

TV

Summary :

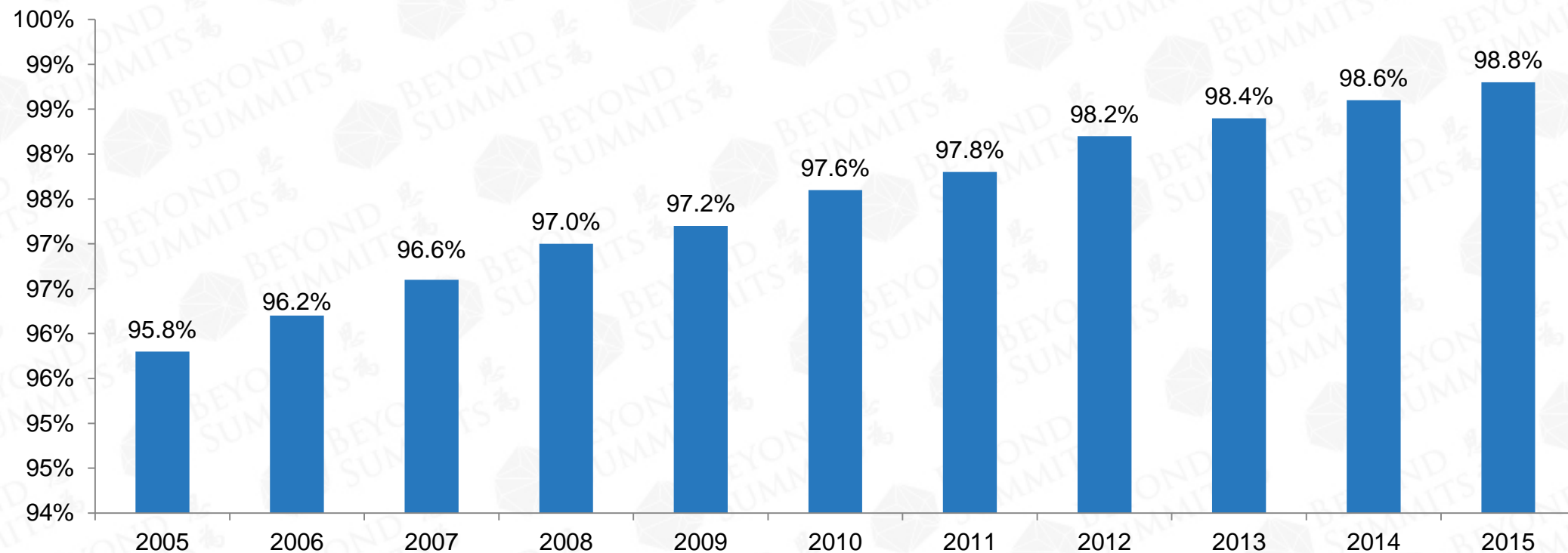
- TV media market has tended to be saturated with almost 99% coverage rate in 10 years. However, Chinese are losing their interests in watching TV. The average age of real TV audience is getting older. The biggest proportion of TV audience is constituted by audience aged over 45 years old. The older TV audience are more likely to be heavy TV users.
- In terms of TV programs, Chinese TV content is mainly produced by CCTV and provincial satellite TVs. However, TV production and broadcasting will further separate in the future, and high-quality content will be inclined to broadcast through Internet platforms. Eventually, the number of TV audience will decrease. More people will choose to watch videos online instead of on TV.
- Since 2014, the advertising on TV has seen a dropping trend. In the first half of 2015, TV ads even showed a negative increase. CCTV and provincial satellite TVs were still two major platforms for business to place ads into.

Summary :

- In 2015, TV programs were mainly broadcasting about TV series, news and various shows, accounting for 57.1% of all programs. The top five provincial TV channels swept most high-rating programs.
- The watching length of TV variety shows had a significant increase in 2015. Hunan Sat-TV variety shows' average rating was the highest in 2015. With the rapid development of variety shows and IP TV dramas, a rising trend of title sponsorship and ads were seen in 2015.
- What users watch on TV is quite similar with what they watch online. TV series, variety shows, movies and news were their favorites.
- Those who watch TV everyday accounted for 57.4%. Watching TV becomes an emotional communication way for families. TV audience will turn to smart phones to connect with Internet friends when watching TV.

In 2015, TV media's coverage rate tended to be saturated, close to 99%.

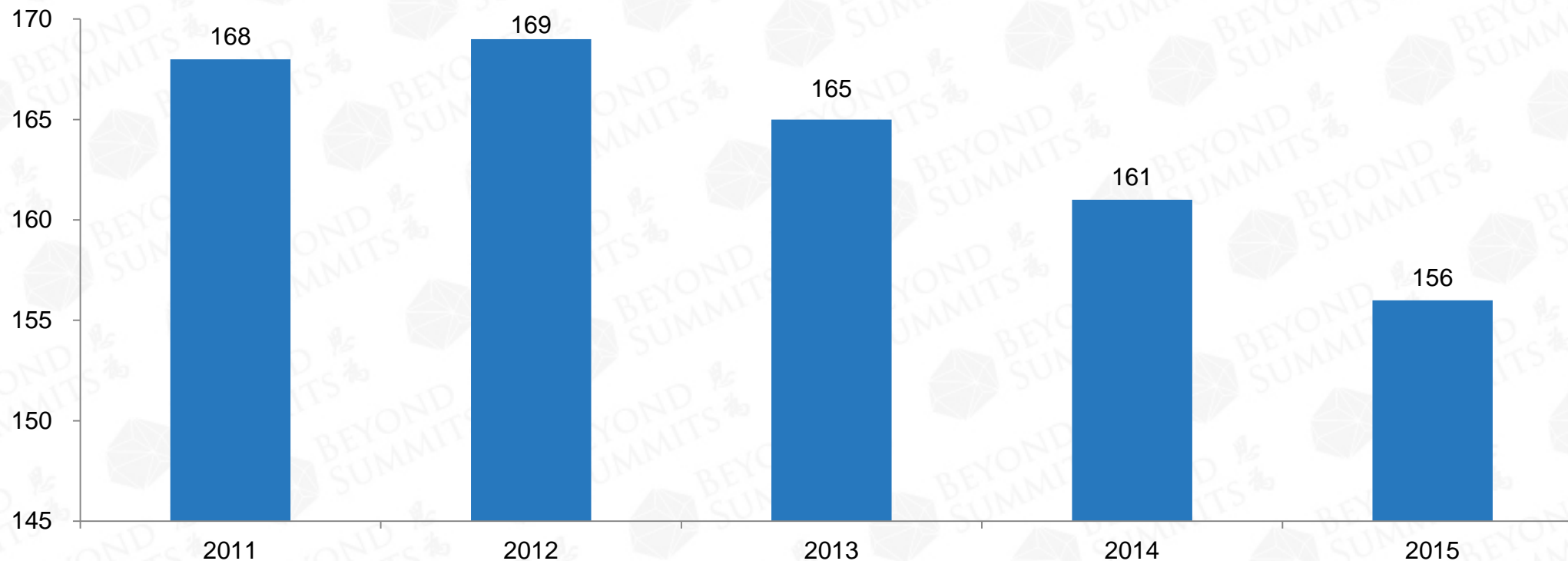
TV Program's Coverage Rate from 2005 to 2015



Source : National Bureau of Statistic

In the past five years, Chinese people tended to spend less time on TV. As of 2015, daily TV watching length was 156 minutes.

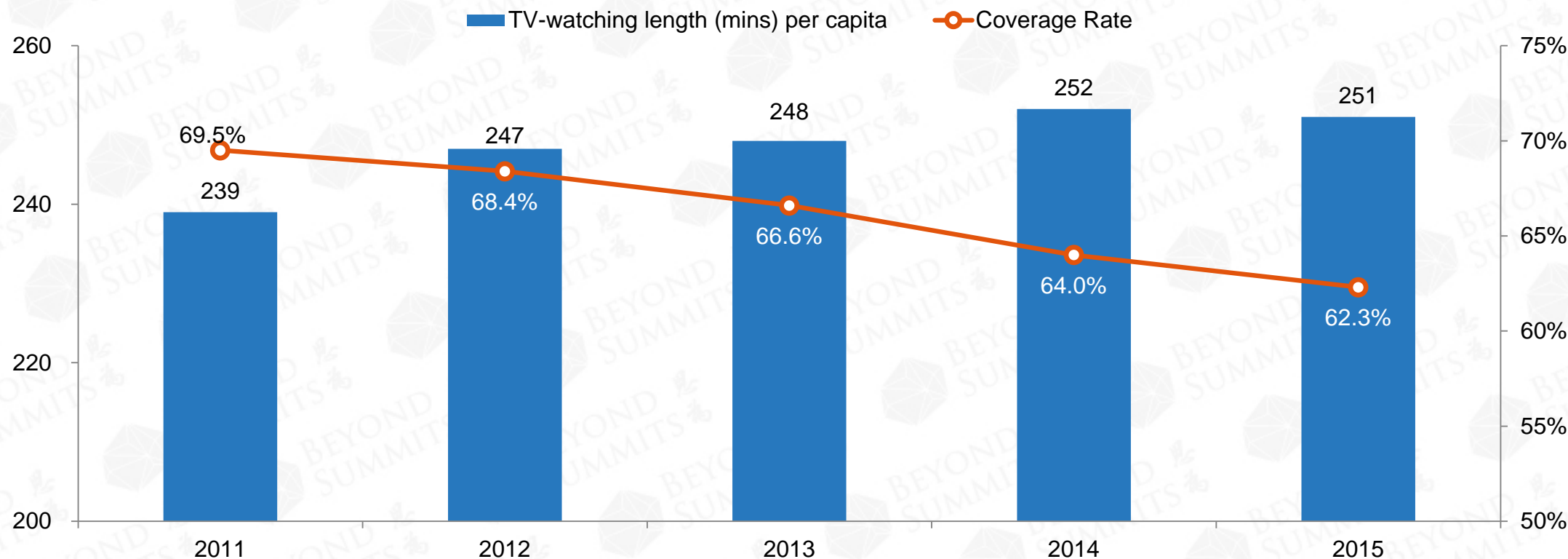
Chinese Daily TV-watching Length (mins) 2011-2015



Source : CSM Rating China TV market review 2015

In the past five years, loyal TV viewers have remained long watching time, but the coverage rate of TV has been declining year by year, and the scale of TV viewers has continued to shrink.

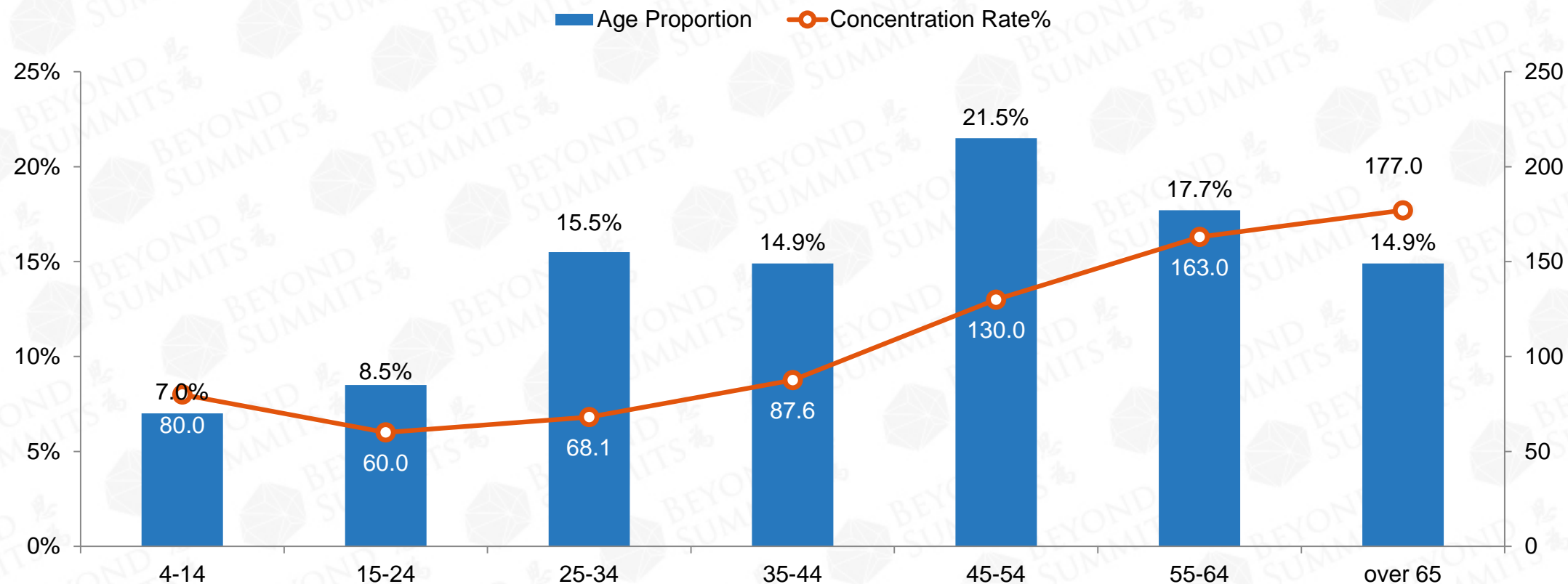
Chinese Daily TV-watching Length (mins) per Capita and TV Coverage Rate from 2005 to 2015(Loyal Audience)



Source : CSM Rating China TV market review 2015

Audience aged over 45 took the largest proportion. In addition, the older audience are more likely to be heavy TV users.

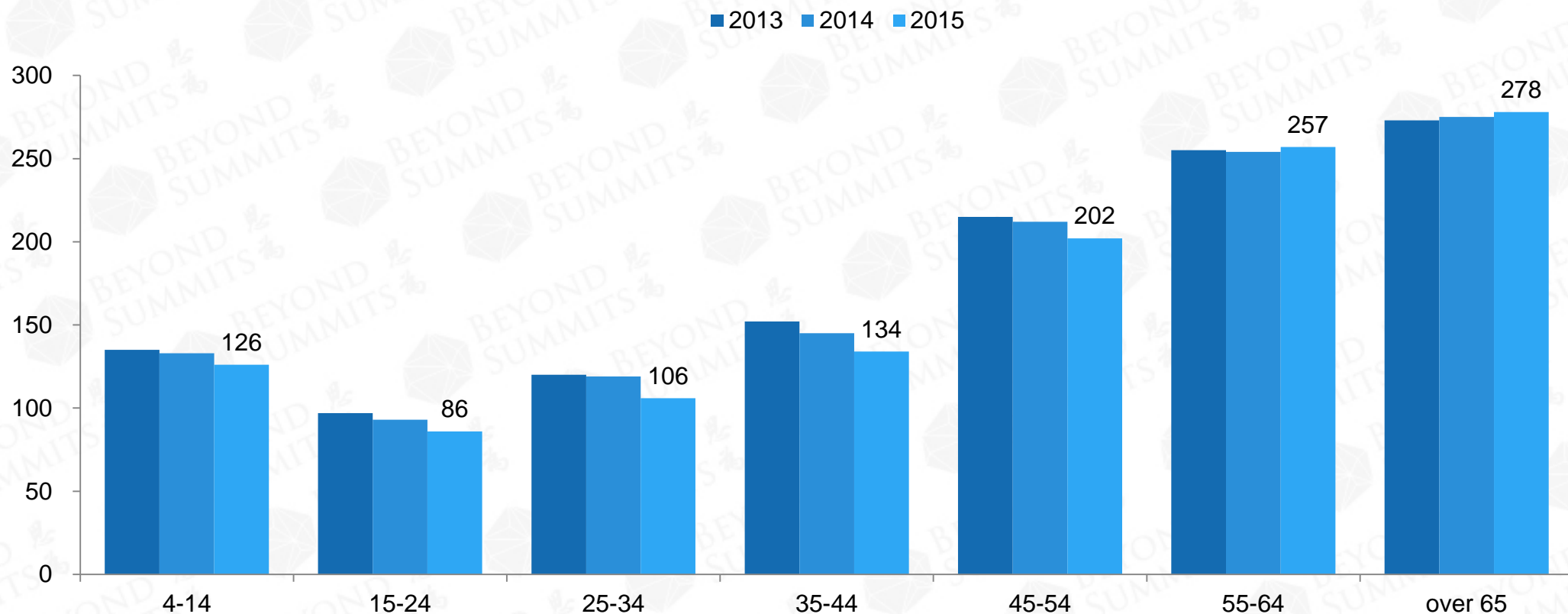
TV Audience Characteristics by Age in 2015



Source : CSM Rating China TV market review 2015

For the audience under 54 years old, the TV-watching length per capita decreased year by year, while the number of audience aged over 55 were steadily rising.

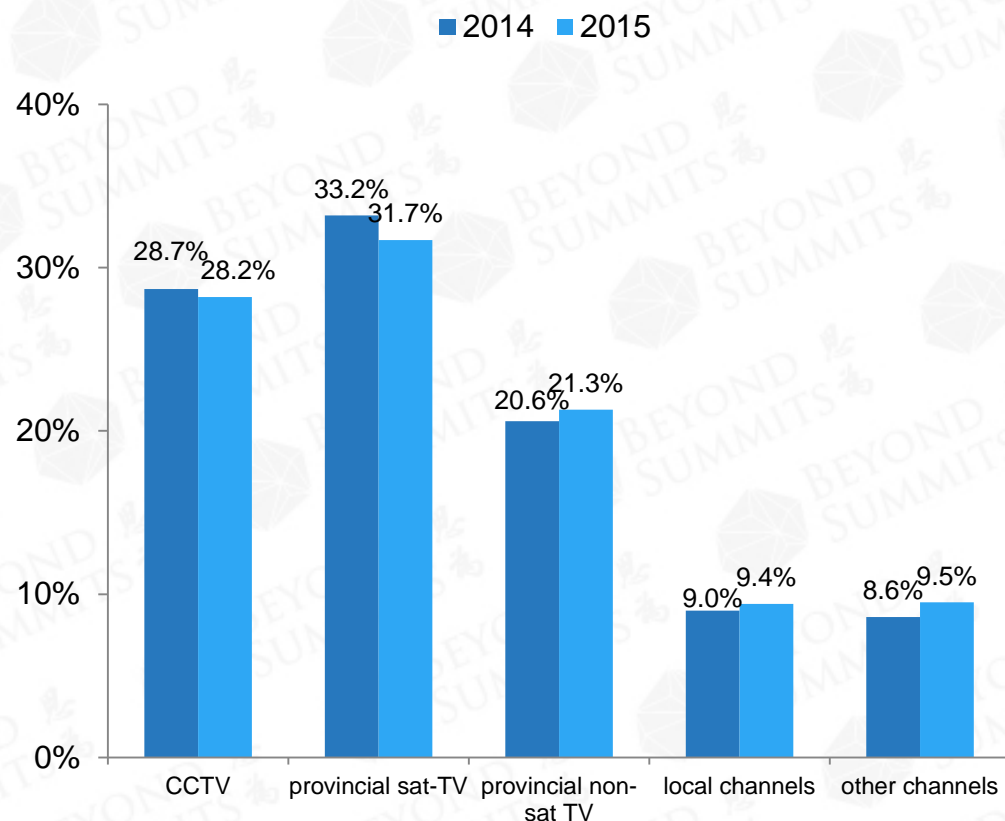
TV Watching Length for Audience of Different Ages in 2015 (mins/day)



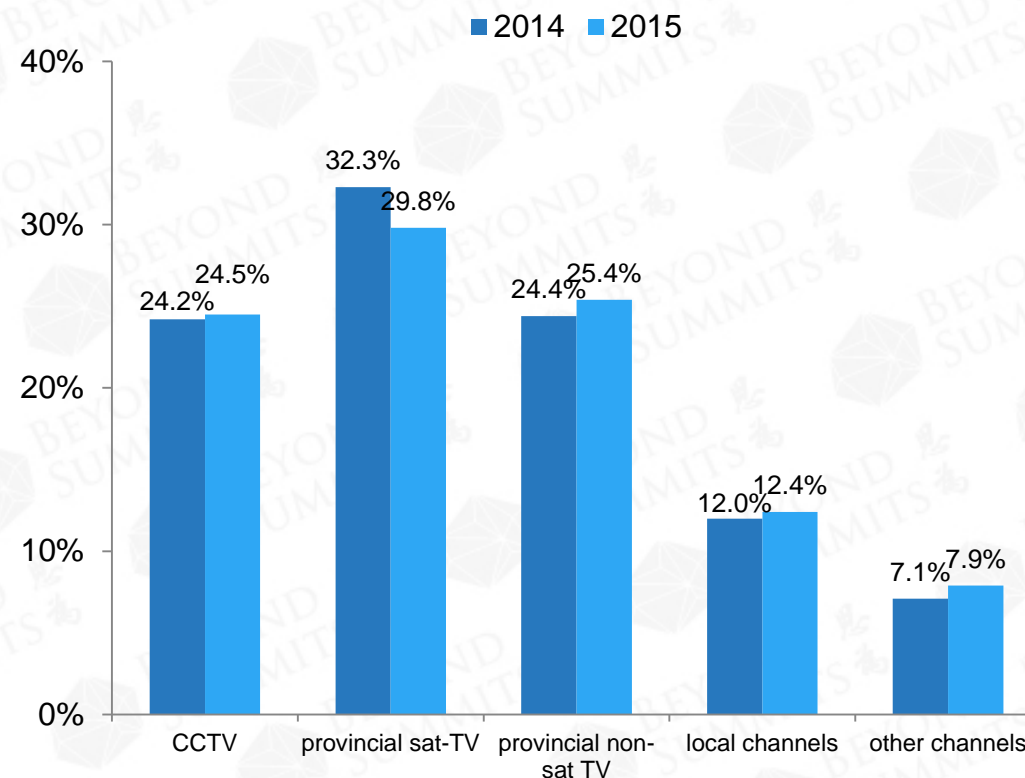
Source : CSM Rating China TV market review 2015

In 2015, the viewing shares of CCTV and provincial sat-TV channels decreased rapidly, while the ground channels' viewing shares began to rise.

Viewing Shares from 2013 to 2015



Viewing Shares During Prime Time from 2013 to 2015



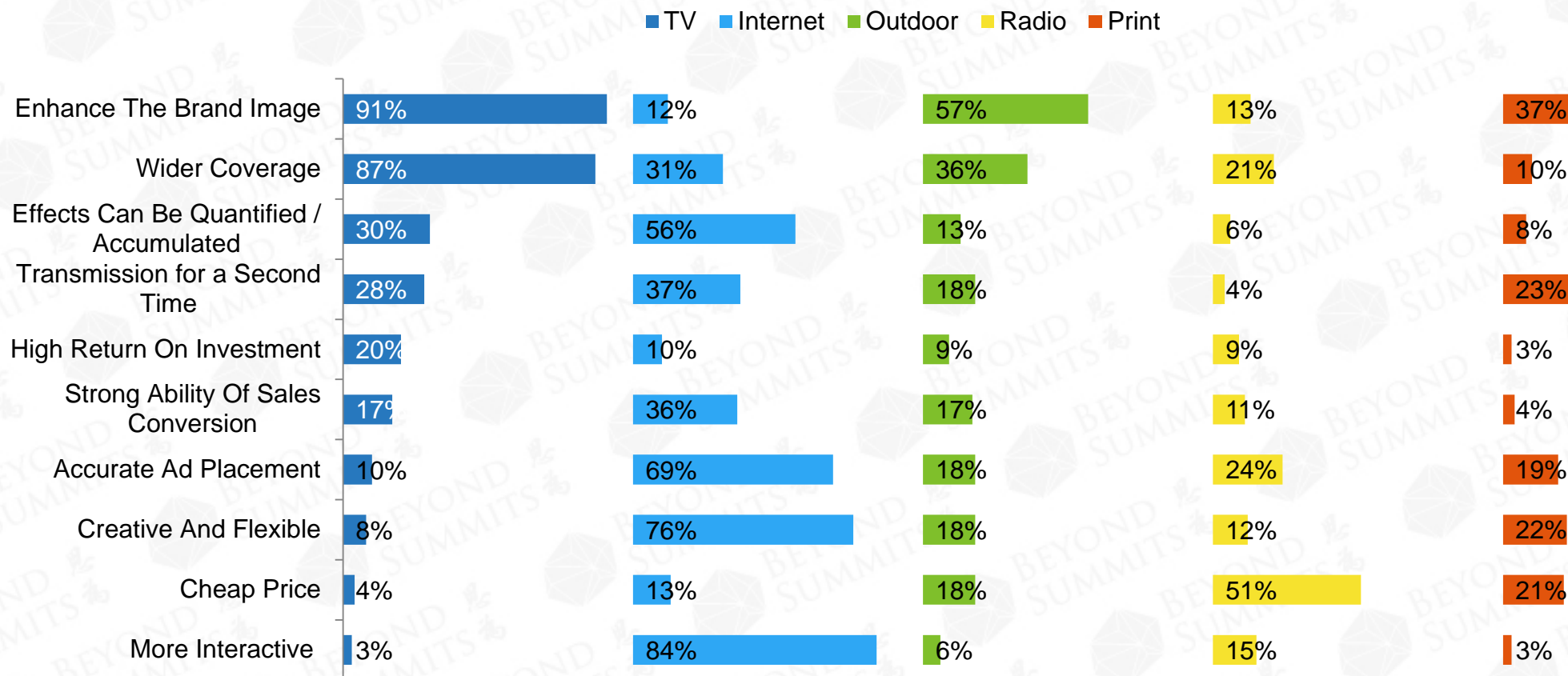
Source : 2015 TV and Video Dual-Screen Report

In 2015, CCTV-Comprehensive, Hunan Satellite TV, and CCTV-News(Chinese) still ranked Top 3. But the market shares of the two CCTV channels decreased, while Hunan TV's market share kept increasing significantly.

Channel	Market Share in 2014 (%)	Market Share in 2015 (%)
CCTV-Comprehensive	5.2	4.7
Hunan Satellite TV	3.4	4.0
CCTV-News(Chinese)	3.2	3.0
CCTV-Movie	2.6	2.9
Zhejiang Satellite TV	2.3	2.8
CCTV-Variety Shows	2.7	2.6
CCTV-International News	2.6	2.6
Jiangsu Satellite TV	2.5	2.2
CCTV-Sports	2.5	2.2
CCTV-Series	1.9	2.2

Compared with other kinds of media, TV has absolute advantages in promoting the brand image and covering more audience.

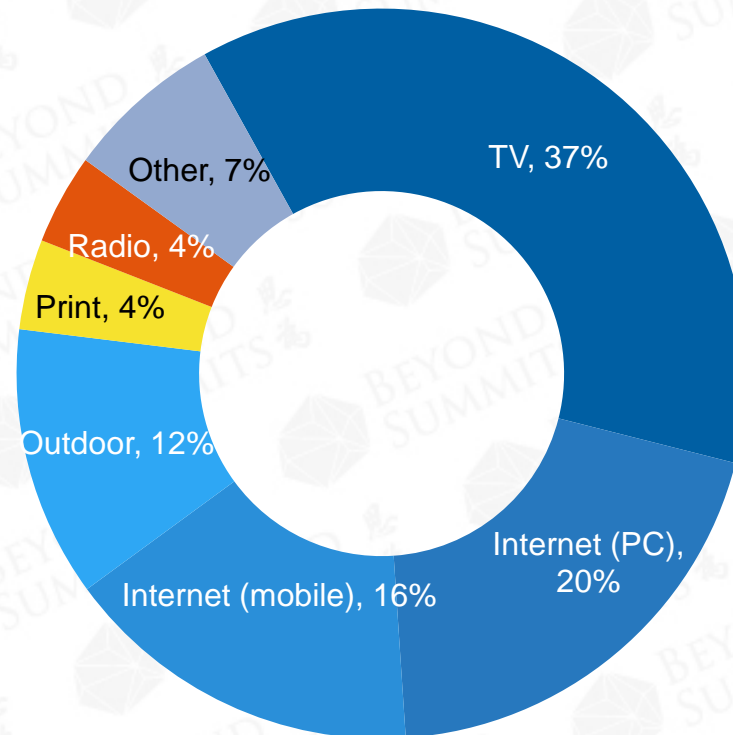
The Advantages of TV Broadcasting



Source : CTR Media Intelligence "2016 advertisers marketing trend survey"

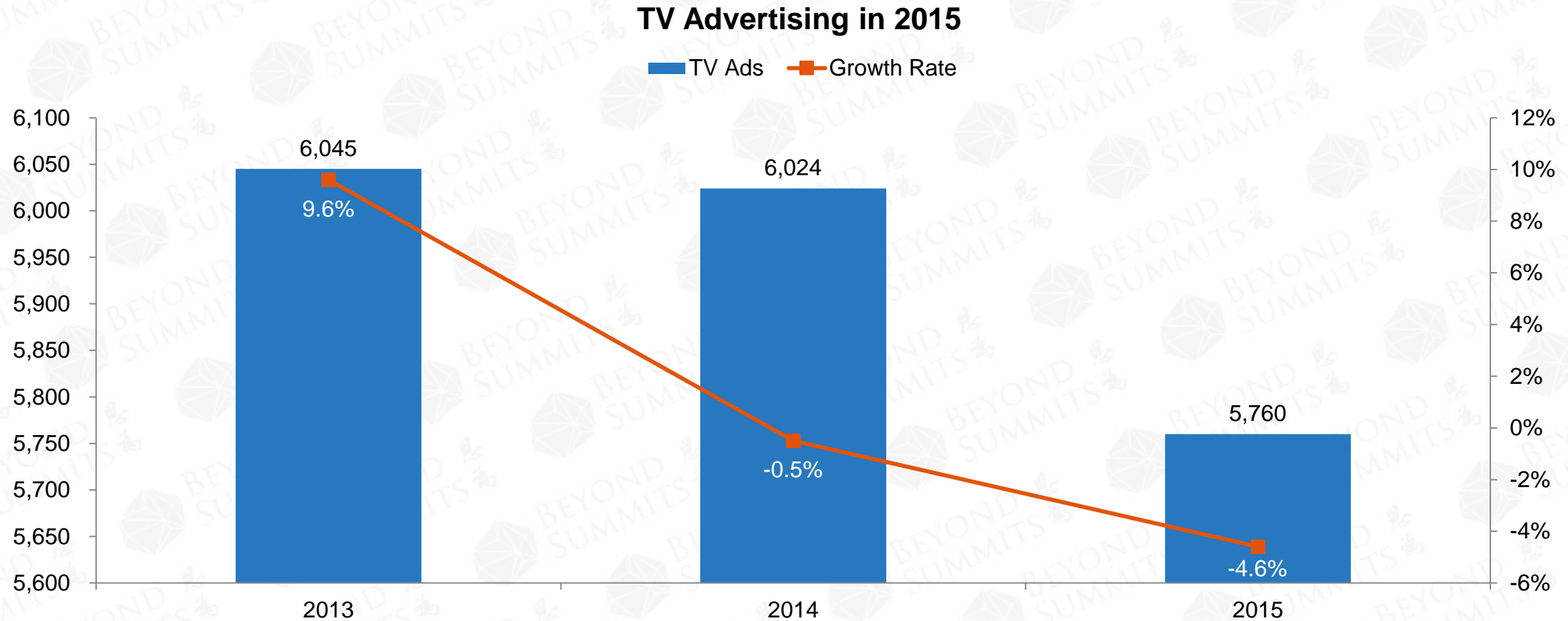
TV was still the most important media for advertisers, who have invested 37% of the total marketing budget into TV ads in 2016.

Media Buying in 2016



Source : CTR Media Intelligence "2016 advertisers marketing trend survey"

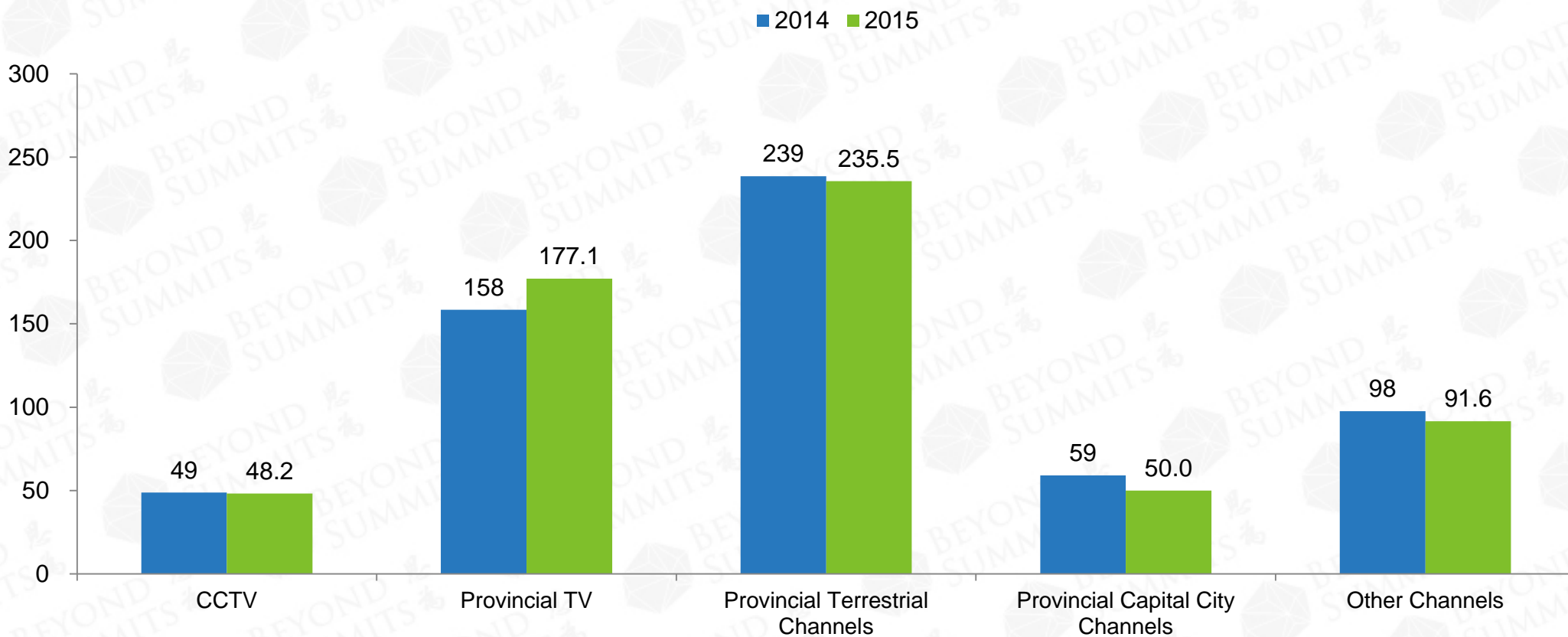
The total amount of TV ads continued to decline since 2013.



Source : CSM TV Advertising and Competitive

In 2015 , The provincial satellite TV ads significantly increased.

TV Ads in 2014 & 2015 (Billion Yuan)



Source : CSM TV Advertising and Competitive

In 2015, among the Top 10 provincial TVs, Jiangsu satellite TV kept the leading position in ad placements. The ads placed on Top 10 provincial capital city TVs have dropped to different extent.

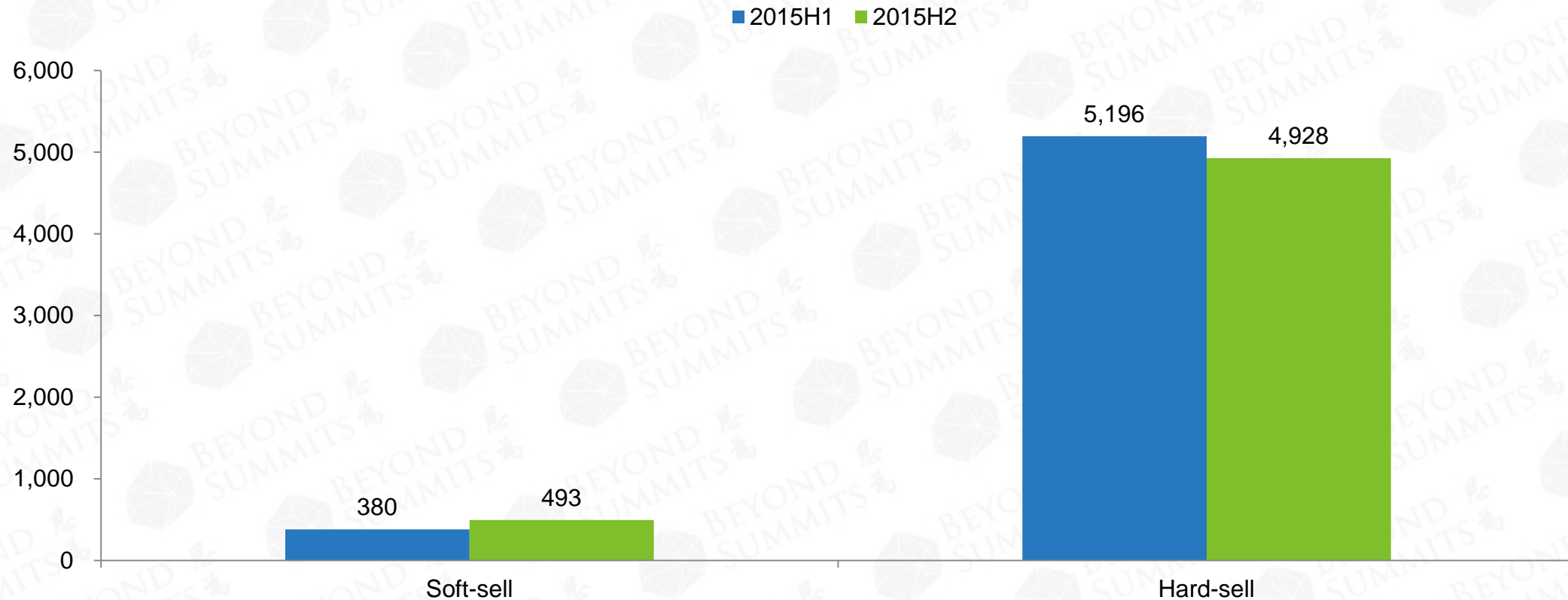
Provincial TV	2014		2015	
	Channel	Ad Placement (billion yuan)	Channel	Ad Placement (billion yuan)
1	Jiangsu Satellite TV	10.67	Jiangsu Satellite TV	11.27
2	Henan set	10.52	Hubei Satellite TV	10.44
3	Hubei Satellite TV	8.76	Henan set	9.73
4	Dragon TV	8.57	Tianjing Satellite TV	8.8
5	Shandong Satellite TV	8.52	Shandong Satellite TV	8.77
6	Tianjing Satellite TV	8.18	Zhejiang Satellite TV	8.57
7	Zhejiang Satellite TV	8.11	Yunnan set	8.55
8	Heilongjiang Satellite TV	7.94	Fujian Southeast TV	8.17
9	Guizhou Satellite TV	7.87	Heilongjiang Satellite TV	8.06
10	Anhui Satellite TV	6.53	Hunan Satellite TV	7.85

Provincial Capital City TV	2014		2015	
	Channel	Ad Placement (billion yuan)	Channel	Ad Placement (billion yuan)
1	Guangzhou TV Station	8.95	Guangzhou TV Station	5.35
2	Hefei TV Station	4.76	Kunming TV Station	4.52
3	Kunming TV Station	4.66	Nanjing TV Station	4.21
4	Wuhan TV Station	4.31	Hefei TV Station	4.2
5	Nanjing TV Station	4.25	Changsha TV Station	3.37
6	Xi'an TV Station	3.74	Xi'an TV Station	3.09
7	Zhengzhou TV Station	3.34	Wuhan TV Station	3.07
8	Changsha TV Station	3.22	Zhengzhou TV Station	2.28
9	Taiyuan TV Station	2.34	Hangzhou TV Station	1.96
10	Hai'erbing TV Station	2.03	Nanning TV Station	1.92

Source : CSM Rating China TV market review 2015

The number of hard-sell TV ads has declined, while the number of ads implanted in the content showed an increase of 30%, indicating the great potential of soft-sell TV ads.

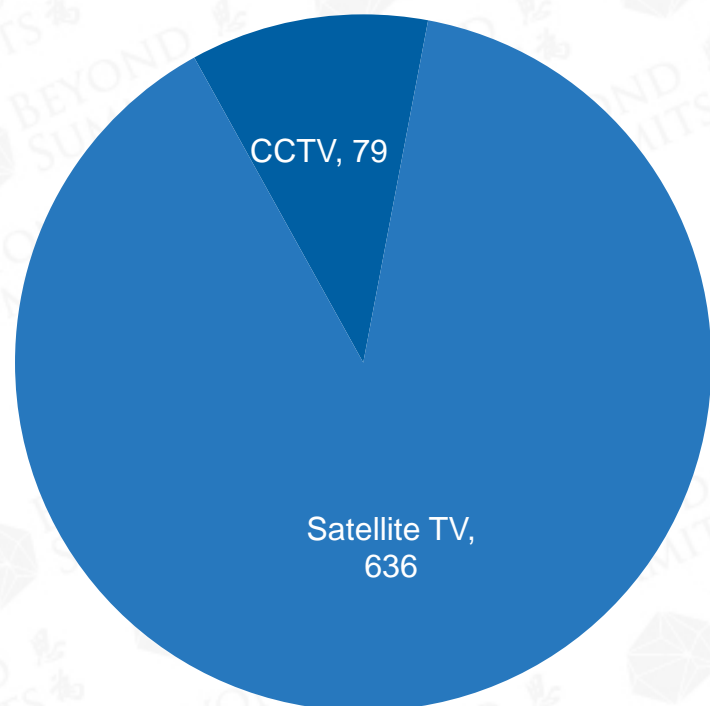
The Number of Hard-sell and Soft-sell TV Ads in 2015 H1 and 2015 H2



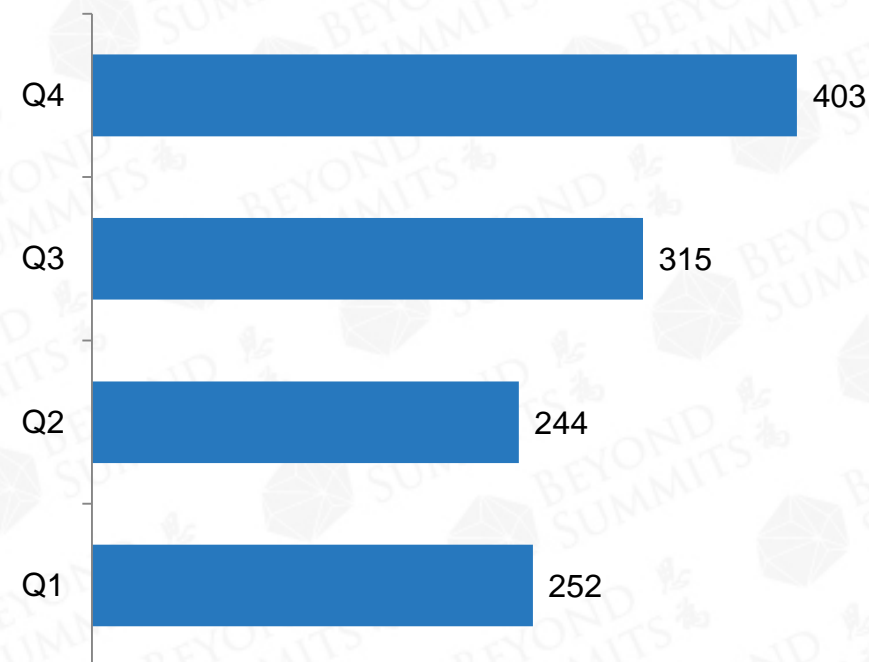
Source : Jirang

In 2015, the local satellite TV channels were preferred by advertisers to place ads.

CCTV vs Satellite TV in Ad Placements

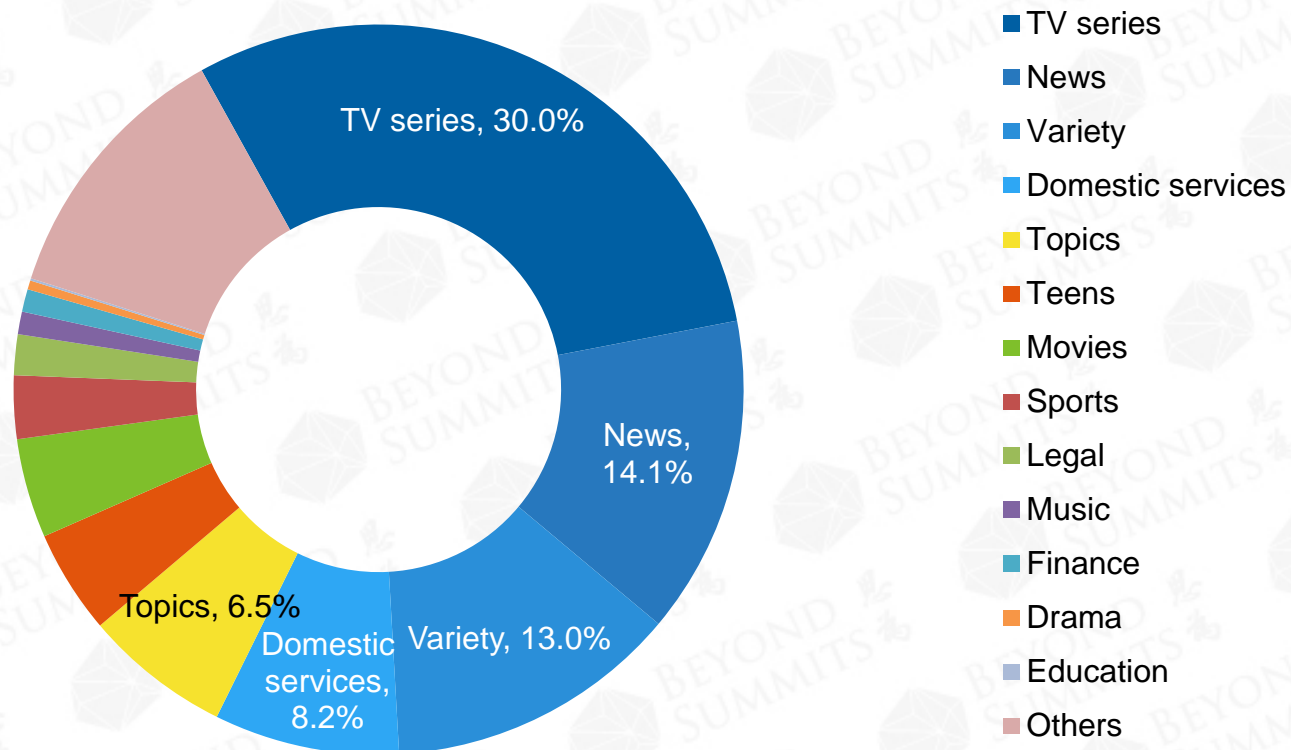


Ad Placements in Satellite TV Q1-Q4



In 2015, the TV programs were mainly about TV series, News and variety shows, accounting for 57.1% of all the programs.

Viewing Shares of Programs in 2015



Source : CSM Rating China TV market review 2015

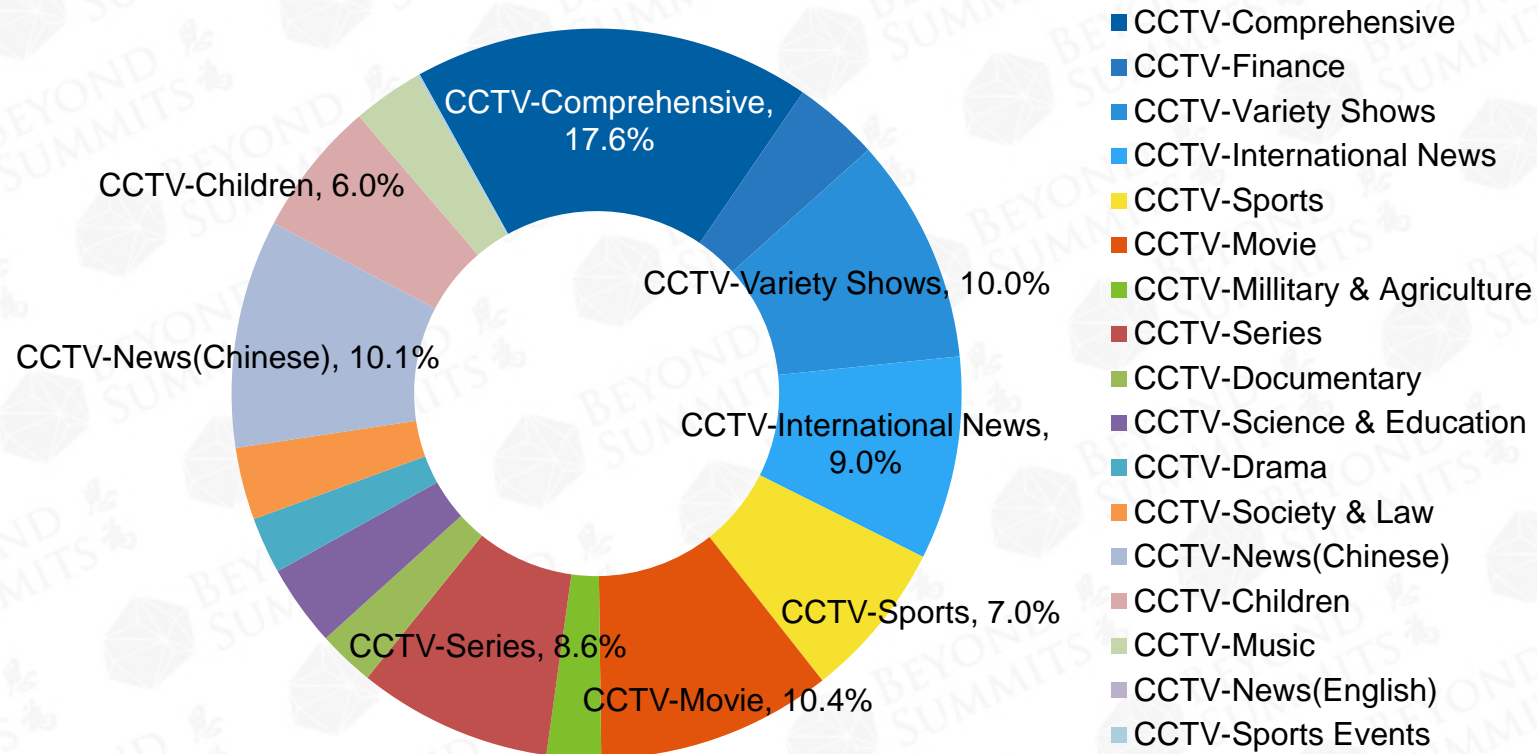
In 2015, the provincial TVs relied more on TV series and variety shows to get a high rating. However, CCTV channels focused more on TV series and News.

TV Program	CCTV		Provincial sat-TV		Provincial non-sat TV		Local channels	
	broadcast proportion%	viewing proportion%	broadcast proportion%	viewing proportion%	broadcast proportion%	viewing proportion%	broadcast proportion%	viewing proportion%
TV series	13.8	16.5	31.9	39.5	26.9	32.5	26.8	34.9
News	12.1	16.8	8.7	6.6	9.4	16.8	12.4	24.4
Variety	8.8	13.3	7	17.9	6.8	8.8	4.9	5.1
Domestic services	6.7	5.3	11.4	8.2	18.7	11.5	19	9
Topics	20	10.5	14.3	4.6	7.3	4	8	5.6
Teens	3.4	5	8.3	6.6	3.4	2.4	2.9	1.8
Movies	4.9	8.9	1.9	1.8	4.9	3.5	1.7	1.3
Sports	10.1	6.2	0.8	0.4	3	2.9	1	0.6
Legal	2.5	2.8	0.6	0.4	1.7	2.4	2	2.4
Music	4.2	2.7	0.6	0.3	0.5	0.1	1.0	0.2
Finance	2.8	1.7	1.1	0.5	0.8	1.2	0.8	0.4
Drama	1.7	0.7	0.4	0.1	0.8	0.3	0.3	0.5
Education	0.6	0.2	0.1	0	0.3	0	0.3	0
Foreign	0	0	0	0	0.1	0	0	0
其它	8.3	9.3	12.8	13	15.4	13.5	18.8	13.7

Source : CSM Rating China TV market review 2015

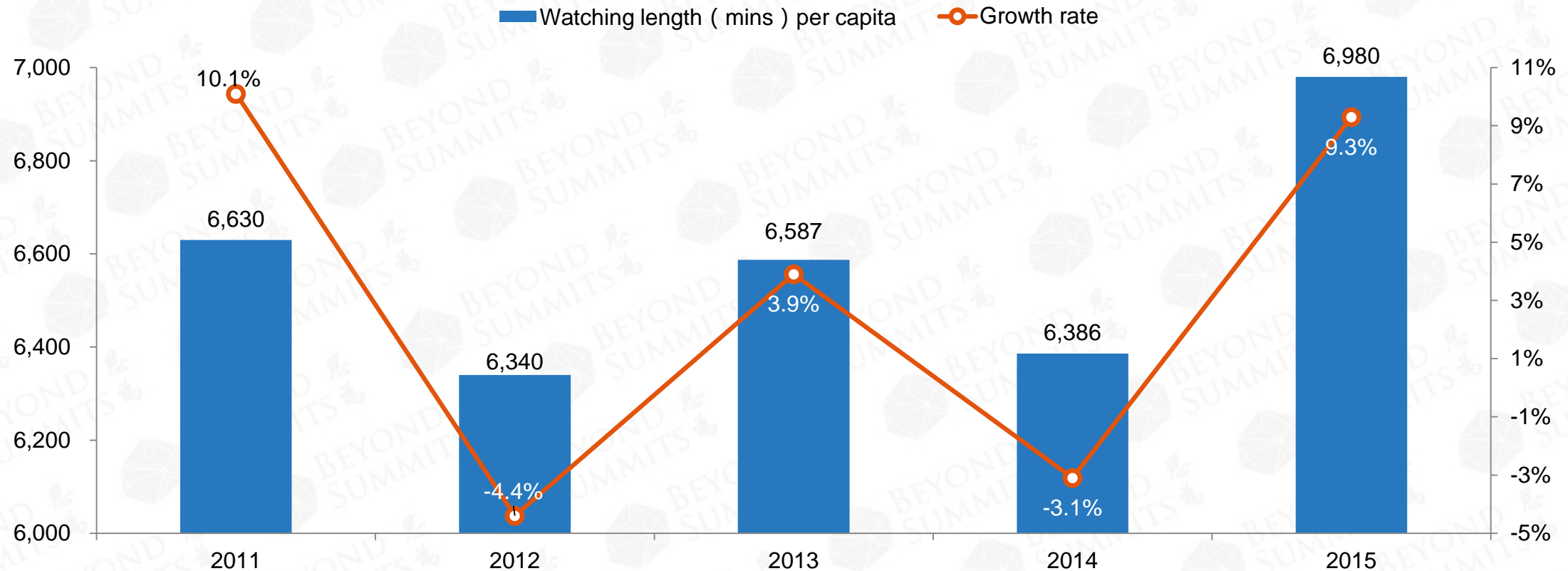
In 2015, among all CCTV channels, CCTV-Comprehensive got the highest rating, followed by CCTV-Movie, CCTV-Variety Shows and CCTV-News(Chinese).

2015 CCTV Channels' Ratings



The watching length of TV variety show had a significant increase in 2015.

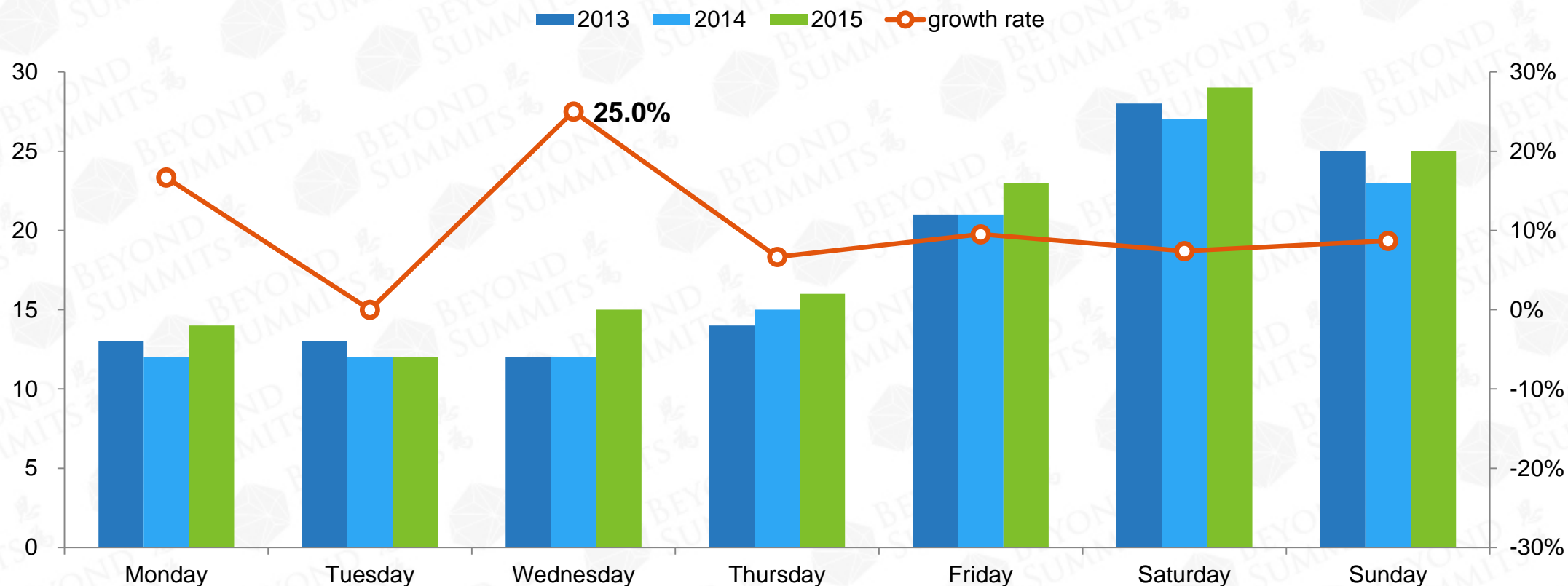
Variety Shows Watching Length per Capita and Growth Rate from 2011 to 2015



Source : Analysis on the Rating of Variety Shows in 2015

Due to the fierce competition of TV variety shows in the weekend, some TV channels were forced to broadcast their shows on the weekday, resulting in a substantial increase of ratings on Wednesday.

Weekly Watching Length of Variety Shows per Capita and Growth Rate 2011-2015



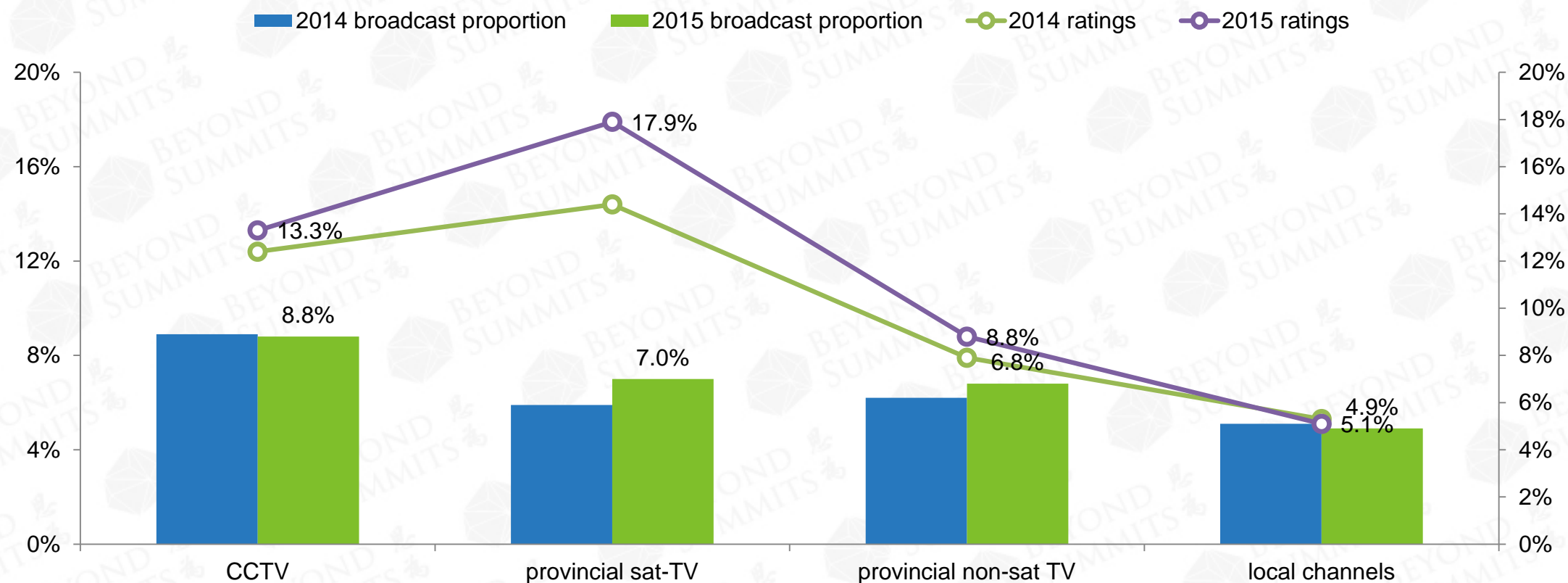
Source : Analysis on the Rating of Variety Shows in 2015

Audience of different ages preferred different variety shows. Audiences aged under 54 preferred variety shows in provincial TVs, while those aged over 54 year old preferred variety shows in CCTV.

Watching Length (mins) of Variety Shows				
Age	CCTV	Provincial TV	Ground Channels	Other Channels
4-14	1,128	3,482	659	14
15-24	1,014	2,988	733	27
25-34	1,179	2,886	861	34
35-44	1,775	3,229	1,054	25
45-54	2,894	3,889	1,971	39
55-64	4,383	3,894	2,678	33
Over 65	5,573	3,393	2,352	28

Affected by related policy, the rating of variety shows in the provincial satellite channels has increased significantly in 2015.

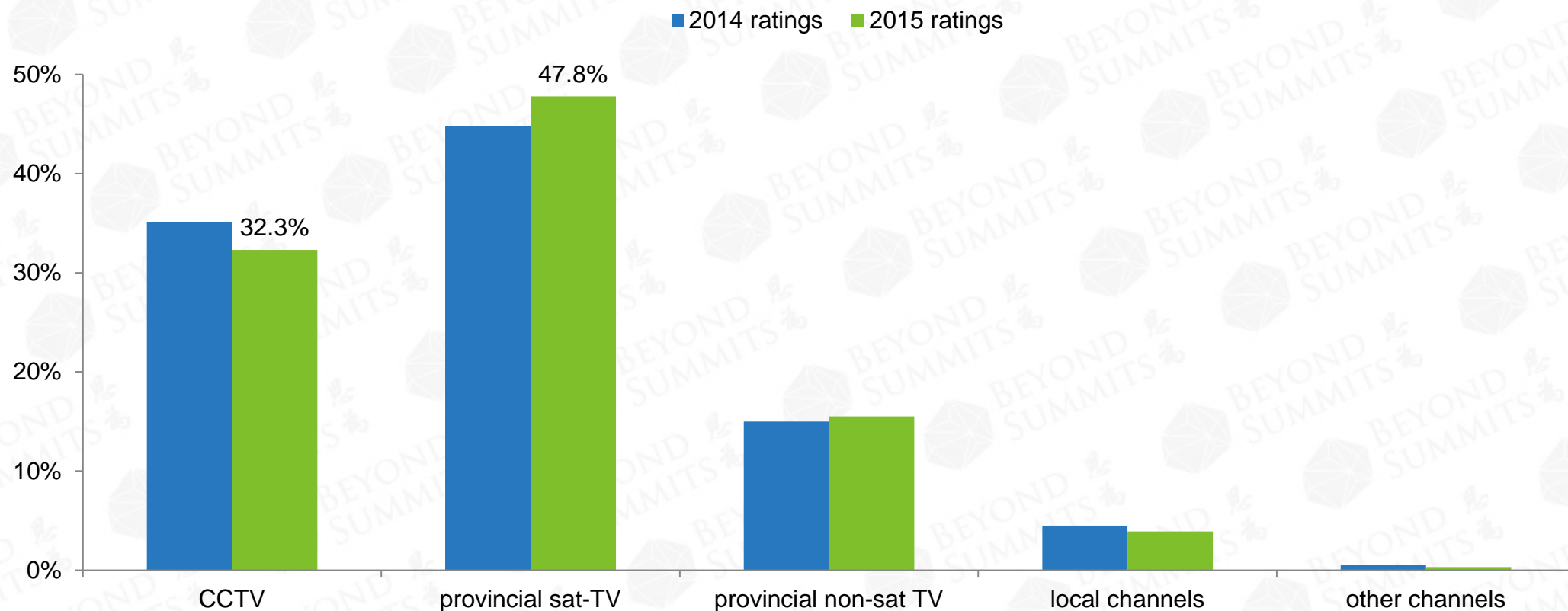
The Proportion of Variety Shows in All Programs 2014-2015



Source : Analysis on the Rating of Variety Shows in 2015

The variety shows of provincial satellite channels had got the highest ratings in 2015.

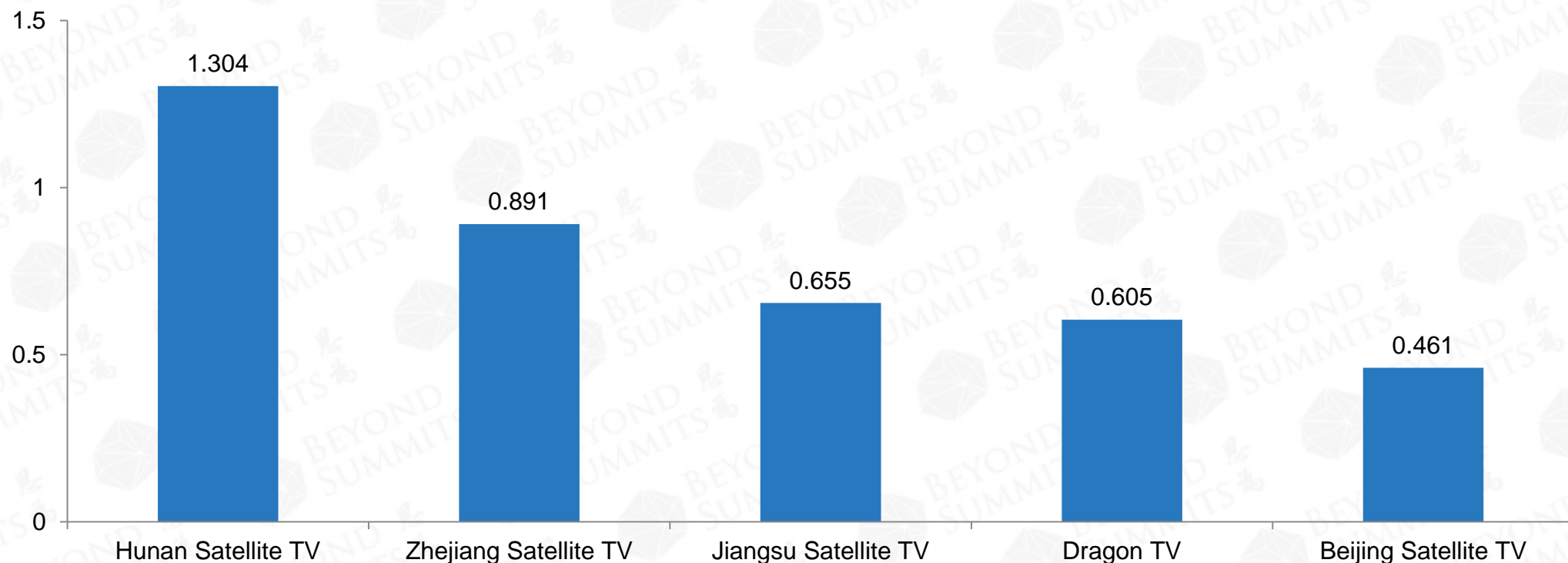
The Ratings of Variety Shows Broadcasting in Different Channels 2014-2015



Source : Analysis on the Rating of Variety Shows in 2015

Hunan Sat-TV variety shows had the highest average rating in 2015.

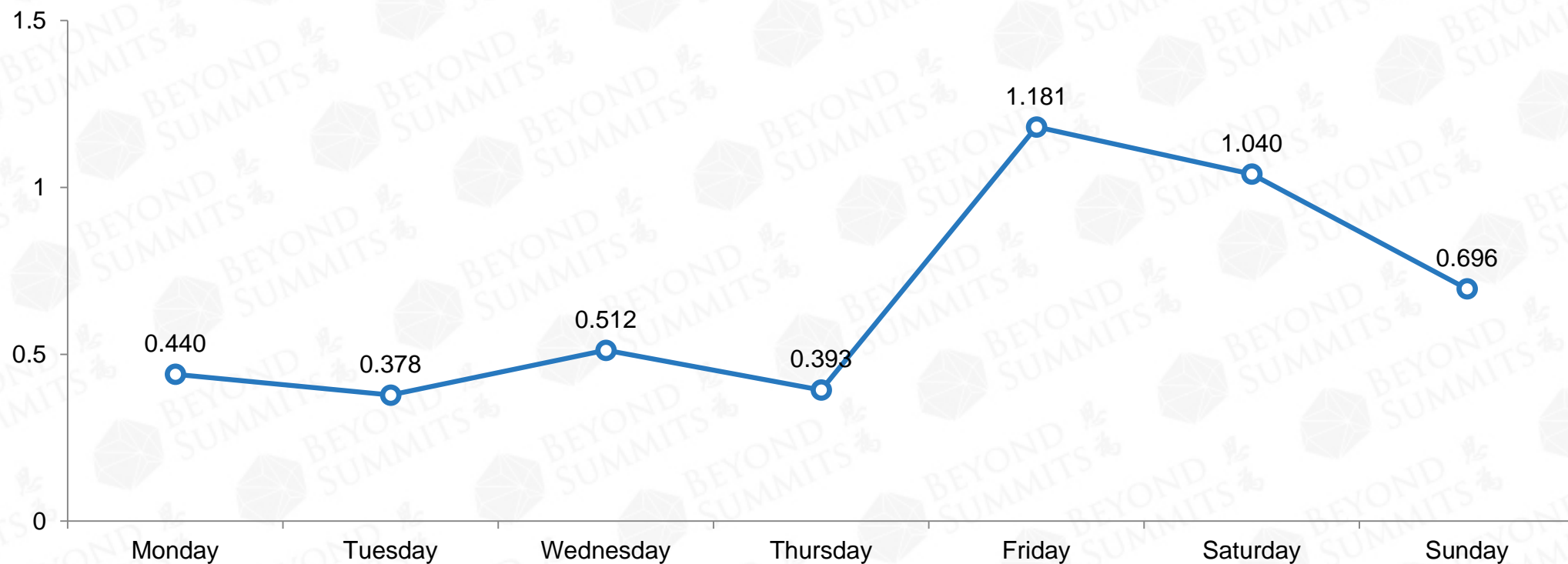
Variety Shows' Average Ratings in the Evening in 2015



Source : CSM50 4+

The variety shows competed fiercely with each other during the golden time of Friday and Saturday, forcing the TV shows to arrange their broadcasting schedule on Wednesday and Sunday.

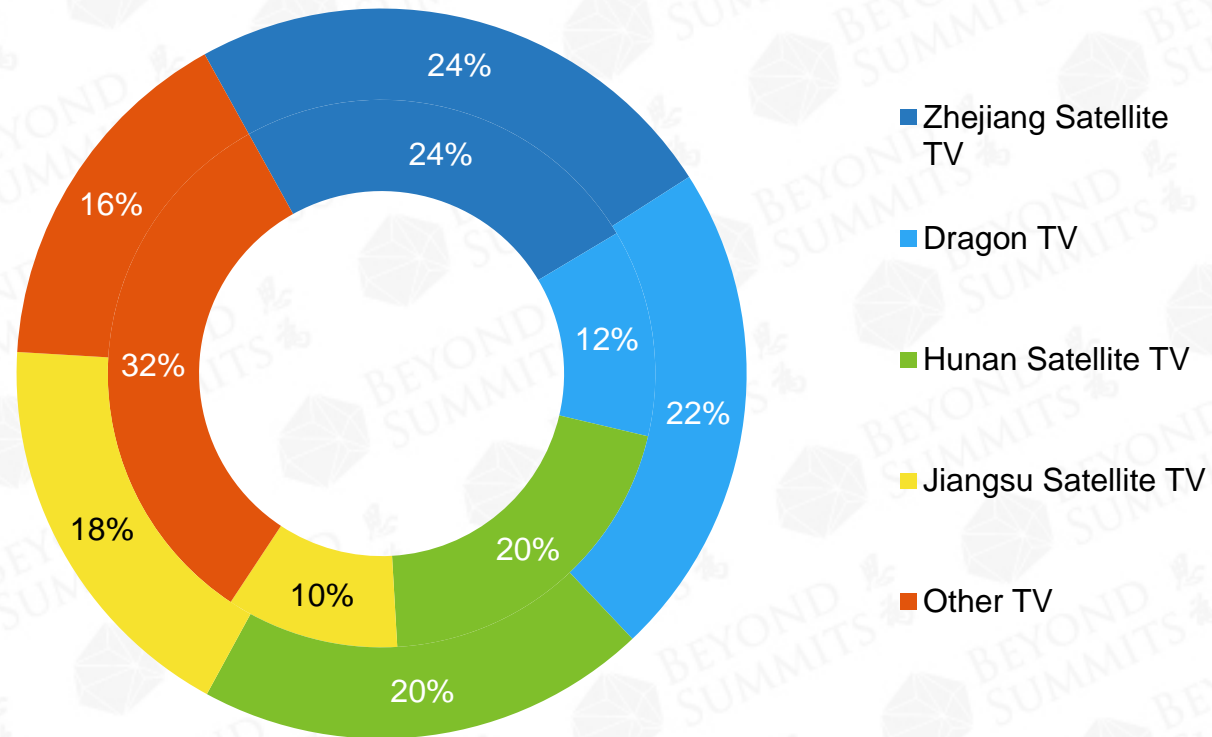
**Viewing Trends
Of TV Variety Shows Per Week**



Source : CSM50 4+

In 2015, the number of first-tier sat-TV programs rose to 42, accounting for 84%. The proportion of Zhejiang satellite TV and Hunan satellite TV programs remained unchanged, but Zhejiang satellite TV programs got a higher program ranking.

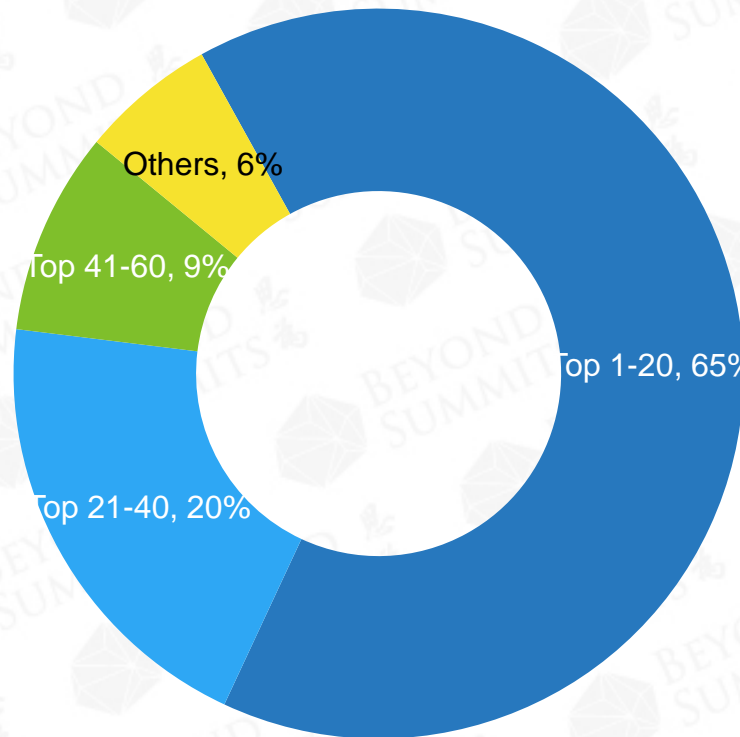
Shares of Top Variety Shows
Of Different Sat-TVs



Source : CSM50 4+ , Outer Ring is 2015 , Inner Ring is 2014

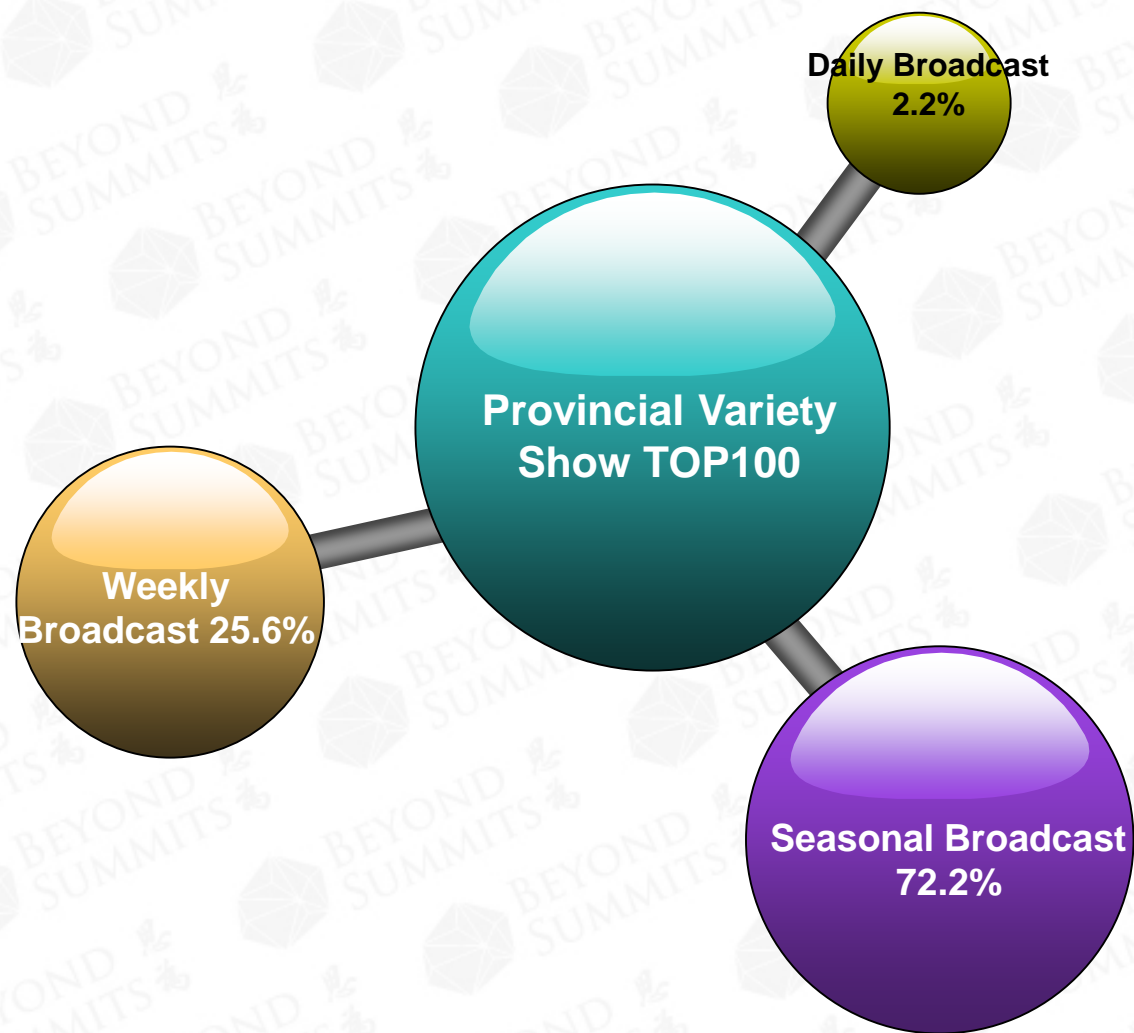
In recent years, Matthew Effect was obviously seen in variety shows. Among the Top 200 Sat-TV variety shows, Top 20 of them have contributed to 65% of the total views.

The Proportion of Views of TOP 200 Sat-TV Variety Shows in 2015



Source : Provincial TV variety shows list

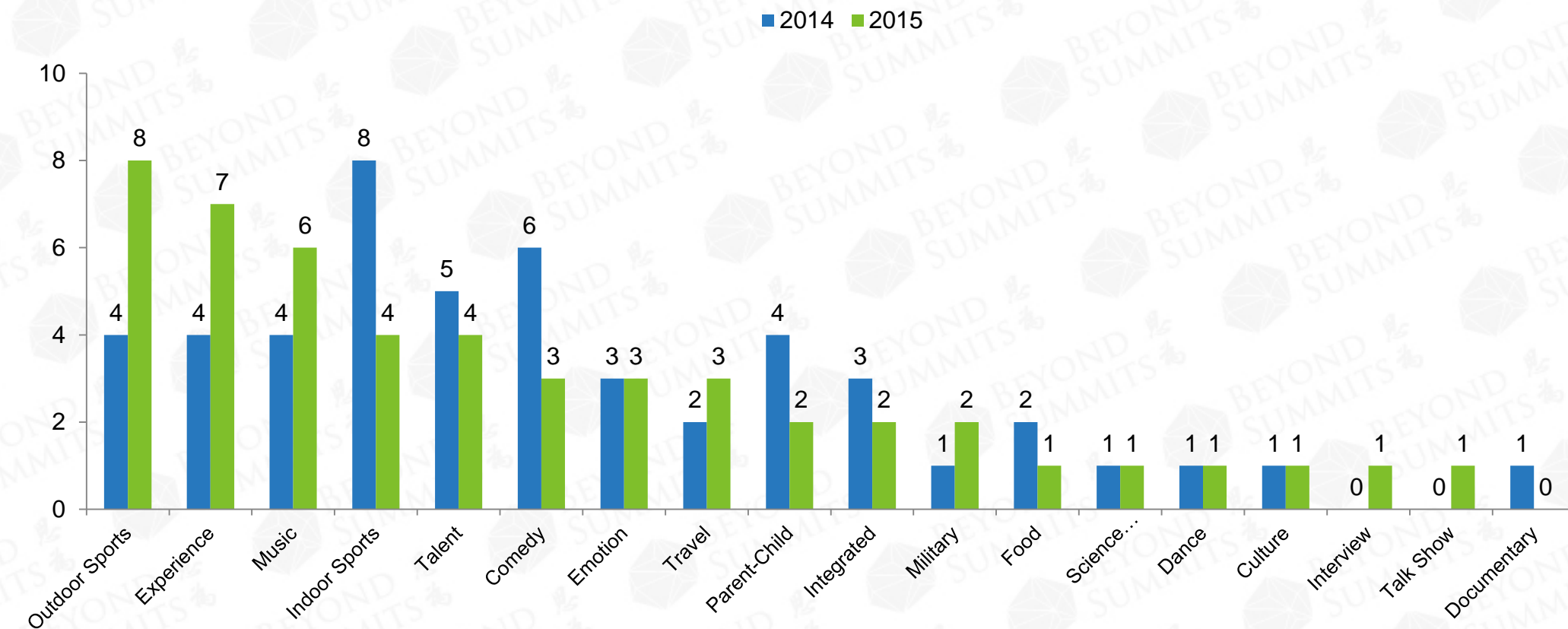
In recent years, seasonal variety shows are becoming more popular. Among Top 100 sat-TV variety shows, almost 75% of the total views were brought by seasonal variety shows.



Source : Provincial TV variety shows list

In 2015, there were still diversified kinds of TV variety shows, but the number of outdoor shows have increased significantly.

The Number of Top 50 Sat-TV Variety Shows by Category 2014-2015



Source : CSM50 4+

In 2015, almost all the TOP20 evening variety shows were broadcasted by Zhejiang TV, Hunan TV, Dragon TV and Jiangsu TV.

TOP 20 Sat-TV Evening Variety Shows in 2015 (CSM50 4+)

Program	Channel	Ratings (%)	Market Share (%)
The Voice of China 4	Zhejiang Satellite TV	4.865	16.01
Running Man 2	Zhejiang Satellite TV	4.756	15.55
Running Man 3	Zhejiang Satellite TV	4.310	14.43
Running Man 1	Zhejiang Satellite TV	3.763	11.39
I am A Singer 3	Hunan Satellite TV	2.723	12.53
Xiao Ao Jiang Hu 2	Dragon TV	2.320	7.66
Where Are You Going Dad 3	Hunan Satellite TV	2.262	10.75
Happy Camp	Hunan Satellite TV	2.195	6.11
Go Fighting	Dragon TV	2.151	7.02
Challenger Alliance	Zhejiang Satellite TV	2.118	6.00
Super Brain 2	Jiangsu Satellite TV	2.102	6.85
Up Idol	Hunan Satellite TV	2.026	9.76
You Are the One	Jiangsu Satellite TV	1.770	5.83
Wonderful Friends	Hunan Satellite TV	1.699	7.58
Day Day Up	Hunan Satellite TV	1.544	4.28
Successor	Beijing Satellite TV	1.477	4.51
Hidden Energy	Zhejiang Satellite TV	1.432	4.48
Dad came back	Zhejiang Satellite TV	1.430	4.13
Fight For Her	Jiangsu Satellite TV	1.356	3.95
I Like the Challenge	Dragon TV	1.306	6.23



The title sponsorship for those popular variety shows are becoming more expensive, and are mainly sponsored by advertisers from FMCG industry.

2013-2015 Variety Show Title Sponsorship					
Channel	Program	Quarter	Year	Fees	Title Sponsorship
Hunan Satellite TV	I am A Singer	S1	2013	60million	Liby Laundry Liquid
		S2	2014	0.235billion	Liby Laundry Liquid
		S3	2015	0.3billion	Liby Soap
Hunan Satellite TV	Where Are You Going Dad	S1	2013	60million	999
		S2	2014	0.312billion	Yili QQ Star
		S3	2015	0.5billion	Yili QQ Star
Zhejiang Satellite TV	The Voice of China	S1	2012	60million	JiaDuoBao
		S2	2013	0.2billion	JiaDuoBao
		S3	2014	0.25billion	JiaDuoBao
		S4	2015	0.3billion	JiaDuoBao
Zhejiang Satellite TV	Running Man	S1	2014	0.13billion	Lamando
		S2	2015	0.216billion	Ambrosial
		S3	2015	0.338billion	Meilishuo
Jiangsu Satellite TV	Super Brain	S1	2014	60million	Gionee
		S2	2015	0.25billion	SATINE
Dragon TV	Go fighting!	S1	2015	0.12billion	TMALL



With the development of Internet TV, the users return to the living room. On one hand, users can enjoy Internet content through a large screen in the living room; on the other hand, promoted by the Internet TV industry, a large number of users have begun to try some new entertainment in the living room.

The trend of Chinese audience returning to the living room in 2016

- Intelligent TV, with more features, more intelligent and controllable.

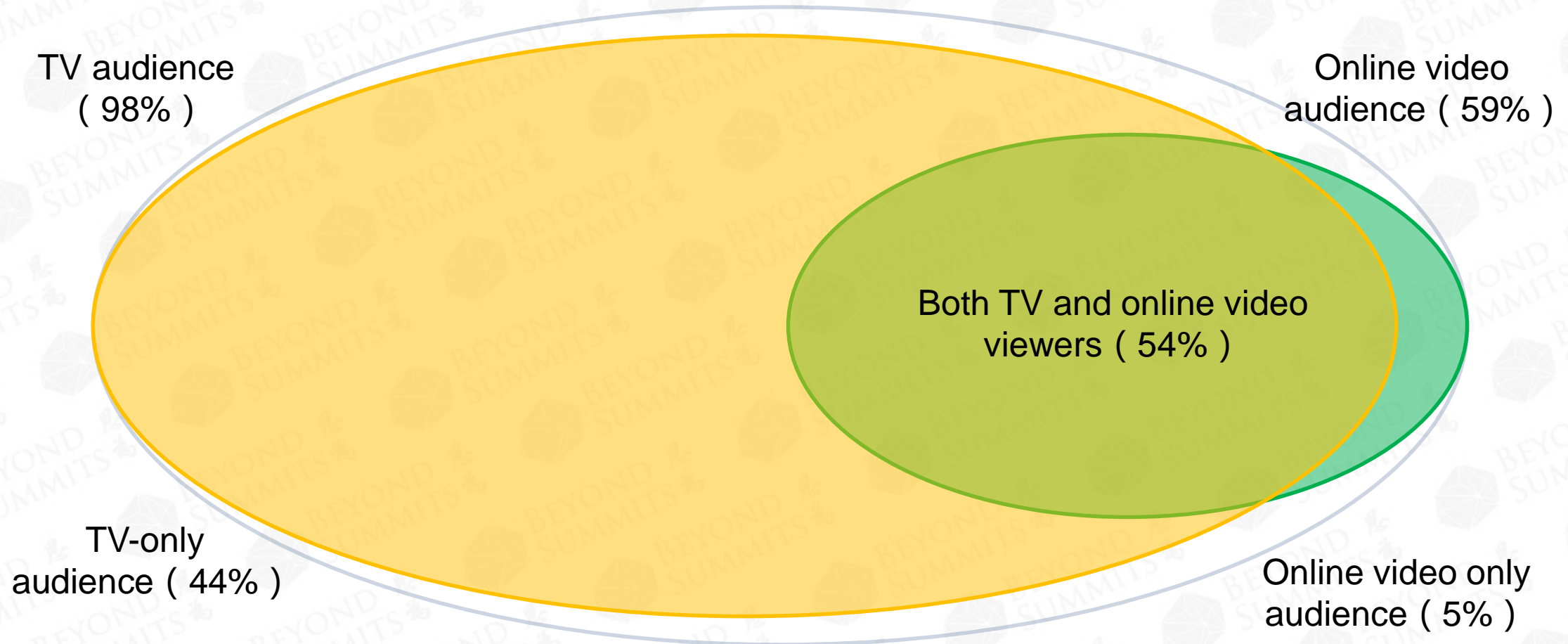
- Users have got used to the internet services, and are more demanding for large screens



- With Interactive TV, the user does not have to accept the television program passively.

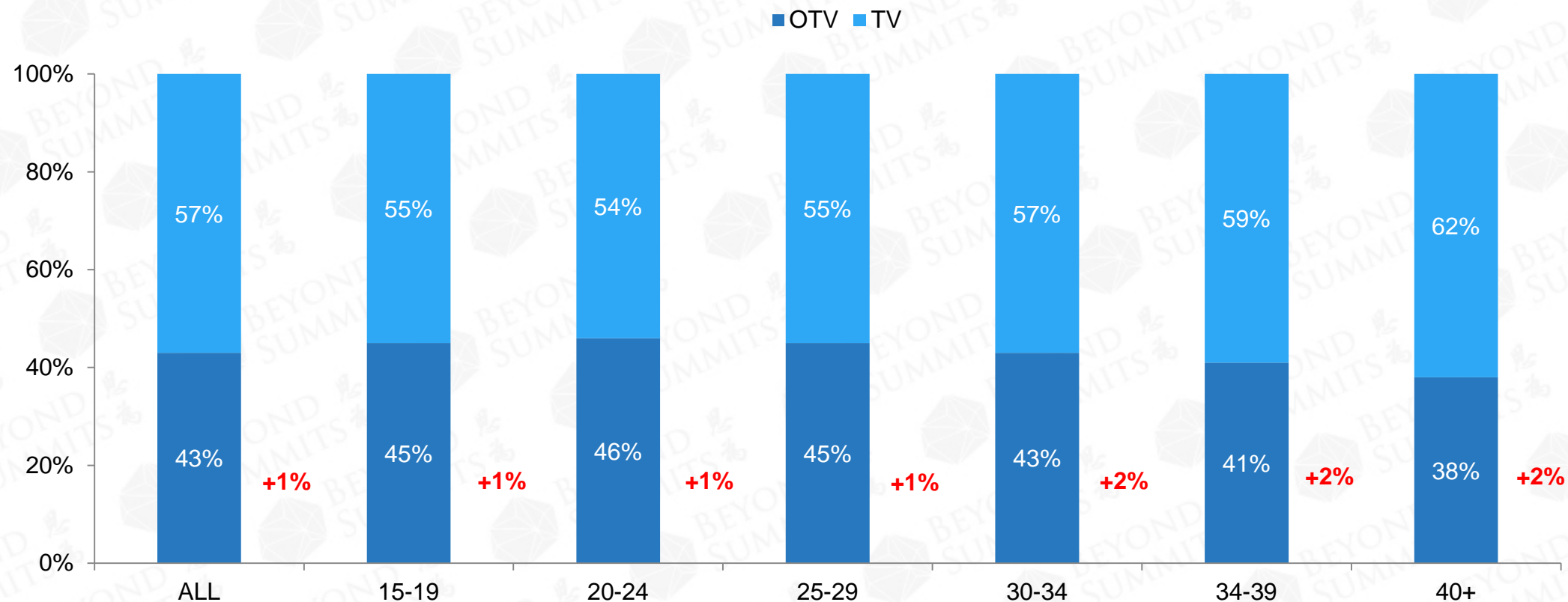
- Habits of using mobile electronic products accelerate the upgrade of electronic devices.

Users who watch both TV and online videos have exceeded 50%, while TV-only audience was less than 45%. TV-only audience will keep decreasing in the future, and there will be more audience who enjoy both media.



In 2015, although lots of audience still consumed quite an amount of time on TV, but the time spent on the online videos were rising for users of different ages.

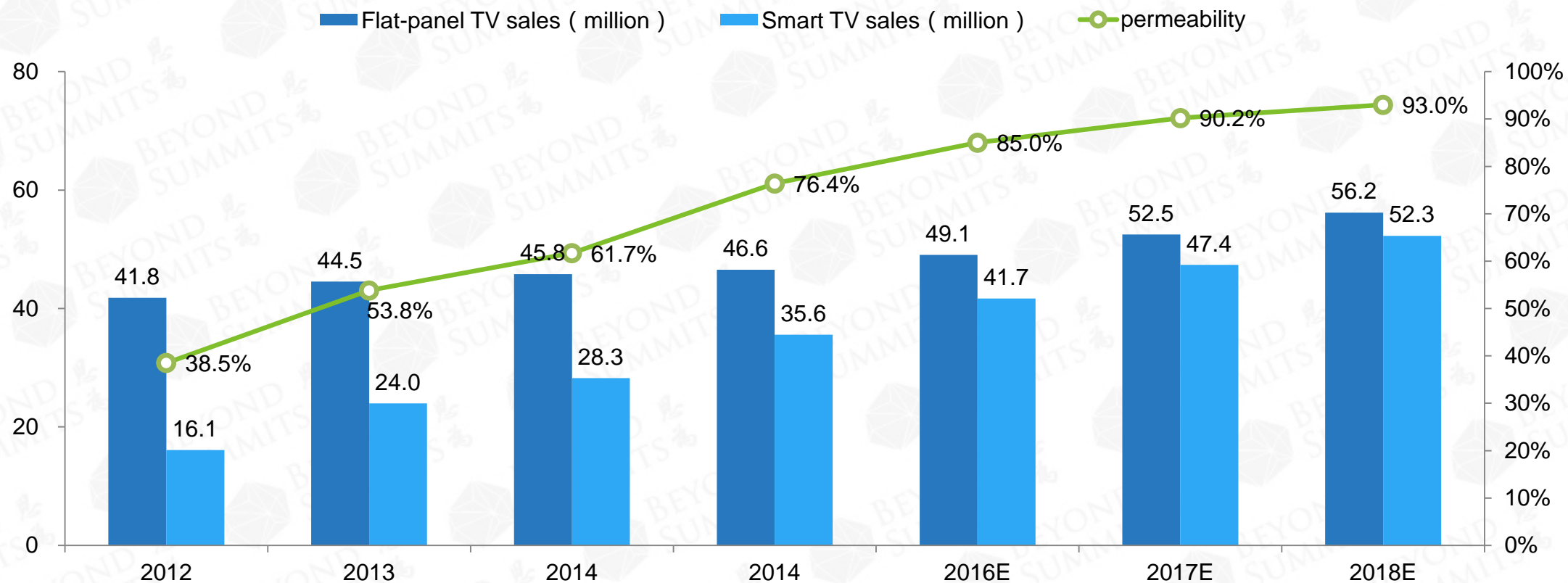
Time Spend on Television and Online Videos in 2015



Source : 2015 TV and Video Dual-Screen Report

In the coming few years, the smart TV will become more popular in China. In 2016, smart TV's penetration will reach 85%.

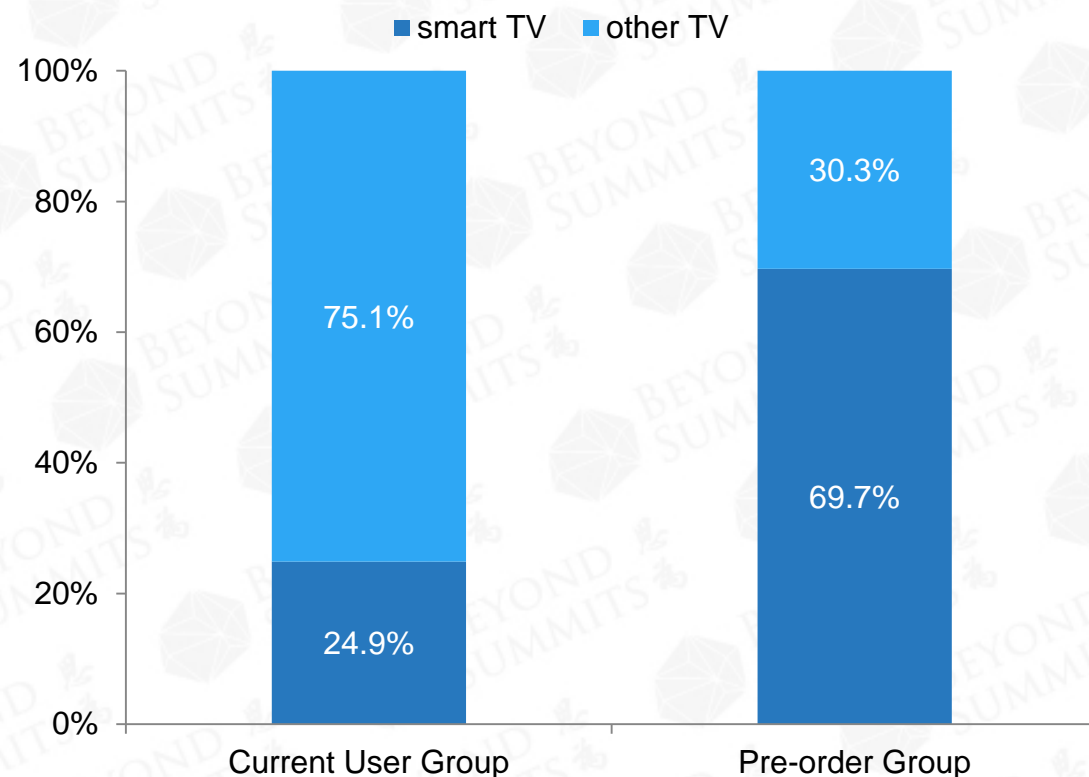
Smart TV Sales in China from 2012 to 2018



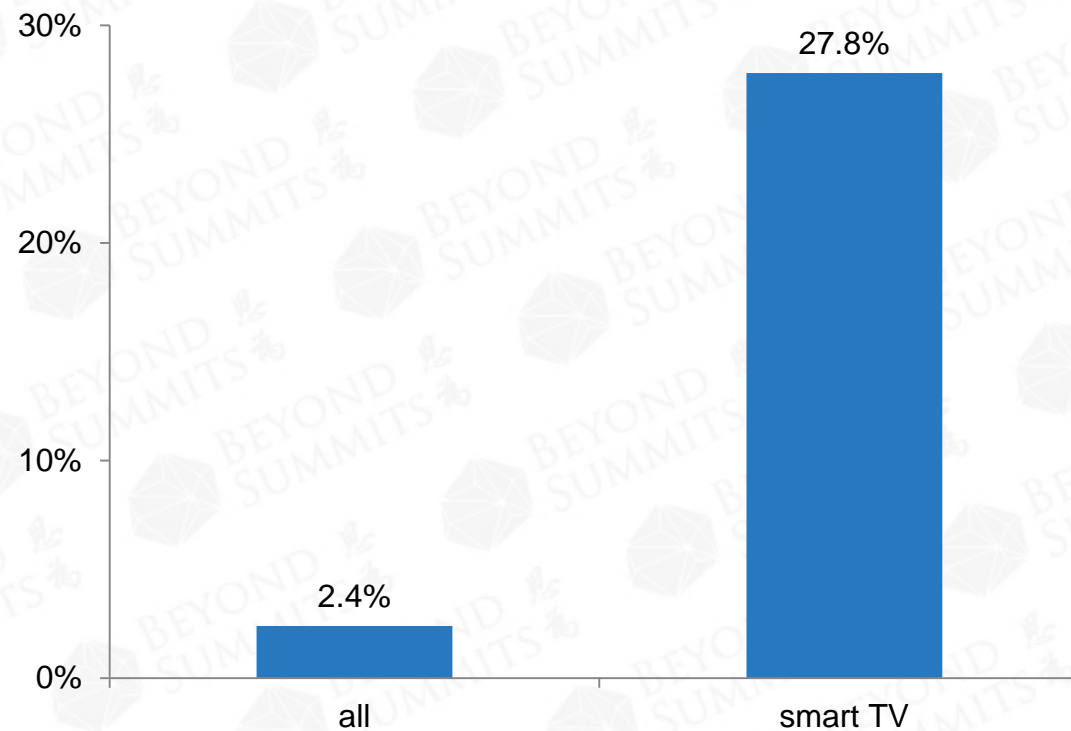
Source : 2016 China's Internet TV Industry Research Report

Smart TV users accounted for 70% of all the pre-order consumers. Smart TV users increased rapidly with a 27.8% growth rate.

Smart TV Users and Pre-order Consumers



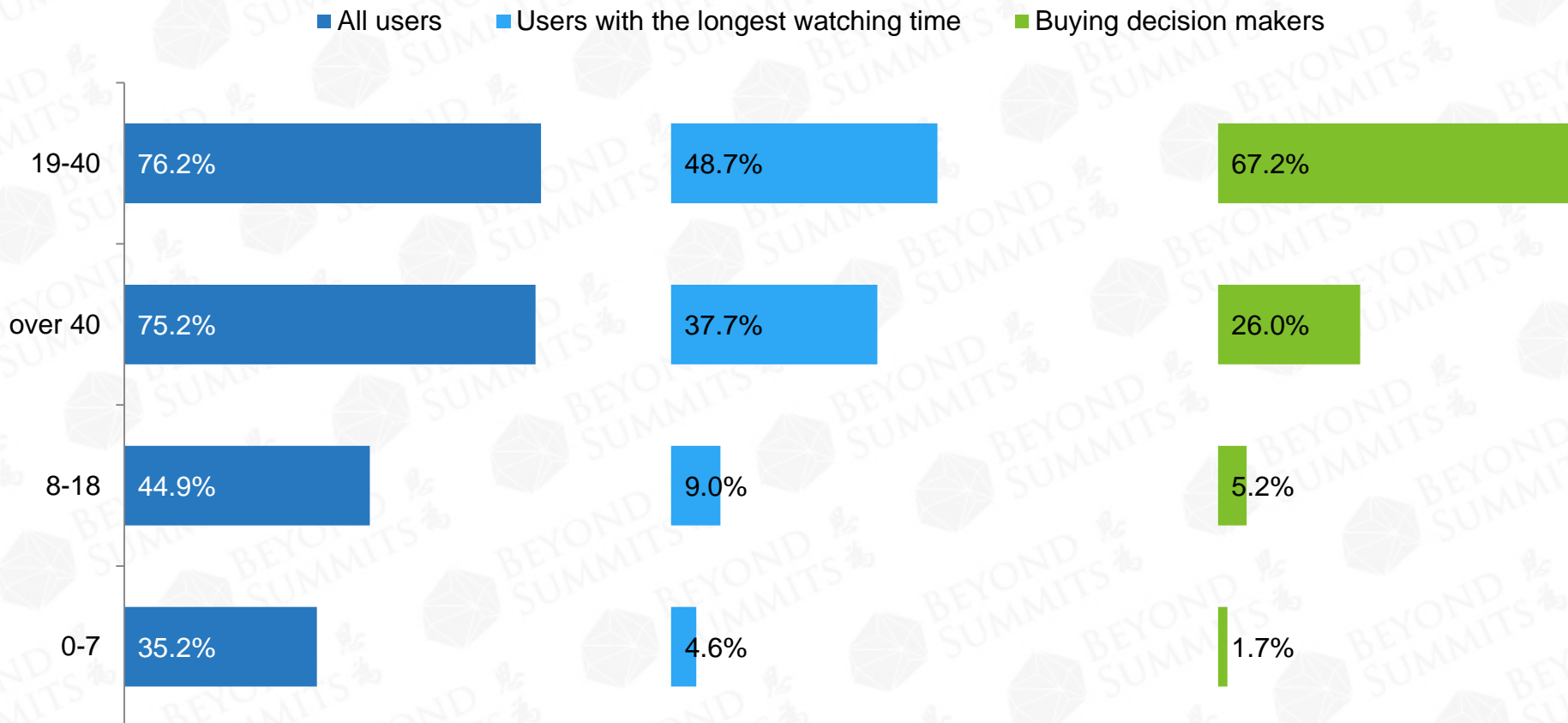
User Growth Year on Year



Source : China 's smart TV market research report

People aged 19-40 are the most important audience for Internet TV, and most purchasing decisions were made by them.

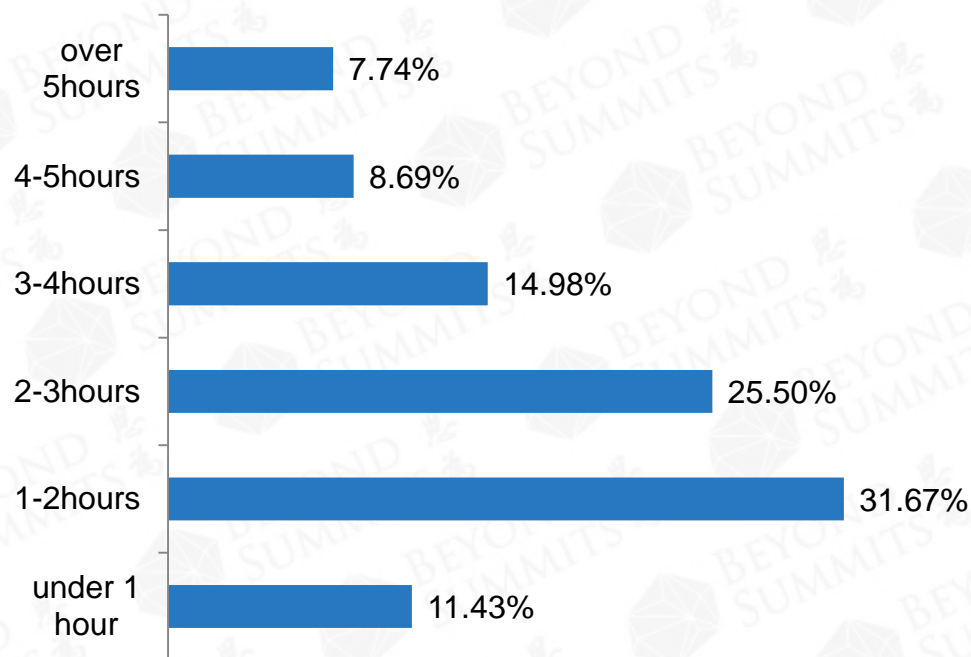
China Internet TV Users in 2016



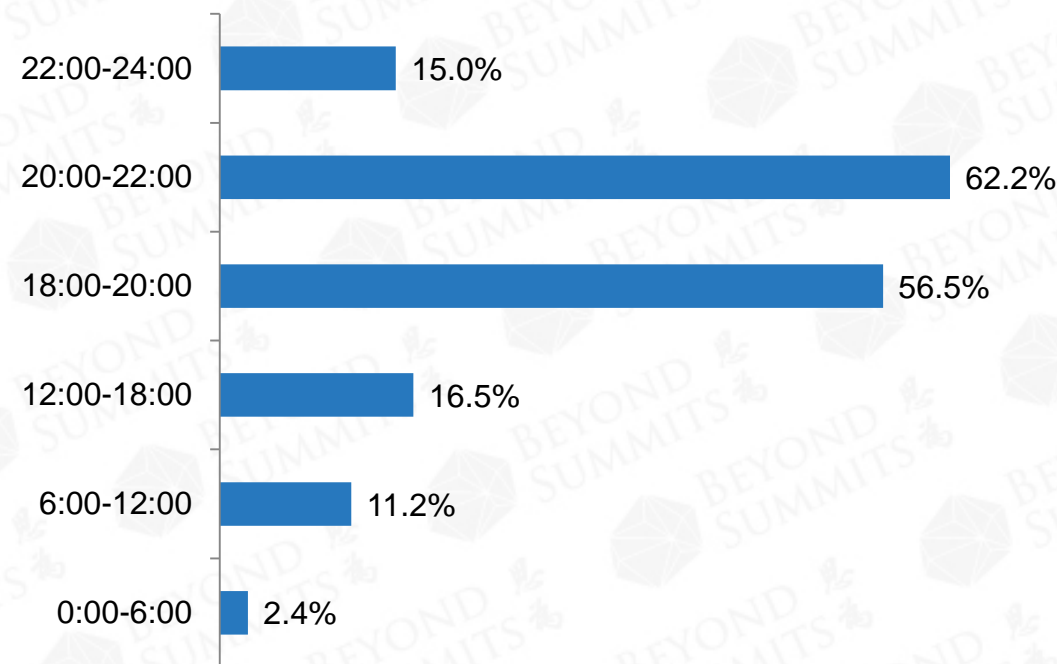
Source : 2016 China's Internet TV Industry Research Report

In 2015, netizens preferred to spend about 3 hours on TV. And evening prime time (8 p.m.-10 p.m.) was the peak watching time.

Time Internet Users Spent on TV in 2015



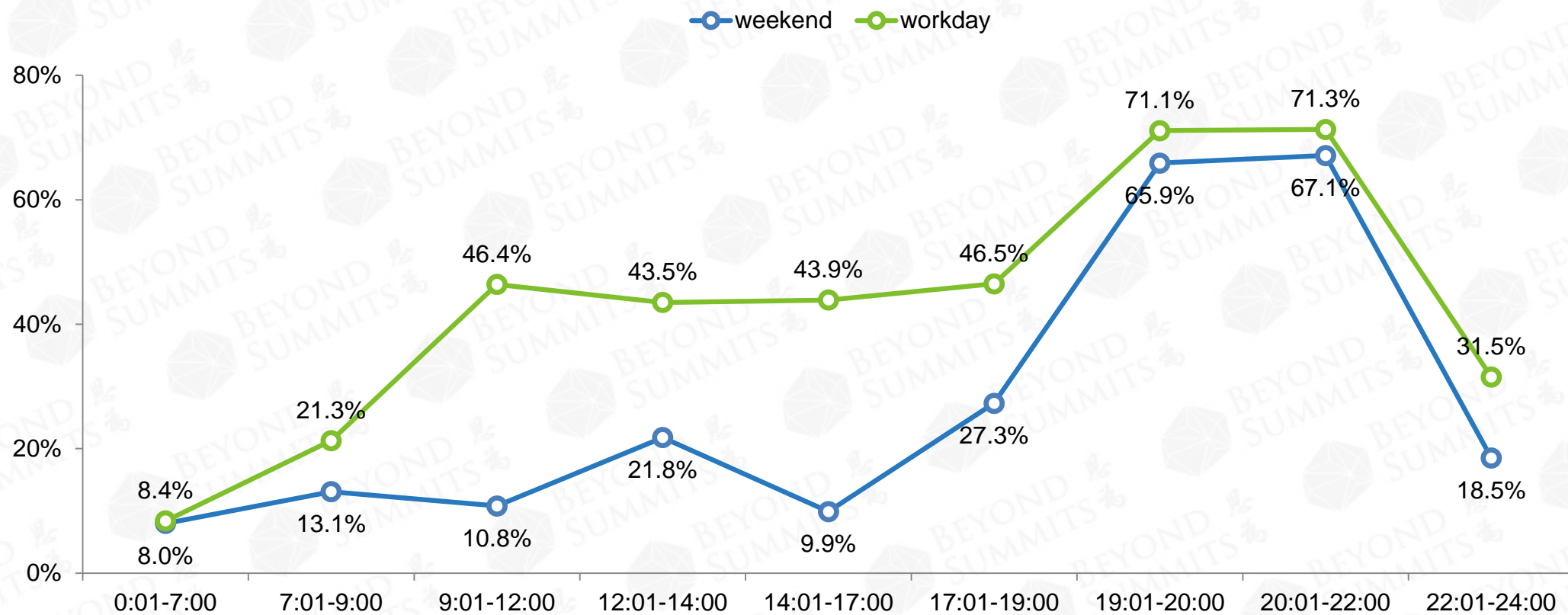
Time Period that the Internet Users Watch TV



Source : Iresearch

On weekdays, Internet users watch TV mainly at the prime time of the evening, while in the weekends, any time was comfortable for them to watch TV.

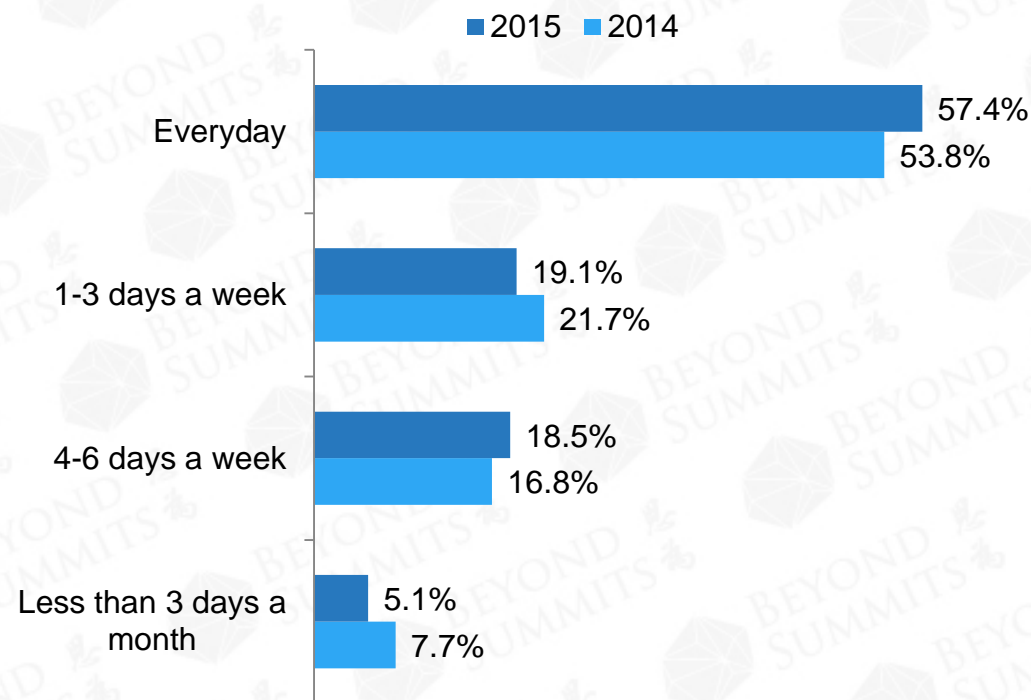
Time that Users Watch Internet TV in 2016



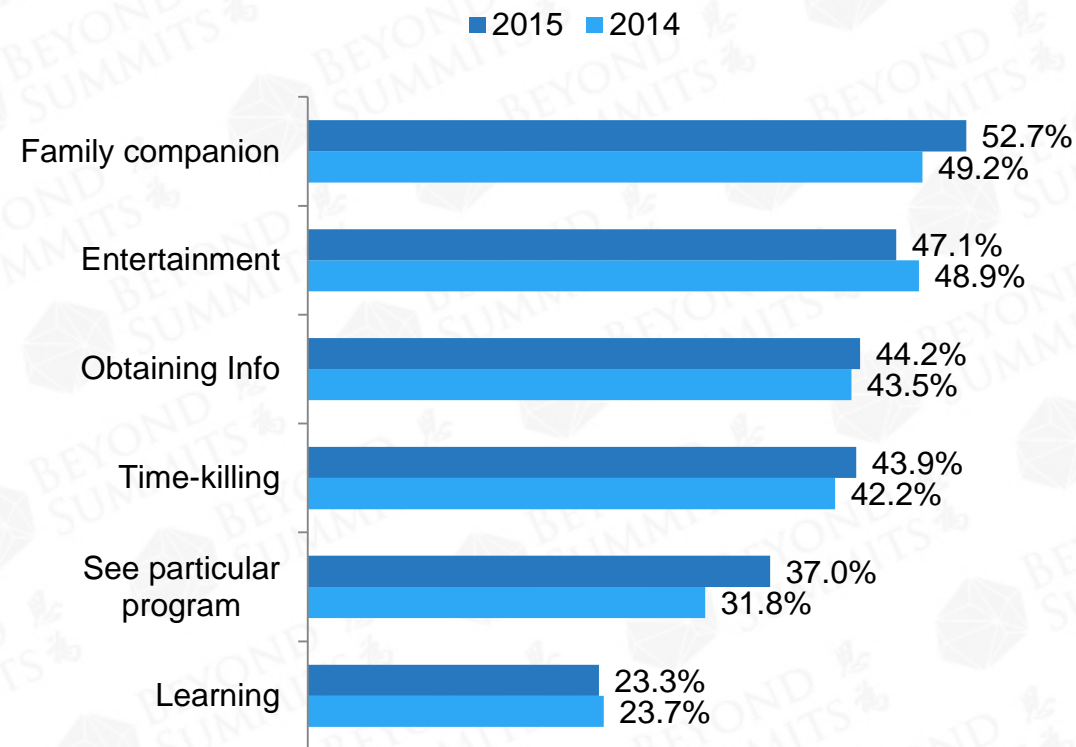
Source : CSM Rating China TV market review 2015

Those who watch TV everyday accounted for 57.4%. Accompanying with family members was the most important reason for Internet users to watch TV. Watching TV becomes an emotional communication.

TV Watching Frequency of Internet Users in 2014-2015

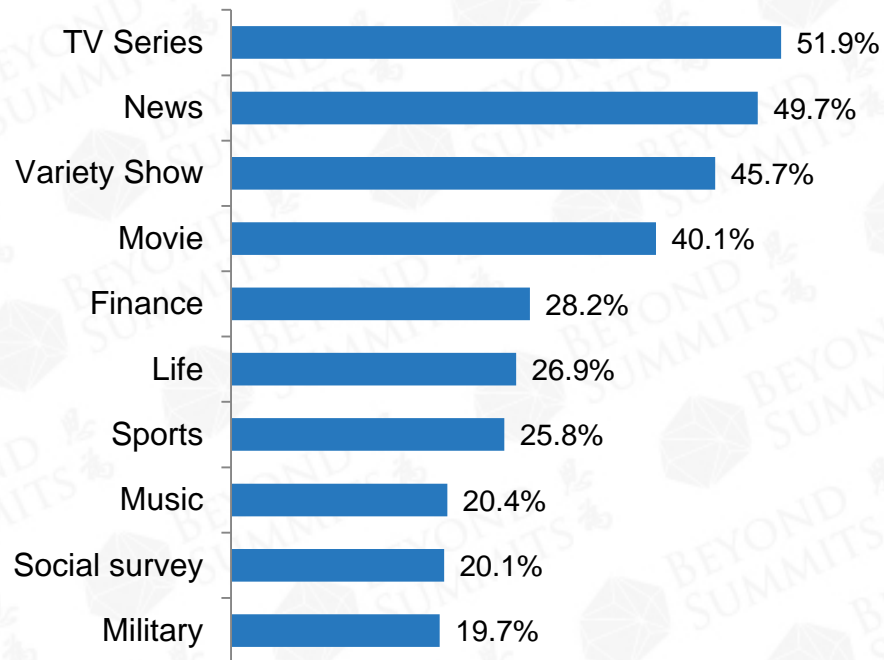


Why Internet Users Watch TV in 2014-2015

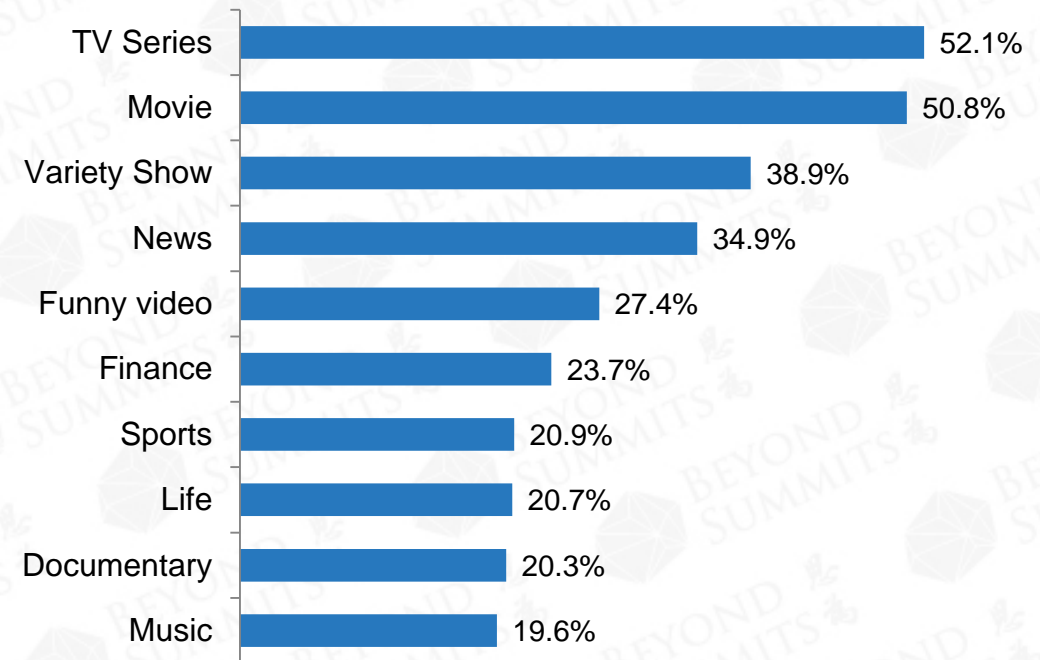


What internet users watch on TV are quite similar with what they watch online. TV series, variety shows, movies and news were Internet users' favorites.

What Internet Users Watch on TV in 2015

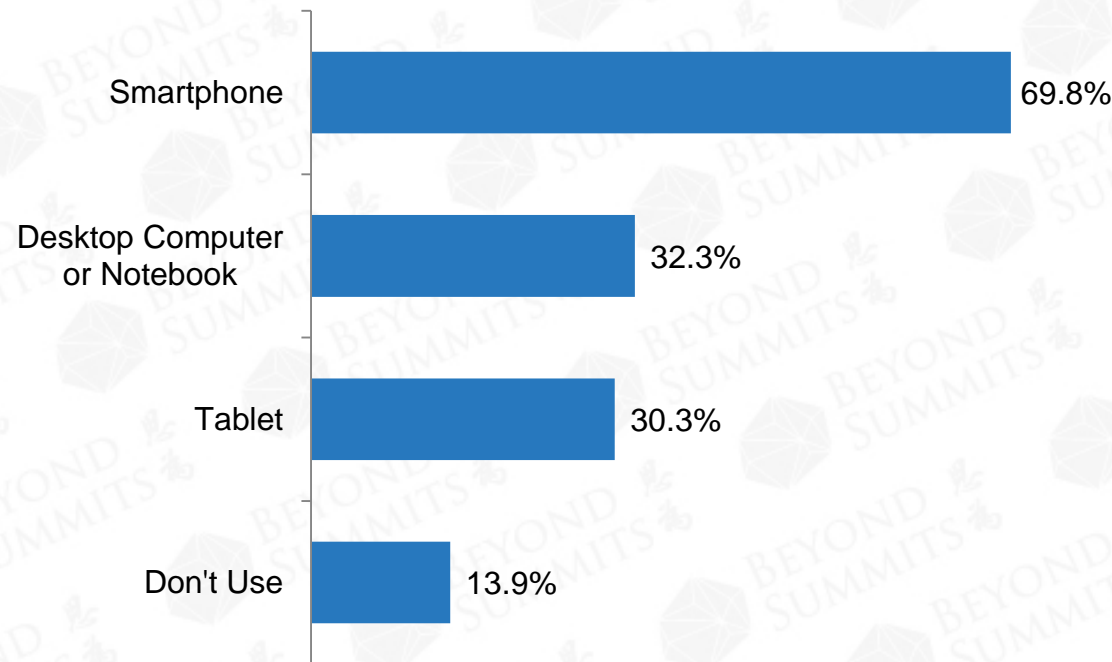


What Internet Users Watch Online in 2015

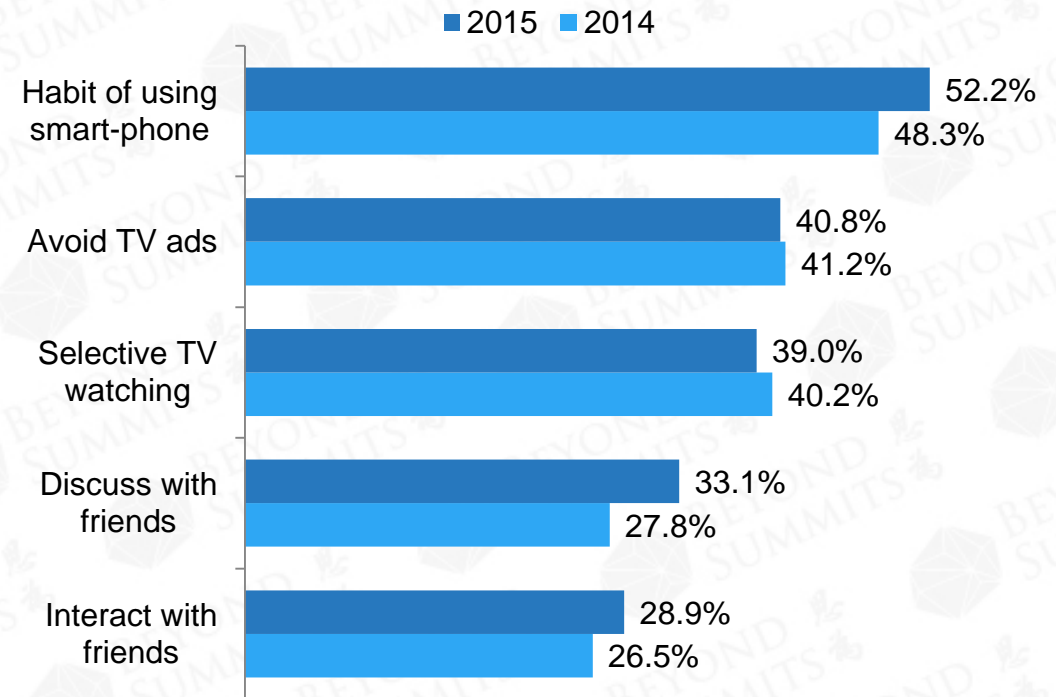


Smart phones were the most commonly used devices when Internet users were watching TV. The major reason is that they need to discuss and comment on programs with the others .

Devices Used by Internet Users While Watching TV in 2015

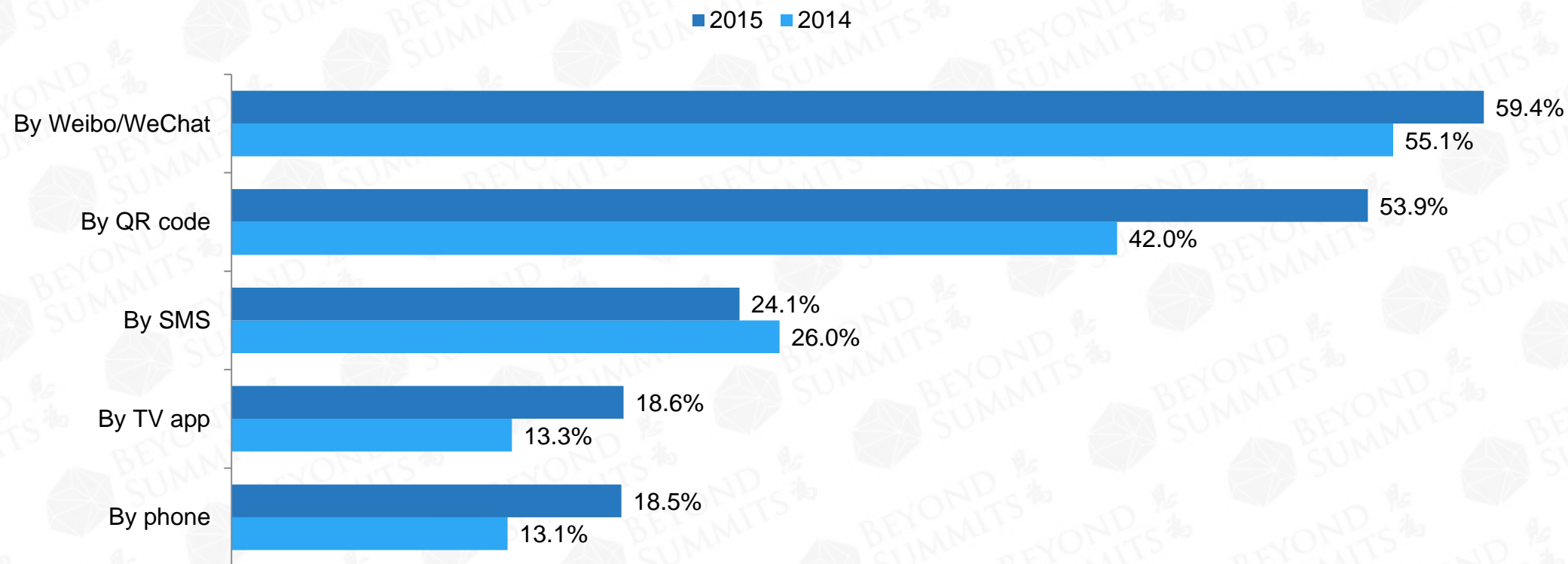


Why Internet Users Use Other Devices While Watching TV in 2015



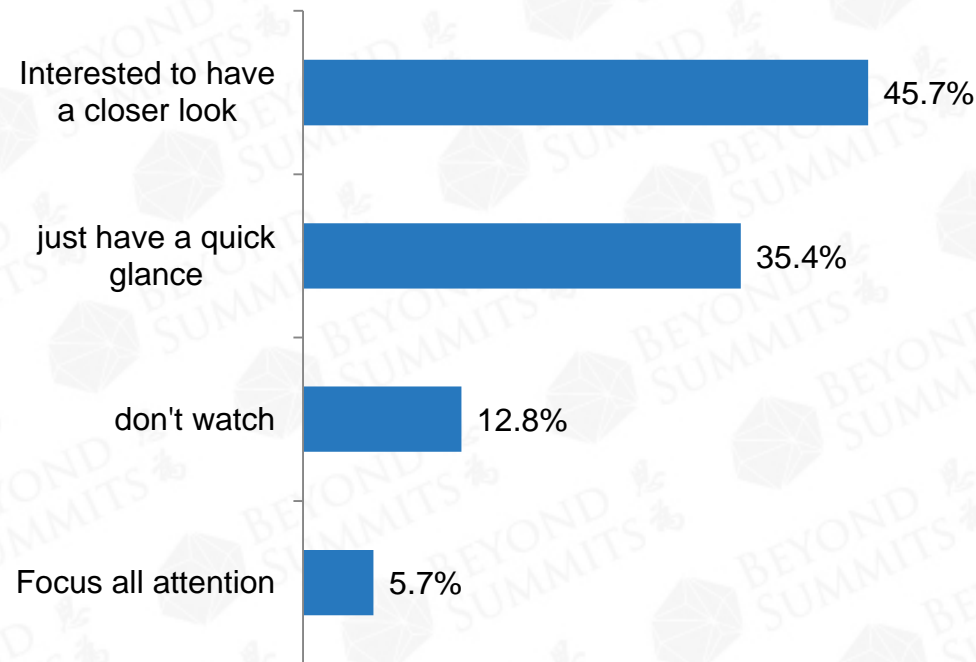
Social media has been one of the main channels for Internet users to interact with others when watching TV.

How Internet Users Interact with the Others when Watching TV in 2015

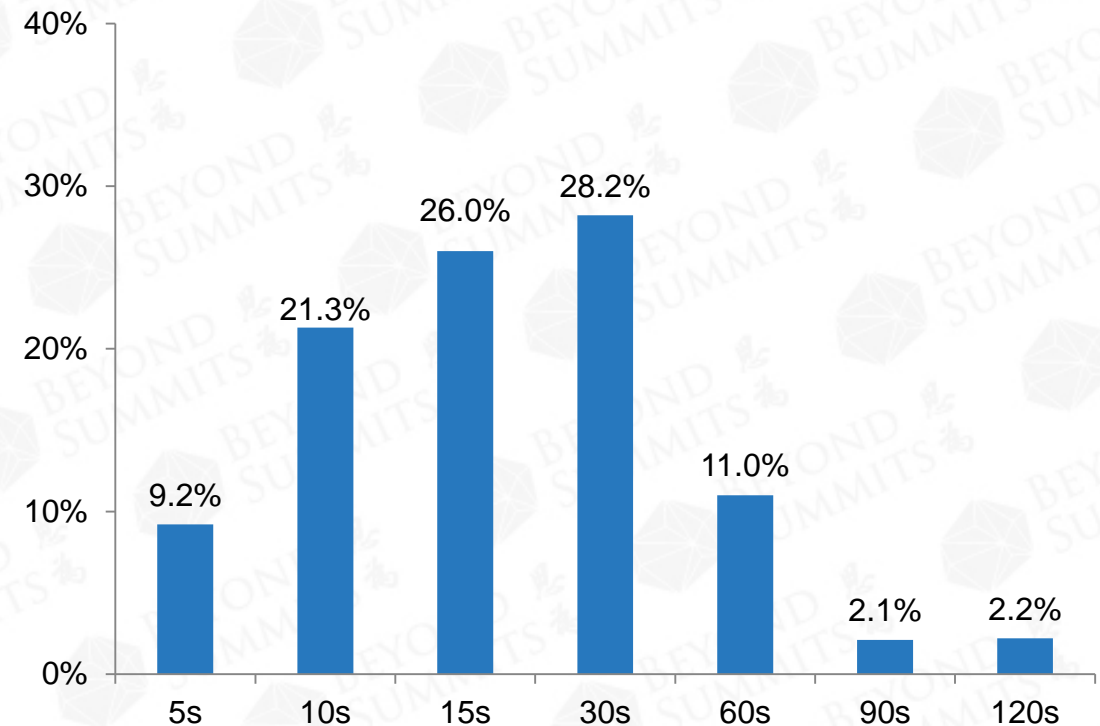


Most Internet TV users have positive attitudes towards ads to different extent. And most of the users can accept ads of no more than 30 seconds.

Internet TV Users' Attitudes Towards Ads in 2016



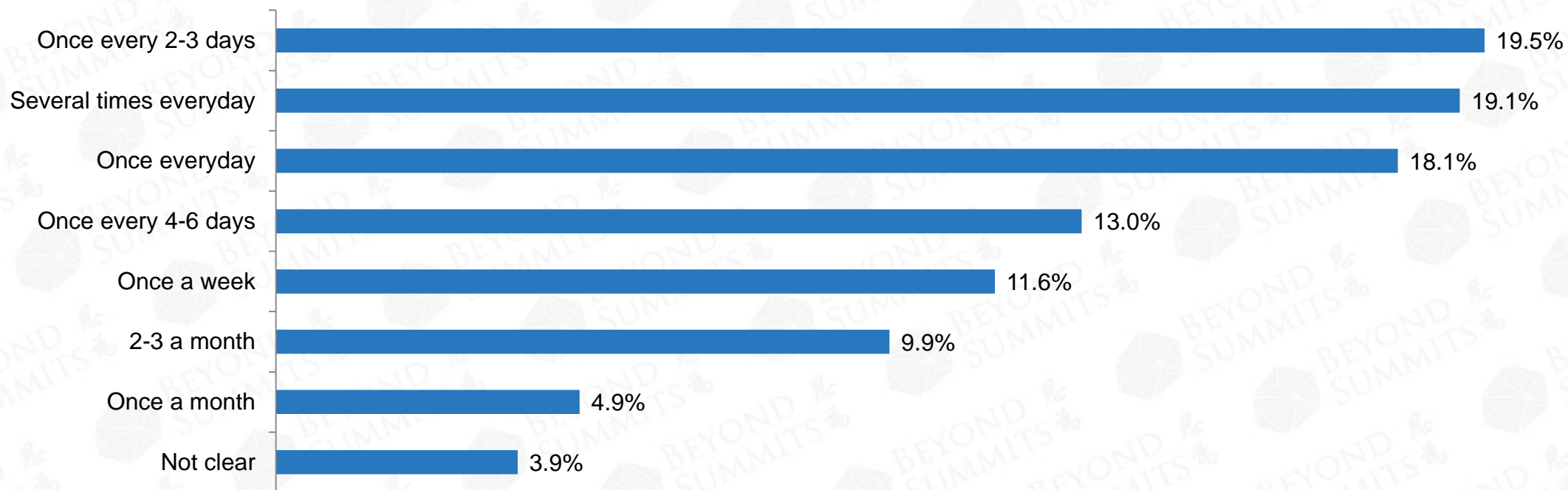
The Length of the Ads That Internet TV Users Can Accept in 2016



Source : 2016 China's Internet TV Industry Research Report

Not so many Internet TV audience will frequently use mobile apps, and only 37.2% of them will use mobile apps every day.

Frequency of App Using for Internet TV Audience in 2016





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