

Tuesday, 3 July 2018

Addressable TV will challenge existing attitudes to TV advertising

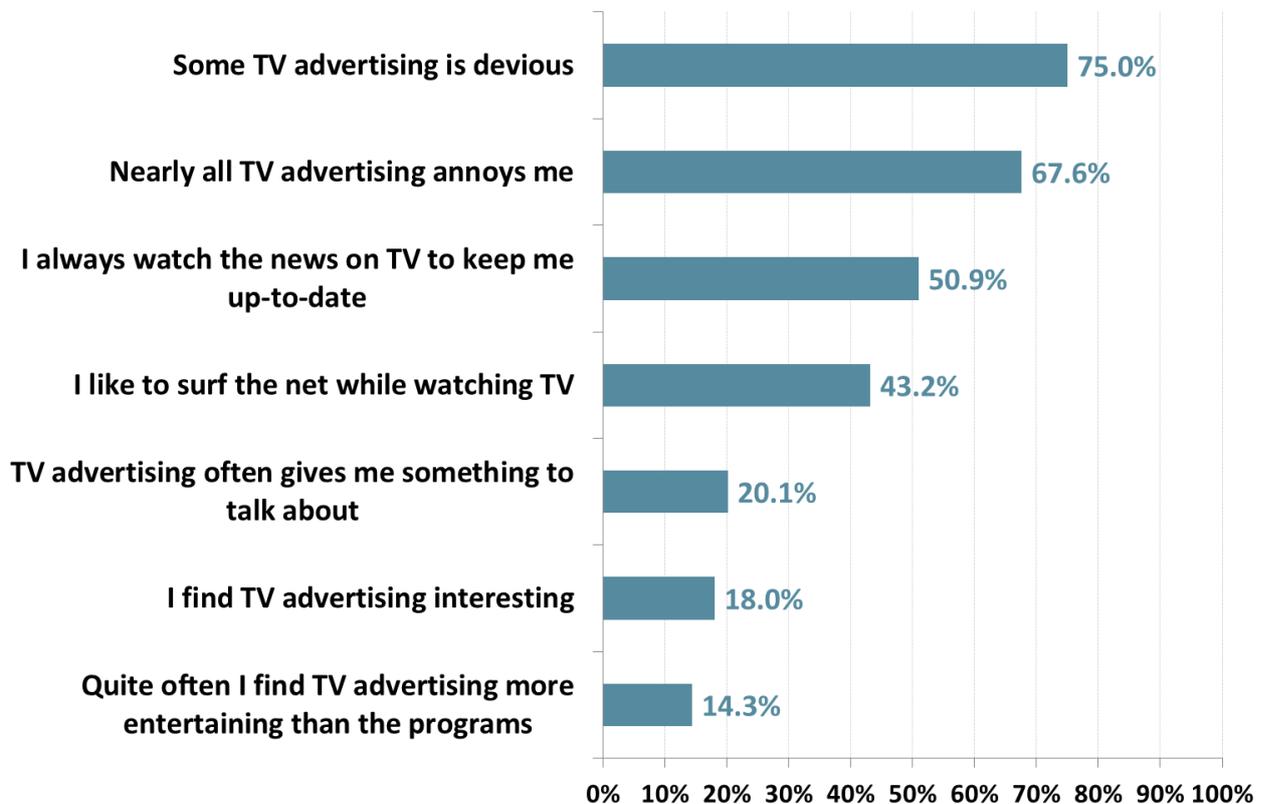
Over 18.5 million Australians aged 14+ watch TV whether free-to-air or Pay TV/SVOD in an average week including over 16.5 million that watch Commercial TV on a normal weekday – meaning over 90% of Australians watch TV of one sort or another in an average week.

It's well known that TV has been eclipsed in recent years by the Internet as the largest advertising medium in Australia. The [Roy Morgan State of the Nation Media Report in late 2017](#) showed nearly half (49%) of Australia's \$15.25 billion advertising market was by then being spent online.

Addressable TV will, however, enable broadcasters to fight back and compete with the likes of Facebook and Google by enabling them to move from simply selling ad slots based on broad demographics to allowing advertisers to use sophisticated first and third party data to target individuals or households and show them different ads during the same programme. This will bridge the gap between the traditional TV advertising model and the personalisation of advertising enabled by the 'Big Data' analytics that the interactive nature of the Internet empowers.

Australian attitudes to TV advertising will probably not surprise anyone with clear majorities of 75% of Australians agreeing 'Some TV advertising is devious' and 67.6% agreeing 'Nearly all TV advertising annoys me.' However for one-in-five Australians 'TV advertising often gives me something to talk about' and 14.3% agree that 'Quite often they find TV advertising more entertaining than the programs'.

Australian attitudes to TV and TV advertising - 12 months to March 2018



Source: Roy Morgan Single Source: April 2017 – March 2018, n = 15,067 Australians aged 14+.

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Michele Levine, CEO, Roy Morgan, says addressable TV offers traditional TV broadcasters the tools to retain and grow their share of the \$15 billion+ Australian advertising market:

“Australians love their TV with over 18.5 million watching TV of one sort or another in an average week whether FTA or Pay TV/SVOD. However, in the past the increasing proliferation of online alternatives has presented a huge challenge to the revenue streams of Australia’s commercial TV broadcasters such as Channels 7, 9 & 10 as well as Pay TV providers such as Foxtel.

“The advent of addressable TV now gives Australia’s commercial TV channels the chance to defend and grow their advertising revenue streams with personalised advertising that consumers will find increasingly relevant to their own situation.

“Roy Morgan’s analysis of Australian attitudes to TV shows there is plenty of room for improvement for commercial TV channels. More than two-thirds of Australians (67.6%) agree that ‘Nearly all TV advertising annoys me’ while only 18% agree that ‘I find TV advertising interesting’.

“The power of addressable TV to show relevant advertising to consumers will give commercial TV channels the chance to level the playing field that has thus far been tilted in favour of purely online competitors and the opportunity to ‘flip’ the perceptions of advertising many Australians currently hold.

“For a commercial TV provider to gain the full benefit of addressable TV it’s vital to gain the edge on competitors by understanding exactly who their consumers are and what drives their TV viewing habits. Accessing the insights available from the Roy Morgan Single Source survey conducted with over 50,000 in-depth face-to-face interviews per year can deliver this advantage.

“Integrating Roy Morgan Single Source with the psychographic segmentation of Australian consumers provided by [Roy Morgan Helix Personas](#) provides an added layer of qualitative and quantitative analysis that draws the key learnings from the proliferation of ‘Big Data’.”

For comments and information about Roy Morgan’s attitudes to TV advertising and media data, please contact:

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Related research findings

Browse our Online Store for an extensive range of profiles on attitudes to advertising and media including [‘I always watch the news on TV to keep me up to date’](#), [‘I find TV advertising interesting’](#), [‘I find TV advertising more entertaining than the programs’](#), [‘I record TV programs if I can’t watch them’](#), [‘Nearly all TV advertising annoys me’](#), [‘Some TV advertising is devious’](#) and [‘TV advertising often gives me something to talk about’](#) and more.

Compiled with data from Roy Morgan’s Single Source survey (the largest of its kind in the world, with 50,000 respondents p.a), these ready-made profiles provide a broad understanding of the target.

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
50,000	±0.4	±0.4	±0.3	±0.2

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