely to mention the desire to see the film 'as soon as it launched'.

WHY WATCH A FEATURE FILM AT THE CINEMA?

MAIN REASON	BY PROFILE* CO	PR	RO	OFF	BY AGE 14-29	30-49	50-64	65+	ALL RESPONDENTS
SOCIALISING			▼				▼		9%
TAGGED ALONG		▲						▲	9%
SAW THE TRAILER			▼		▲	▼			9%
INTERESTED IN THE ADAPTATION				▲		▼		▲	8%
BIG SCREEN/SOUND				▼			▲		8%
RELAXATION	▲								6%
CINEMA AMBIENCE				▲				▼	6%
AS SOON AS LAUNCHED	▲	▼			▲		▼		5%
GIRLS/BOYS NIGHT OUT	▲				▲				5%
FAN			▼			▲			4%
WORD OF MOUTH				▲			▲		4%
ROUTINE		▲		▼				▲	4%
A SPECIAL TREAT		▲					▲		4%
EVENING OF ENTERTAINMENT				▲		▲			3%
NOT TO MISS OUT	▼								3%
HYPE			▲		▲				3%

ONE OF THE REASONS: 10% 50%

* CO Connectors
PR Providers
RO Roamers
OFF Offliners

Proportion of respondents: <1% 1–4% 5–9% 10–14% 15–19%

▲ Significantly above average ▼ Significantly below average

Source: Compiled by Screen Australia from research conducted by Auspoll

Among all the people who had seen a specified film at the cinema, the most commonly cited main reasons for watching it there were 'socialising', 'tagged along' with others, and 'saw the trailer'. 'Tagged along' was particularly important for Providers and over-65s, and 'saw the trailer' for under-30s. Although the 'cinema ambience' was further down the list as a main reason, it was mentioned as one of the reasons by around 60 per cent of people.

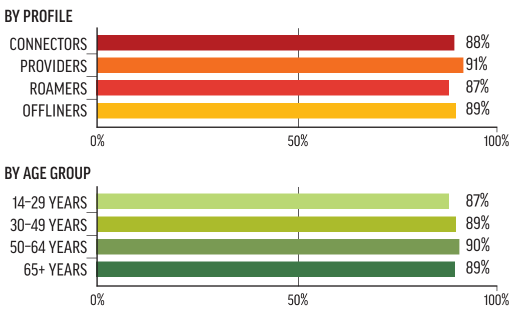
ON TELEVISION

Like cinema, broadcast television is fundamentally an 'appointment-based' platform: viewers choose what to watch from a limited range of scheduled films or programs shown at particular times, although multiple subscription TV screening times and PVR recording are helping viewers beat the schedule and watch more content in their own time, as are the online catch-up services offered by free-to-air broadcasters (see page 17).

WHO'S WATCHING?

Overall, 95 per cent of people aged 14 years and over watch a feature film, drama and/or documentary on television at least monthly. The pattern is similar across audience profiles and age groups, with Providers slightly above average and Roamers slightly below average.

Proportion who watch a feature film, TV drama or documentary on free-to-air television at least monthly



Source: Compiled by Screen Australia from research conducted by Auspoll

iStockphoto.com/Laflor Photography

WHY?

Television offers diverse continuous programming and is easily accessible thanks to the provision of free-to-air services and television sets in almost all households. The influence of these factors on the decision-making process is clear when looking at respondent motivations. Platform-related reasons such as 'I wanted to relax and unwind' and the ability to watch 'in the comfort of my own home' were commonly cited across the board, and 'it just happened to be on' was the single most important reason for each of the three content types. Given the scheduled nature of the platform, this is perhaps predictable.

The reasons are more passive than for cinema, however: social activities don't tend to be organised around a movie screening on television. This may be more relevant for events such as live sport broadcasts or reality show finales but it doesn't factor highly for watching screen stories.

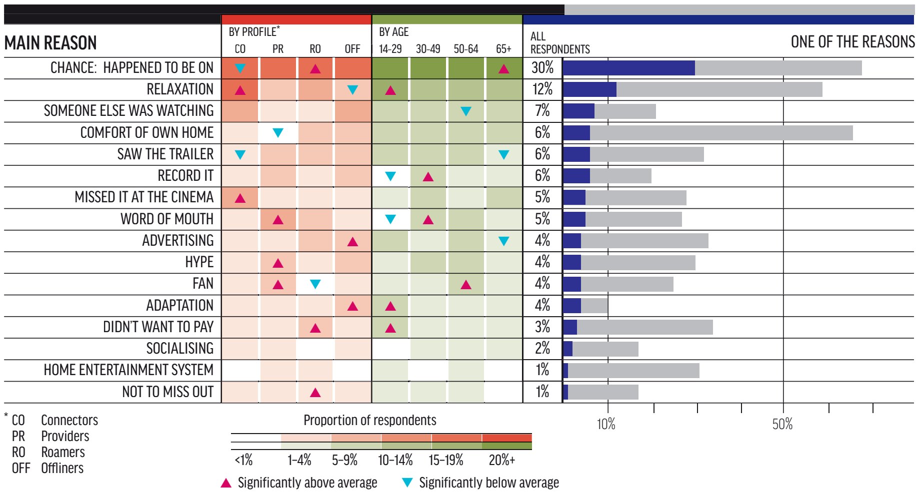
The role of 'hype' is also less relevant for feature films on television. The average time from cinema release to free-to-air premiere is more than two and a half years,[1] so those most responsive to buzz would probably have already seen the film on a different platform. Nevertheless, 'saw the trailer', 'advertising', and 'missed it at the cinema' were each cited as reasons by around 28–34 per cent of people, as was 'didn't want to pay', which was also a relatively common main reason for Roamers.

With television the first release platform for drama programs and documentaries, reasons such as 'wanted to see what all the hype was about' and having an interest in the 'topic' were predictably more significant. Awareness for both is built not only by word of mouth but also active marketing, with comparatively strong agreement around 'advertising' as a motivator and 'trailers' once again. In the case of documentaries, 'curiosity' and the opportunity to 'learn something new' were also relatively important for Roamers.

It is clear that many people enjoy unwinding in front of the television by themselves or with others. Once they've chosen to watch television, they do not always want to search out content but are instead willing to have it aggregated on their behalf by broadcasters. This is not surprising as programmers at these broadcasters draw on sophisticated audience measurement data to target specific viewers at certain times by scheduling content across the day, week and year. This helps form an expectation in viewers' minds that their needs are being met.

1 Screen Australia, *Beyond the Box Office: Understanding Audiences in a Multi-screen World*, 2011.

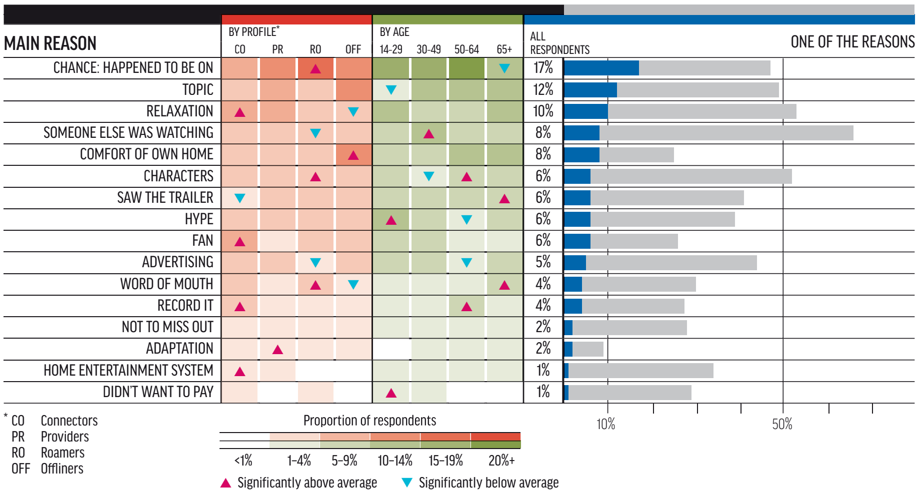
WHY WATCH A FEATURE FILM ON TELEVISION?



Source: Compiled by Screen Australia from research conducted by Auspoll

Among all the people who had seen a specified film on television, the most commonly cited main reason for watching it was chance – it 'just happened to be on'. 'Relaxation' was also important for Connectors, along with 'missed it at the cinema'. Although 'didn't want to pay' was way down the list as a main reason (other than among Roamers), it was mentioned as one of the reasons by around 35 per cent of people.

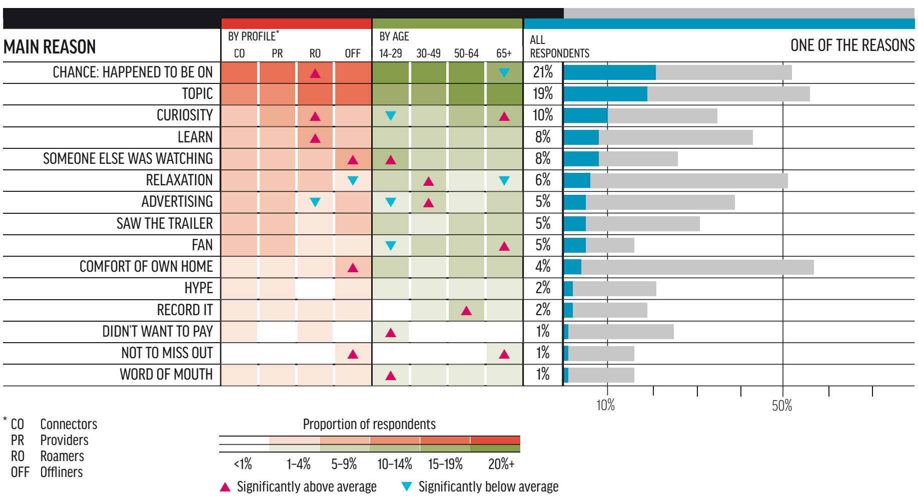
WHY WATCH A TV DRAMA ON TELEVISION?



Source: Compiled by Screen Australia from research conducted by Auspoll

For TV drama, the most commonly cited main reason for watching was chance – it 'just happened to be on', followed by interest in the 'topic' or story. Being a 'fan' and 'relaxation' were important for Connectors, while Offliners also focused on 'comfort'. Although 'advertising' was further down the list as a main reason, it was mentioned as one of the reasons by around 45 per cent of people.

WHY WATCH A DOCUMENTARY ON TELEVISION?



Source: Compiled by Screen Australia from research conducted by Auspoll

For documentary, the most commonly cited main reason for watching was chance – it 'just happened to be on', followed closely by interest in the 'topic'. 'Curiosity' and the opportunity to 'learn' were also important for Roamers. Although 'advertising' was further down the list as a main reason, it was mentioned as one of the reasons by around 40 per cent of people.

ON DVD/BLU-RAY

DVD and Blu-ray offer audiences both a supplementary and an alternative way of watching feature films – and increasingly TV drama and documentaries – giving people more power over when and how to watch than the scheduled platforms of cinema and television.

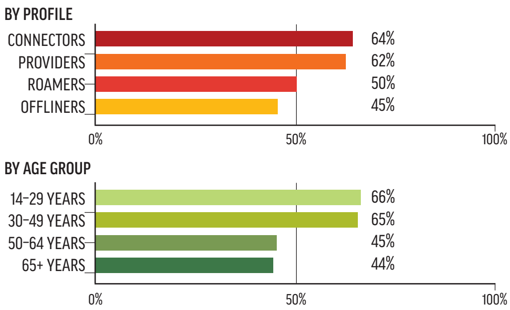
Physical video currently accounts for around half of all viewings across a feature film's first release, with around two-thirds of viewings coming from the rental market.[2] The number of drama series and documentaries released on DVD also continue to grow as a proportion of titles released.

WHO'S WATCHING?

Overall, 60 per cent of people aged 14 years and over watch a feature film, drama or documentary movie on DVD or Blu-ray at least monthly. Connectors and Providers have significantly higher levels of participation than Roamers and Offliners, reflecting the age and technology access profiles of these groups.

2 Screen Australia, *Beyond the Box Office: Understanding Audiences in a Multi-screen World*, 2011.

Proportion who watch a feature film, TV drama or documentary on DVD or Blu-ray at least monthly



Source: Compiled by Screen Australia from research conducted by Auspoll

WHY?

A combination of the in-home environment and flexibility of DVD and Blu-ray viewing saw around three-quarters of all respondents agree that watching in the 'comfort of their own home' and the ability to choose their 'own time' were reasons for seeing a movie, drama series or documentary on this platform.

Differences between content types were more pronounced when respondents identified their single most important motivation. Notably, 'socialising' was ranked relatively highly for feature films but was negligible for TV drama and documentary, while the ability to watch multiple 'episodes in a row' was ranked number two overall for TV drama (number one for Providers).

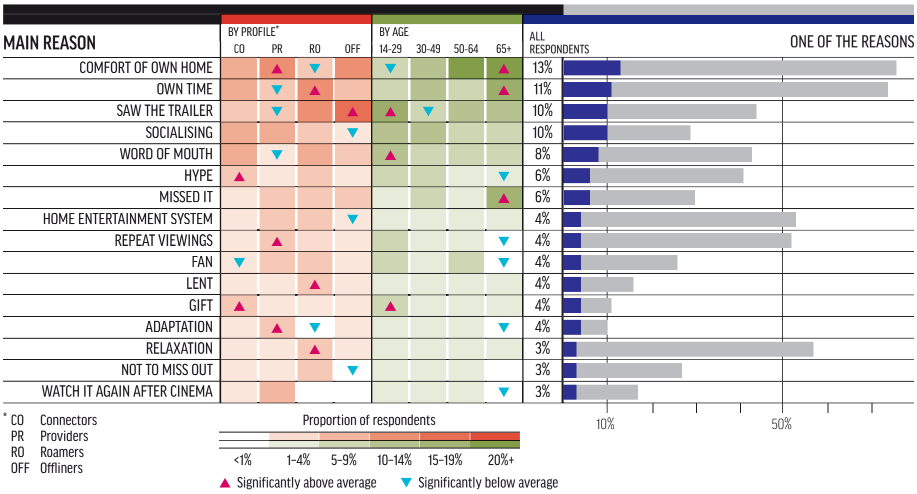
In the case of feature films, the most commonly cited content-related main reasons were 'saw the trailer', which was particularly important for Offliners and young people, and 'word of mouth' from friends and family, which was particularly important for young people. For TV drama and documentary, it was the 'topic' of the series or ability to 'learn something new' as well as the ability to catch up on programs that were 'missed' when broadcast.

These responses suggest that DVD and Blu-ray has been enabling viewers to choose from a wide selection of titles that they were either not motivated enough to pay a premium for at the cinema or had heard about after the film or program had been screened. In particular, these viewers want to control not only when they watch, but also the amount they watch at each sitting.

Significantly, these benefits are also offered by online services.

Creatas

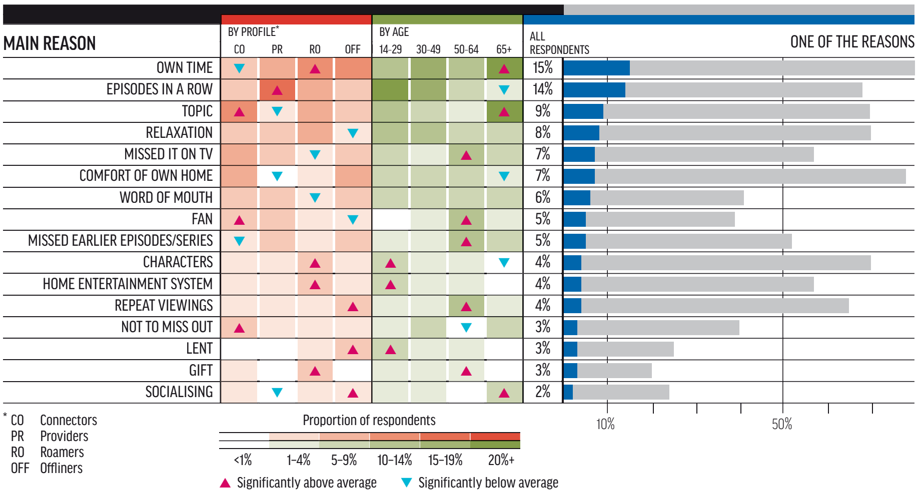
WHY WATCH A FEATURE FILM ON DVD/BLU-RAY?



Source: Compiled by Screen Australia from research conducted by Auspoll

Among all the people who had seen a specified film on DVD/Blu-ray, the most commonly cited main reason for watching it that way was to view it 'in the comfort of their own home'. This was less important for Roamers, who wanted to watch it 'in their own time', and under-30s, who were interested in the trailer. Although 'repeat viewings' was further down the list as a main reason, it was mentioned as one of the reasons by around 50 per cent of people.

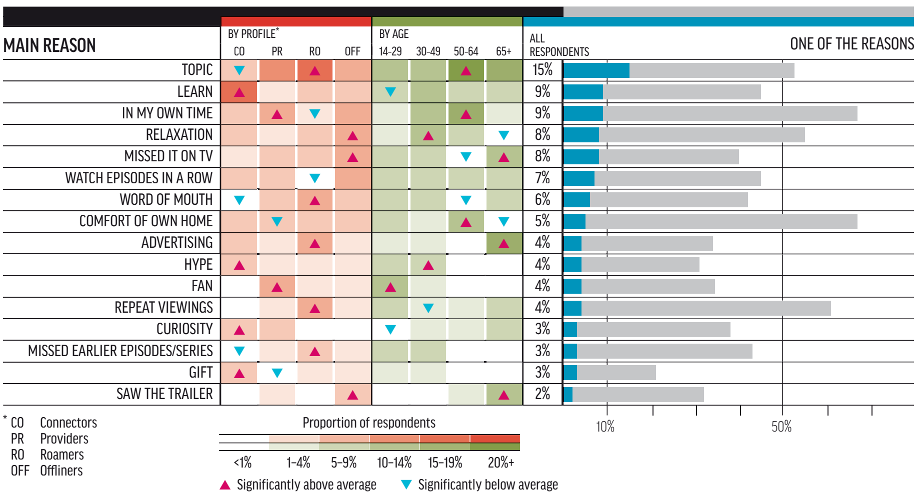
WHY WATCH A TV DRAMA ON DVD/BLU-RAY?



Source: Compiled by Screen Australia from research conducted by Auspoll

For TV drama, the most commonly cited main reason for watching it on DVD/Blu-ray was the ability to view it 'in their own time'. This was less important for Connectors, who were more interested in the story or 'topic'. Although the opportunity for 'repeat viewings' was further down the list as a main reason, it was mentioned as one of the reasons by around 65 per cent of people.

WHY WATCH A DOCUMENTARY ON DVD/BLU-RAY?



Source: Compiled by Screen Australia from research conducted by Auspoll

For documentary, the most commonly cited main reason for watching it on DVD/Blu-ray was the 'topic', particularly for Roamers and 50–64 -year-olds. For Connectors, it was the ability to 'learn' something. Although the opportunity to watch the program 'in the comfort of their own home' was further down the list as a main reason, it was mentioned as one of the reasons by around 65 per cent of people.

ONLINE

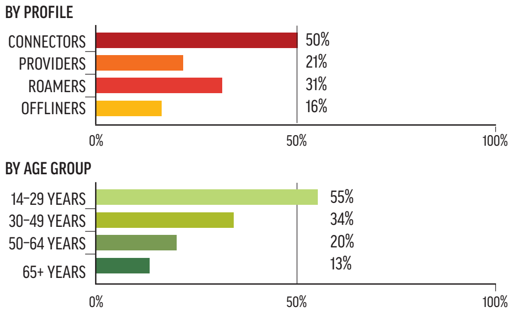
Thanks to faster speeds and lower pricing there has been exponential growth in online distribution over the last decade. Be it streaming or downloading, the ability to access long-form video via the internet has dramatically changed the nature of in-home viewing and created a burgeoning mobile alternative. The latter has helped fuel the proliferation of handheld devices and smartphones.

WHO'S WATCHING?

Over the last few years watching screen stories online has grown from a niche pursuit of early adopters to a mainstream activity. According to Roy Morgan data published in *Beyond the Box Office*, after three years of significant growth, 20 per cent of Australians aged 14 years and over streamed or downloaded any audiovisual content – not just feature films, TV drama and documentary – via the internet at least once every four weeks during 2010.[3] The proportion varies across audiences segments, with younger people above 35 per cent and older people around 10 per cent.

3 Screen Australia, *Beyond the Box Office: Understanding Audiences in a Multi-screen World*, 2011.

Proportion who watch a feature film, TV drama or documentary online at least monthly



Source: Compiled by Screen Australia from research conducted by Auspoll

Another year on and these rates have continued to rise. In the current survey, focusing on feature film, drama or documentary, 37 per cent of people aged 14 years and over said they watch one or more of these types of content online at least monthly. Across the four audience profiles, Connectors and Roamers are most likely to be online viewers, while Providers and Offliners are the least likely.

WHY?

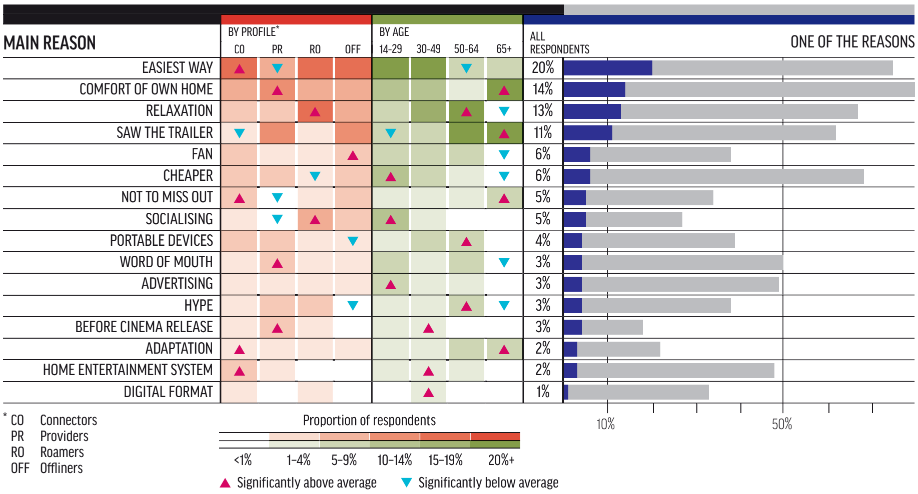
The most commonly cited main reason for watching a feature film online was that it was the 'easiest way' to watch it, particularly for Connectors. This was less important for Providers and older people, who cited the ability to watch it 'in the comfort of their own home'.

TV drama and documentaries both share the same top motivating factor, with 'missing it' when broadcast cited as the single most important motivation by a quarter to a third of respondents. Seeking out programs that 'had not yet been broadcast' was the second most important motivation for TV drama. As with DVD/Blu-ray, this reflects people's desire to break free of scheduled programming and watch in their own time. 'Topic' also remained a key influencer for documentaries.

Online viewing cannot always replicate the viewing experience of other platforms but its repercussions can be felt across them. Viewers can now explore a depth of catalogue once the preserve of DVD and Blu-ray without leaving their home, and it has never been easier to access feature films online, even before cinema release. For television content, the constraints of scheduled programming are being challenged by online retailers, and now broadcasters, who are increasingly exploring online services to keep audiences engaged.

Frank and Helena

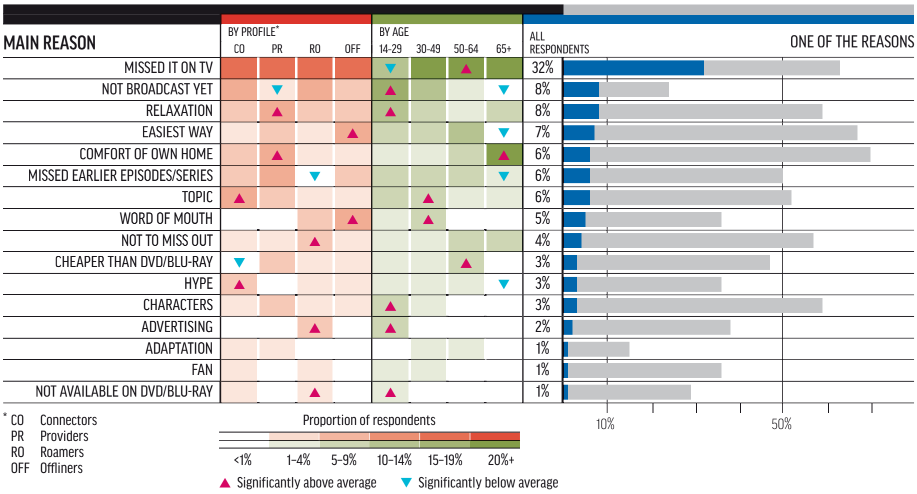
WHY WATCH A FEATURE FILM ONLINE ?



Source: Compiled by Screen Australia from research conducted by Auspoll

Among all the people who had seen a specified film online, the most commonly cited main reason was that it was the 'easiest way' to watch it, particularly for Connectors. This was less important for Providers and older people, who cited the ability to watch it 'in the comfort of their own home'. Although 'cheaper' was further down the list as a main reason for online viewing, it was mentioned as one of the reasons by around 70 per cent of people.

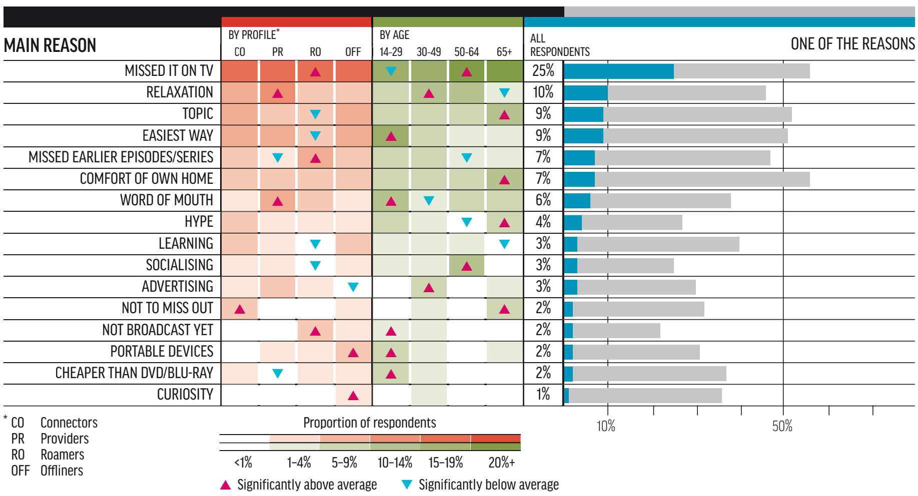
WHY WATCH A TV DRAMA ONLINE?



Source: Compiled by Screen Australia from research conducted by Auspoll

For TV drama, the most commonly cited main reason for watching it online was having 'missed it on TV'. This was particularly important for 50–64-year-olds. The under-30s, however, were more interested in watching it before it was broadcast. Although 'easiest way' was further down the list as a main reason, it was mentioned as one of the reasons by around 65 per cent of people.

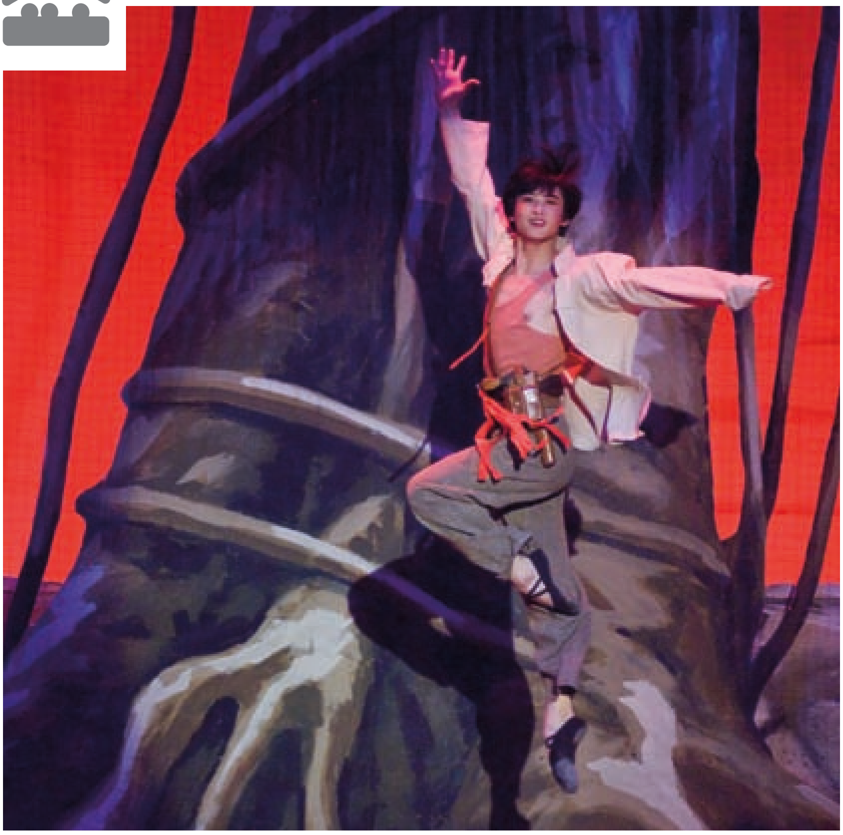
WHY WATCH A DOCUMENTARY ONLINE?



Source: Compiled by Screen Australia from research conducted by Auspoll

For documentary, the most commonly cited main reason for watching it online was having 'missed it on TV', particularly for Roamers and 50–64-year-olds. The under-30s, however, were more interested in 'ease' of accessing it online. Although 'learning' something was further down the list as a main reason, it was mentioned as one of the reasons by around 40 per cent of people.

FEATURE FILM AT THE CINEMA: *MAO'S LAST DANCER*



Mao's Last Dancer is an Australian feature film that premiered in cinemas in October 2009. It was the highest-grossing local film of the year, taking $15 million after opening on 266 cinema screens for an extended run of 23 weeks.[4] In 2010, it was released on DVD and Blu-ray (March), subscription television (November) and was accessible through a variety of online services, including iTunes.[5]

It had not been released on free-to-air television at the time of the survey.

In the Screen Australia survey, 120 respondents indicated when prompted that they had seen *Mao's Last Dancer* on at least one of these platforms. 42 per cent had viewed it at the cinema; 39 per cent on DVD or Blu-ray (24 per cent rented and 15 per cent purchased); 20 per cent on subscription television; and 3 per cent online.

4 Motion Picture Distributors Association of Australia.
5 Trade Service of Australia, OzTAM and Apple.

The film was adapted from Li Cunxin's best-selling autobiography, which had already achieved sales in excess of 400,000 copies worldwide.[6] The film also garnered buzz thanks to a strong international cast and a highly successful production team, including producer Jane Scott (*Shine*, *Head On*), writer Jan Sardi (*Shine*, *The Notebook*) and director Bruce Beresford (*Breaker Morant*, *Tender Mercies*, *Driving Miss Daisy*) for whom the project marked his first Australian feature film in more than a decade.

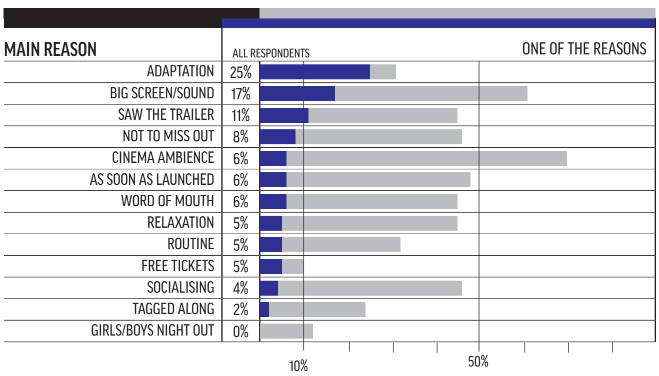
6 Penguin Books Australia (http://www.penguin.com.au/contributors/3065/li-cunxin), accessed 4 June 2012.

In line with cinema motivations more broadly, 'ambience' and the 'big screen and sound' were cited by most people as one of their considerations. However, in identifying the single most important motivation, content-related factors became more prevalent, with five out of the top seven most important motivations reflecting a desire to see the film itself. Predictably, given that the book had been a best-seller, interest in the adaptation was strongest. In fact, although 'adaptation' was cited by only 31 per cent of people as being a factor, eight in 10 of those said it was their most important motivation. Seeing the trailer, not wanting to miss out, wanting to see it as soon as it came out and hearing about it from friends and family were also among the top seven.

Following its cinema release, DVD and Blu-ray capitalised on the continued buzz, with 'I missed it at the cinema' cited as a motivation by 48 per cent of people. This was also most commonly mentioned as the single most important factor, cited by 16 per cent of people, along with 'someone lent it to me'.

Although based on a small sample, differences across audience profiles can also been seen. The 'big screen and sound' had a stronger influence over Connectors as a whole, whereas Roamers and Offliners were heavily skewed towards 'adaptation' and Providers were divided between the two. Reflecting the popularity of the book, the 'adaptation' tended to be considered by a large number of older people but younger people tended to be more influenced by the 'trailer'.

MOTIVATIONAL CONSIDERATIONS: *MAO'S LAST DANCER* AT THE CINEMA



Source: Compiled by Screen Australia from research conducted by Auspoll

MINI-SERIES ON TV: *UNDERBELLY*

Underbelly is an Australian mini-series that had its premiere release on free-to-air television in February 2008 on Channel Nine. It was the second-highest-rating Australian drama of that year, achieving an average metro audience of 1.8 million.[7] Its positive reception resulted in the production of four series and three telemovies, with a fifth series currently in production.

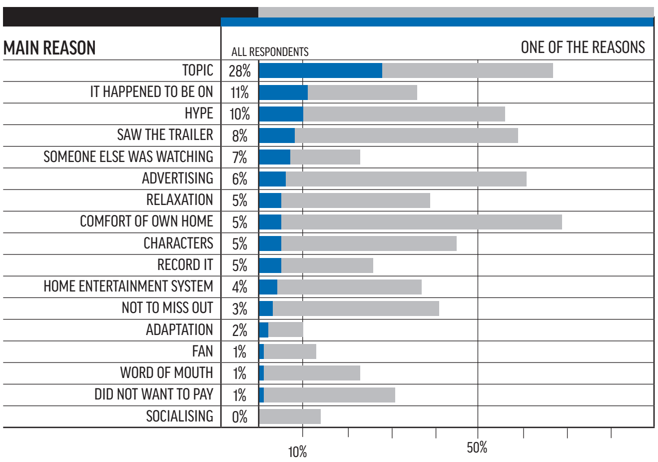
It has maintained these strong audience figures across its five-year run with series 2 (*Underbelly: A Tale of Two Cities*) the highest-rating Australian drama on television in 2009, reaching an average metro audience of 2.2 million viewers.[8] On completion of its free-to-air run, each series has been released on DVD, with a Blu-ray release available from 2010.[9]

The *Underbelly* series is based on real events depicting Australia's criminal underworld, with each mini-series a self-contained story. Produced by Screentime and multi-award winning executive producers/producers Des Monaghan (*Cloudstreet*) and Greg Haddrick (*Bikie Wars: Brothers in Arms*) and boasting a strong Australian cast, including Vince Colosimo, Matthew Newton and, in the upcoming series, Jonathan LaPaglia, it has clearly resonated with audiences.

When prompted with a list of popular television titles, 135 respondents identified that they had watched *Underbelly* on at least one platform. Of these people, 94 per cent had watched it on free-to-air television, followed by DVD and Blu-ray with 7 per cent (5 per cent purchased and 2 per cent rented) and online services with 5 per cent.

When those who had seen it on television were asked to identify their single most important motivation for watching it, content-related factors were the most frequently cited, accounting for three of the top four reasons. An interest in the 'topic' attracted the highest level of agreement, cited by more than a quarter of respondents, followed by wanting to 'see what all the hype was about', and interest in the trailer.

MOTIVATIONAL CONSIDERATIONS: *UNDERBELLY* ON TELEVISION



Source: Compiled by Screen Australia from research conducted by Auspoll

7 OzTAM, All people, five-city metro consolidated, average audience; compiled by Screen Australia.
8 *Ibid.*
9 Trade Service of Australia.

Changing paradigms – the shift to online

The internet is breaking down supply constraints for traditional screen content. This doesn't just apply to cinema and television; the web is also outdoing DVD and Blu-ray in offering in-home, on-demand choices with the added benefit of a quick search as opposed to trying one's luck at a shop. The net effect is that 57 per cent of online viewers say they are now watching more feature films, TV drama and documentaries overall. This is significant, even if some of what they're watching online is pirated.

For producers, the opportunity for online viewing to extend the experiences of traditional platforms offers not only new ways to distribute content but also new ways to promote it.

WHAT'S AVAILABLE ONLINE?

The exponential growth in online viewing has occurred on the back of a number of seismic shifts in recent years that have given more prominence to long-form screen stories online. Faster download speeds, online retailing, a growing array of on-demand services like catch-up television and, significantly, peer-to-peer file sharing have all played a role.

The impact of peer-to-peer activity cannot be underestimated. According to Nielsen figures, Australian online users averaged 5.5 hours a week watching movies or television programs downloaded from the internet from 'unofficial sources' in 2010.[10]

Despite this, many content aggregators have entered the online market aiming to convert this behaviour into revenue. The largest of these is iTunes, which first launched its downloading service in Australia in October 2005. The iTunes Australian store added television programs in June 2008, including programming from the US and three local networks: Seven, Nine and ABC. Their feature film catalogue was launched in August 2008.[11]

While iTunes may be the largest player, the first online streaming service to operate in Australia was BigPond Movies, which launched in February 2006. BigPond Movies initially offered over 1,000 feature films to rent rather than buy, with distributor Sony Pictures providing the entire catalogue. They are currently offering over 3,000 feature films and some television episodes.

Their local content partners now include distributors such as Madman, Hopscotch and Umbrella and the broadcasters ABC and SBS.

BigPond Movies claims to have the second-largest digital catalogue in Australia, and the introduction of Telstra's set top box, T-Box, in 2010, allowing viewers to stream video content on their television sets, saw the service rapidly expand.[12] In fact, according to Screen Digest, the introduction of T-Box expanded the Australian streaming market so considerably that iTunes' share of total transactions dropped from 86 per cent in 2009 to 53 per cent in 2010.[13] Building on this market share, BigPond Movies has continued to develop new screening options and can now be accessed via Xbox 360 as well as via internet-enabled Samsung and LG televisions and Blu-ray players.[14]

One of the most recent entrants is Quickflix, which began offering a DVD rental mail service in 2003 but moved into online streaming in late 2011. Quickflix can be streamed via a PC or Mac, through PlayStation 3 and through internet-connected Sony Bravia televisions and Blu-ray players. While it has a substantial catalogue of DVDs, augmented by the purchase of BigPond Movies' DVD rental business in July 2011, its catalogue of streaming content is as yet slight in comparison.

Quickflix currently has over 1,000 feature films from major Hollywood studios in its streaming catalogue.[15] A proportion is available at any one time and the content is rotated monthly. This is to be expanded in 2012 with deals announced with both HBO and BBC to provide television content.[16] The HBO deal included an investment of $10 million in Quickflix, giving it a 16 per cent share of the company.[17]

However, given the ubiquitous reach of television broadcasters, it is not unreasonable to expect that their on-demand services may have the biggest role in attracting a critical mass to online viewing as the market matures. Evidence for this can be seen in the fact that two-thirds of respondents to the Screen Australia Auspoll survey cited missing the program when it was broadcast as a reason for watching TV drama online.

Internationally there are several leading examples of broadcasters offering on-demand or catch-up services. Among these are Hulu and BBC iPlayer, both launched in 2007. Available in the US market, Hulu brings together content

10 Swinburne University of Technology, *Spreading Fictions: Distributing Stories in the Online Age*, is a three-year Australian Research Council funded Linkage Project [LP100200656] supported by the Australian Broadcasting Corporation (ABC) and Screen Australia, 2012.
11 *Ibid.*
12 Official BigPond Movies Twitter feed, BigPond Movies tweet, 20 February, 2012.
13 Screen Digest, *Online Movies in International Markets*, June 2011 p. 176.
14 BigPond TV, *What is BigPond TV: Movies*, (http://go.bigpond.com/tv/bptv/what_is_bptv/movies/), accessed 4 June 2012.
15 AAP, *Quickflix Unveils Unlimited Movie Streaming for $15 A Month, 27 October*, (http://www.smh.com.au/technology/technology-news/quickflix-unveils-unlimited-movie-streaming-for-15-a-month-20111027-1mkuy.html), accessed 4 June 2012.
16 Quikflix –ASX release, *Quickflix signs digital content licensing agreement with BBC Worldwide Australia,* 2012.
17 Bhatt, N, Technology Spectator, *Quickflix welcomes HBO as strategic investor*, (http://www.smh.com.au/technology/technology-news/quickflix-unveils-unlimited-movie-streaming-for-15-a-month-20111027-1mkuy.html), accessed 4 June 2012.

from over 350 companies, including traditionally competing channels like FOX, NBCUniversal, ABC (US), MTV Networks, Comedy Central, National Geographic and more.[18] In contrast, BBC iPlayer offers only BBC content, with some minor exceptions.

While on-demand services are typically blocked by geographic region, some are expanding. BBC has launched localised versions of its BBC iPlayer in 16 international markets including Australia. The BBC Global iPlayer is downloaded as an app and provides some free programs with additional content available on a subscription basis. The Global iPlayer has proved popular in Australia: it is now their most profitable territory, generating 20 per cent of business, 13 per cent of subscriptions and 19 per cent of downloads.[19]

Not to be left behind, Australian free-to-air and subscription broadcasters have all rolled out services in the last few years. ABC's iView was the first to launch in 2008. This was followed in 2010 by Seven's 7Plus, Nine's Fixplay, Ten's Watch TV, AUSTAR's On Demand and FOXTEL's On Demand. SBS completed this list of major networks in 2011. Some of the programs offered within these services can also be accessed on official program websites, but the destination sites aggregating content present the most compelling alternative to linear broadcast television.

To better understand the types of content being offered by these on-demand sites, Screen Australia monitored each of the five free-to-air catch-up services over the first four weeks of the 2012 ratings year. According to this analysis, long-form content comprises mainly programs that have recently aired on the network's main broadcast channel or digital multi-channels, as well as back catalogue programs, many of which have aired on Australian television in the past. A limited number of titles that have not aired locally are also provided.

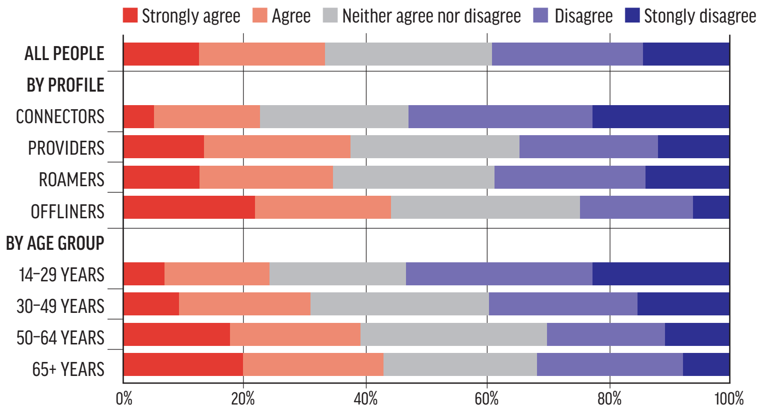
There are various arrangements regarding the length of time programs remain on these on-demand services. For content recently aired on broadcast television, episodes or programs are typically uploaded after broadcast or at midnight and are removed between one to four weeks later. Some series are 'stacked', meaning that episodes are uploaded after broadcast and remain on the site until the entire series has been broadcast. The stacked series tend to be highly promoted new in-house or commissioned titles.

During the four weeks of monitoring, an average of 407 titles were available each week, totalling approximately 1,306 hours of content – compared to 64 feature films in cinemas and 963 television programs broadcast each week over the same period. Recently broadcast episodes or stand-alone programs made up 79 per cent of available titles and 69 per cent of total hours. ABC's iView offered the largest number of recently broadcast titles, averaging 179 titles each week, while Channel 9's Fixplay had the smallest, averaging 12 titles.

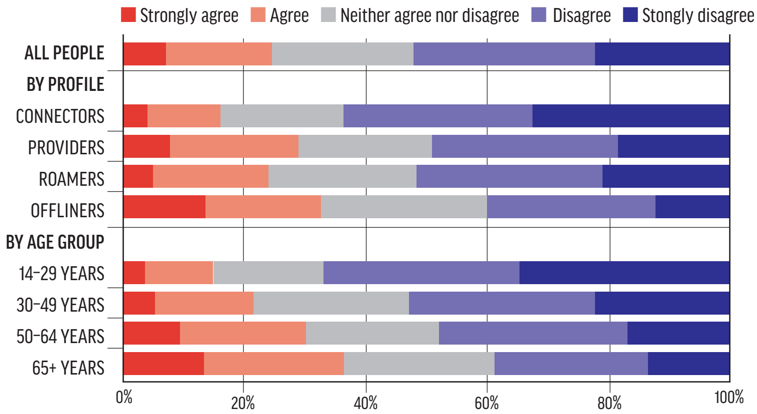
18 Hulu, *About Hulu* (http://www.hulu.com/about), accessed 4 June 2012.
19 Littleford, M, Australian Broadcasting Summit, *Keynote Address: The Future is Branded: A Look at the Global BBC iPlayer – Key Insights and Lessons Learnt*, 23 February 2012.

BARRIERS TO USING ONLINE TECHNOLOGY

I don't feel comfortable using online technology to access programs/films



I don't feel capable of using online technology to access programs/films



Source: Compiled by Screen Australia from research conducted by Auspoll

Overall, the range of programs available was more limited than that broadcast each week. The content on iView and SBS On Demand was the most representative, and SBS had the only service offering feature films. In contrast, 7Plus, Fixplay and Watch TV predominantly featured drama and reality titles. Watch TV also had a significant amount of infotainment programming.

ONLINE VIEWER BEHAVIOUR

In contrast to the high proportions of people who indicated that they watch whatever happens to be on television, when it comes to the online viewer, 70 per cent search for a specific title rather than browse. Their awareness of what they are searching for may be partly related to what they've experienced or heard about on other platforms, particularly for those catching up on missed television programs, but this focus on the particular title also reveals more discerning behaviour.

BEHAVIOURS OF PEOPLE WHO WATCHED A FEATURE FILM, TV DRAMA OR DOCUMENTARY ONLINE IN THE LAST YEAR

Do you search or browse when choosing to watch a screen story online?

*CO Connectors
PR Providers
RO Roamers
OFF Offliners

	ALL RESPONDENTS	BY PROFILE* CO	PR	RO	OFF	BY AGE 14-29	30-49	50-64	65+
I usually look for a specifice title	70%	73%	67%	66%	74%	77%	71%	69%	58%
I usually browse to find something I feel like watching	30%	27%	33%	34%	26%	23%	29%	31%	42%

Before watching a screen story online how often have you ...? (% very or quite often)

	ALL RESPONDENTS	BY PROFILE* CO	PR	RO	OFF	BY AGE 14-29	30-49	50-64	65+
Followed advice from friends, family or colleagues	49%	58%	39%	54%	48%	72%	49%	43%	23%
Watched some/all of it before via a different medium	45%	54%	41%	48%	40%	60%	46%	30%	38%
Saw an advert/trailer/clip at the cinema, on TV or outdoors	41%	41%	34%	51%	40%	62%	44%	31%	14%
Saw an advert/trailer/clip online	34%	38%	23%	42%	35%	56%	35%	23%	11%
Browsed an online TV or retailer site	31%	40%	24%	35%	29%	31%	36%	33%	16%
Read posts on social media sites	30%	35%	15%	43%	30%	47%	32%	21%	10%
Visited general film website	28%	37%	16%	38%	26%	51%	31%	17%	3%
Saw an interview with cast/crew or review on radio, TV or in print	26%	23%	22%	28%	29%	30%	24%	25%	25%
Visited the official film or program website	22%	28%	17%	25%	21%	28%	22%	23%	12%
Saw an interview with cast/crew or review online	18%	25%	15%	21%	14%	26%	21%	13%	5%

After watching a screen story online how often have you ...? (% very or quite often)

	ALL RESPONDENTS	BY PROFILE* CO	PR	RO	OFF	BY AGE 14-29	30-49	50-64	65+
Talked with friends, family and colleagues about it	48%	63%	37%	47%	46%	71%	53%	28%	25%
Posted a comment on a social networking site	14%	22%	7%	18%	11%	20%	23%	0%	0%
Shared a link to where the film or program can be viewed	12%	18%	6%	18%	8%	18%	18%	2%	0%
Added a comment or review to a blog or online forum	10%	15%	8%	11%	10%	18%	15%	1%	0%

Do you watch more or less screen stories now than five years ago? (% agree or strongly agree)

	ALL RESPONDENTS	BY PROFILE* CO	PR	RO	OFF	BY AGE 14-29	30-49	50-64	65+
MORE FEATURE FILMS BECAUSE OF ONLINE	41%	42%	31%	56%	37%	62%	43%	34%	10%
Fewer feature films at the cinema because I watch them online	35%	33%	37%	45%	27%	43%	38%	27%	26%
MORE TV DRAMA NOW BECAUSE OF ONLINE	34%	47%	22%	47%	27%	53%	33%	29%	15%
Fewer drama programs on TV because I watch them online	26%	33%	17%	33%	24%	49%	27%	17%	1%
MORE DOCUMENTARIES NOW BECAUSE OF ONLINE	30%	35%	23%	37%	27%	41%	30%	27%	19%
Fewer documentaries on TV now because I watch them online	21%	29%	12%	25%	20%	30%	26%	15%	2%

Source: Compiled by Screen Australia from research conducted by Auspoll

A significant proportion of people are motivated by the ease of online viewing. It enables them to search (and research) an almost infinite supply of screen stories with guaranteed access to their ultimate choice of title. A viewer can do this without leaving the comfort of their home, eliminating the risk that a title won't be available and the time and effort required to go to a retail or rental outlet. What's more, many of these viewers are also seeking content that has not yet been released locally.

In terms of creating awareness of a title, there is no need to do away with any of the long-established marketing approaches yet, with 41 per cent of online viewers of screen stories stating that advertisements and trailers at the cinema, on television and at outdoor locations often played a role in their choice of what to view. Furthermore, 26 per cent said that seeing or reading an interview or review on radio, television or in print was also a factor.

However, the internet not only provides a way of watching screen stories, it also offers new ways to build awareness: through new types of marketing; through the powerful search and 'recommendation engines' of the online service providers themselves; and, perhaps most importantly, through revolutionising word of mouth thanks to the advent of social networks. This has the potential not only to drive viewers to content online but also back to other platforms.

What used to be to friends talking in the playground or colleagues around a water cooler has dramatically changed. These one-to-one dialogues have become one-to-many with posts on social media sites expanding conversations to unprecedented levels at previously unimaginable speed. Simultaneously, this has given rise to new ways of sharing reviews and marketing messages, with trailers, clips from behind the scenes and interviews being more pervasive now than ever before.

For example, 30 per cent of online viewers of screen stories agreed that reading posts on social media sites such as Facebook and Twitter often played a role in their decision of what to watch. This proportion is highest among Roamers at 43 per cent and Connectors at 35 per cent. Age is definitely a big factor, with 47 per cent of 14–29-year-old respondents also agreeing. Furthermore, after watching, 14 per cent of online viewers often posted a comment on a social networking site, 10 per cent added a review to a blog or forum and 12 per cent shared a link with friends to where the film or program could be viewed. This activity again peaks among Connectors and young people.

The breadth of the online services launched over the last few years highlights the speed at which the distribution models are evolving. All things considered this is good for the industry.

The strategic opportunity

CAN SOCIAL MEDIA DRIVE ADVOCACY?

For those capable of using it, online viewing is an attractive offering. Currently, television is the in-home preference and DVD/Blu-ray the main on-demand platform. In the future, as access to and confidence with technology grows, online viewing is likely to make the internet an increasingly important option, offering proactive, often free, access without leaving the comfort of the living room. Connectors and Roamers are making the most use of it already.

Importantly, online social media can drive the word-of-mouth network. While internet penetration is high across all groups, social media is most important to the lifestyles of Connectors and Roamers. For Providers and Offliners, face-to-face contact is likely to be more important among their friend and family networks. Social media provides the perfect starting point for screen content conversations, particularly if driven through Connectors, who are getting out and seeing screen stories rather than waiting for recommendations. This makes them the perfect target for generating advocacy.

The first step is providing the social media tools. At present, for example, the way local free-to-air broadcasters are organising and promoting the content on their on-demand services is fairly rudimentary and social activity within the services is insignificant, although some are developing recommendation engines. Broadcasters are, however, creating hype and conversation around their content online through other means, such as MovieFIX by ninemsn[20] which has been experimenting with different social media recommendation engines, and Yahoo7's recently launched Fango service.[21] Fango is a free application developed by Yahoo7 that makes watching television more social. Viewers can check in to their favourite programs, chat and let their friends know what they are watching. These conversations can also appear on Facebook and Twitter and the service includes polls and trivia. Viewers can earn rewards and enter competitions.

Compared to other audience segments, Connectors are more often guided in their decision-making by social media and other online resources like Rotten Tomatoes, IMDb and official movie or program sites. They are also more likely, at a rate of one in five, to advocate their viewing both through posting comments on social media networks, blogs and forums as well as emailing links to friends. Furthermore, given the scale of connections that occur among typical social networkers it is likely that Connectors will communicate with Roamers and, to a lesser extent, Providers and Offliners via sites like Facebook and Twitter. These other three groups, in turn, will connect 'offline' with their wider networks to help drive the advocacy further.

WHAT DOES THIS MEAN FOR AUSTRALIAN SCREEN STORIES?

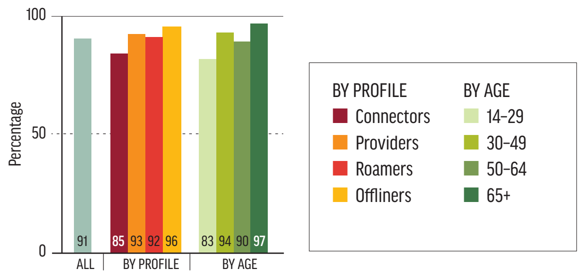
While the changing paradigm provides new opportunities for viewing Australian screen stories, as it stands the traditional media players are the only significant investors in their production. A combination of incentives and government requirements has ensured that these stories remain on local cinema and television screens. However, with online services creating a new screen, many

20 Mi9, *Why Do People Really Go to the Movies?*, (http://advertising.ninemsn.com.au/blog.aspx?blogentryid=943909&showcomments=true), accessed 4 June 2012.

21 Fango, (http://au.fango.yahoo.com/), accessed 4 June 2012.

ATTITUDES TO AUSTRALIAN SCREEN CONTENT

Overall, 91% of people said it was quite or very important that Australia had a film & TV industry producing local content.

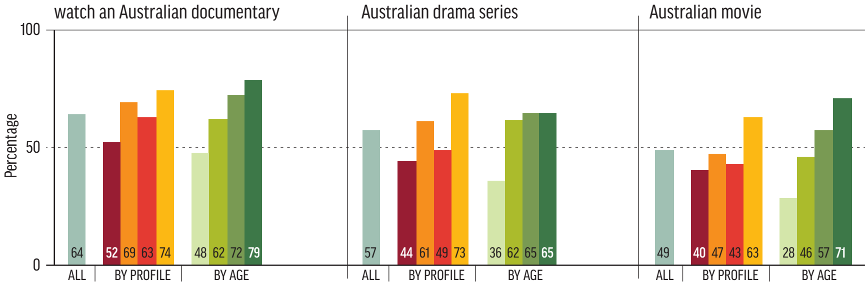


Compared to a foreign one ...

... 64% of respondents would rather watch an Australian documentary

... 57% would rather watch an Australian drama series

... 49% would rather watch an Australian movie



financing challenges are still to be addressed. These were recently outlined in Screen Australia's submissions to the Federal Government's consultation around their Convergence Review and National Cultural Policy in 2011.[22]

The industry could still be several years away from achieving meaningful presale values from online services that offset or leverage investment towards the cost of production. Despite this, audiences agree that Australian screen stories are a vital part of our culture, with 91 per cent of respondents stating that it is very or quite important to have a local industry that produces feature films, TV drama and documentaries. Only 1 per cent stated it was not important at all.

The level of viewing locally-produced screen stories was similar across all audience segments.[23] Connectors were slightly more likely to be watchers of Australian content on all distribution points except for television. This is consistent with their overall level of enthusiasm for screen stories and their general preference to exert greater control over when and how they like to watch.

With 21 per cent of all respondents agreeing, the single most important benefit of having a local film and television industry was to make sure that Australian culture isn't overwhelmed by American culture on account of the amount of features, TV drama and documentaries that Hollywood produces. While this statement was the top ranked for each segment, the strongest level of agreement was among Roamers at 28 per cent.

Typically, Connectors are quite engaged with local screen stories and a large number of Roamers don't want us swamped by foreign alternatives, but it must be highlighted that these groups also have the highest proportions of people who don't believe it is important to have a local industry.[24] This is why generating hype among the younger people in these segments is so vital. They are the leaders of online viewing and local content creators will find it hard to adapt to online distribution and convergence more broadly if they lose their home ground advantage by not better engaging with them.

METHODOLOGY

This report combines qualitative and quantitative research phases, all of which were undertaken by Auspoll on behalf of Screen Australia.

Questionnaire design for the quantitative stage was informed by four focus groups in August 2011 that identified common motivational considerations by content type (feature films, TV drama and documentary) and distribution platform (cinema, free-to-air and subscription television, DVD and Blu-ray, and online – including legal and illegal streaming and downloading services).

Statistical results are based on the following surveys:

- *Importance of Australian Screen Stories*: conducted 7–13 October 2011, based on 1,002 respondents with a margin of error of +/- 3.1 per cent at an overall level.
- *Motivations for Selected Feature Films, Television Drama and Documentaries at the Cinema and on Television*: conducted 29 November to 5 December 2011, based on 1,130 respondents with a margin of error of +/- 2.9 per cent at an overall level.
- *Motivations for Recently Viewed Feature Films, Television Drama and Documentaries on DVD/Blu-ray and Online*: conducted 24 February to 1 March 2012, based on 493 respondents with a margin of error of +/- 4.4 per cent at an overall level.

Respondents for each survey were recruited from a professional online market and social research panel and were weighted to be representative of the population in terms of age, gender and residential location with a confidence interval of 95 per cent.

Audience profiles were developed for Screen Australia by Auspoll based on the quantitative research.

The comment boxes in this report have been compiled from statements made during the focus groups.

The charts included in this report have been rounded and accordingly may not total 100 per cent. They include responses of more than 200 people across all sub-sets, unless otherwise noted.

When motivational statements are listed they are in order of the proportion of respondents who agreed that it was their main reason for watching, ie the single most important factor in their decision. For the various audience segments, the colour gradients indicate the level of agreement for each main reason.

Markers indicate when the level of agreement is significantly above/below the average, as defined by being more than one standard deviation from the mean. The proportion of all respondents mentioning a statement as one of the reasons they'd watched the film/program is also presented.

The challenge is clear. Creative, dynamic efforts are needed to ensure audiences continue to be engaged with Australian stories in an increasingly competitive multi-screen world.

22 Screen Australia, *National Cultural Policy Submission and Convergence Review Submission*, (http://www.screenaustralia.gov.au/research/viewpoint.aspx), accessed 4 June 2012.

23 For more information see: Screen Australia, *Australian screen stories are important to Australians*, (http://www.screenaustralia.gov.au/research/austories_research.aspx), accessed 5 June 2012.

24 *Ibid.*

"I tend to watch television series on the train rather than a movie cause it's too long. Movies are too long for a train."

ZAC: EARLY 30S, DIGITAL COORDINATOR

"I don't use the website [to view television] because I miss things. I use the websites because I don't want to watch them when they are on. It's because it's not how I want to do it."

JACK: LIVES IN NEWTOWN, WINE BUYER.

"Kids are multi-tasking more these days, just sitting in a dark room and concentrating on the movie is not their scene anymore, they're at home with their laptop, playing games on their laptop, TV going there and the next one's got their iPod touch."

FEMALE YOGA TEACHER: SEMI-RETIRED, THREE CHILDREN AND NINE GRANDCHILDREN

"My seven-year-old son is downloading stuff already."

MARIA: OCCUPATIONAL THERAPIST AND MOTHER OF TWO

"For me and my girlfriends, it's kind of, like, easy 'cause ... some of us are students as well, so it's kind of more affordable; we can just rent some DVDs and get pizza and catch up as well."

STUDENT IN HER EARLY 20S

"It's really good these days how most of, like, Channel 10, Channel 7... and you miss an episode and you can go to the website and watch it there, you can stream it through catch-up so you can watch it in your own time."

NATHAN: LATE 20S, CONSULTANT FROM CREMORNE

"When I was growing up there was a real buzz about going to the movies ... there was an excitement, I find with my kids now (watching a movie) is just a fait accompli – you can download it and watch it; it's just another movie."

CHARLES: 49, COMMODITIES BROKER AND FATHER OF FOUR

Australian Government

Screen Australia