KANTAR

# Strong Public Media Audience Data Analysis

Report prepared by Kantar New Zealand
for the Ministry for Culture & Heritage

March 2021

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# Background

The financial viability of media in New Zealand and overseas is being challenged by new platforms and technologies. This is having an adverse impact on both Government-owned and private media organisations and their ability to contribute effectively to our national identity and ensure New Zealanders have access to high quality information enabling democratic debate. The declining state of both public and private media indicates that our current media structure is not sustainable.

Following a Ministerial Advisory Group on Public Media report and subsequent investigations on options for strengthening public media in New Zealand, Cabinet agreed in January 2020 to commission a business case to examine the viability of establishing a new, fit-for-purpose media entity. The new entity would draw on the skill and experience of both RNZ and TVNZ but would be designed for a 21st century environment. NZ on Air would continue to fund quality content under this model.

The business case will consider details of how a new public media entity would operate in the future including:

- How the organisation could best meet the expectations of audiences about when and how they access content
- How to manage funding for the new entity, consistent with its role as a public media entity and its relationship with NZ On Air
- The best legal structure for the new entity
- How it could support Māori media and Pacific audiences
- How it would collaborate with and complement the work of private media

Although delayed by a change of priorities due to Covid-19 for much of 2020, work is now underway to complete this business case.

In February 2021, Manatū Taonga, The Ministry for Culture and Heritage, commissioned Kantar New Zealand to provide an analysis of existing audience data and research to support the business case.

The project was to provide a synthesis and analysis of existing audience data and research that will provide the Strong Public Media Programme with insights into audience behaviours and preferences. In particular, it would provide the Programme with a clear understanding of what recent audience research collectively reveals about the service, content and platform features that are important to New Zealand audiences.

The key objective of this research is:

**Using existing data, understand the extent to which the current content offering and delivery meets the changing needs of the diverse New Zealand public**

# Methodology

The following structure was designed to guide the analysis and reporting.

**Using existing data, understand the extent to which the current content offering and delivery meets the changing needs of the diverse New Zealand public**

### Delivery and platforms

**How are audiences currently accessing content? What range of platforms are needed to capture diverse audiences and keep up with trends?**

**Where and how are audiences accessing content?**

**What appeals about the platform offering that drives usage?**

**How does this vary for diverse and underserved audiences?**

**What are future trends?**

– How are access behaviors and preferences changing?
– What trends are emerging?

### Content availability vs desire

**What types of content are being consumed and what are the content gaps versus audience desire? Where does and should public media content fit in?**

**What is current consumption of public media and how does this differ vs all content?**

– What patterns are there by NZ content versus international content, mainstream versus niche content, public versus commercial content?

**How does consumption differ by audience and content type?**

– What audiences are well-served by current public media services, and what audiences are not being reached?
– How diverse is the content currently being produced?

**What are current gaps in public media content versus what diverse audiences say they want to consume?**

### Value and trust

**How much do different audiences value and trust current public media content, and what would impact perceived value?**

**How much do different audiences value and trust current public media content?**

– What other public media service characteristics currently appeal to diverse audiences?
– What differences are there in audience expectations for public and private media?

**What would impact perceived value and use?**

– What would motivate audiences to increase their use of public media services?
– What service changes might result in the loss of current audiences?
– What are audience perceptions about commercial activity within public media?

When developing this report and the reporting structure, it became clear to the authors, that the logical way to analyse and present this data was by starting from a platform, rather than a content perspective. It is the fundamental change in media delivery platforms over the last 20 or more years that has led to the need to review the public media entity. The move to online platforms has changed the way people access, as well as fund the content they view. Talking about content without having already explored the changes in platform was challenging.

A comprehensive list of sources was used to inform the research, as listed below:

– 2021 Media Trends and Predictions, Kantar, 2021
– Adoption Pathway Quant, TVNZ, September 2019
– Audience Development Strategy, Radio New Zealand, 2019
– Census data, Statistics New Zealand, 2018
– Covid-19 Barometer, Kantar New Zealand, 2020
– Children’s Media Use Research, NZ On Air, 2020
– Culture, Identity and Media Discussion Document, NZ On Air, 2019
– Culture, Identity and Media Literature Review, NZ On Air, 2019
– Digital Audience data, Radio New Zealand, 2018-20
– Digital News Report, Reuters Institute for the Study of Journalism, 2020
– Diversity Report, NZ On Air, 2020
– Internet Provider Survey, Statistics New Zealand, 2018
– Linear TV Exploration, TVNZ, March 2020
– Media Fund data, NZ On Air, 2020
– NZ’s Identity, Culture and the Media – Māori and Pasifika Factsheet, NZ On Air, 2019
– NZ’s Identity, Culture and the Media – Older People Factsheet, NZ On Air, 2019
– NZ’s Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019
– People’s Commission on Public Broadcasting and Media, People’s Commission, 2017

- Programming Report, TVNZ, 2019
- Programming Research Data Analysis, TVNZ, 2020
- Public Awareness and Attitudes Survey, NZ On Air, 2020
- Public Media Gap Analysis Data, TVNZ
- Radio Audiences Report, RNZ, 2019, 2020
- Radio Survey, GfK, Survey 2 2019
- TAM, Nielsen, Consolidated data 2019
- Trust in News in New Zealand, AUT Centre for Journalism, Media and Democracy, in conjunction with Reuters Institute for the Study of Journalism, 2020
- User journeys, TVNZ, May 2019
- Value Indices, Radio New Zealand, 2020
- Where are the Audiences? NZ On Air, 2020
- Youth Culture Opportunity, Radio New Zealand, 2020

Analysis was conducted by reviewing all the reports using a grid of audiences and genres on current consumption, content wanted, trust and value of public media services, platform delivery and future trends. This structure enabled us to see where information was available and where it was missing.

This report summarises these findings. While there is some detail, the focus is more on explaining the issues and answering the project objectives as listed above at an overall level.

# Definitions

The following definitions are used throughout the report.

**Public Media / Public Media content**: Refers to media content which is seen to be contributing to our national identity. It is a wide definition of all content that is about New Zealanders, or by New Zealanders or created for New Zealanders. It includes content that is broadcast outside public media entities. On the whole, Public Media content is created in New Zealand. The only exception to this is with sports content that is broadcast from overseas, but that includes New Zealand teams.

**Platforms**: Refers to the way in which content is delivered to audiences. In some cases, a platform aligns closely with a genre, for example Spotify (music), Netflix (drama and entertainment), but we still refer to these as the platform, rather than a genre for the sake of simplicity. Sometimes platforms are grouped together, such as Subscription Video on Demand (SVOD), but at other times may be discussed as specific providers, such as Netflix.

**Content**: Refers to genre on the whole, for example news, current affairs, documentaries, comedy. Different sources use different definitions for genres, but wherever possible these are presented in a comparable way.

**Public broadcaster:** Refers to TVNZ and RNZ only. While there are other public broadcasters, such as Māori Television, as these are out of scope for the new Public Entity, they are not included in this definition.

# Limitations

It is important to note that the varying focuses of the different sources feeding into this report can make it challenging to provide a picture that is both holistic and consistent.

While the reports were all generally high quality, the reports reviewed often had differing definitions, covered differing time periods, and had a range of granularity available.

For example, while some information is available on genre preferences, this is usually available for specific sites, stations or channels rather than offering a view of New Zealanders' preferences as a whole across multiple platforms.

This research is also limited by the research reports available, and the objectives of those who commissioned them.

This report takes these limitations into account to the best of our ability, and in the final section, discusses these limitations and specific issues in more detail.

# Executive summary

### Where and how are audiences accessing content? What are future trends?

Over the last decade, with increasing access to hours of unlimited data and new technologies, there has been a significant shift away from traditional platforms. Hours spent viewing linear television or listening to radio are being replaced with an ever-growing number of digital platforms, such as YouTube, Subscription Video on Demand (SVOD), Spotify and Free to Air (FTA) On Demand services. In 2021, it is expected that for the first time, the number of hours spent on average in New Zealand watching online video will surpass hours spent watching television. For younger audiences this transition happened years ago.

Time spent streaming on demand video is rising, with YouTube the most popular source of video content for New Zealanders and significant growth in TVNZ's On Demand service. However, while YouTube is seen to be a fun time-filler with a unique entertainment experience, and Netflix is considered premium and customised, the role of TVNZ's On Demand platform is less clear.

Audiences are becoming savvier in their spend on platforms. While fewer are prepared to pay for Sky Television, more are happy to pay the relatively lower rates for SVOD (of which Netflix is the dominant platform) and music streaming services (of which Spotify is the most used). This has meant some free to air options, such as provided by TVNZ 1 and Radio NZ have seen relatively stable audiences, although there is evidence that the heaviest consumers of video and audio are doing it digitally.

As would be expected, the differences in traditional versus digital platform usage are largely defined by age, with the youngest audiences consuming most of their content online. Even for children, who respond well to local content, YouTube and Netflix are the first platforms they think of. Digital platform use has also recently accelerated among 40-59 year olds, although those 60 and over are still predominantly using traditional platforms and are largely yet to adopt digital sources.

There are also differences in platform usage by ethnicity, with Māori preferring television, while Pasifika tend to choose digital media over traditional. This is likely to be largely due to their younger average age as a population. Asian New Zealanders are very focussed on online video, with many not even owning televisions.

With the consumption of digital platforms growing, the emergence of more households with no free to air access and a predicted rise of content aggregators, it is clear that to deliver public media content to all New Zealanders, state broadcasters must employ new strategies and be more accessible and present on the digital platforms New Zealanders are using.

The report shows that both TVNZ and RNZ are performing strongly, and both have experienced growth over the last few years. This report was not however commissioned to report on performance of current entities but to collate what is currently know from available research sources to identify trends in audience behaviour that must be addressed.

### What types of content are being consumed and what are the content gaps versus audience desire? Where does and should public media content fit in?

Public broadcasters are providing news, current affairs and documentaries to significant proportions of the public, and these three genres seem to have the highest reach across all age groups. Lighter entertainment, defined as reality television (competition or social experiment) and soaps, or growth industry and represent NZ genres, is another significant type of content watched on public broadcasters. While there is debate as to whether this falls under public media, it is seen as commercially important to build audience loyalty. It is also the genre more viewers would like to see less of, especially males.

The biggest gaps between content provided by TVNZ/RNZ and total content consumed are for sport, which is often consumed on other television channels, drama, which is mainly consumed online and comedy, which is accessed more on both on other television channels and online services. Comedy is an area that has been gaining greater funding from NZ on Air over recent years and is also content people would like to see more of on TVNZ.

Children's programming is an area where funding has been declining over recent years, which is likely to reflect the shift to children predominantly watching international content on YouTube and Netflix. However, both children and parents express an interest in greater New Zealand content – few children say they see themselves represented on content, but like it when they do. Children's programming may be an area public media should be looking to address, however traditional platforms are unlikely to work.

There are several key audiences who are underserved by current public broadcasting content. The most obvious one is younger generations, with engagement with public media content dropping off as people get older. However, this generally appears to be more about the platforms it is on, rather than the content itself. A particularly underserved age group is young adults (15-24 year olds). Too old to be influenced by their parent's viewing habits, but too young to use traditional platforms, they tend to fall through the gaps, watching little traditional television. News is the one they are most likely to watch, but this is still less than a quarter of them, and only 18% on TVNZ. Many young adults believe there is no locally produced content for people like them.

Asians are the ethnic group (out of the four considered) who are most underserved by current public media content. This is due to a combination of platform usage (as mentioned above), a lack of New Zealand Asian producers, directors and writers and as a result, little content where they see themselves reflected.

Pasifika are also relatively underserved, partly as a reflection of their higher usage of online platforms (linked to their younger average age as a people). Pasifika adults are among the most likely to feel there are few programmes available for their culture.

Māori are generally better served by public media content than Asians or Pasifika, but still not as well as Pākehā. They have the strongest affinity towards New Zealand made content.

There is a strong desire, even among those who rarely watch it, for New Zealand made and New Zealand centric content.

**How much do different audiences value and trust current public media content, and what would impact perceived value?**

There is a comparatively high degree of trust in news in New Zealand compared to the rest of the world. Concerns over ‘fake news’ leads to mistrust in news gained online (especially through social and search) with state broadcasters considered the most trusted news sources.

There are several strategies that could impact perceived value of public media. These include:

- Higher content variety and quality
- More balanced and diverse views
- Greater access to content on preferred channels
- Greater awareness
- Reduced levels of advertising
- New commercial models

# Context

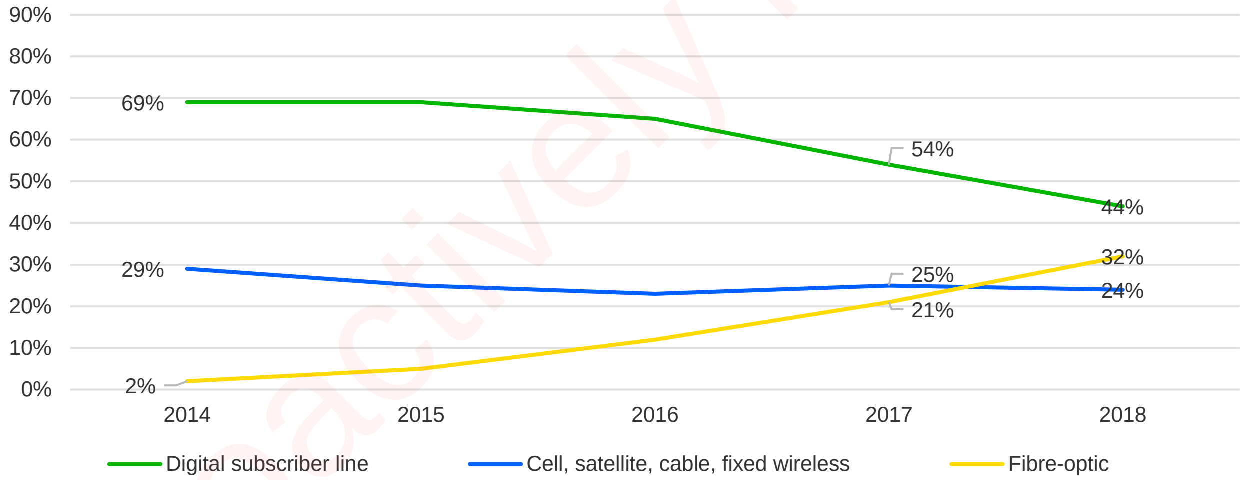
# Setting the scene – context for this report

## The advent of the internet has led to an explosion of choice

Before looking specifically at the current picture of media usage in New Zealand, it is useful to first consider the speed and extent of change that has occurred in recent times. Many of the tools that are now utilised as part of everyday life, such as mobile phones and social media, were not available to most people in relatively recent times. The internet has since transformed how we communicate and how we receive information about the world.

Based on 2018 Census data[1], 79% of New Zealand households have access to the internet. This was 73% in 2013 and is likely to be higher now in 2021. The 2018 internet provider survey[2] shows that 99% of all internet connections in New Zealand were broadband. With the dramatic rise in fibre-optic connections, as shown below and therefore improved upload speeds, users have embraced unlimited internet data caps.

**Figure 1: Broadband internet connections, by type of technology (Internet Provider survey, Statistics New Zealand, 2018)**




From 8% of all residential broadband connections in 2014, uncapped plans made up 71% of all broadband connections in 2018 and is undoubtedly higher in 2021.

In NZ On Air's 2019 Culture, Identity and Media Literature Review[3], the point is made that while research in 1990 did highlight some challenges with New Zealand's broadcast network, viewers essentially had few alternative options to turn to for news or entertainment. Fast forward 30 years, and with no financial incentive to restrict digital content, New Zealanders have embraced new ways of getting information and being entertained. The internet, which most New Zealanders can access, makes a greater number of international platforms and content available than ever before. This provides the context for this review – New Zealanders with the requisite digital capabilities now have the power to choose the exact type of content, the platform to view it on and when they consume it.

## 2020 was unusual

It is also important to the context of this review to consider the impact the Covid-19 pandemic may have on these results.

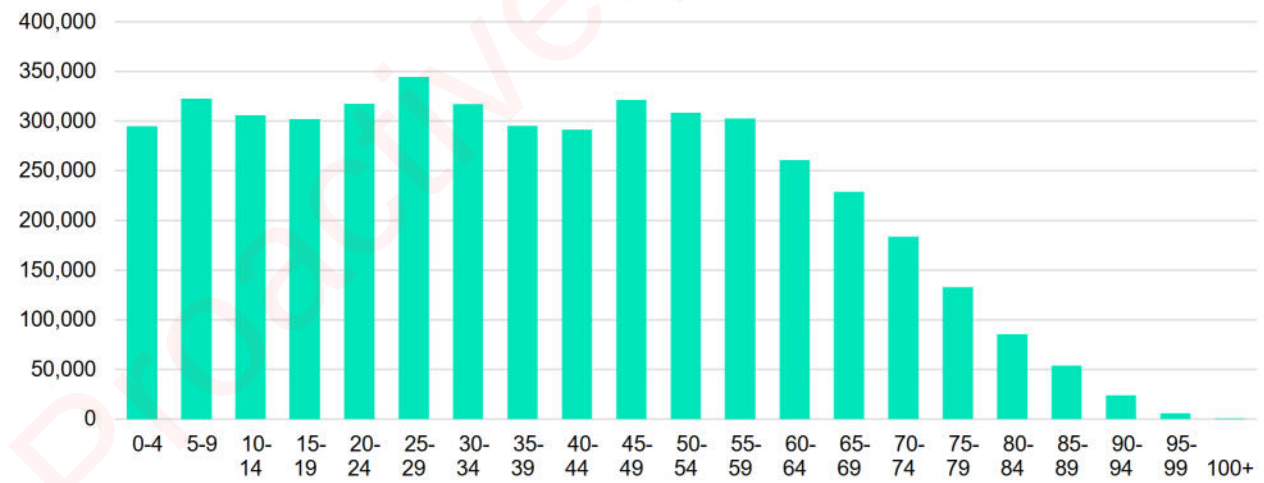
The global Covid-19 crisis and New Zealand lockdowns had two main impacts which need to be kept in mind when using this report. Firstly, spending time locked down in New Zealand gave many people more free time, and the opportunity to add more time viewing content relevant to their lives – and to get used to different platforms. For example, 25% of New Zealanders started or planned to start to buy groceries online during the lockdown, and a third (35%) used more paid media subscriptions than before[4].

Secondly and running counter to point one, globally and to a lesser extent in New Zealand large amounts of content that would usually be available, such as movies, television shows and sporting events were either cancelled or delayed. The extent to which changes in 2020 were anomalies, as opposed to the start of a new normal is not always clear, but where possible this review attempts to indicate this.

## New Zealand's population is aging, but Māori and Pasifika populations are young

Throughout this report we see a clear linkage between adoption of digital platforms and age. When considering how best to position a public media entity, it is important to consider both the age profile of New Zealanders and the differences in age profiles between different ethnicities in New Zealand. Overall New Zealand's population has an average age of 37.4, and the population is aging – older adults will make up an increasingly large proportion of the population in the next 20-30 years.

**Figure 2: Age profile of total New Zealand population (Census data, Statistics New Zealand, 2018)**




However, this pattern is driven mainly by European New Zealanders, who have an average age of 37.6. Māori and Pasifika populations are much younger, as shown in the charts below, with average ages of 25.4 and 23.4 respectively (as at the 2018 census).

**Figure 3: Age profile of New Zealand Māori population (Census data, Statistics New Zealand, 2018)**

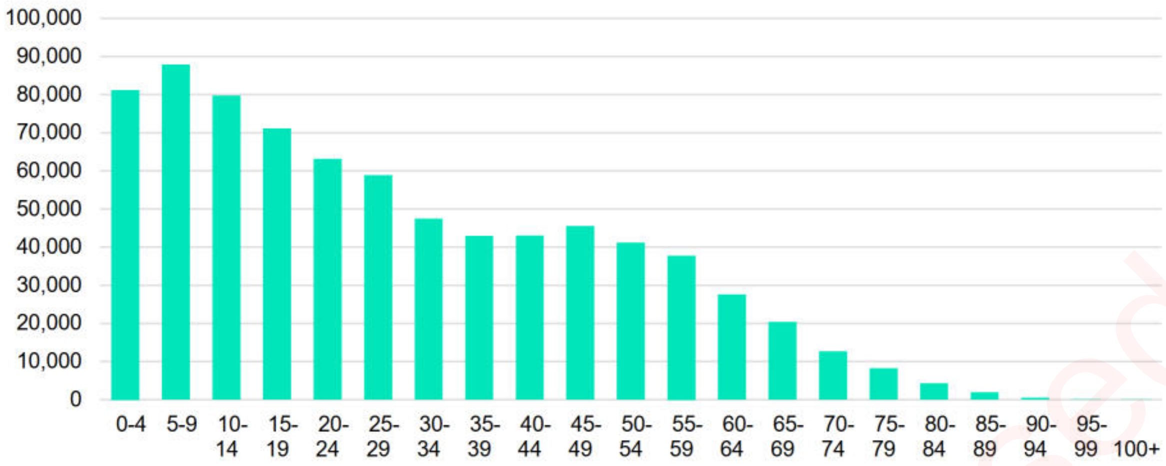
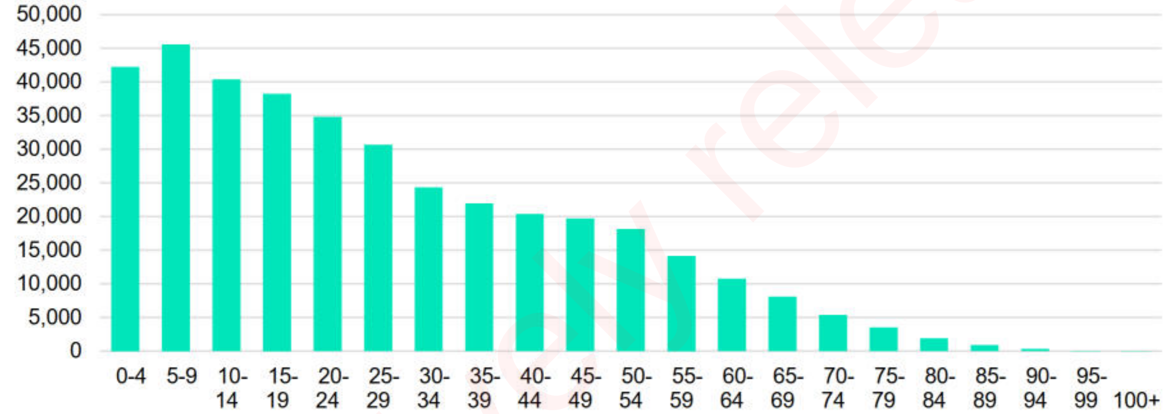
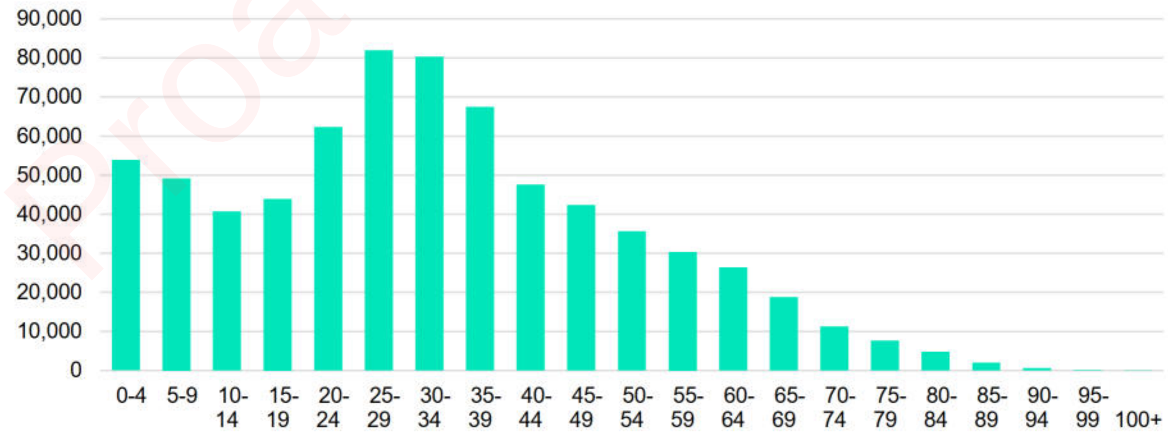



**Figure 4: Age profile of New Zealand Pasifika population (Census data, Statistics New Zealand, 2018)**




New Zealand's Asian population age profile sits somewhere in between, with an average age of 31.3.

**Figure 5: Age profile of New Zealand Asian population (Census data, Statistics New Zealand, 2018)**



# Key question 1: Delivery and platforms

How are audiences currently accessing content? What range of platforms are needed to capture diverse audiences and keep up with trends?

# Where and how are audiences accessing content?

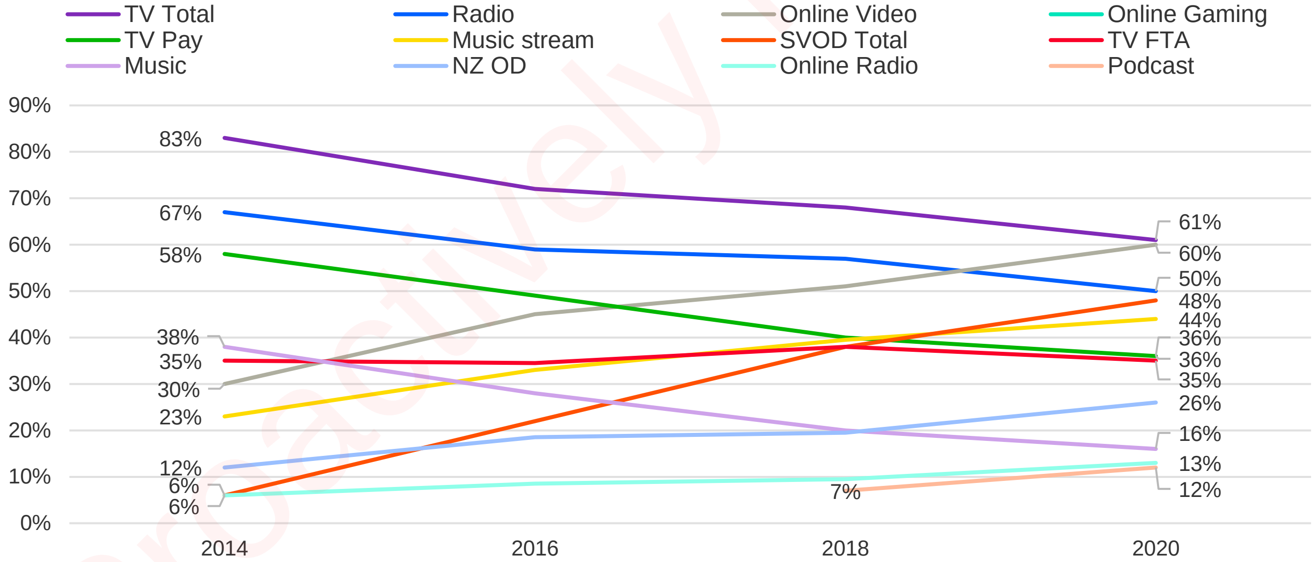
This section focuses on types of media channels and platforms consumed by New Zealanders as a whole and devices used to access the content.

## Current consumption trends

### Shift from traditional to digital platforms

Overall, the share of New Zealanders accessing content via traditional media (linear and pay TV, broadcast radio, etc.) declines over time, while all digital media audiences (online video, subscription video on demand, music stream, etc.) increases[5]. Presently, the daily reach of online video is on par with the daily reach of TV, but if the current trend continues, very soon online video will become the leading media for New Zealanders (though see a following section for differences by age). The chart below demonstrates these trends.

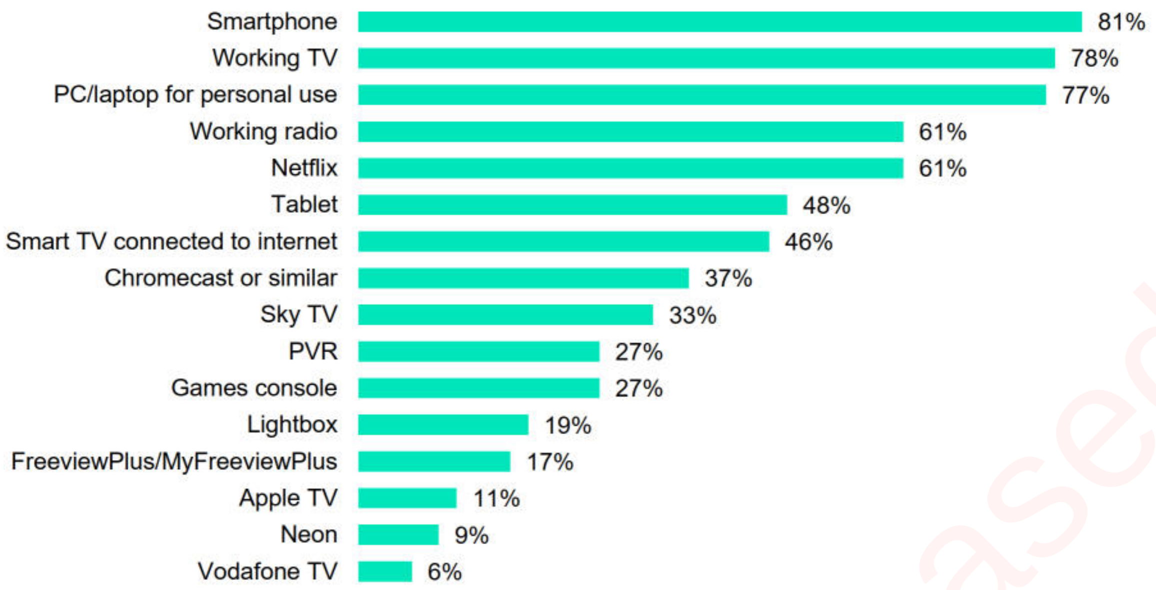
**Figure 6: Daily reach of all media over time – all New Zealanders 15+**
**(Where are the Audiences, July 2020)**




Note that while radio reach overall is declining, RNZ National / Concert audience has increased steadily since 2016, reaching 768,800 each week (aged 10+) by the end of 2020, up 13% year on year. Of these about 657,500 listen to RNZ National, with most growth from the under 55 audience[6].

The media New Zealanders consume reflects the devices and platforms available to them. Eight in ten New Zealanders have a smartphone, a laptop or a PC. The same proportion of New Zealanders have a working TV, but this has been declining over the last six years. Access to Netflix is now as widespread as radio at 61% of the population. Nearly half of New Zealanders have a Smart TV connected to the Internet.

**Figure 7: Devices and platforms personally own or have daily access to – all New Zealanders 15+ (Where are the audiences, July 2020)**




## Video consumption overall

### The time viewers spend using Pay TV is showing the first signs of declining

Studies in the early to mid-part of the last decade have shown a consistent decline in audience numbers for linear TV. However, this has mainly been due to the loss of lighter viewers from Pay TV platforms, offset to some extent by increasing time spent viewing among moderate to heavier users. However, the latest NZ On Air data from 2020 shows that existing Pay TV viewers are also now spending less time on these platforms. This is the first suggestion that the loss of audience is not just happening among lighter viewers[7].

### While use of the Sky TV platform is declining, use of free to air platforms is more stable

A decline in use of the Sky TV platform is contributing to the reduction in time spent using Pay TV. In 2020, only 36% of New Zealanders reported watching TV on the Sky TV platform each day, compared with nearly six in ten (58%) in 2014. However, the audience watching linear TV on a free to air platform over the same period has remained comparatively stable (38% in 2014, 35% in 2020)[8].

### Time spent viewing streamed video on demand rises

In contrast to the pattern for linear TV, New Zealanders are spending an increasing amount of time viewing Subscription Video on Demand (SVOD) and online video in 2020. NZ On Air conclude that this reinforces the theory that heavier TV viewers are beginning to drop out of the linear TV audience[9].

## Video consumption by provider

While data indicates a clear shift from traditional to digital platforms over time, it is also useful to consider usage patterns at the channel level, as this can highlight more of the micro-level variation that is masked by the overall statistics.

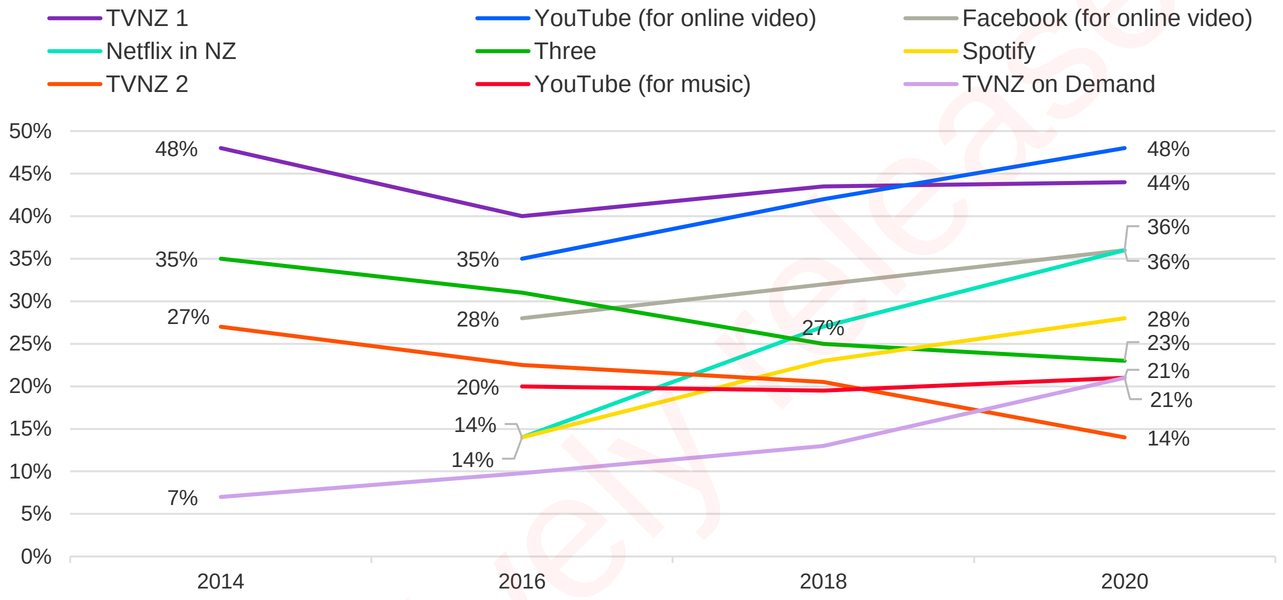
### YouTube becomes the most popular source of video content

YouTube has overtaken TVNZ1 as the most popular site, station or channel in New Zealand. Use of YouTube for video has risen steadily and consistently from 35% in 2016 to 48% in 2020[10].

### TVNZ 1 managing to retain its audiences

Despite being surpassed by YouTube, TVNZ 1 attracts the biggest audience to a single TV channel (44%). It has largely retained its audience levels over the last five years in spite of increasing pressure from digital sites. This stability is also notable given that most other TV channels have seen a decline in audience over the same period. In particular, TVNZ 2 saw audiences drop from 20% of New Zealanders in 2016 to 14% in 2020, while Three saw a similar drop over the same period, from 31% to 23%[11].

**Figure 8: Most popular channels, sites and stations – New Zealanders 15+ (Where are the audiences, July 2020)**



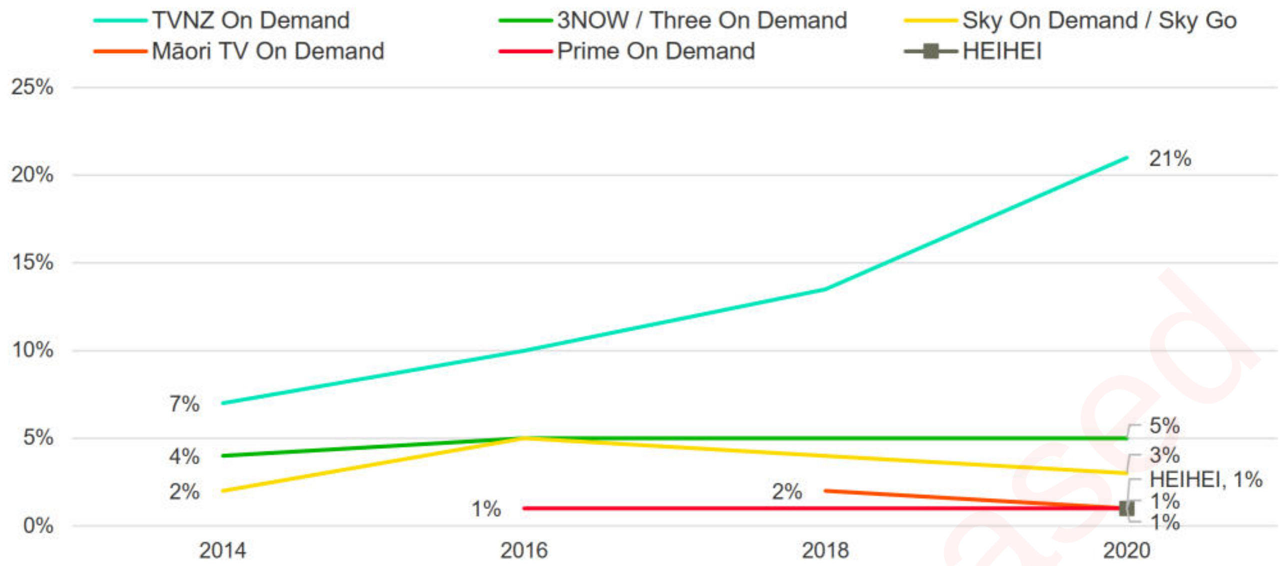

### Netflix is New Zealand's most frequently used SVOD provider

Netflix has established itself as New Zealand's main subscription video on demand (SVOD) provider. Over a third of New Zealanders now watch it each day. Disney Plus is the next most frequently used SVOD provider, with a daily audience of just 7% of New Zealanders. Netflix also stands out because of its growth trajectory – no other site, station or channel has increased its audience as much as Netflix in the four-year period between 2016 and 2020. While there is a range of alternative SVOD providers available to New Zealand consumers, these are currently far less popular[12].

### TVNZ OnDemand is the most popular on demand site in New Zealand

Like SVOD, the on-demand market in New Zealand is characterised by a single dominant player and a range of less frequently accessed alternatives. TVNZ OnDemand has solidified its market leading position over the last six years – its daily reach now exceeds one in five New Zealanders (21%), with significant accelerating growth recorded from the levels seen in 2018 (13%). By comparison, no other on demand site reaches more than 5% of New Zealanders each day, nor have any others grown audience levels since 2018[13].

**Figure 9: Daily reach of on demand sites – all New Zealanders 15+ (Where are the audiences, July 2020)**




In considering these results, the impact of 2020 should not be ruled out. However, growth was still seen in the TVNZ platform prior to 2020, and not in others. In addition, as the majority of these offers are free to air (with the exception of Sky On Demand), yet TVNZ On Demand is the only one to have seen growth it is likely that this trend is true to a large effect.

## Digital offering from RNZ strongly increasing

The digital offering from RNZ is also showing strong growth, with RNZ.co.nz website visits doubling from 2018 to 2020, a doubling of app users over the same period, and with strong growth via Facebook and especially YouTube channels. Streaming and downloaded audio are also an important part of the offer that provides different ways to access content to different audiences[14].

## Consumption of other formats

### The use of digital media to access audio content is rising again

In 2018, the growth in digital media audiences (online video, music streaming, on demand) stalled somewhat, but this pattern proved to be only temporary. 2020 data from NZ On Air illustrated strong growth over the last two years, which means that digital media is now poised to take the lead over traditional media in terms of audience volumes[15].

### Spotify and YouTube are the most popular digital platforms used to access audio content

Spotify is the main digital platform used to access audio content. It has continued to grow in popularity since 2018 and is now accessed by over a quarter (28%) of New Zealanders on any given day. YouTube (for music) is also popular, with a fifth of New Zealanders using the service (21%) but levels have remained similar to those recorded in 2018[16].

**Although the frequency of listening to music online is increasing, the number of listeners is not**

While an initial look at the data might suggest a shift from traditional to digital platforms, further analysis indicates that in fact, the size of the audience who has ever listened to music online has not grown significantly between 2018 and 2020. However, those who are already listening to streamed music are doing so more frequently on average. Because of this, a survey asking about any given day is more likely to pick up recent users of platforms like YouTube and Spotify[17].

**Streaming services and radio stations are key methods used to find new music**

New Zealanders discover new music in three main ways: by browsing streaming services (51%), by listening to New Zealand radio stations (51%) or by word of mouth (50%). While the use of streaming services as a method of discovery skews towards younger listeners, radio has relatively broad levels of use across all age groups[18].

Compared to 2019, there has also been an increase in the proportion of New Zealanders who listened to an RNZ podcast in the past year. This is in line with more New Zealanders listening to other New Zealand podcasts and international podcasts[19].

# What appeals about the platform offering that drives usage?

## Different platforms perform different roles on different occasions

Media platforms have different perceived benefits and therefore play different roles in audiences' viewing repertoires. These differences are mostly caused by the content that the platform offers, the platform's usability and the technology required to access it.

### Linear TV is low effort and used for background viewing

Linear TV is seen as a free way to access relevant and familiar content quickly and easily, as well as discover new content. It requires low effort because it beams straight into the living room with no need to make any choices. Because of the wide range of content available, linear TV fits in both high and low commitment occasions. It has a strong presence in low commitment occasions, such as breakfast, family dinner time, or background when one comes home from work. At the same time, linear TV has a visible presence in high engagement occasions, such as evening couple time[20,21].

### YouTube is a time-filler giving a unique entertainment experience

YouTube fulfills the same roles as linear TV. The audience sees YouTube as a utility platform useful on many occasions. It is a universal time-filler that fits perfectly into small and long time slots. Viewers can spend a long time on it, being surprised by where it goes next. Videos are present immediately, so viewing requires minimum effort. The content on YouTube is not curated and not filtered, and as a result, it is often unique and unconventional. Because of the maximum variety of content, this platform is not seen as purely entertaining. Audiences use it to catch up with vloggers, news or for tutorials[22,23,24].

s9(2)(b)(ii)

[redacted]

### Netflix is tailored and high quality

Netflix is seen as a more premium platform. The magic formula of high-quality content, large library, relevancy and viewing ease makes Netflix highly attractive. It has the biggest library with plenty of new releases and constantly updated content. Netflix delivers high personal relevancy through 'tailored' content offerings in personalised content 'belts' and email suggestions. Seamless user experience at a comparatively low cost makes this platform the content and usability benchmark for many households. Netflix has a strong presence across all viewing situations but performs best in the higher commitment occasions, such as quality family time, couple time in bed and evening escape[27,28].

### Big TVs rule

Except for Facebook and YouTube videos, whenever possible, audiences prefer to watch content on their main household TV, e.g. the ‘big’ TV. Watching on a ‘big’ TV delivers better picture and sound quality, is more comfortable and more sociable. However, as tech literacy is generally low, viewers seek the path of least resistance to arrange streaming and reduce life admin, e.g. Netflix button on remote.

# How does platform usage vary for diverse and underserved audiences?

In considering the variation in patterns of video and audio consumption by age and lifestage (and indeed by other demographic categories), there are two likely factors to consider.  Firstly, there is the issue of **access** – barriers relating to availability, cost and confidence can prevent or dissuade certain groups from accessing some platforms. Secondly, there is the issue of **preference** in cases where none of the access-related barriers are in play. The data available does not always allow for full diagnosis of the reasons behind the patterns identified, so no assumptions have been made here, but it is useful to keep these reasons in mind when reading this section.

The main differentiating factor influencing media consumption is age. However, secondary factors, such as socio-economic level, ethnicity, and region also play a role in influencing both media consumption and devices people have available[29].

## Differences by age

### Platform differences are most extreme at the youngest and oldest ends of the age range

The differences in daily media reach between the youngest and oldest audiences is demonstrated via heatmap on the next page. The heatmap is shaded across rows, comparing the groups on the size of the daily audience of each media channel and indicating higher and lower numbers. These and other distinctions are discussed in more detail in the following sub-sections.

**Figure 10: Heatmap – Daily reach of all media by age extremes (Where are the audiences, July 2020)**

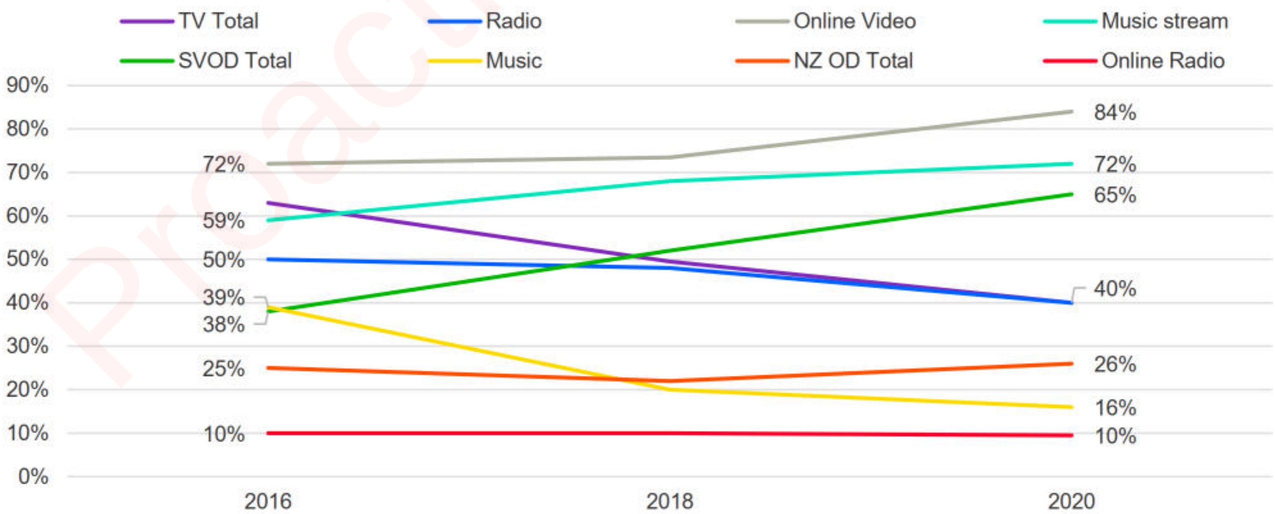
| | All NZers | Younger NZers (15-24) | Older NZers (45+) |
|---|---|---|---|
| TV Total | 61% | 38% | 79% |
| Online Video | 60% | 91% | 37% |
| Radio | 50% | 36% | 59% |
| SVOD Total | 48% | 69% | 31% |
| Music Stream | 44% | 88% | 22% |
| TV Pay | 36% | 21% | 49% |
| Online Gaming | 36% | 53% | 26% |
| TV FTA | 35% | 25% | 42% |
| Newspaper | 32% | 13% | 47% |
| NZ On Demand | 26% | 23% | 26% |
| Music | 16% | 14% | 14% |
| Magazine | 14% | 6% | 21% |
| Online NZ Radio | 13% | 11% | 14% |
| Podcast | 12% | 22% | 7% |

Lower than other audiences | average | Higher than other audiences

### Younger adults are much more likely to use digital platforms than more traditional channels

For New Zealanders aged 15-39, online video (84%), music streaming (72%) and SVOD (65%) are easily the most popular types of media / entertainment. The majority of younger New Zealanders are now using at least one digital media platform every day, while only a minority are tuning in to TV or radio. Only 22% of New Zealanders aged 15-39 watch TVNZ 1 daily and this is the highest of all TV channels in this group. 2018 marked the cross-over point where digital media started attracting a bigger audience than traditional media for this age group[30].

**Figure 11: Daily reach of media over time – 15-39 year olds (Where are the audiences, July 2020)**




Given the high level of viewership of online video content, it follows that penetration of online media such as Facebook, YouTube and Vimeo are higher than average among younger audiences. NZ On Air also report[31] that 18-34 year olds are more likely to use a paid streaming service than to watch free-to-view TV content.

Similarly, use of Spotify is also markedly higher among younger adults. Overall, 28% of New Zealanders listen to Spotify on any given day, but this rises to 53% of those aged 15-34[32].

As expected, young people are significantly more likely to own or have access to devices and platforms that enable consumption of digital media, in particular a smart TV connected to the Internet, Chromecast or similar, or a gaming console[33].

**The youngest adults are even more engaged digitally**

Online video and music streaming usage is even higher among young adults, those aged 15 to 24 years. Almost all of them engage with online video (91%) and music streaming (88%) on a daily basis. The younger audience is also more likely to engage in watching video content through SVOD (69% daily reach), playing online games (53% daily reach), and listening to podcasts (22% daily reach). Traditional media channels reach just over one third of this age group on any given day: linear TV reach is 38%; radio reach is 36%[34].

YouTube (77% daily reach), Spotify (65%), and Netflix (57%) are the media platforms leading in the 15-24 age group[35].

**The media platforms utilised by children mirror those preferred by young adults**

While children's viewing behaviour will be influenced at least to some extent by their parents, research indicates strong growth of digital platforms among this group. On any given day, almost all children aged 6 to 14 are interacting with some form of media content (98%). Watching videos on overseas platforms like YouTube (51% daily reach), Netflix (47% daily reach) and using websites and apps are the most popular activities overall[36].

Unregulated platforms like YouTube and streaming services have seen the highest levels of growth in the last few years with children. This growth has come at the expense of more traditional television channels: only 31% of children watch live free-to-air TV daily. Pay TV channels have also seen a reduction in use among children – Cartoon Network (19% to 7%) and Nickelodeon (16% to 6%) are two prominent channels accessed through Sky which have seen viewership more than halve over the last six years[37].

The most popular way of accessing audio content for children is through a website or streaming service. Spotify and YouTube are the top two audio content platforms children use[38].

As seen for the total population, age is the biggest differentiator in the platforms children use. Younger children (6 to 8 years old) tend to consume less media on their own and are less likely to watch YouTube, TVNZ 1 and Three. Elder children most often consume media on their own, and this is true for programmes and shows, the Internet and radio[39].

While age is the biggest differentiator, there are also variations in platform usage by children's gender, ethnicity, and household income. Thus, girls are more likely to use Netflix, TikTok and Snapchat. Māori children are more likely to watch TVNZ 2 and use TikTok and Snapchat than non-Māori children. Children from high-income families earning over $120,000 per year are more likely to use subscription-based services such as Spotify and Netflix. Children living in low-income households earning less than $50,000 per year tend to use Facebook more[40].

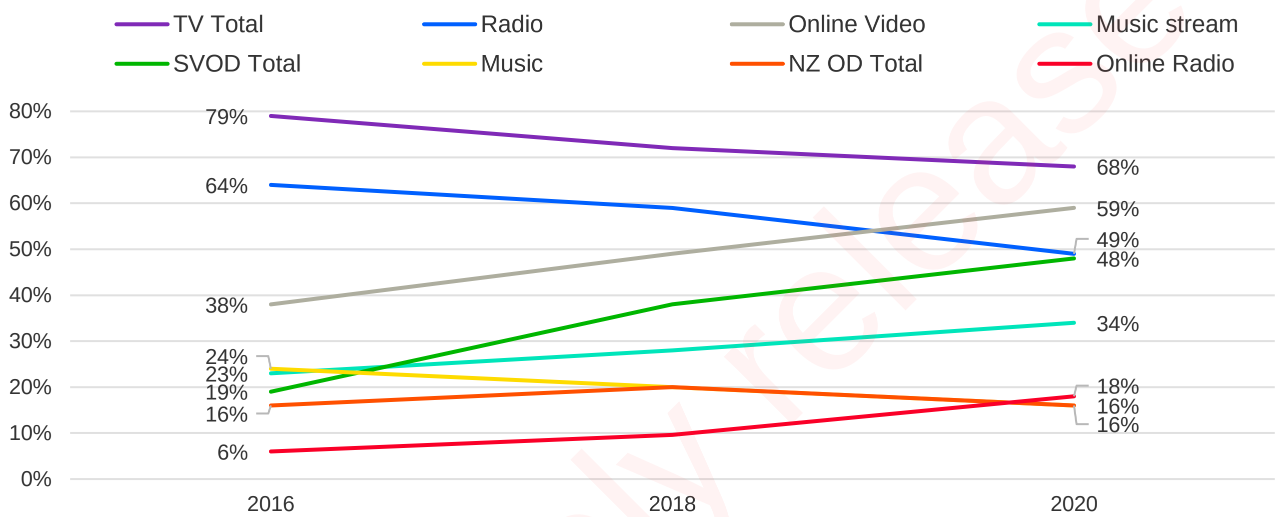
**Local content for children is well received but YouTube and Netflix are more top of mind**

NZ On Air report that some local on demand sites (e.g. TVNZ OnDemand) have been moderately successful in growing their platforms with children. Just under half of New Zealand children are aware of the HEIHEI website and app; 17% have used it and half of those enjoyed doing so. However, it is not being used regularly and platforms like Netflix and YouTube tend to come to mind first when children are thinking about where to access content[41].

### Digital platform use is also growing rapidly among 40-59 year olds

Older reports had identified a clear generation gap at around age 40-45 which divided the New Zealand audience into those more and less likely to engage with digital or traditional media. However, this pattern has become much more blurred in recent years as adoption levels of digital media among middle-aged New Zealanders has steadily risen. The middle-aged group are now more divided between traditional and digital media and sit as a transition group between younger New Zealanders who display a strong preference for digital and the older group where traditional media sources still dominate[42].

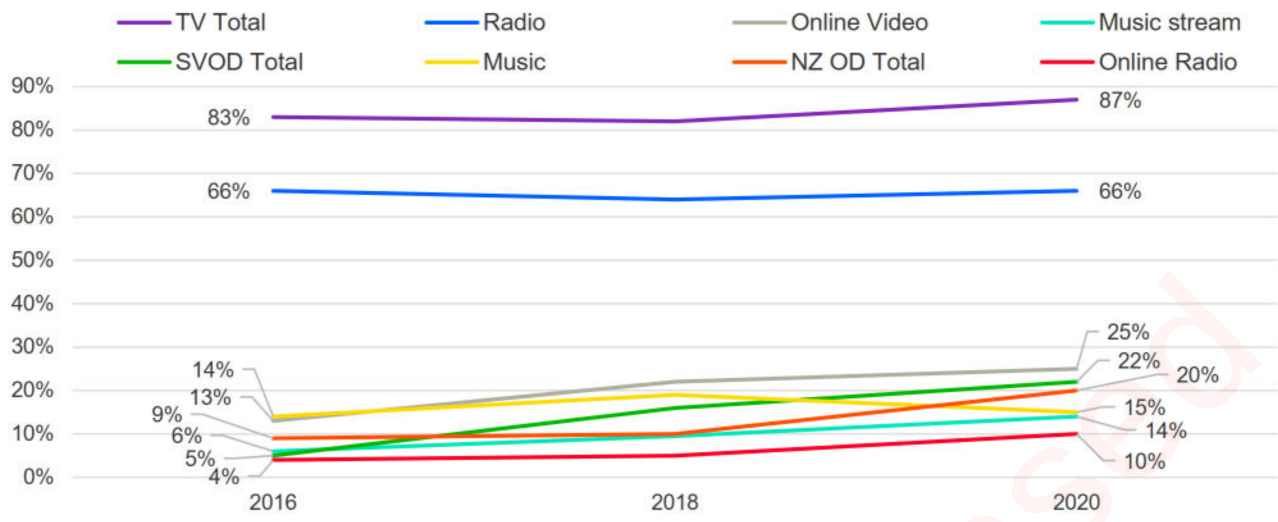
**Figure 12: Daily reach of media over time – 40-59 year olds**
**(Where are the audiences, July 2020)**




### Those aged 60+ are yet to adopt digital sources in the same numbers as their younger counterparts

Older New Zealanders are much more likely to use traditional methods to consume media. The majority of those aged 60+ tune in to TV and/or radio each day, with audience levels remaining stable over the last four years. While some digital options such as SVOD and on demand have seen significant growth since 2018, these are still only used by a minority of this group, and there is no evidence to suggest that this is replacing use of traditional TV / radio at this stage[43].

**Figure 13: Daily reach of media over time – 60+ years (Where are the audiences, July 2020)**




## Other demographic differences

The differences in daily media reach between different key non-European ethnicities is demonstrated via heatmap below. Many of these trends are likely to be related in part to the average ages of these ethnicities, so thse are also shown, based on the 2018 census.

**Figure 14: Heatmap – Daily reach of all media by key ethnicities (Where are the audiences, July 2020)**

| | All NZers | Māori | Pasifika | Asian |
|---|---|---|---|---|
| Average age | **37.6** | **25.4** | **23.4** | **31.3** |
| TV Total | 61% | 70% | 50% | 28% |
| Online Video | 60% | 63% | 77% | 86% |
| Radio | 50% | 43% | 39% | 37% |
| SVOD Total | 48% | 53% | 61% | 63% |
| Music Stream | 44% | 54% | 63% | 66% |
| TV Pay | 36% | 45% | 33% | 13% |
| Online Gaming | 36% | 43% | 51% | 48% |
| TV FTA | 35% | 37% | 28% | 20% |
| Newspaper | 32% | 29% | 21% | 23% |
| NZ On Demand | 26% | 32% | 29% | 17% |
| Music | 16% | 17% | 14% | 16% |
| Magazine | 14% | 15% | 8% | 10% |
| Online NZ Radio | 13% | 9% | 10% | 11% |
| Podcast | 12% | 10% | 17% | 16% |

Lower than other audiences | average | Higher than other audiences

### Pasifika choose digital media over traditional

The overall media behaviour among Pasifika resembles the behaviour of youth, reflecting their younger age skew as a population, and is centred around digital rather than traditional channels. Online video is the most popular media reaching 77% Pasifika each day. Streamed music and SVOD are the next most popular platforms with 63% and 61% daily reach respectively. TV only reaches half of the group daily.

Pasifika New Zealanders are also more likely to engage in online gaming (51% daily reach) and more likely to own or have access to a gaming console (35%)[44].

**Māori consume media more than the general population and favour TV**

Māori consume most media in greater numbers compared to all New Zealanders. TV is the most popular media, attracting 70% of Māori each day. Interestingly, all types of TV consumption (FTA, pay, on demand) are higher among Māori compared to other audiences. Online media are also popular with Māori – online video, streamed music and SVOD are the most popular digital channels, each attracting over half of the group each day[45].

In terms of devices and platforms accessed, Māori are more likely to have access to traditional TV devices, such as working TV, SKY TV, and PVR (personal video recorders ie set-top boxes)[46].

**Asian New Zealanders are very focused on online video**

The media consumption of Asian New Zealanders is centred around digital channels. Online video is the most popular media for this audience reaching 86% of the group daily. The gap in daily reach between online video and traditional TV is even larger in this group than in young New Zealanders. Music streaming (66% daily reach) and SVOD (63% daily reach) are the next most popular media channels among Asian New Zealanders. This group, as well as young New Zealanders and Pasifika, is also more likely than average to engage in online gaming (48% daily reach).

As follows from their media consumption profile, New Zealanders of Asian descent are less likely to have access to traditional media devices, such as TV, radio, SKY TV and PVR[47]. This lower level of access is likely to partly explain why Asian audiences are less likely to engage with New Zealand content[48].

**Socio-economic factors influence media consumption and access to devices**

Access may also play a role in consumption differences by socio-economic factors (income / occupation group). Those in higher socio-economic groups are more likely to have access to devices that enable both digital and traditional media use (e.g. Sky TV, a PVR, a smart TV connected to the internet). As a result, they are more likely to access on demand services SVOD and podcasts each day.

The daily audience of Netflix, TVNZ On Demand and music streaming services is higher among the upper socio-economic groups. Affluent New Zealanders are less likely to play online gaming but are more likely to listen to podcasts every day[49].

**Aucklanders have a skew towards digital media**

Regional differences will inevitably overlap with some of the variation by ethnicity and/or socio-economic factors discussed above. Overall, however, NZ On Air note[50] that Aucklanders are more likely to engage with digital media than the rest of the country. In particular, adults in this region are more likely to watch SVOD (52%), online video (68%) and listen to streamed music (50%) each day. Only 51% of Aucklanders watch linear TV on a daily basis – a much lower proportion than that seen in other regions.

# What are future trends?

This section focuses on future trends of media and platform use that are likely to take place in the New Zealand context in upcoming years.

### Growing consumption of digital media and the cross-over point

Consumption of digital media is expected to continue to grow among New Zealand audiences. There are signs indicating that 2020 could represent a cross-over point between traditional media and digital media attracting the biggest audiences in New Zealand at a total level. While some audiences (youth, Asian) have already passed the cross-over point, the further growth of digital media will continue as it becomes more adopted by other groups (e.g. older, Māori).

It is quite likely that by the end of 2021[51]:

– Online video will attract the biggest daily audience in New Zealand

– SVOD will have over-taken radio, and perhaps linear TV, to deliver the second or third biggest audience

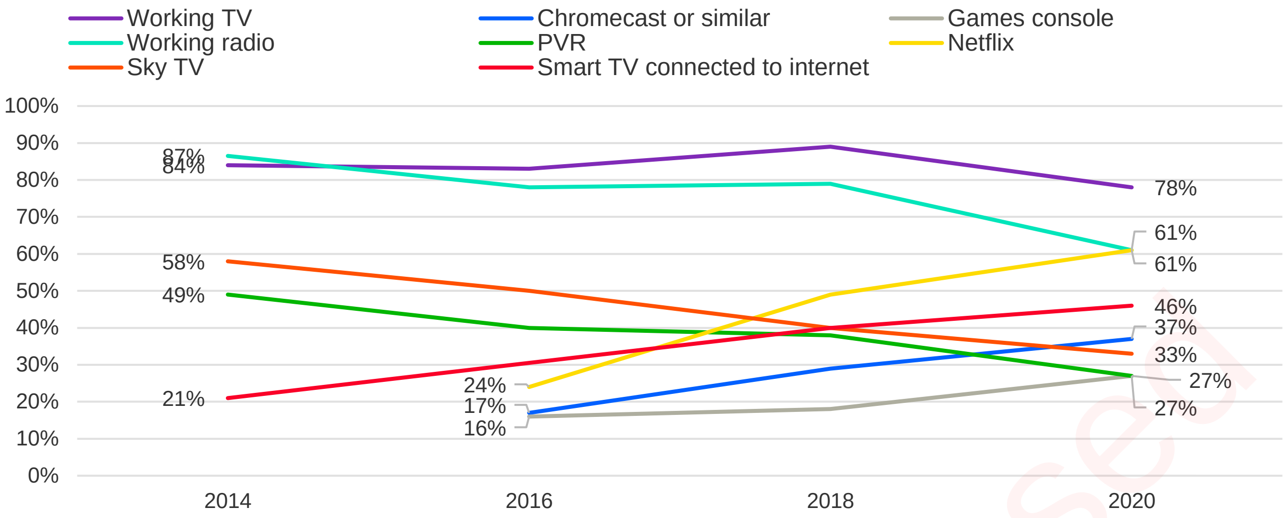
– Music streaming may also have overtaken radio listening

### Emergence of non-FTA households

Younger households, particularly those who are flatting, often choose not to watch FTA TV at all. Linear viewing and remotes are seen as a dated style of watching. They often prefer the flexibility of watching online which offers relevant personalised content and struggle to see the relevance of FTA in their lives[52].

The changes in device access among all New Zealanders support this trend. The incidence of devices used to access traditional media has declined while the incidence of Netflix, Smart TV and Chromecast has increased.

**Figure 15: Devices & platforms personally own or have daily access to – all New Zealanders 15+ (Where are the audiences, July 2020, p90)**




## Increase in platform partnerships

With the SVOD space increasingly crowded and content now available across multiple platforms, a limited number of consumers are willing to spend on multiple subscriptions. In the US, which has seen the largest increase in SVOD services, a sizeable upturn in the number of consumers making a direct switch between platforms has been observed, rising from 5% (Q4 2019) to 12% (Q3 2020)[53].

With this boomerang-subscriber trend set to increase, the role of the content aggregator will take centre stage. Some platform partnerships are already in place, e.g. Sky-Netflix and Disney+-O2 in the UK – with the benefit that consumers don't need to subscribe individually. These strategies might be the key to new consumer acquisition going forward. Here in New Zealand services such as Vodafone TV allow a user to aggregate platforms in one place.

# Insight Summary

Consumption of media is rapidly moving from solely traditional platforms, such as radio, linear television and pay TV (e.g. Sky), to a mix of platforms and providers of content. The use of traditional platforms versus online or digital is strongly linked with age. While over 60 year olds are still heavy users of traditional media, use of digital platforms is growing quickly among 40-59 year olds. For those under 40, the use of digital or online platforms is generally the leading way they consume media.

Of greatest immediate concern is those under 25. 15-24 year olds in particular are underserved by public media platforms. Too old to be influenced by their parents' viewing, but too young to use traditional platforms, very few of them have any interface with public media platforms. Among this age group is also a trend towards not owning traditional televisions, to choose as individuals their preferred subscription services and to bypass public media platforms altogether. Assuming they continue with similar ways of consuming media as they grow older, large proportions of the New Zealand public will not have access to public media, or put another way, public media will not be able access large proportions of the population.

Another concern with the current public media platforms, is the mis-match with particular ethnic groups, namely Pasifika and Asian New Zealanders. With both these groups predicted to form greater proportions of the New Zealand population in the future, this lack of diversity among public media audiences could contribute to ethnic divides. Having said that, traditional linear television does play a key role in accessing Māori and some lower socio-economic audiences.

If public media entities do not evolve to find ways to access these underserved proportions of the population, it will lose relevance and the ability to communicate with New Zealanders.

# Data sources for this section

This section integrates findings from the following sources.

**Sources**

- Digital Audience data, Radio New Zealand, 2018-20
- Media Trends and Predictions, Kantar, 2021
- Adoption Pathway Quant, TVNZ, September 2019
- Children's Media Use Research, NZ On Air, 2020
- Linear TV Exploration, TVNZ, March 2020
- Radio Audience data, GfK, 2019, 2020
- User journeys, TVNZ, May 2019
- Where are the Audiences?, NZ On Air, 2020

# Key question 2: Content availability vs. desire

What is current consumption of public media content, how does it differ by audience and content type and what are the content gaps versus audience desire?

# What is current consumption of public media content and how does this differ vs. all content?

## Current consumption of public media content

This section focuses on consumption of different forms of media content in New Zealand.

Several sources provide information on the genre of programmes consumed and these are explored below. It is, however, important to note that the classification of programming into genres can show inconsistencies between sources.

**Public broadcasters are providing news, current affairs and factual programming (e.g. documentaries) to significant proportions of the public**

Content provided by public broadcasters enjoys considerable reach in New Zealand. Data from TVNZ's Public Media gap analysis illustrates that TVNZ's news programming was watched by almost half of New Zealanders while current affairs and factual programming also enjoys a reach of around a third.

**Figure 16: Weekly reach of public media by genre on TVNZ / RNZ (% of total adult population) (Public Media Gap Analysis data, 2020 using Neilsen Television Audience Measurement and GFK radio survey)**

| | |
|---|---|
| News | 46% |
| Current Affairs | 35% |
| Factual | 27% |
| Growth industry | 25% |
| Represent NZ | 21% |
| Children's programming | 11% |
| Comedy | 8% |
| Drama | 9% |
| Sport | 8% |
| Religion | 2% |
| RNZ (National) | 14% |
| RNZ (Concert) | 4% |

Note:

– **Growth industry** is NZ made content, with no informative purpose, but that supports industry/growing talent, such as Shortland Street, Design Junkies, Great Kiwi Bake Off etc.

– **Represent NZ** are stories that show how segments of New Zealanders live or go about their jobs/schooling etc such as The Casketeers, Highway Cop, Rapid Response.

TVNZ's 2019 programming survey[54] illustrated a similar pattern, showing that news, current affairs and factual (documentaries) are the top ranked local programming genres for both TVNZ and Three. Given the pre-Covid-19 timing of this study, the importance of news content may have strengthened in 2020 as New Zealanders became accustomed to tuning in to the Prime Minister's regular updates and announcements, but even if this doesn't prove to be the case, news content remains a crucial element of the public media content offering.

Penetration of radio content is lower, but New Zealand's most popular station, RNZ National still reaches well over one in ten New Zealanders.

**Reality television is a key entertainment genre, despite polarising views**

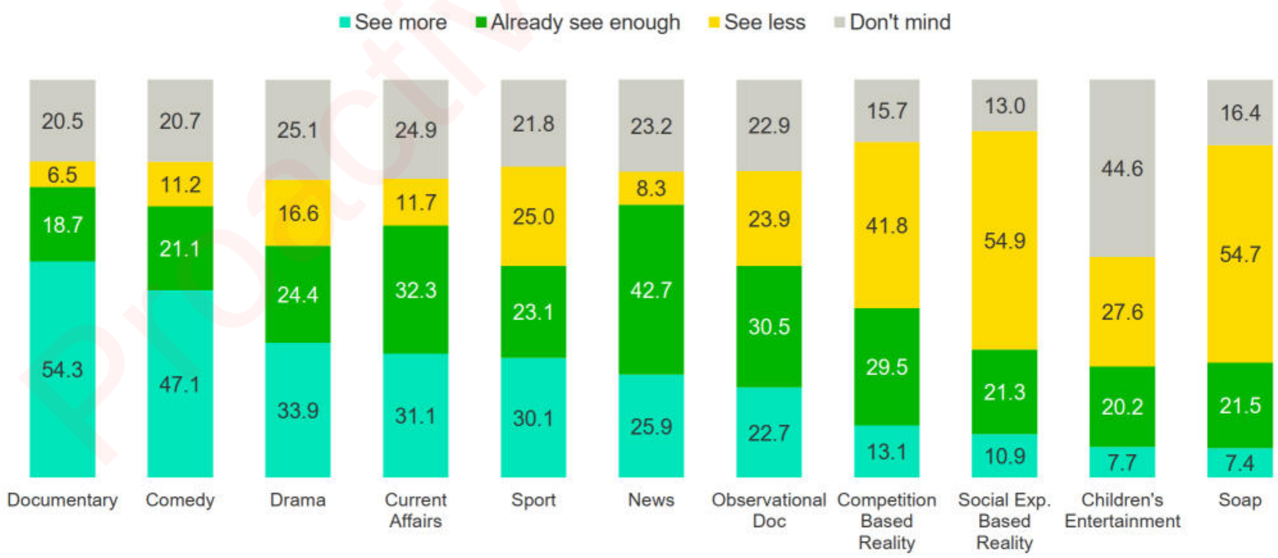
Although there is some debate about whether entertainment and reality television sit within the definition of Public Media, there is no denying it is a significant genre for New Zealand viewers. When entertainment is broken down into subcategories, the importance of reality TV shows comes more into focus. Analysis conducted in November 2020 indicated that the top four entertainment genres on New Zealand TV are reality TV shows (e.g. Lego Masters, The Bachelorette), observational documentaries / infotainment (e.g. Eat Well for Less, Police Ten 7), comedy, and drama. However, the importance of drama content is diminishing due to pressure from Netflix[55].

The impact of reality TV shows is an interesting area to consider. TVNZ's 2019 Programming Report[56] highlights the genre's ability to create audience loyalty and generate conversation:

> *"No other genre [is] able to drive the same controversy, conversation and communal viewing as those shows. They're the programs that viewers have to watch so they remain caught up to the zeitgeist and whilst they retain that property, they'll be an invaluable asset for all networks going forwards. Other genres remain viable in this environment, but they often lack that same urgency with viewers that makes the reality shows appointment viewing."*

However, the same report also indicates that along with soap operas, reality TV is most likely to be identified as a genre that viewers want to see less of on New Zealand's main TV channels.

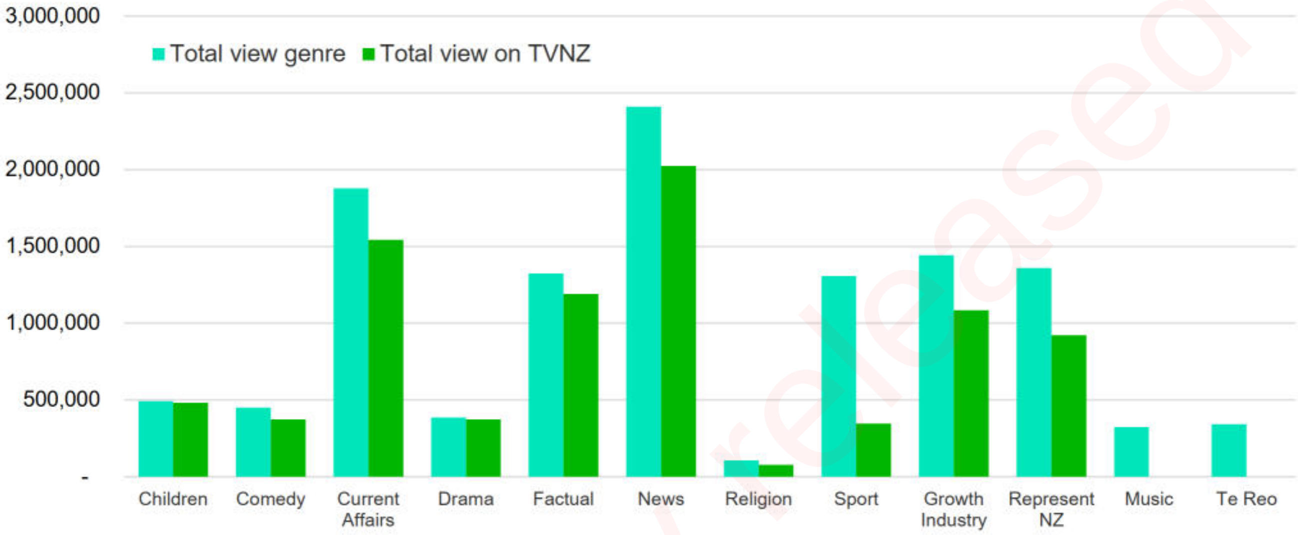
**Figure 17: Types of programming respondents would want more or less of on TVNZ (TVNZ Programming Report 2019)**



### The biggest gaps with other broadcasters' content are in sport and television with stories showing how New Zealanders live

The table below shows the viewership numbers by genre for TVNZ, versus the total that consume each genre on all television (MediaWorks, Sky, Māori Television etc.). It is important when considering this data to understand that the unit is people, rather than amount of time spent watching each genre on TVNZ or other platforms. So, for example, if someone watched the majority of their weekly comedy on Three, but watched one comedy programme on TVNZ, they would be included in both the TVNZ and the total TV figures.

**Figure 18: Publi media viewership of genre on TVNZ versus all TV (Nielsen TAM, Consolidated data 2019, and GFK Radio Survey, Survey 2 2019)**




This data shows that the biggest genre gaps where viewers are using only non-TVNZ channels are Sport (960k sports watchers don't view any sport on TVNZ), representative TV (438k), news (386k), growth industry (358k), Te Reo (342k), current affairs (336k) and music (323k). These gaps often represent strategic decisions of broadcasters (for example sport), particularly competitive categories (news) and the content of niche providers, such as music and Te Reo. It is expected that much of the Te Reo content is from Māori Television, which while a public entity, is not part of the planned new public media entity. However this isn't to say that more Te Reo content shouldn't be part of a new Public Entity offer.

## Recent trends in consumption show expected broadening of video content, but also growh in public radio stations

### The types of video content being watched online is broadening

User generated clips are the most popular type of video content to watch online (viewed by 59% of those who watch online video content). However, this proportion has stagnated recently. This reflects a corresponding uplift in a range of other genres – more New Zealanders are now watching web-series (24%) and interactive documentaries (11%), compared with 15% and 8% respectively in 2018. News content also remains important, being accessed by around half of New Zealanders who watch online video content (49%) on any given day[57].

### In spite of competition, New Zealand's top radio stations are also seeing increased listenership

The proportion of New Zealanders listening to RNZ National or RNZ Concert each week has been on a steady rising trend since 2016. Based on more recent 2020 numbers than those in the previous table, in total, 15% of adults (657,500 people) listen to RNZ National each week (up 9.5% in the last year) while 5% (218,300) listen to RNZ Concert (up 26%)[58].

Although results exclude the lockdown period, the 2020 results may still reflect Covid-19 lifestyle changes, so it is hard to conclusively say whether the larger viewership and upward trend will continue. However, of interest is the fact that while listenership is mainly from the 55+ age group, the recent growth is largely from the under 35s.

# How does consumption differ by audience and content type?

This section looks into consumption levels in more depth by discussing key differences by demographics. As with platform usage, data sources are consistent in highlighting that age or lifestage is the primary factor influencing consumption behaviour and desires, so this is covered first. A range of secondary factors such as ethnicity, region and socio-economic group can also have some impact and are also covered below. Finally, this section also considers the diversity of New Zealand created content.

## Consumption differences by age and lifestage

The table below shows the weekly reach of each programme genre on TVNZ and RNZ. Green highlighting indicates the genres which reach 40% or more of each age group. Yellow shading highlights genres reaching 20%-39% of each age group. A number of key patterns are evident.

**Figure 19: Weekly reach of public media content by genre on TVNZ/RNZ by age (Public Media gap analysis data, 2020 – excludes digital channels)**

| | 5-9 | 10-14 | 15-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65-74 | 75+ |
|---|---|---|---|---|---|---|---|---|---|
| News | 25% | 25% | 18% | 26% | 41% | 58% | 72% | 82% | 87% |
| Current Affairs | 13% | 15% | 11% | 17% | 28% | 45% | 58% | 70% | 76% |
| Factual | 12% | 9% | 6% | 12% | 20% | 33% | 46% | 58% | 65% |
| Growth industry | 22% | 17% | 11% | 26% | 29% | 31% | 30% | 26% | 28% |
| Represent NZ | 10% | 8% | 7% | 16% | 19% | 25% | 32% | 37% | 42% |
| Children's programming | 28% | 10% | 4% | 15% | 13% | 10% | 9% | 8% | 6% |
| Comedy | 3% | 3% | 2% | 4% | 8% | 13% | 14% | 15% | 17% |
| Drama | 2% | 2% | 2% | 2% | 6% | 11% | 16% | 19% | 24% |
| Sport | 4% | 3% | 2% | 5% | 8% | 10% | 12% | 14% | 16% |
| Religion | 2% | 1% | 0% | 1% | 1% | 2% | 2% | 4% | 6% |
| | | | | | | | | | |
| RNZ (National) | 0% | 4% | 3% | 6% | 8% | 15% | 23% | 30% | 45% |
| RNZ (Concert) | 0% | 2% | 1% | 2% | 2% | 3% | 5% | 10% | 18% |

TVNZ penetration > 40%

TVNZ penetration > 20%

TVNZ < 70% Total TV viewership (numbers below)

The table below shows this same data, but for public media on all television channels. Comparing the differences between tables enable the identification of areas where TVNZ was providing less than 70% of the total viewership, which is shown above.

**Figure 20: Weekly reach of public media content by genre on all television by age (Public Media gap analysis data, 2020 from Nielsen TAM, Consolidated data 2019, and GFK Radio Survey, Survey 2 2019)**

| | 5-9 | 10-14 | 15-24 | 25-34 | 35-44 | 44-54 | 55-64 | 65-74 | 75+ |
|---|---|---|---|---|---|---|---|---|---|
| News | 35% | 34% | 23% | 36% | 54% | 68% | 83% | 86% | 90% |
| Current Affairs | 21% | 23% | 16% | 26% | 39% | 55% | 67% | 74% | 79% |
| Factual | 14% | 11% | 8% | 14% | 23% | 38% | 51% | 62% | 69% |
| Growth industry | 26% | 21% | 15% | 31% | 37% | 41% | 44% | 39% | 41% |
| Represent NZ | 16% | 13% | 10% | 23% | 31% | 40% | 47% | 50% | 55% |
| Children's programming | 28% | 10% | 4% | 15% | 13% | 11% | 9% | 9% | 6% |
| Comedy | 3% | 4% | 4% | 6% | 12% | 15% | 19% | 13% | 13% |
| Drama | 2% | 2% | 2% | 3% | 6% | 12% | 16% | 19% | 24% |
| Sport | 16% | 13% | 11% | 16% | 31% | 37% | 48% | 51% | 52% |
| Religion | 2% | 1% | 0% | 1% | 2% | 3% | 3% | 6% | 7% |

TV total penetration > 40%

TV total penetration > 20%

**TVNZ reach of most programming types peaks among older groups**

With the obvious exception of children's programming, all genres achieve higher levels of reach by TVNZ programming with age. TVNZ news, current affairs and factual programmes reach well over half of New Zealanders aged 55+. In comparison, none of the listed genres achieve reach above 20% among the 15-24 year old group – possibly the least well served age segment here. However, this is likely to reflect that TVNZ and RNZ are available through platforms which are used more frequently by older New Zealanders, and less often by teenagers and young adults. This is supported by previous commentary in this report which illustrates a strong preference for online media sources among young adults.

Compared to total television viewing, with the exception of sport, where viewers of all ages are getting underserved by TVNZ, for some genres different age groups are getting the content elsewhere. The is true for comedy, where some 15-44 year olds are underserved by TVNZ, and representative television, where all ages under 65 are underserved by TVNZ.

**TVNZ news, current affairs and factual programming tends to have the highest comparative level of reach across all age groups**

Outside of children aged 5-9, news content consistently has the greatest level of reach across all age groups. Current affairs and factual programming tend to be the second and third most watched programme types. These three genres reach at least moderate proportions of New Zealanders from age 35 up. The importance of these genres is also evident in TVNZ's Programming Report[59], which indicates that news, current affairs and documentary content are consistently chosen as the most watched types of programming across all age categories. News content also dominates when the same question is asked for Three, although for Three comedy joins documentaries and current affairs in the second tier of genres.

**Viewership of children's programming drops off rapidly after age 10**

While children's programming is the most consumed TVNZ content among those aged 5-9, reach drops off rapidly with age. Even by the next age group (10-14), children's programming falls below news, current affairs and factual programming in terms of levels of reach.

**Comedy, drama and religion have lower levels of reach**

While categories like news, current affairs and factual programming achieve high levels of reach among older audiences, genres like comedy, drama, and religion are consumed (on traditional television) by far fewer New Zealanders. Each of these categories see increasing levels of reach with age, but even among the oldest age groups, levels do not rise any higher than 24%.

**Although reach of public radio channels also peaks among older listeners, traditional radio listening has held up among younger adults**

Younger New Zealanders' preference for digital media platforms over traditional channels is evident in the reach levels of RNZ radio stations by age. Reach of RNZ National and RNZ Concert rises steadily at around age 55 and peaks among those aged 75+. However, RNZ's 2020 Radio Audiences report illustrates that RNZ National's recent audience growth has been driven by an increase among under 35s, suggesting that while reach levels are low, they may not drop further[60].

**Audiences underserved by TVNZ vary by genre, but age is again a key differentiator**

Looking at the genres where TVNZ is mainly underserving populations gives some insight into which audiences are going elsewhere. Sport watchers who are viewing sport on other platforms are generally older than 45 and skewed male and include Māori and Pasifika viewers. Representative NZ underserved audiences tend to be more in the 45-64 age group, are of both genders, and the three main ethnicities. There are indications Pasifika in particular go elsewhere for this content. Audiences underserved by TVNZ for Current Affairs are younger, more often in the 35-44 age group. News audiences who go elsewhere are younger as well, particularly in the 35-44 age group and more commonly in Christchurch. Young adults aged 15-24 appear to be particularly underserved by all current television content.

## Consumption preferences by age and lifestage

**Younger adults display distinctive content preferences**

In addition to their preference for digital platforms over traditional channels, younger adults also have a distinct profile when it comes to their content preferences. Younger people (aged 16-24) are above average in their preference for comedies (34% vs. 22% all respondents) and animated programmes (12% vs. 4%). In comparison, they are less likely than average to express a preference for documentaries (13% vs. 19%) and current affairs programmes / investigative journalism (7% vs. 14%)[61].

**Older New Zealanders also have distinctive genre preferences**

In contrast to the younger group, older New Zealanders are characterised by a preference for current affairs or investigative journalism (31% vs. 14% among New Zealanders as a whole)[62].

**Children's genre preferences vary by age and gender**

Among New Zealand children, cartoons have broader appeal than any other genre. However, this does peak when children are young, and as they get older their genre preferences begin to broaden. Boys are more likely to enjoy action and adventure, tech and gaming, and sports shows, while girls show more preference for comedy and drama, food and cooking, music, reality, and variety shows[63].

## Consumption differences and preferences by other demographic factors

A range of other demographics also have a secondary influence on consumption behaviour, including gender, region, ethnicity and socio-economic factors.  Key differences are highlighted below.

**Māori have a stronger affinity towards New Zealand produced content**

At genre level, both Māori and Pasifika adults have similar preferences to NZ/European Pākehā (i.e. for comedies, current affairs, investigative journalism and drama). However, NZ On Air research indicates that Māori are more likely to watch New Zealand made content. When asked for their reasons for watching these programmes, Māori were also more likely to agree that this was because 'there is something special about seeing familiar New Zealand places and faces, and hearing New Zealand accents' (66% of Māori compared with 50% of NZ European or Pākehā and 51% of Pasifika adults)[64].

**RNZ National has seen recent growth in their Māori, Pasifika and Indian audiences**

Interest in New Zealand produced content among Māori adults is also evident for audio. As discussed above, listenership of RNZ National is on a steady increasing trend. RNZ's 2020 Radio Audiences report indicates that recent growth is driven by a range of subgroups, including a broadening of their audience by ethnicity which has seen strong rises among Māori, Pasifika and especially Indian listeners[65].

**However, the reach of TVNZ content is comparatively low among Māori as well as Pasifika and Asian groups**

Although Māori in particular display an affinity towards New Zealand produced content, this is not reflected in viewing figures for TVNZ news and sport content. TVNZ News weekly reach among Māori is lower than average (38% vs 46%), while this is also the case for Asian adults (22%). While the weekly reach of TVNZ sport content is lower across all New Zealanders at 8%, this is again lower among Māori, Pasifika and those with Asian backgrounds (6%, 5% and 1% respectively)[66]. Again some Pasifika and Asian audiences appear to be getting sport from other television sources, although penetration is still very low.

**Figure 21: Weekly reach of genre on TVNZ/RNZ and total TV by ethnicity - % of total demographic population (Public Media gap analysis data, 2020 Nielsen TAM, Consolidated data 2019, and GFK Radio Survey, Survey 2 2019)**

| | NZ European | | Māori | | Pasifika | | Chinese / Other Asian | |
|---|---|---|---|---|---|---|---|---|
| | TVNZ/ RNZ | Total | TVNZ/ RNZ | Total | TVNZ/ RNZ | Total | TVNZ/ RNZ | Total |
| News | 51% | 60% | 38% | 45% | 42% | 52% | 22% | 27% |
| Current affairs | 40% | 48% | 24% | 32% | 29% | 39% | 14% | 17% |
| Factual | 31% | 34% | 20% | 24% | 27% | 31% | 8% | 9% |
| Growth industry | 26% | 35% | 27% | 32% | 27% | 39% | 7% | 10% |
| Represent NZ | 23% | 34% | 19% | 29% | 21% | 35% | 6% | 10% |
| Children's programming | 10% | 10% | 15% | 15% | 20% | 20% | 7% | 7% |
| Comedy | 10% | 12% | 5% | 7% | 10% | 11% | 2% | 2% |
| Drama | 10% | 10% | 6% | 6% | 8% | 8% | 2% | 2% |
| Sport | 9% | 32% | 6% | 29% | 9% | 39% | 3% | 8% |
| Religion | 2% | 2% | 2% | 3% | 4% | 5% | 1% | 1% |
| Te Reo | | 6% | | 15% | | 25% | | 3% |
| Music | | 7% | | 8% | | 14% | | 4% |
| | | | | | | | | |
| RNZ (National) | 18% | N/A | 5% | N/A | 2% | N/A | 5% | N/A |
| RNZ (Concert) | 5% | N/A | 1% | N/A | 0% | N/A | 3% | N/A |

TVNZ penetration > 40%    TVNZ penetration > 20%    TVNZ < 70% Total

### Some gaps in reach may reflect different levels of access to certain channels or devices

Asians in particular are consistently highlighted as being less likely to connect with New Zealand content. As illustrated in the table above, reach of TVNZ programming is consistently lower among Asian viewers than any other ethnic group, with no genre achieving more than 22% reach. This may reflect lower levels of access to devices which enable traditional media use. Only 55% of Asian New Zealanders have access to a TV, 35% have a radio and just 12% have a Sky TV subscription[67].

### Male and female New Zealanders have slightly different public media viewing habits

While gender differences are not as pronounced as those evident for age or ethnicity, there are still small differences in viewing patterns between males and females. TVNZ's gap analysis data indicates that reach of current affairs, factual, drama and news programming is all marginally higher among females[68].

### Gender differences are more evident when it comes to genre preferences

When asked about the types of programming they would want to see more or less of on TVNZ, more gender differences are evident. Males are more likely to express a desire for more sport (41% vs. 19% of females), while a higher proportion of female New Zealanders would like more drama content (39% vs. 22% of males).

Male New Zealanders have stronger views around wanting to see less reality TV. Almost half (46%) want TVNZ to show less competition reality programming, while 61% would like to see fewer social experiment reality shows. This view is less prevalent among female New Zealanders, although at 30% and 44% respectively, it does indicate the polarising nature of the genre[69].

## Diversity of content being produced

In addition to understanding viewer / listener behaviour to identify how engagement differs across key subgroups, it is also useful to consider the diversity of the content being created in New Zealand. NZ On Air's 2020 Diversity Report provides a detailed evaluation of the diversity of the people in key production roles. This is an important consideration as the personal identity of a producer, director or writer can be reflected in the content they create. The latest Diversity Report[70] included 164 New Zealand based projects, 302 producer roles, 309 director roles and 258 writing or researching roles.

**Women are well represented among producers and writers, but less so among directors**

Women make up 58% of producers and 49% of writers, but the gender imbalance among directors seen in previous years continues. Only 42% of directors identified as female in the 2020 study, compared to 57% male. This imbalance rises further for certain genres: 63% of drama directors and 65% of directors of children's content identify as male.

**NZ European / Pākehā are still slightly over-represented among producers of NZ content**

In the 2018 Census, 70% of New Zealand's population identified with one or more European ethnicities. The proportion of producers identifying as Pākehā or another European ethnicity is 78%. However, this does represent a four percentage point drop from the previous year.

This pattern is less evident among directors and writers. In 2020, the proportion of directors identifying as Pākehā or another European ethnicity remained stable at 70%, broadly matching the general population statistics. Among writers, the proportion identifying as NZ European / Pākehā is lower than the general population distribution at 62%.

**Māori and Pasifika are well represented in the content production process**

The 2018 Census showed that Māori made up 16.5% of New Zealand's population, while Pasifika accounted for 8.1%. In 2020, Māori were well represented in the content production process, accounting for 19% of directors of funded content, 24% of producers and 20% of writers. Pacific peoples made up 17% of directors, 9% of producers and 12% of writers.

**There is a consistent under-representation of Asian creatives across all three roles evaluated**

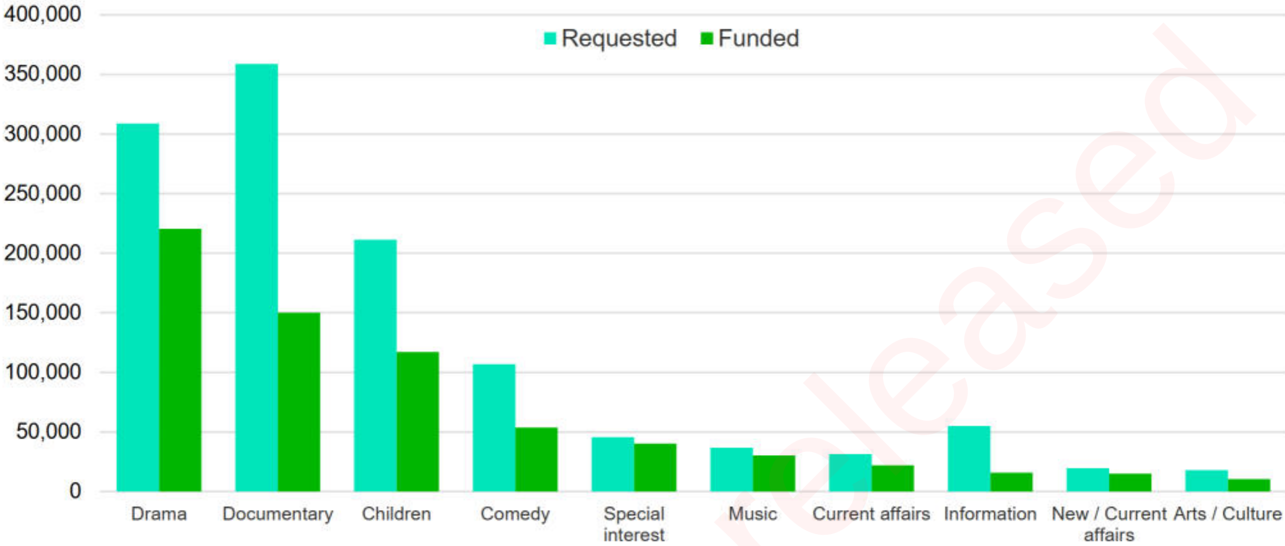
The proportion of producers identifying as Asian has fluctuated over time. Between 2017 and 2018 the proportion dropped from 6% to 3%, then recovered slightly to 4% in 2020. The proportion of Asian directors rose from 4% in 2019 to 5%, while 9% of writers had an Asian background. However, all of these figures sit well below the 15.1% of the New Zealand population as a whole who identify as one or more Asian ethnicities in the 2018 Census.

This under-representation of Asian creatives is particularly notable given that the biggest increases in New Zealand's population since 2006 have come from those with Asian ethnicities. New Zealand's Asian population is expected to become the second largest group by the mid-2020s and by 2038, more than a fifth of New Zealand's children are expected to identify with at least one Asian ethnicity[71].

## Diversity of content being funded

The chart below shows the New Zealand on Air funding[72] for the main categories to receive funding – six smaller categories are removed. This shows that drama and documentaries, followed by children's programming and comedy make up the bulk of funded projects.

**Figure 22: Total funding over the last 6 years by genre (Media fund data, 2020)**




The biggest percentage differences between requested and approved funding are for documentaries, children's programmes and comedy, indicating latent interest at least at the supply side for these genres. Trends in funding over the last six years indicate significant growth in funding for comedy and a reduction in funding for children's programming. This is probably a reflection of the shift in audiences' preferences on platforms New Zealand content is available on (mainly Linear TV and TV On Demand), as children move to using international platforms YouTube and Netflix more for their content.

## Summary by genre

The following table summarises the above discussion by genre

**Figure 23: Summary table of television viewership by genre (various sources as listed above)**

| Genre | Current Consumption on traditional platforms | TVNZ share | Audience want more / less from TVNZ | Underserved audiences by TVNZ[1] | Below average audiences by all television / radio providers[2] | Funding from NZ on Air |
|---|---|---|---|---|---|---|
| **News** | High | High | Same | Pasifika / Asian | Māori, Asian, younger age groups esp. 15-24 | Low |
| **Sport** | Medium | Low | Divided, but males want more | All ages and ethnicities | Asians | Very low / none |
| **Current Affairs** | High | High | Same or more | Under 35s | Asians, <35 yr olds | Low |
| **Factual / Documentary** | Medium | High | More | - | Asians, <65 yr olds | Medium with high additional funding requests |
| **Drama** | Low, mainly watched on other platforms | High | Same or more – females want more | None | Asians, < 45 yrs old | High |
| **Comedy** | Low (but higher on Three) and watched on other platforms | High | More | 15 – 44 year olds | Asians, younger adults | Medium to low. Grown over recent years |
| **Reality / Growth industry / Represent NZ** | High | Medium | Less | Growth Industry Asian, Represent NZ all. All but older age groups | Asians | N/A |
| **Children** | Low | High | Don't mind / not relevant | | Asians | Medium, but declining over time |

[1] Means audiences who watch this genre on television, but not on TVNZ
[2] Means audiences who watch his genre on television less than average New Zealanders

# What are the current gaps in public media content versus what diverse audiences say they want to consume?

Almost all New Zealanders feel that it is important to have free-to-air, publicly funded television content. NZ On Air's latest Public Awareness and Attitudes Survey[73] indicated that this perception is at its highest level to date (87% up from 84% in 2019). This certainly indicates that there is still a strong appetite for publicly funded content, even in the face of increased competition from international providers and global digital platforms.

However, even though the perceived importance of publicly funded content is high, many of the channels and platforms focusing on local content are seeing their audience levels being eroded. It is therefore important to identify and understand any gaps in the provision of public media content, and to understand how the current offering compares to the key desires of New Zealand audiences.

To do this, it is necessary to explore both underlying desires and the perceived weaknesses of the current public media offering. In some cases, it is possible for audience perceptions on what is offered to differ from the actual reality. This does not make the viewpoint invalid, however – even where there are gaps between what an audience thinks is offered and what is actually offered, an individual's perception still represents their own reality, at least until a means has been found to challenge or address misconceptions.

This section first looks at the information available on what New Zealanders want to see with regards to public media content. It then provides a discussion of some of the barriers that may currently be preventing greater levels of engagement with local programming.

### Meeting key audience desires

At an overarching level, New Zealanders want to have access to high quality local content that appeals to them and reflects their world. Of course, what this looks like can differ substantially between subgroups.

**Views are mixed on whether current content reflects New Zealand's national identity**

NZ On Air's Culture, Identity and Media[74] report indicates that under half of New Zealanders currently believe that New Zealand made content is shaping and reflecting our national identity. While the question did not prompt with examples of New Zealand made content that may have jogged memories and elicited a slightly different response, NZ On Air also recognise that belief in this statement is only likely among audiences who consume local content at sufficient levels. They conclude that addressing the range of other barriers is likely to be necessary in order to engender a more active appreciation and support of local storytelling, and to solidify any link between this and New Zealand's national identity.

**Being able to access New Zealand-made content is important**

Even among those who do not regularly watch New Zealand-made content, the principle of having access to it is still considered important. Half of New Zealanders agree that 'there's something special about seeing familiar places in NZ and hearing NZ voices', rising further among older New Zealanders[75].

**The perceived importance of access to local content increases among parents**

Three quarters of parents and caregivers agree that it's important for their children to watch local programmes and shows that reflect them and their world. Studies of children themselves also show that they enjoy programmes that make them laugh, share knowledge and tell engaging stories from a NZ perspective. The desire for New Zealand made content is therefore well established among these groups, but this is not always reflected in behaviour or preferences. The most popular children's shows are international and as mentioned earlier, children tend to default to YouTube or Netflix as a platform of choice.

Three quarters of parents and caregivers are aware of HEIHEI and 42% of those aware agree that it is a good place to find local content. However, children are not currently using it regularly[76].

**Only a minority of children say that they see themselves represented on programmes or shows, but when this happens it can have a positive impact**

42% of children say they see themselves represented on programmes and shows, falling to 31% among Pasifika children. However, more than 50% of children feel good when they watch stories that are about New Zealand, and see children that look and speak like them on a show[77].

**Pasifika adults are among the most likely to feel there are few programmes available for their culture**

A belief that there is a lack of programmes for their culture is a key barrier to watching more New Zealand made TV or online content among Pasifika adults. Among the group who do not watch New Zealand made content, 48% cited a lack of programmes for their culture as a reason, compared with 24% among Māori and 18% among NZ European / Pākehā. A lack of programming in their language is also more of a barrier for Pasifika adults (24%) than Māori / NZ European / Pākehā (5% and 3% respectively)[78].

## Perceptual barriers to watching local content

While the broad idea of locally produced content is positively received, there are a number of perceptions that act as barriers preventing audiences from more actively seeking it out. While maintaining or increasing the support for the concept of local is one distinct challenge, these barriers may also need to be addressed to turn broad positivity into action.

**There is a belief among young adults that there is no locally produced content for people like them**

Younger adults who do not watch New Zealand made television or online content often believe there is a lack of programming that is relevant for their age group. Only half of all young adults surveyed for NZ On Air's Identity, Culture and the Media study[79] stated they had watched a New Zealand made TV/online programme recently. Younger adults were more likely than average to agree that 'there aren't many New Zealand-made TV/online programmes for my age group (36% vs. 24%) and that 'I'm more interested in watching overseas programmes' (66% vs. 57%). Focusing on those who had not, the younger people amongst them were more likely to agree than other age groups that, 'there aren't many (New Zealand-made TV/online) programmes for my age group' (36% vs. 24%) and to agree (partly as a result) that, 'I'm more interested in watching overseas programmes' (66% vs. 57%).

This refrain that there is 'nothing for them' is consistent with international research among young audiences[80].

**Many children in New Zealand are also unaware of local content**

Although children's favourite programmes and shows can vary greatly, overseas programmes such as Peppa Pig and Paw Patrol are clear favourites among pre-school aged children. Most of this group do not have a favourite New Zealand-made show. While What Now and Fanimals are the most well-known New Zealand shows for children among the list tested by NZ On Air in 2020, awareness of What Now has fallen dramatically from 83% in 2014 to just 47%[81].

**There is a perception among some viewers that local content is not always available on the platforms they use**

There is a desire for local content to be available on the services or platforms they use. NZ On Air state that viewers want more locally produced content to be accessible via on demand platforms, while younger viewers want more content for their age group. Short form video clips can win out over longer form shows for younger audiences, particularly those with a preference for online platforms (for example, despite being only moderately successful on linear broadcast, clips of Guy Williams' interviews from NZ Today had relatively large viewing figures on YouTube). However, this creates a specific challenge as major global platforms are unlikely to seriously invest in local content[82].

This is also a viewpoint that is evident among Māori audiences. In fact, Māori were the most likely to state that they would watch more New Zealand made TV/online content if 'there were more programmes for and about Māori in the places I like to watch' (20% vs. 4% NZ European/ Pākehā and 11% Pasifika)[83].

**The perception that there is no relevant local content is unlikely to be challenged if the content is only promoted on platforms that are used less frequently**

The overall decline in linear TV viewing means fewer New Zealanders are using this as a source of information to learn about new and upcoming New Zealand made TV shows[84].

This presents a key challenge as audiences who have migrated to other platforms are less likely to be reached. Global content also has more of an advantage in that it is more likely to create a buzz on social media or in the news, while local content can struggle to achieve the same levels of publicity[85].

**Some viewers who watch overseas content believe that local content is not as high quality**

Inevitably, higher quality productions will continue to dominate consumer choice and competition has risen in recent years, with Netflix and Amazon now producing more original content. The corresponding rise in production values on shows which will be accessible in all markets puts further pressure on locally produced content[86].

However, recent years have also seen ongoing improvement in local production standards, scripts and talents, with the best of New Zealand content being recognised internationally both in terms of sales and awards[87].

**If barriers can be addressed, there could be potential to increase viewership of locally produced content**

Most New Zealanders agree that if changes were made to address some of the barriers listed here, they would be more likely to watch New Zealand-made content. Both those who currently watch local content and those who do not responded positively – only 15% of those who only watch overseas-made content claimed that nothing would encourage them to start watching local content[88].

# Insights Summary

News, current affairs and documentaries are the most commonly consumed content on TVNZ, across most ages and ethnicities. It appears therefore, that the move to digital platforms may be largely for the entertainment genres, such as comedy, drama and children's programming. It is likely that interest in consuming different types of content changes as people age, away from solely entertainment towards a mix of entertainment and informative. The risk is that as people are growing up with getting their entertainment solely from online and often international platforms, they may continue to use these platforms as their main source for information genres.

The new public media entity needs to carefully consider its position on providing entertainment versus information. While it may be harder to compete with globally produced entertainment content, a New Zealand entity is best placed to provide local content, both entertainment and informational.

Most audiences say they value local content, including those who don't watch it. However, there is a belief among young adults that there is no locally produced content for people like them. The problem is likely to be addressed both through relevant local content, but also making that content available on platforms that are frequently used.

# Data sources for this section

This section integrates findings from the following sources.

**Sources**

- Children's Media Use Research, NZ On Air, 2020
- Diversity Report, NZ On Air, 2020
- Culture, Identity and Media Literature Review, NZ On Air, 2019
- Culture, Identity and Media Discussion Document, NZ On Air, 2019
- Media Fund data, NZ On Air, 2020
- NZ's Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019
- NZ's Identity, Culture and the Media – Older People Factsheet, NZ On Air, 2019
- NZ's Identity, Culture and the Media – Māori and Pasifika Factsheet, NZ On Air, 2019
- Public Awareness and Attitudes Survey, NZ On Air, 2020
- Radio Audiences Report, RNZ, 2020
- Where are the Audiences?, NZ On Air, 2020
- Public Media Gap Analysis Data, TVNZ, 2020 Nielsen TAM, Consolidated data 2019, and GFK Radio Survey, Survey 2 2019
- Programming Report, TVNZ, 2019
- Programming Research Data Analysis, TVNZ, 2020

# Key question 3: Value and trust

How much do different audiences value and trust current public media content, and what would impact perceived value?

# How much do different audiences value and trust current public media content?

This section focuses on public media content at an overall level and its role in New Zealand, and specifically the trust in news in New Zealand. It also includes a summary of different strategies to promote public media production and usage.

## The role of public media content

### A strong desire for NZ-made and NZ-centric content

As we saw in the previous section, a clear pattern in the literature points to the desire for New Zealanders to see and hear New Zealand voices, stories and entertainment, including New Zealand's growing cultural diversity. Even if they don't watch it themselves, many think this content should be available. And if anything, this desire may have grown, especially given the enormous influx of content from overseas[89].

However less than a half of New Zealanders believe that New Zealand-made content currently shapes and reflects our national identity (compared to sport which has the biggest single influence).

As discussed earlier, while many New Zealanders are conscious of watching New Zealand-made content, about one-quarter specifically watch it because it reflects and informs their view of our cultural and national identity. A little over one-half of respondents stated they had either watched a New Zealand-made TV/ online programme (excluding the news, sport, homemade video, or ads) on their most recent viewing occasion or had done so recently. When respondents who had watched New Zealand-made content were asked their main reasons for doing so, approximately one-half (or one-quarter of the total sample) stated it was because, 'it captured who we are as New Zealanders, including our humour', 'there is something special about seeing familiar New Zealand places and faces and hearing New Zealand accents', and/or that they 'like learning about New Zealand and New Zealanders'.

Other New Zealanders watch New Zealand-made TV/online programmes because they believe they are high quality, enjoyable, informative and entertaining. It is of note that these are the same reasons why others are *not watching* New Zealand-made content. That is, these respondents consider overseas-made content to be of better quality, more interesting, and appealing. Furthermore, some of those not watching New Zealand-made content also state that New Zealand-made programmes do not reflect the New Zealand they want to identify with, while others state there are not enough programmes relating to their age, culture, or in their language. Most of these respondents are also critical of the number of ad breaks in New Zealand TV programmes.

### Technology enables us all to be broadcasters

Given the availability of technology to easily produce and publish content (eg YouTube, Facebook, Instagram, TikTok) we are seeing an explosion of content, especially image and video content, representing New Zealanders and their diversity, and for many these are an important part of how they create a sense of identity. This content can augment the formal broadcaster's role, and also provide content for it e.g. news clips. Production quality varies widely however, and being completely unstructured and ungoverned there is no assurance that content will, for example, meet the aims of New Zealand's Broadcasting Act[90].

## Trust in news

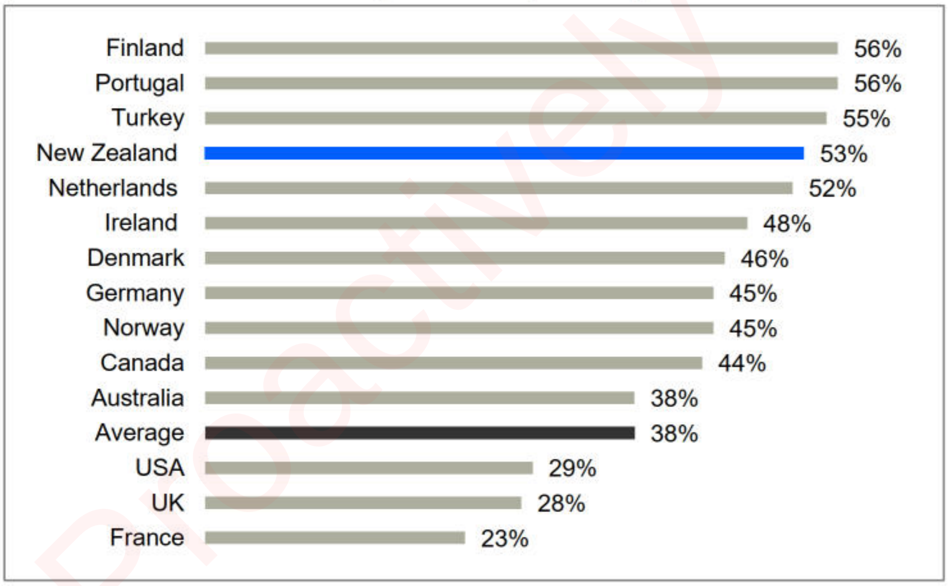
### There is a comparatively high degree of trust in news in New Zealand compared to the rest of the world

Compared internationally, trust in news in New Zealand generally is high, with 53% of people agreeing they can trust 'most of the news most of the time' and 62% that they trust the news they personally use. This 53% level compares favourably to the global average of 38% trust, with New Zealand ranked fourth, and to directly comparable countries[91,92].

Similarly about two in five (39%) of New Zealanders say they trust New Zealand news media more than overseas sources, and this is consistent across age groups. Only about one in five tend to agree they don't trust New Zealand news media, and that it is too biased[93].

> ***Case study – Covid-19***
>
> One trend seen widely overseas is the increased use of and trust placed in state sources during times of crisis. This same pattern is seen in New Zealand, with TVNZ the most trusted source (28%) for news and information about the covid-19 pandemic, outstripping the official covid-19 website (8%, though question wording may downplay the role of the official website) and Three News (5%), with TVNZ even more trusted by females (33%), older people 65+ (38%) and Maori (35%). (Where are the audiences, 2020)

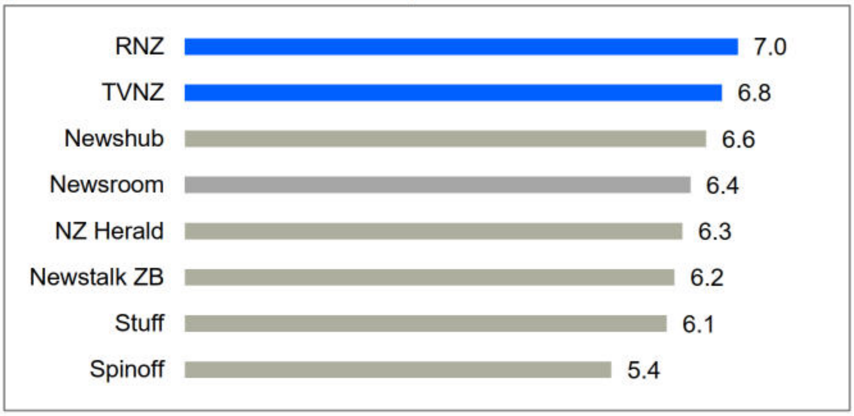
**Figure 24: Trust in News – NZ versus selected countries (proportion that trust news most the time) (Trust in News in NZ 2020 and Digital News Report 2020)**




### State broadcasters tend to be the most trusted news sources

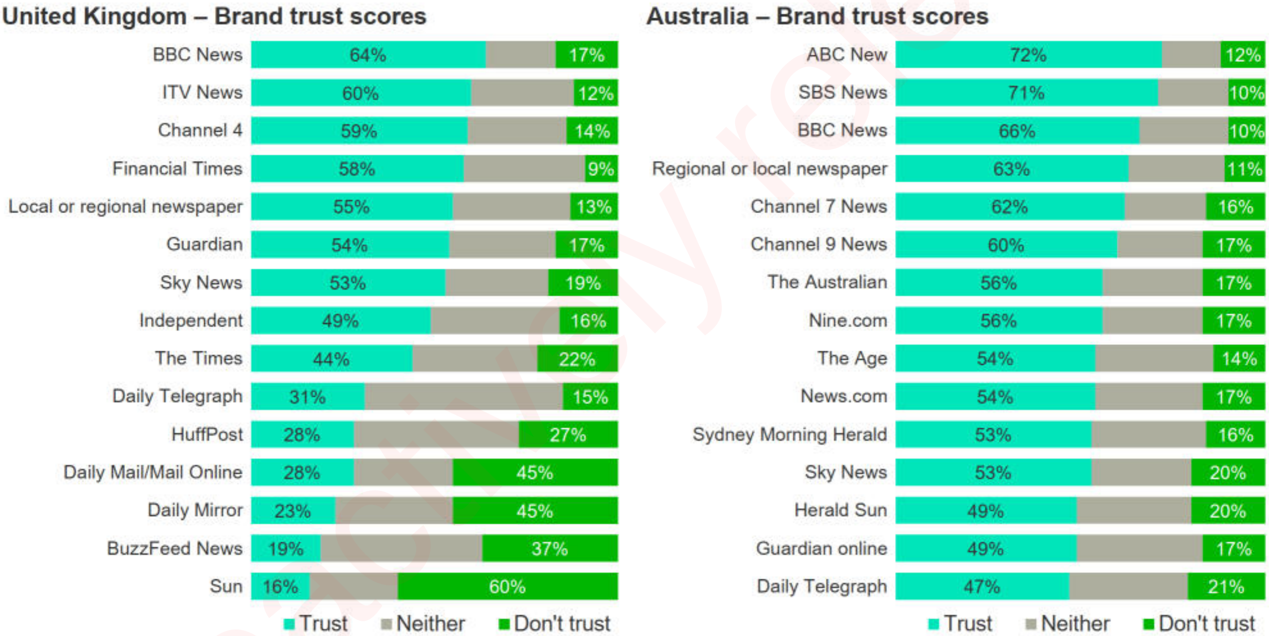
State broadcasters are the most trusted outlets for news in New Zealand, with Radio New Zealand and Television New Zealand topping the rankings as most trustworthy with commercial sites ranking lower[94,95].

**Figure 25: Brand trust scores by news brand – New Zealand (those aware of the brand, average score out of 10) (Trust in News in New Zealand 2020)**




This same pattern appears in other markets – for example the most trusted news outlet in the United Kingdom is the BBC, and in Australia is ABC.

**Figure 26: Brand trust scores by news brand – UK and Australia (those aware of the brand) (Digital News Report, 2020)**




**Trust = % scored 6-10 on 10-point scale, don't trust = 0-4, Neither = 5. Those that haven't heard or each brand were excluded**

These is little data available on how trust in state broadcasters versus commercial brands differ by different groups. However, we know for instance that younger people (under 30) are the least trusting of RNZ as an organisation (41% vs 49% average), and men are less trusting than women (45% vs 49% average)[96].

It is not known whether this finding can be extrapolated to other broadcasters.

### Social and search much less trusted than other mainstream sources

As noted in the discussion of the pandemic above, social and search was one of the least trusted sources of news. This matches the more general finding[97] about news in general, with only about a quarter (27%) trusting news in search and one in six (16%) news from social sources, compared to 53% trusting news overall.

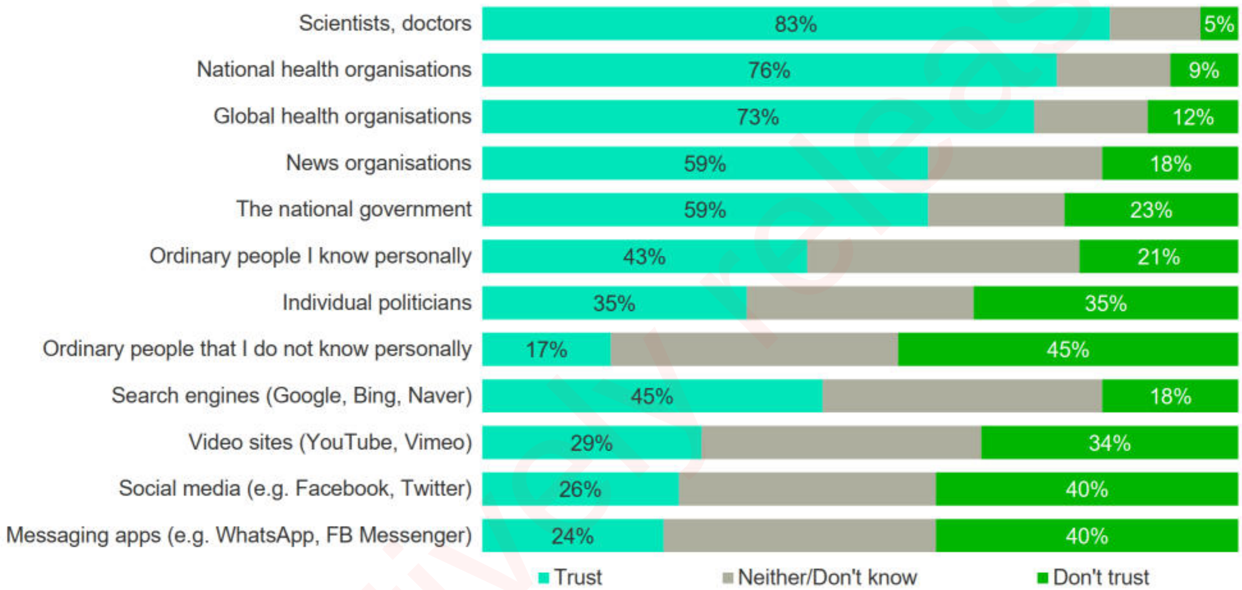
### Concerns about ‘fake news’ on the internet

Further, there is a high level of concern about misinformation / disinformation on the internet, with two-thirds of New Zealanders (68%) expressing some concern when prompted, being higher than the global average of 56%, and which will again tend to reinforce the role of state/established news sources as trusted news sources[98].

## The global perspective

It is interesting that while trust in the news media remains relatively high versus other sources, trust continues to fall globally[99]. The average of 38% seen across the world noted earlier is down four percentage points on 2019. Less than half (46%) say they trust the news that they themselves use (down 3%).

**Figure 22: Trust in Different Sources of News (Digital News Report, 2020)**



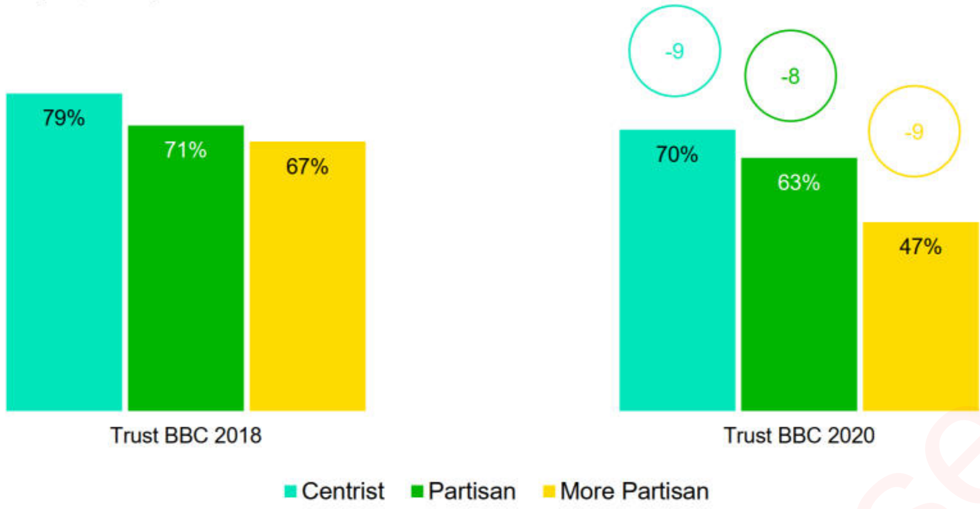

This trust tends to be even higher for ‘local’ rather than national news. As the Reuters DNR report notes, this is partly a function of the fact that many local outlets have a commercial interest in serving the widest group of users and many public media outlets have obligations to do so. As a result regional and local news generally fare well in terms of trust.

### Impact of political partisanship

Part of the pressure on trust in news is due to partisan political views, enabled by low cost internet publishing and a fragmentation of news sources. Despite this, the clear pattern across nine western markets is for a majority in each country to say they prefer news with no particular point of view[100]. This finding tends to reinforce the trust placed in state broadcasters in western developed markets like New Zealand.

However, the more partisan views you have the less likely you may be to trust news, even from state broadcasters. See for example the BBC in the UK, with high (but declining) trust, and much lower trust amongst those with self-described partisan views.

**Figure 23: Trust in BBC News by Level of Political Commitment (Digital News Report, 2020)**




## Differences in audience expectations for public and private media

There is little information to assess whether expectations differ between public and private media, beyond the inference based on viewership patterns that public broadcasters are expected to be the authoritative / informative source of news and information.

As noted above, the publicly funded broadcasters tend to be most trusted.

There is also an inference from the data[101] that people understand why there is advertising on private (and some public) media, and therefore expect it to be there.

# What would impact perceived value and use?

Whether or not people watch New Zealand content, they tend to agree that it's important to have New Zealand-made content available, and that they are open to it. Very few New Zealanders suggest there is nothing that would encourage them to watch more New Zealand content.

Most (87%) people think it is important to have free-to-air, publicly funded television content[102]. And most (75%) New Zealanders agree that it is important to have a public service broadcaster[103].

Currently most people think the 'state broadcasters' provide a valuable service. For example, three in five (59%) New Zealanders believe RNZ provides a valuable service, though this is lower for those aged under 40 (55%)[104].

In general, there is a strong indication (at least amongst users of those channels) that content on publicly funded broadcasters is seen to be reliable, trustworthy, unbiased, informative, reflective of New Zealand and a good source for news and views about New Zealand. There are though a few key strategies that would encourage greater usage. These are discussed below.

## Higher content variety and quality

Roughly a third of people say they could watch more New Zealand content if 'they made the type of programming I like to watch', if it was more age appropriate, if it included 'people like me' in the content, and in general if the quality improved. About a fifth appear to be more interested in programmes that are about New Zealand and New Zealanders, including those about different cultures and about Māori, and about one in six would like to see more programming reflecting the range of cultures in New Zealand, not just Māori and Pākehā[105].

Note this is particularly the case for those who tend to watch overseas- rather than New Zealand-made content. It's also a common refrain by age group, though somewhat higher for older age groups.

Refer to the previous section for the types of content this could be.

## Greater access to content in preferred channels

Content being produced is one factor, but then making it available to be seen in desired channels is another.

As already discussed, a large minority of people state they'd watch more New Zealand-made content if it was available on the services/platforms they already use, if it was available on demand or if it was downloadable / streamable easily, or if there was one place to go for New Zealand content.

Again this is a common sentiment by age, but particularly expressed by younger people who tend to watch more overseas content, potentially reflecting their usage and reliance on digital / social media[106].

One way to overcome this perceived barrier for the young could be a new youth focused radio station, with both radio and digital formats[107]. Similarly, RNZ's Segmentation study[108] reinforces the role of social media and websites for some user groups.

## Build awareness

Given that most people are relatively satisfied with content they consume, and most don't 'lean forward' into content, a lot of the potential audience don't actively search for content even if there is content available that they would be interested in. Therefore it needs to be specifically communicated to them[109].

Some people say that they would watch more if the programmes themselves were better advertised[110]. A Radio New Zealand analysis[111] reinforces this by the level of relatively strong interest in RNZ shows among those not previously aware of them among different segments.

## Reduced level of advertising to promote greater usage

Currently about 72% of New Zealanders say there are too many ads breaks which spoil New Zealand-made programming, with the rate steadily increasing by age group – 88% of those aged 70+ who had not watched NZ made TV or online content cited the number of commercial breaks as a reason.  As may be expected, very few say the opposite[112].

About three-fifths of New Zealanders say that making programming available ad-free would encourage them to watch more New Zealand-made content[113]. And this is one of the key desired features of a potential new RNZ youth focused channel[114].

However, it should be noted that this is a consumer stated preference, and this review has not seen any research or behavioural evidence that greater presence of ad-free content would actually make a significant impact on usage.

A related factor here may be the presence of new commercial models, especially subscription-based streaming or on-demand services, where a fee is paid to access content that is ad-free (or the subscription fee is effectively built into a wider telecommunications contract). People may therefore be more used to ad-free content in the programming they choose to watch, and indeed may forget what they pay for subscription content, which may mitigate against the willingness to accept advertising in other platforms.

## Greater funding to enable higher quality and diversity of content

A common opinion seen is that, given the financial pressure on mainstream broadcasters, there is risk of reduced quality/quantity of public media of all types[115], and a downwards spiral in usage as a result. The opposite result is also suggested: that higher investment will result in higher quality and the availability of a more diverse range of content, driving up usage. This would help to address concerns expressed with some groups feeling marginalised from the mainstream, eg Māori, Pasifika and Asian people, children and young people, and those active in arts, sciences and sport.

Most New Zealanders continue to say NZ On Air funding is providing diverse content, although agreement is at its lowest level since 2016 (67% down from 72% in 2019) and is just 55% for those aged under 30. Three quarters (77%) value the diversity of local content that NZ On Air funding brings[116].

This argument also supports the need for a wide range of media formats both traditional and new eg digital and social, and video and audio formats as well as written.

Specifically regarding news and current affairs, increased funding and quality would help with being seen to be independent (as there is budget to fund more hard-hitting or investigative journalism) which will again promote usage.

It is important to note that for many supporting this viewpoint, increased funding should go to both public and private broadcasters in order to ensure a broad and diverse range of content.

This argument also supports focusing on different success metrics rather than ratings, which tend to hide the wide range of diverse interests in niche programming.

### New commercial models

Given the pressure on budgets, some media are experimenting with new commercial models, whether subscription based (eg NBR), paywalls (eg the Herald), sponsor funded (eg Spinoff, Newsroom), or some combination of these.

This secondary review has not seen any evidence about whether these contribute to greater public media consumption overall.

# Insights Summary

There is a strong desire for New Zealand-made and New Zealand-centric content, regardless of whether or not people watch a lot of New Zealand content now. As a consequence, most New Zealanders agree that it is important to have a public service broadcaster.

The content though needs to be high quality to compete with the best the world offers, as that is the comparison many audiences will naturally make, and it needs to be delivered via the platforms people are already on.

Further, as the natural state for most people is not to actively search out content, New Zealand content needs to be very well communicated.

As may be expected, reducing the level of advertising is one way to promote greater usage, but the degree of trade-off between reduced advertising (and its consequence for the need for other funding streams) and greater viewership would need to be investigated.

There is a comparatively high degree of trust in news in New Zealand compared to the rest of the world, and state broadcasters tend to be the most trusted news sources both here and in similar countries overseas.

There are however strong currents working against trust, which can especially be seen overseas, in terms of 'fake news', increasingly partisan views breeding a level of distrust, and how much social and search media can be trusted to deliver accurate and independent news. In general, the closer the news is to the content of the news, eg local community media vs national media, the more it is likely to be trusted.

# Data sources for this section

This section integrates findings from the following sources.

**Sources**

- Audience Development Strategy, Radio New Zealand, 2019
- Culture, Identity and Media Literature Review, NZ On Air, 2019
- Digital News Report, Reuters Institute for the Study of Journalism, 2020
- People’s Commission on Public Broadcasting and Media, People’s Commission, 2017
- Public Awareness and Attitudes Survey, NZ On Air, 2020
- Trust in News in New Zealand, AUT Centre for Journalism, Media and Democracy, in conjunction with Reuters Institute for the Study of Journalism, 2020
- Value Indices, Radio New Zealand, 2020
- Where are the Audiences?, NZ On Air, 2020
- Youth Culture Opportunity, Radio New Zealand, 2020

# Appendix

# Data quality review

**Granularity**

- Most data reviewed has sufficient analysis by age to be able to make generalisations
- However in most cases there is little data available by ethnicity, regionality or socio-economics beyond a basic qualitative assessment

**Key information gaps**

- Apart from the above gaps within groups, most key questions in this report can be answered at an overall level with the available data sources
- There is little data to answer the question ‘What differences are there in audience expectations for public and private media?’

**Confidence in findings**

- Overall the sources used in this section are very high quality, from trusted providers, robust in their research methodology and sample sources, often corroborating each other, and sufficiently recent to be relied on. Therefore we can be very confident in the findings in this section
- If anything, the recency of some data may be an issue as the covid-19 pandemic has meant a change in behaviours especially in regard to news usage and sources. Overall however this is not a major factor
- Due to the nature of the task of combining insight from multiple sources, it is inevitable that definitions can vary. This can make it challenging to deliver a truly like for like analysis in which all definitions, age bands etc. are consistent. However this issue is unlikely to impact the findings in this report to any significant extent.
- Noted that there is a discrepancy on sources and dates for the ‘trust in news’ data (Reuters/AUT) with the international data from January/February 2020 and the NZ data from March 2020. Given the arrival of the covid-19 pandemic in NZ from March and the subsequent attention being paid to the topic in the news, this may have increased New Zealand’s relative results versus other countries
- The People’s Commission report involves non-representative sampling (crowdfunded, opt-in participation via public workshops and written submissions) and represents a generally pro-public media viewpoint. However, this does represent a valid stream of opinion, and included many industry experts and commentators

# Notes

[1] Census data, as sourced from Statistics New Zealand, 2018
[2] Internet provider survey, Statistics New Zealand, 2018
[3] Culture, Identity and Media Literature Review, NZ On Air, 2019, p9
[4] Covid-19 barometer, Kantar New Zealand, 2020
[5] Where are the Audiences, NZ On Air, July 2020
[6] Radio Audience, GfK via Radio New Zealand, S4 2020
[7] Where are the Audiences, NZ On Air, July 2020, p41
[8] Where are the Audiences, NZ On Air, July 2020, p12
[9] Where are the Audiences, NZ On Air, July 2020
[10] Where are the Audiences, NZ On Air, July 2020
[11] Where are the Audiences, NZ On Air, July 2020, p17-19
[12] Where are the Audiences, NZ On Air, July 2020, p71
[13] Where are the Audiences, NZ On Air, July 2020, p71
[14] Digital audience figures, supplied by RNZ, 2018-2020
[15] Where are the Audiences, NZ On Air, July 2020, p34
[16] Where are the Audiences, NZ On Air, July 2020, p76
[17] Where are the Audiences, NZ On Air, July 2020, p81
[18] Where are the Audiences, NZ On Air, July 2020, p79
[19] Value Indices, RNZ, Aug 2020, p56
[20] Linear TV Exploration, TVNZ, Mar 2020
[21] Adoption Pathway Quant, TVNZ, Sep 2019
[22] User Journeys, TVNZ, May 2019, p12, p25, p31
[23] Linear TV Exploration, TVNZ, Mar 2020
[24] Adoption Pathway Quant, TVNZ, Sep 2019
[25] User Journeys, TVNZ, May 2019, p25, p45, p59
[26] Adoption Pathway Quant, TVNZ, Sep 2019
[27] User Journeys, TVNZ, May 2019, p12, p25-26, p31
[28] Adoption Pathway Quant, TVNZ, Sep 2019
[29] Where are the Audiences, NZ On Air, July 2020, p53-54
[30] Where are the Audiences, NZ On Air, July 2020, p45,48-49
[31] Culture, Identity and Media discussion document, NZ On Air, 2019, p3
[32] Where are the Audiences, NZ On Air, July 2020, p76
[33] Where are the Audiences, NZ On Air, July 2020, p92,106-108
[34] Where are the Audiences, NZ On Air, July 2020, p57
[35] Where are the Audiences, NZ On Air, July 2020, p103-105
[36] Children's Media Use, NZ On Air, Jun 2020, p6,28
[37] Children's Media Use, NZ On Air, Jun 2020, p28
[38] Children's Media Use, NZ On Air, Jun 2020, p42
[39] Children's Media Use, NZ On Air, Jun 2020, p18,29
[40] Children's Media Use, NZ On Air, Jun 2020, p29,35
[41] Children's Media Use, NZ On Air, Jun 2020, p6
[42] Where are the Audiences, NZ On Air, July 2020, p50
[43] Where are the Audiences, NZ On Air, July 2020, p51
[44] Where are the Audiences, NZ On Air, July 2020, p106-108
[45] Where are the Audiences, NZ On Air, July 2020, p59
[46] Where are the Audiences, NZ On Air, July 2020, p106-108
[47] Where are the Audiences, NZ On Air, July 2020, p106-108
[48] Where are the Audiences, NZ On Air, July 2020, p26-27
[49] Where are the Audiences, NZ On Air, July 2020, p26-27
[50] Where are the Audiences, NZ On Air, July 2020, p26
[51] Where are the Audiences, NZ On Air, July 2020, p11
[52] User journeys, TVNZ, May 2019, p22
[53] Media Trends and Predictions, Kantar, 2021

[54] Programming Report, TVNZ, 2019, p11
[55] Programming Research Data Analysis, TVNZ, Nov 2020, p28-37
[56] Programming Report, TVNZ, 2019, p14
[57] Where are the Audiences, NZ On Air, July 2020, p73
[58] Radio Audiences Report, RNZ via GFK, 2020, p2-4
[59] Programming Report, TVNZ, 2019
[60] Radio Audiences Report, RNZ via GFK, 2020, p6-10
[61] NZ's Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019, p1
[62] NZ's Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019, p1
[63] Children's Media Use, NZ On Air, Jun 2020, p6
[64] NZ's Identity, Culture and the Media – Māori and Pasifika Factsheet, NZ On Air, 2019, p1
[65] Radio Audiences Report, RNZ via GFK, 2020, p6-10
[66] Public Media gap analysis data, 2020 Nielsen TAM, Consolidated data 2019, and GFK Radio Survey, Survey 2 2019
[67] Where are the Audiences, NZ On Air, July 2020, p26-27
[68] Public Media Gap Analysis Data, TVNZ, 2020
[69] Programming Report, TVNZ, 2019
[70] Diversity Report, NZ On Air, 2020
[71] Culture, Identity and Media Literature Review, NZ On Air, 2019, p2
[72] Media fund data, NZ On Air, 2020
[73] Public Awareness and Attitudes Survey, NZ On Air, 2020, p3,6
[74] Culture, Identity and Media discussion document, NZ On Air, 2019, p2
[75] Culture, Identity and Media discussion document, NZ On Air, 2019, p3
[76] Children's Media Use, NZ On Air, Jun 2020, p6,56
[77] Children's Media Use, NZ On Air, Jun 2020, p71
[78] NZ's Identity, Culture and the Media – Māori and Pasifika Factsheet, NZ On Air, 2019, p2
[79] NZ's Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019, p2
[80] Culture, Identity and Media discussion document, NZ On Air, 2019, p3
[81] Children's Media Use, NZ On Air, Jun 2020, p6,46
[82] Culture, Identity and Media discussion document, NZ On Air, 2019, p3-4
[83] NZ's Identity, Culture and the Media – Māori and Pasifika Factsheet, NZ On Air, 2019, p2
[84] Where are the Audiences, NZ On Air, July 2020, p17-19
[85] Culture, Identity and Media discussion document, NZ On Air, 2019, p3-4
[86] Culture, Identity and Media Literature Review, NZ On Air, 2019, p13
[87] Culture, Identity and Media discussion document, NZ On Air, 2019, p3-4
[88] Culture, Identity and Media discussion document, NZ On Air, 2019, p3-4
[89] Identity, Culture and the Media: What's Changed in 30 years, NZ On Air, 2019
[90] Culture, Identity and Media Literature Review, NZ On Air, 2019
[91] Digital News Report, Reuters Institute for the Study of Journalism, 2020
[92] Trust in News in New Zealand, AUT Centre for Journalism, Media and Democracy, in conjunction with Reuters Institute for the Study of Journalism, 2020
[93] Identity, Culture and the Media: What's Changed in 30 years, NZ On Air, 2019
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[95] Value Indices, RNZ, 2020
[96] Value Indices, RNZ, 2020
[97] Trust in News in New Zealand, AUT Centre for Journalism, Media and Democracy, in conjunction with Reuters Institute for the Study of Journalism, 2020
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[101] Identity, Culture and the Media: What's Changed in 30 years, NZ On Air, 2019
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[109] Audience Development Strategy, RNZ, 2019
[110] Identity, Culture and the Media: What's Changed in 30 years, NZ On Air, 2019
[111] Audience Development Strategy, RNZ, 2019
[112] NZ's Identity, Culture and the Media – Younger People Factsheet, NZ On Air, 2019, p2
[113] Identity, Culture and the Media: What's Changed in 30 years, NZ On Air, 2019
[114] Youth Culture Opportunity, RNZ, 2020
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