

2011

**A YEAR IN  
TELEVISION**

## Letter from the Chief Executive

As the media landscape becomes more complex, Television is consistently a medium that advertisers can count on to deliver results.

### 2010 was an exciting year in New Zealand's Television Industry, and this booklet is meant to provide an easy to digest overview of the highlights.

First, a word about who we are. ThinkTV is a new organization representing the non competing interests of New Zealand's major Free to Air Television broadcasters. The shareholders are TVNZ and TVWorks, owners of 8 Free to Air channels. Together, they represent 90% of both Television ad revenue and Free to Air audience share (5+ peak time. Source Nielsen TAM).

Television continues to be at the heart of popular culture and our group of Television and Marketing experts will provide the information that advertisers and agencies require to use Television effectively.

Joining me on the ThinkTV Team are General Manager Rob Hoar, Marketing Director Nicky Dunn and EA and Administration Manager, Di Winks.

We have a lot to be excited about. With more people watching more Television on bigger and better TV screens, Television's impact has never been greater. Accountability has always been important, but with marketing departments and agencies being asked to stretch budgets even further than in the past, Television's increased accountability is more important than ever. In 2010, Television revenues showed solid improvement, increasing by 6.6% over 2009.

Last year was a banner year for local content, with Shortland Street reaching record numbers of viewers and Outrageous Fortune recording its largest ever audience as the West family saga drew to a stunning conclusion. The earthquake in Canterbury in September and the Pike River Mine disaster in November were events that drew all New Zealanders closer as we felt the pain and sorrow of those affected. Both major Television newsrooms covered the events with thoroughness and sensitivity, doing what Television News does so much better than any other medium, providing instant, professional coverage of major events.

Our list of top Television advertisers shows that New Zealand's most successful brands use Television as the anchor to their marketing planning. As the media landscape becomes more complex, Television is consistently a medium that advertisers can count on to deliver results.

As this is our first "Year in Review" booklet, I do hope you will be free with your comment and criticism, so we can continue to improve what we offer to the advertising community.

Sincerely,

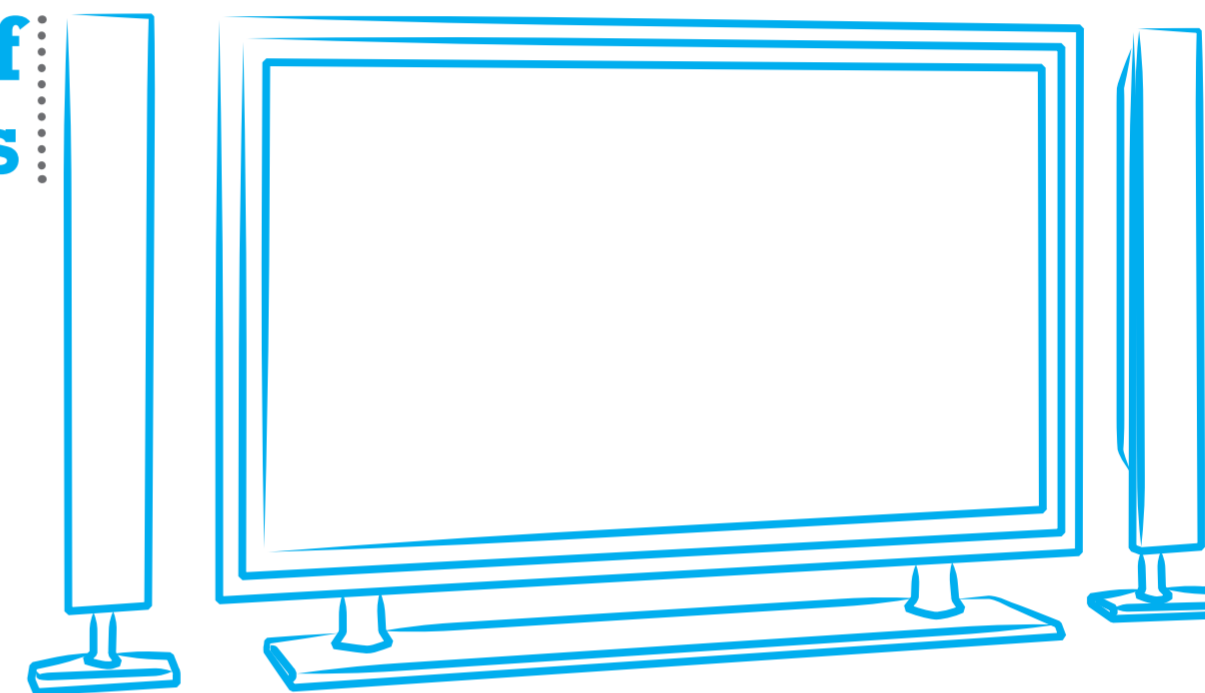


Rick Friesen  
Chief Executive

**thinkTV**



## Table of Contents



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2010: The year of record audiences

Outstanding local and international programming

Television in the era of accountability

Advertisers strengthen ties with television medium

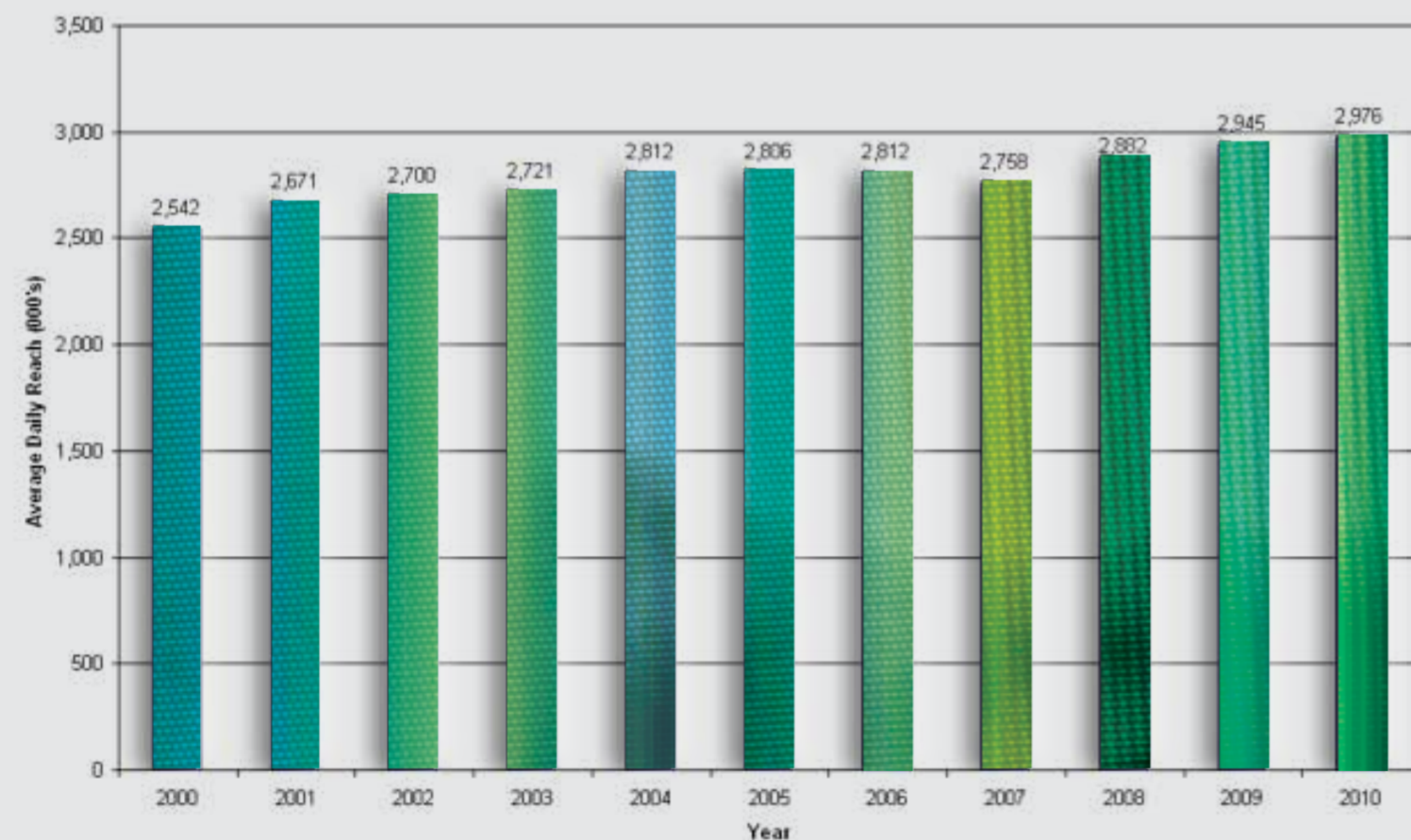
2011: A bright future

All viewing information courtesy of Nielsen TAM.

**2010:** Free to Air Television remains excellent value and is the best way for businesses to fast track their recovery.  
**The year of record audiences**

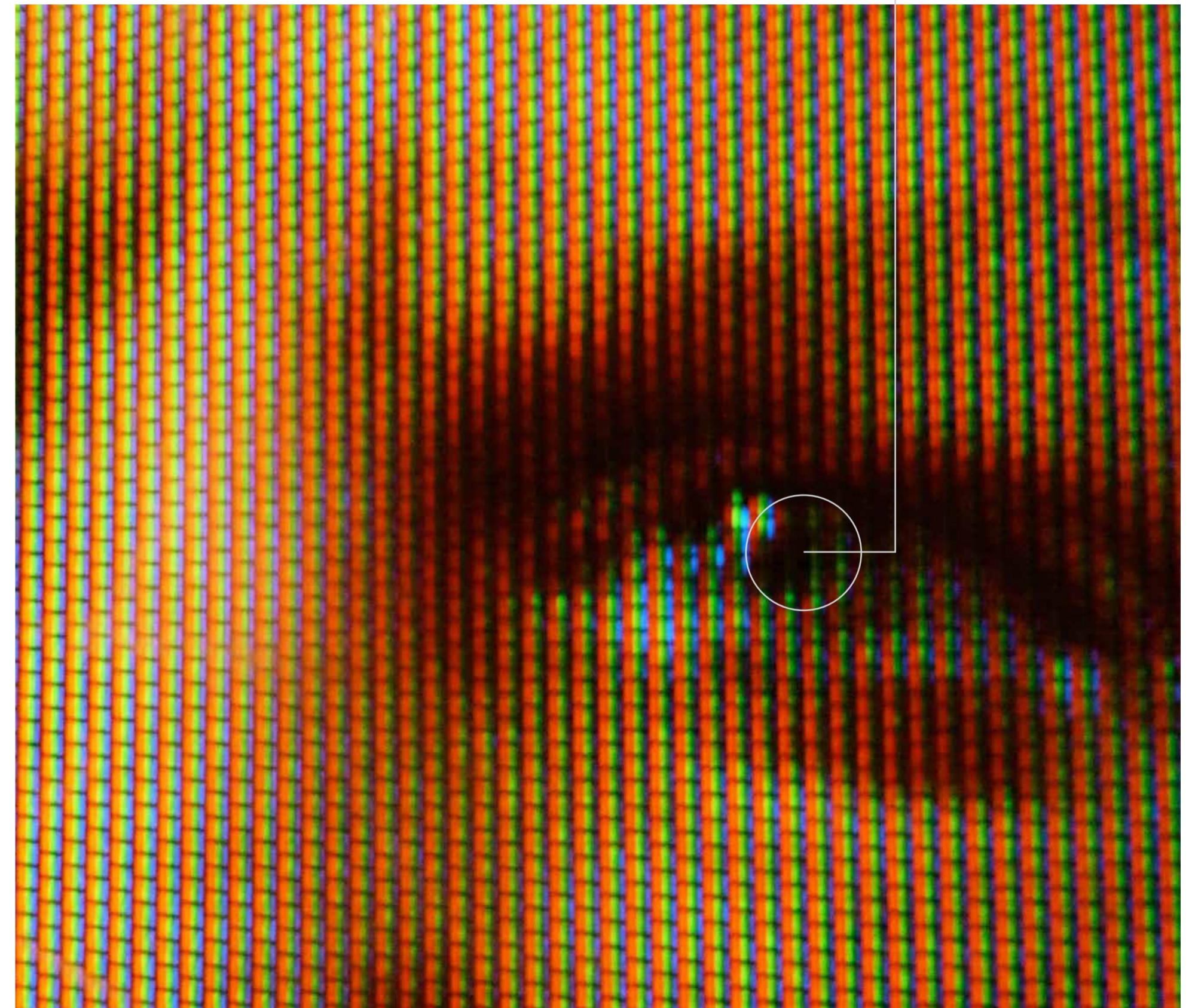
In 2010, more New Zealanders watched more television than ever before. On average, three million people tuned in each day and spent a record 3 hours 22 minutes viewing, an increase of 16.8% since 2007.

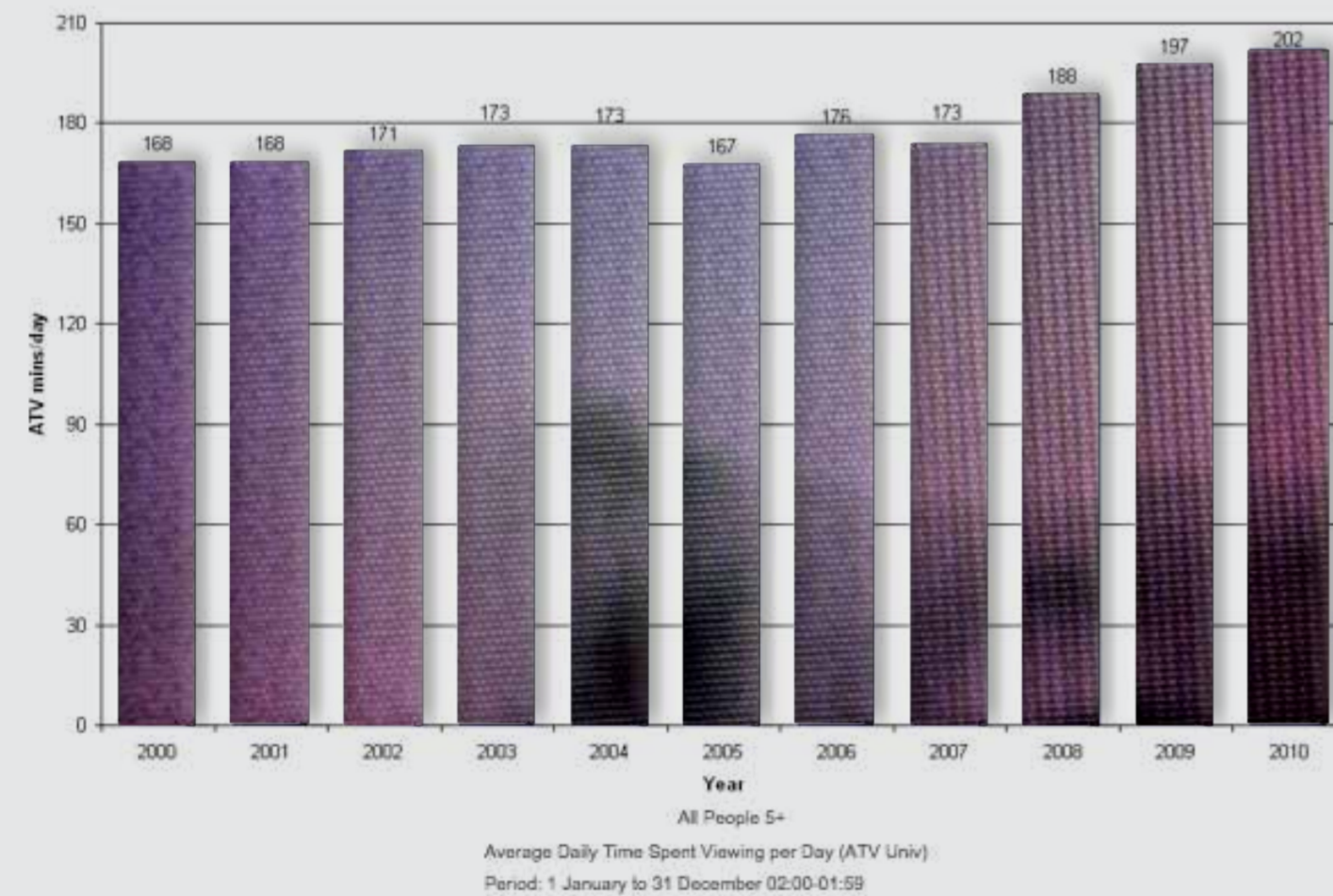
As new media such as On Line and Mobile have developed, Television viewing has not decreased as predicted, but continues to increase.



Base: All People 5+ viewing Live Television  
 Reach Threshold set at 1 minute  
 Period: 1 January to 31 December

With digital Television now in over 70% of homes, viewers are seeing a better quality, larger image with better sound and more consistency. That translates into increased impact for advertisers.}





Not only were the numbers bigger, the quality was better. With digital Television now in over 70% of homes, viewers are seeing a better quality, larger image with better sound and more consistency. That translates into increased impact for advertisers.

After a recession racked 2009 saw most businesses decrease spending or, in some cases, cease trading, 2010 was the start of the climb back to normal growth. Television revenue increased 6.6% over the year, with the majority of that increase in the last half of the year.

The major broadcasters increased their on line offerings, with more options for catching up on missed programming. Catch up is a key strategic initiative for broadcasters. International evidence points to catch up being the favoured way for those viewers who missed an episode to catch up so they can continue to watch subsequent weeks without having missed an important piece.

With viewing at record levels, Televisions in 99% of all homes and broadcasters remaining very competitive in their pricing, Free to Air Television remains excellent value and is the best way for businesses to fast track their recovery.

## Outstanding local and international programming

Through the recession Television broadcasters have continued to display confidence in the future by investing heavily in local and international programming.

In 2010, hit shows like *Outrageous Fortune*, *Shortland Street*, *Piha Rescue*, *7 Days* and *This is Your Life* continued to entertain record numbers of New Zealanders.

The Free to Air Networks also had the very best International content on their schedules throughout the year. New hits like *The Mentalist* and *X Factor* drew big audiences, while tried and true international stalwarts like *Coronation Street* and *NCIS* continued to deliver for advertisers and viewers.

Each network performs strongly in its primary demographic and has its own "star performers". Here are the top ten programmes from each of the four major networks.



When tragedy struck, both in Christchurch in September and the West Coast in November, the major TV Networks put in huge resources to provide in depth coverage that could not be matched by any other medium. In the first week following the Pike River Mine Disaster, the two major networks provided over 45 hours of news coverage, plus in depth commentary and analysis from programmes like *Close Up*, *Campbell Live*, *Sunday* and *60 Minutes*. Whenever major events occur, Television is there as a uniting force.





### TV1 (25-54)

- 1 Cheers to 50 Years of Television
- 2 The Investigator Special
- 3 Border Security
- 4 Fair Go Ad Awards 2010
- 5 Coastwatch
- 6 The Force
- 7 This is Your Life
- 8 Rapid Response
- 9 Border Patrol
- 10 Medical Emergency

### TV2 (18-39)

- 1 The Longest Yard
- 2 Shortland Street
- 3 Hell's Kitchen
- 4 The Big Bang Theory
- 5 Neighbours At War
- 6 Barnyard
- 7 Sensing Murder
- 8 Motorway Patrol
- 9 Highway Patrol
- 10 Police Ten 7

### TV3 (18-49)

- 1 Outrageous Fortune
- 2 Wanted
- 3 Road Cops
- 4 Iron Man
- 5 Stolen: The Baby Kahu Story
- 6 AotearoHA (R)
- 7 Katie My Beautiful Face
- 8 Transformers
- 9 Cadbury Crunchie Comedy Gala
- 10 Shooter

### C4 (15-39)

- 1 Step Up 2 the Streets
- 2 Edward Scissorhands
- 3 Napoleon Dynamite
- 4 Platoon
- 5 The Comebacks
- 6 Honey
- 7 Coming to America
- 8 American Pie Presents The Naked Mile
- 9 Bring It On All Or Nothing
- 10 Beverly Hills Cop 3

## Television in the era of accountability

Television continues to provide unparalleled reach backed up by solid research.

The need for more and better information about Television viewing was recognized by broadcasters in 2010, and a new 8 year agreement with Nielsen TAM was signed which will see the panel size increase by 20% to 600 homes (approximately 1500 persons) and a new content recognition system deployed that will provide data on time shifted viewing.

Although the new system was essential to maintain the integrity and accuracy of the audience measurement system, it came at a significantly increased cost. Broadcasters are bearing an increased percentage of that cost in order to keep agency and advertiser increases to a minimum.

With Television reaching over 3 million New Zealanders every day, Television continues to provide unparalleled reach backed up by solid research.



## Advertisers strengthen ties with television medium

When you really need impact, brand building, instant recognition and to be talked about around the water cooler, you need Television.

While 2009 was a very difficult year for most businesses, and Television was no exception, 2010 saw the start of economic recovery. The year on year increase was 6.6%, with the last half of the year providing a 7.6% lift compared to the second half of 2009

When you really need impact, brand building, instant recognition and to be talked about around the water cooler, you need Television. These top advertisers all know about building a brand, and generating sales. They should. They are Television's 10 top Advertisers for 2010

1. Unilever
2. Harvey Norman
3. Reckitt Benckiser
4. BrandWorld
5. Mitre 10
6. Progressive
7. Procter & Gamble
8. L'Oreal
9. The Warehouse
10. Foodstuffs



**2011:** Television will continue to be the best way to reach a mass audience in the shortest time with strong brand building messages.  
**A bright future**

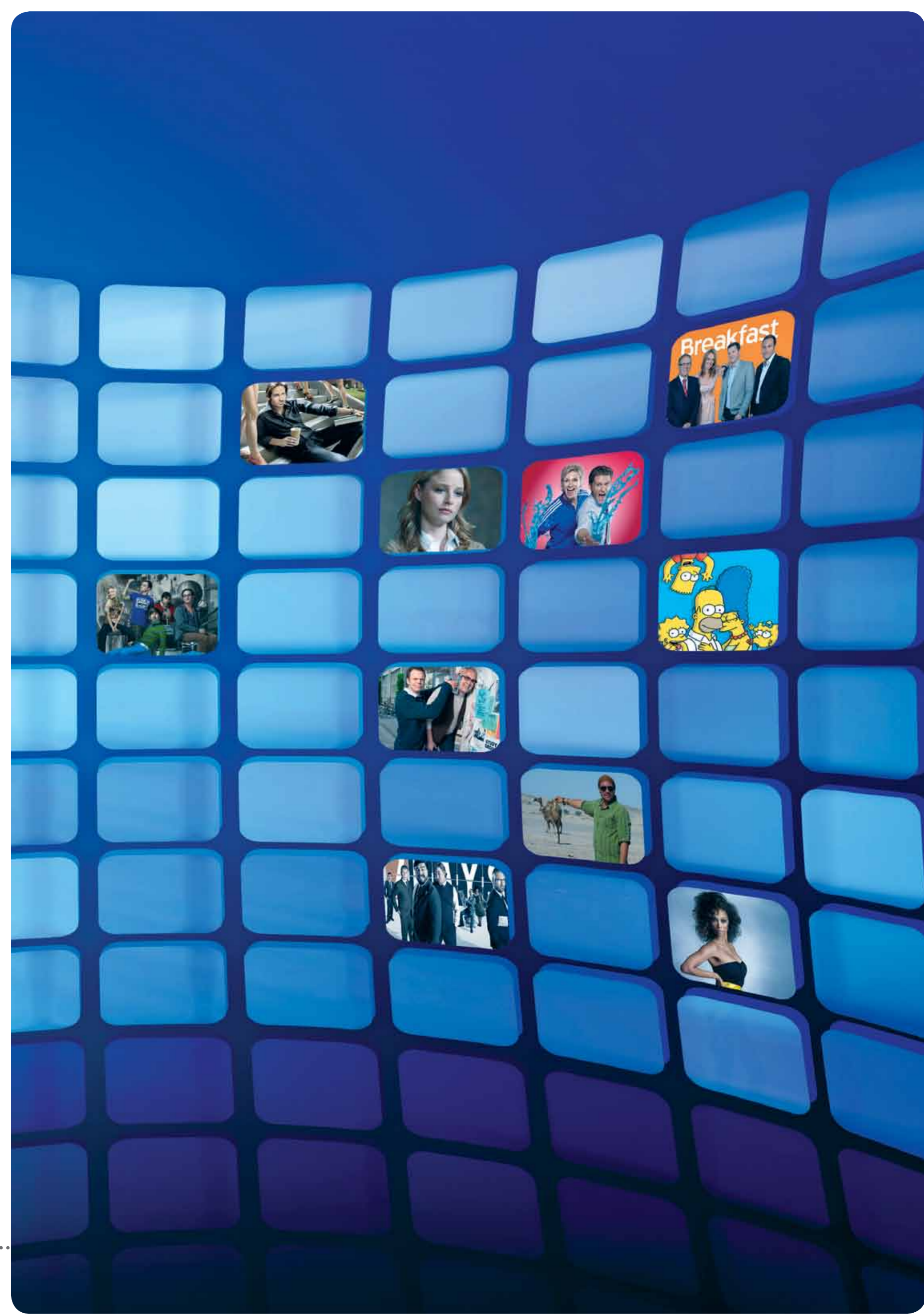
It is hard to think of the coming year without reflecting on the earthquake that rocked Christchurch in February. As this booklet was being printed, the cleanup was ongoing and the future for New Zealand's second largest city was still largely unknown. Television was and is there, providing much needed information, publicising appeals for help and telling us the personal stories of tragedy and hope.

Free to Air Television will continue to grow in viewership and will continue to be the best way to reach a mass audience in the shortest time with strong brand building messages. With the key Rugby World Cup matches all on Free to Air live and in High Definition, Rugby audiences are expected to create new record viewing numbers in September and October.

By the end of the year, we expect to start seeing data from the Nielsen UNITAM system, which will usher in a new era of improved audience measurement, including time-shifted viewing and viewing through devices such as Sony's PS3 and other new devices still being developed. With Television already the most measured and accountable medium, this new standard in audience measurement by Nielsen TAM will only enhance an already robust system to assure advertisers and their agencies of the best quality audience measurement possible.

Throughout the year, ThinkTV will continue to bring you success stories and other news of interest to planners, buyers and marketing executives. Please feel free to log on to our website ([www.thinktv.co.nz](http://www.thinktv.co.nz)) anytime for in depth, trusted information about television and make sure you sign up for our newsletter.

Until next time, Good Viewing!



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