



The BBC's Distribution Strategy

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Introduction

1. The UK has one of the most advanced media markets in the world and in it, the BBC's influence has been central, positive and innovative. Publically funded, with a unique public service mission, the BBC is the leading investor in British broadcast content and a cornerstone of the UK's creative industries.
2. In recent years, the speed at which the UK media sector is changing has increased. Traditional players, including the BBC, are now a smaller part of the overall market, as global internet companies in particular grow their content businesses and increase their influence.
3. However, in this rapidly changing market place with so much on offer to consumers, the role of the BBC has never been so important. The BBC was founded on a simple, democratic idea: that everybody should have access to the best programmes and services.
4. As the BBC approaches its centenary, its universal public service mission remains unique: to offer high-quality distinctive services that inform, educate and entertain. The BBC serves all audiences independent of any corporate or commercial interest.
5. Today, the BBC is near the outset of an 11-year Charter, following a review that involved Government, industry and more members of the public than ever before. Charter Review found that the BBC continues to matter deeply not only to people in the UK but also to people around the world. The BBC's role as a distinctive producer of British content and trusted news is an important asset for the UK and promotes British values around the world.

Context

6. If the BBC is to continue delivering its mission over the Charter Period, it must make the right strategic choices with regard to distribution. In the first place, there is a specific duty on the BBC to ensure that licence fee payers can conveniently access the UK Public Services¹. Secondly, the BBC has a duty to promote technological innovation to support the delivery of its public service mission and purposes.
7. How the BBC distributes its services will be critical to how successfully it delivers its mission. The more effectively and efficiently the BBC distributes its services, the more valuable they are to people. The more convenient they are to find, the more they will be used and the better value they deliver for licence fee payers. The more robust and higher quality the delivery, the more

¹ BBC Agreement, Clause 61

audiences appreciate the content. The less services cost to distribute, the more the BBC can spend on British content for everyone to enjoy. The clearer the BBC's branding, the more audiences recognise they are receiving public value.

8. The BBC performs well on these measures: its services are more widely distributed than any other broadcaster in the UK² and they are renowned for their robustness and quality, whether broadcast or online, demonstrating good value for money³. The BBC's aim is to sustain and build on this track record of public service delivery in a fast-evolving competitive environment.
9. This will involve extending a long BBC tradition of research and development, which has yielded new technologies and functionality to improve experiences for UK audiences. Much of this work is collaborative. For example, the BBC has worked flexibly with platform providers to offer new ways of delivering its mission, such as by increasing the routes to discover content. These new means of finding BBC content have enabled platform innovation while ensuring audiences continue to benefit from the BBC's robust, high-quality and cost-effective standard products like BBC iPlayer.
10. Technological innovation has helped increase competition in broadcasting. The BBC was a key driver of digital television switchover, pioneering high-definition television via an aerial. More recently, BBC iPlayer has been recognised in the UK⁴ and internationally for its role in creating the market for video-on-demand (VOD) which is changing the way audiences consume content. As Netflix CEO Reed Hastings commented: "*The iPlayer really blazed the trail. That was long before Netflix and really got people used to this idea of on-demand viewing.*"⁵
11. Given the popularity of BBC public services like iPlayer, the BBC recognises the importance to platforms of access to BBC content. The BBC therefore takes seriously its responsibilities to distribute widely and fairly, in a manner which harnesses the dynamism of a competitive platform market and is flexible where in the public interest. The BBC's public service presence in this market place, particularly given the scale and agility of the global internet platforms, is very important to the character of the market as a whole. How to regulate and encourage competition in the internet age thus presents a serious challenge for politicians, regulators and policy-makers. Getting the balance right for the interest of consumers and citizens will be critical.

² In addition to the BBC's industry-leading broadcast coverage, BBC iPlayer is available on over 2,500 types of TV device and over 10,000 types of device overall.

³ *The BBC's distribution arrangements for its UK Public Services*, Mediatique for BBC Trust, November 2013.

⁴ *The contribution of the BBC to the UK creative industries*, Frontier Economics for the BBC (April 2015), and *BBC television, radio and online services: An assessment of market impact and distinctiveness*, O&O/Oxera for DCMS (March 2016).

⁵ See The Telegraph, *Netflix chief Reed Hastings takes on telcos, cinemas and global expansion* 5 October 2014.

12. If the BBC is to continue to play its public service role effectively, it will have to adapt and innovate to meet the changing demands of its distribution environment and its audiences. The pace and power of that change is ever increasing. For the BBC the key question is how to harness the internet to deliver enhanced services to audiences. In the future the BBC will be able to deliver its TV and Radio services in better quality (e.g. UHD and HDR video) and with richer features (e.g. personalisation). The BBC will also innovate in new content formats, experiences and functionality made possible by the enhanced characteristics of the internet: interactive, mobile and personal. The BBC can get closer to its audiences than ever before, enabling it to listen, respond and serve them better.
13. The changing distribution environment comes with significant challenges for public service broadcasting. When BBC iPlayer launched in 2007 it was delivered entirely over the open web. Now over 80% of BBC iPlayer consumption (and growing) takes place on platforms controlled by third-parties such as pay TV operators and the manufacturers of televisions, radios and mobile device operating systems. These content aggregators and distributors are increasingly international, consolidated and powerful – and, understandably as commercial players, they do not share the same incentives as the BBC to enhance the overall public value the BBC delivers to audiences, or to invest in and showcase British content to the same extent.
14. The BBC's experience in negotiations suggests that, while platforms will want to make their offers appealing to subscribers and users, some platforms pursue strategies which are not fully aligned with the best consumer experience of licence fee funded content. For example, some vertically integrated platforms have sought to promote their own services (or those that pay them) disproportionately and to pick and choose the content and features the BBC provides which best support their own commercial goals. Many are incentivised to charge the BBC for access to platforms and networks and to charge audiences extra to receive BBC services.
15. The BBC thus needs a robust and sustainable approach to distribution that is consistent with its public mission and continues to make its services available in ways that maximise value to the licence payer – to enable convenient and universal access for audiences to the full range of the BBC's offer in a cost-effective manner – while continuing to drive innovation and competition with its popular and pioneering services. In negotiations with third parties the BBC will address these issues to secure the convenience, quality, breadth and value essential for delivery of its mission. Where third party platforms do not comply with the BBC's conditions of distribution, the BBC will withdraw or withhold its content and services if doing so is reasonable, proportionate and consistent with the BBC's duties.
16. To meet its public mission and maximise value for licence fee payers, the BBC will, as it has always done, primarily distribute packaged services: aggregated selections of content such as BBC One, Radio 4 or BBC iPlayer that are

greater than the sum of their parts thanks to the added value of public service curation and functionality (including, where available, access to the BBC's archive). It will continue to ensure universal coverage of these services, with distribution via more devices and platforms than any other UK broadcaster, and to enable wide and convenient access for diverse audience needs via a range of routes, including electronic programme guides, search and recommendation features and the red button.

17. The BBC needs to be able to curate services in order to inform, educate and entertain audiences, guiding them to experience the full range of the BBC's offer, rather than just the most prominent or most popular shows. Having commercial third parties schedule content created for CBBC or BBC Two would not be expected to lead to the best public service outcome – they would be less likely to place news within Children's services or to put documentaries in prime time. At the same time, the huge choice and enhanced discovery features enabled by connected platforms mean there is even more need – and also greater value – for the BBC to curate and innovate its online services in digital environments. The BBC thus considers that curation is critically important to delivering its mission and public purposes. Curation benefits audiences, increases value for money for the licence fee payer and the broadcasting industry, and increases consumption across a wider range of programmes and features.
18. Distributing packaged services also supports the BBC's ability to offer current and future functionality and service innovations. Examples include the BBC's complete range of access services for disabled people and Live Restart, which allows BBC iPlayer users to rewind to the beginning of a programme that is currently being broadcast. Such innovations are often later followed by others in the market such as mobile downloads⁶ or the Television Application Layer⁷.
19. These and other benefits would be lost in a world of disaggregated BBC programmes on third-party platforms, with the BBC acting merely as a content provider to others' services or platforms, unable to curate or introduce features (such as personalisation) around its content. The result would be audiences benefiting less from BBC innovations and consuming a narrower range of BBC content, thereby making the BBC's contribution to UK audiences less distinct from the overall market offer.
20. Digital technologies, however, also offer important new approaches to curation and innovation, not least through more inventive and full use of newly available data. Understanding what content a user has consumed in the past, and what similar users also watch, allows the BBC to better predict which other programmes - from a broad range of genres and formats – a user

⁶ Implemented in the BBC iPlayer mobile app in 2012, Amazon in 2015 and Netflix in 2016.

⁷ The Television Application Layer (TAL) is an abstraction layer created by the BBC to facilitate the deployment of TV apps to multiple devices. It has been made available as open source technology and subsequently used by others in the industry.

is likely to enjoy, and therefore provide tailored, varied and more valuable content suggestions. Data also underpins value-adding features, from the functional – such as viewing history, favourites and cross-device resume – to the transformational – such as personalised content recommendations and responsive storytelling where content responds to a user’s locality, taste or type of device. Finally, the feedback loop provided by granular data facilitates the continuous improvement of features, content and presentation (e.g. conducting multivariate testing to optimise synopses, labelling and images for better content discovery). For these reasons, the BBC’s distribution arrangements must ensure that the BBC secures sufficient data of the right type and in the right ways to deliver its mission.

21. The BBC also recognises that audience behaviour and distribution environments are changing rapidly, and the BBC will need to be flexible and responsive in its approach, ensuring that the ways it distributes are always appropriate for different audiences and types of content. TV, radio and social platforms will require different treatment, even if the BBC aims for the same outcome across all of them – the best possible experience for everybody – and to treat all partners fairly and without discrimination. As with all its activities, the BBC will pursue its goals within the legal framework set by the BBC Charter and Framework Agreement.
22. Getting the detail of its distribution arrangements right is crucial to the BBC’s overarching aim to reinvent public service broadcasting for a digital age and so to support the UK’s position as a pioneer in the digital media industry and invest in British creativity. It is committed to working with others to innovate to fulfil the BBC’s mission and promote its public purposes. The BBC is concerned with providing value to all of its audiences and meeting their rightly high expectations of the BBC. The approach it takes to distributing its services is critical to meeting these ambitions. This Distribution Strategy sets out that approach.

The BBC’s distribution objectives

23. The BBC’s distribution objectives are grounded in the BBC’s overall strategic goals for its UK Public Services. These are themselves aimed at delivering the BBC’s mission and promoting its public purposes, and include:
 - a. Universality - ensuring that almost everyone continues to benefit from the BBC’s services (currently 95% of the UK public watch, listen and/or read the BBC’s content each week)
 - b. Value for money - maximising investment in UK content. The BBC has a target to spend 94% of licence fee funds on content and services.
 - c. Personalisation - giving audiences a more personal BBC by offering them the content that is most relevant to them as well as that which is

important to all audiences to fulfil its public purposes rather than for commercial gain. The BBC has set a target of reaching 20 million active signed-in users each week.

- d. Distinctiveness - offering audiences high-quality, distinctive services which provide moments that bring the UK together. The BBC wants more than 20 million people in the UK to be enjoying BBC iPlayer each week by 2020, with each user spending 2 hours on average per week using it.
 - e. Reinvention - maintaining relevance and reach to young audiences for whom the BBC is the media provider they spend the most time with.
24. The term *distribution* refers to making the UK Public Services⁸ available to viewers, listeners and other users in the UK. It covers a broad range of activities including:
- a. *Transmission* of broadcast TV and radio signals received directly by audiences
 - b. *Syndication* of services to managed platforms
 - c. *Publishing* individual assets to open online platforms
25. In pursuit of its overall strategic goals, the BBC has the following specific objectives for its distribution:

- a. Maximising the ease and convenience by which all audiences can access BBC content and services, while
- b. Giving audiences access to the BBC's complete content and service offer, and
- c. Ensuring audiences have the best possible experience of that content

26. The BBC seeks to satisfy these three pillars of its distribution strategy subject to duties under the BBC's Charter and Framework Agreement, and Ofcom's Operating Framework and Licence. Among these wider duties are two considerations which are often pertinent to the BBC's distribution:
- a. Ensuring value-for-money for licence fee payers, both in the short-term and the long-term
 - b. Seeking to avoid adverse impacts on competition which are not necessary for the effective fulfilment of the BBC's mission and the promotion of its

⁸ The UK Public Services are described in Schedule 1 of the Agreement.

public purposes, as well as promoting positive market impacts where possible.

27. The BBC Board has approved this strategy which outlines how the BBC will deliver its objectives appropriately and fairly, in the context of a rapidly changing market and a new regulatory framework.

Maximising convenient access to BBC content

28. It is both a BBC Agreement requirement and the expectation of the licence-fee paying public that everyone can access the UK Public Services free at the point of use, in a convenient manner in the UK. The BBC does this by enabling universal coverage and free access to its broadcast services, syndicating its on-demand services to a wide range of platforms and devices, and by taking advantage of new ways to reach audiences.

Universal free-to-view transmission

29. Through a combination of broadcasting standards and technologies⁹, the BBC's TV and radio transmissions can be received by almost every household in the UK¹⁰, and, because they are broadcast in-the-clear¹¹, can be accessed (in the same quality) by users of free-to-view and subscription platforms alike.
30. The BBC expects that over the course of the Charter period it will continue to deliver value to audiences through broadcast services – which still make up the majority of BBC consumption – while preparing for a future where all content experiences are delivered over the internet. Given the increasing pace of change, the BBC needs to prepare for that future to arrive early in the next Charter period. The transition to internet delivery of BBC services creates opportunities for the BBC to offer richer, more targeted experiences for audiences (see below) and new ways of bringing the nation and communities together, while also avoiding the duplicative costs of broadcast. However, it also comes with additional strategic challenges, above all, ensuring the BBC's public service mission can still be effectively delivered on new connected platforms.
31. The BBC has worked in partnership with other UK public service broadcasters (PSBs) and industry participants to provide jointly owned free-to-view platforms – Freeview, Freesat and YouView – to ensure that licence fee payers have a means to access content without additional cost. Free-to-view connected TV platforms have the potential to play an important role in mitigating gatekeeper power over PSB service delivery in future. They may also have an important role getting offline audiences online and contributing

⁹ Currently the BBC broadcasts its TV content over Digital Terrestrial Television and Digital Satellite, and its Radio content over FM, Medium Wave, Long Wave, DAB and DTV.

¹⁰ Or in the relevant geographical area in the case of regionally targeted output.

¹¹ i.e. without encryption to restrict which devices or individuals can receive and decode the signal.

to the overall success of the UK's internet future. In preparation for a future where all TV is distributed over the internet, and to cater for licence fee payers who transition earlier, the BBC will work with the industry to ensure that there is a compelling free-to-view platform through which audiences can receive internet-delivered TV services, and will prioritise support for platforms that are fully internet-capable or committed to innovating to become so.

32. The BBC's investment in joint venture free-to-view platforms continues to enable and foster greater competition resulting in greater choice and innovation for consumers. Moreover, these platforms follow fair, reasonable and non-discriminatory principles with regard to access and prominence.
33. The BBC's duty to ensure value-for-money in its distribution activity sometimes reveals trade-offs. For example, further expansion of the DAB network or delivering every regional variant of BBC One in HD via broadcast should only be implemented if and when the costs are proportionate to the audience value they would deliver. In the context of an audience-led transition to internet-delivered services, the BBC will deprioritise investment in technologies that it is confident will be superseded.

Easily accessed syndicated services

34. The BBC gives audiences access to its on-demand audio and video content directly through its website. Recognising that this is not sufficient to fulfil its requirement of widespread and convenient access, the BBC also distributes its on-demand content through managed third party platforms, such as smart TVs, set-top-boxes and mobile operating systems, on which over 80% of BBC iPlayer viewing takes place.
35. BBC iPlayer can currently be accessed on over 2,500 different connected TV devices, making it more widely available than any other VOD service in the UK. This maximises the number of audience members who have at least one (and often many) means of accessing the BBC iPlayer on their main TV set, and furthers effective competition in the platform market.
36. The BBC has developed a version of iPlayer which is a highly efficient and cost-effective means of making the BBC's content and services widely available on a fair, reasonable and non-discriminatory basis. This is a standard product which requires minimal work by the BBC or platforms to integrate consistently across a vast range of platforms. To date it has represented the gold-standard of UK VOD services, and the BBC continues to innovate to maintain this quality.
37. In order to further promote access, the BBC has provided a bespoke solution in limited cases, such as where a platform has not been technically capable of supporting a standard product, and where it has represented value-for-

money for licence fee payers. The BBC considers such requests on a case-by-case basis in the light of the conditions of its Distribution Policy.

38. The BBC considers that, in the light of its duties under the Charter and Agreement, and to showcase British content, BBC content and services should be prominently positioned within platforms' user interfaces so as to be easily found by licence fee payers. Unlike linear channels within an EPG, neither the prominence of on-demand content and services nor the prominence of the linear EPG are currently regulated, and so the BBC engages in bilateral negotiations with platforms to agree a fair and appropriate positioning. The BBC seeks to achieve prominence in line with what audiences expect¹², and in ways that are consistent with the discovery mechanisms a platform seeks to deploy. Where a third party platform will not offer fair and appropriate prominence so that it no longer meets the BBC's conditions of distribution, the BBC may accordingly no longer support BBC iPlayer or withdraw it from that platform.

Supporting new content formats

39. In line with the BBC's mandate to serve all audiences, and its Charter requirement to promote technological innovation, the BBC has always embraced new ways to reach audiences.
40. In 2004, podcasting – publishing unencrypted permanent audio downloads – provided a new means for the BBC to reach audiences with on-demand audio content. The BBC is now among the most widely listened-to producers of podcast content in the UK and, although the medium has certain limitations (see next section), the BBC continues to support this legacy form of distribution because of the significant reach it provides the BBC's content, and the long-established market norms and user expectations that have formed since podcasts became a mainstream means of content delivery.
41. Today, social media platforms (e.g. Facebook, Snapchat and Twitter) have become increasingly important destinations for younger audiences in particular to discover and consume specific forms of content (typically shorter formats than traditional TV and radio with a distinct editorial tone). To realise the opportunity to deliver value to young audiences in these environments, the BBC commissions and distributes content that is specifically tailored to the needs, behaviours and expectations of audiences on the platform, and to the functionality it encompasses.

Distributing the complete BBC content and service offer

¹² Audience research indicates that users expect and prefer to see content and services from UK Public Service Broadcasters to be prominent within user interfaces

42. In order to fulfil its mission to inform, educate and entertain, the BBC typically distributes the full range of its content and services to platforms. This ensures audiences receive everything they have paid for via the licence fee, including the appropriate Nations and Regions services intended for them. It also helps ensure platforms that wish to carry popular services like BBC One also carry less watched but high public value services like BBC Parliament.
43. Each service is typically based on an editorially cohesive package of curated content. The BBC's broadcast TV and radio output is packaged into branded linear channels and stations respectively. Through careful scheduling of such channels, the BBC is able to showcase a broad and distinctive mix of programming. This has always been, and continues to be, a highly effective way of bringing audience attention to the BBC's 'hidden gem' public service content, and therefore a critical factor in meeting its public service mission to inform, educate and entertain in a distinctive way.
44. Likewise, the BBC syndicates its VOD content in the form of a service (branded BBC iPlayer), ensuring that audiences have access to the full range of the BBC content that they already pay for. As with linear channels, it is critical to the delivery of the BBC's mission that it is able to curate its on-demand service to surface a broad range of public service programming. Content curation within BBC iPlayer has proven highly effective¹³ at achieving this, and the BBC continues to develop the capabilities – such as personalisation, segmentation and multivariate testing – to improve its efficacy. The BBC's curation objectives, which reflect its public service objects as set out in its Charter, are notably different to those of commercial platforms, who are typically incentivised to promote the most popular programming, such as entertainment and drama, but not, for example, educational or factual content.
45. The BBC's strategy to distribute BBC iPlayer as a service, and its preferred approach of distributing via a standard application (see previous section), does not preclude or inhibit platforms developing content discovery innovations. Unlike other large VOD services, the BBC does not operate a 'walled garden' service: the BBC provides its programme metadata to platforms via a flexible API (Application Programming Interface) to enable it to be integrated within platforms' search and content discovery areas outside

¹³ Within BBC iPlayer, the BBC is able to generate significant uplift in viewing to lesser known programming through its inclusion in prominent areas of the user interface – in a recent sample the average uplift was 95%. There are also several examples where including hidden gem programmes on the homepage has generated online viewing many times in excess of broadcast viewing. For example, BBC News Channel's *Life Inside Wandsworth Prison* attracted a modest 220k viewers when broadcast in August 2016 but over 1m request via the BBC's prominent promotion of it on BBC iPlayer. The BBC achieved very similar results with *Young, Welsh and Pretty Skint*, a documentary about body image and deprivation originally shown on BBC One Wales, and with BBC Four documentary *Twin Sisters: A World Apart*.

of BBC iPlayer.

46. For certain content the BBC's mission is better met by publishing as individual assets, rather than syndicating as a packaged service. Social platforms are designed for ad-hoc publishing of individual assets, rather than the syndication of curated long-form services. The BBC's made-for-social content is therefore commissioned and published as individual assets, rather than a service, with the limitations that this entails (e.g. limited curatorial influence) factored into the creative process.
47. Similarly, the nature of podcasting is oriented towards the publishing of individual titles, rather than broader services. The BBC continues to publish a selection of suitable on-demand audio programmes in this format, having regard to the public interest trade-off between reach and curation.

Delivering the best experience of BBC content

Better experiences

48. The BBC strives to ensure that audiences' experiences of its content and services are as enjoyable and fulfilling as possible to provide value for money for licence fee payers. Moreover, promoting technical innovation, both in relation to the BBC's own content and services and in partnership with other organisations, is a Charter requirement.
49. The BBC seeks to meet this aim in three ways.
 - a. First, the BBC invests in features and functionality that enhance audiences' experiences of its syndicated services - such as *Live Restart* in BBC iPlayer. The BBC's innovations are often later followed by others in the market, such as mobile downloads or the Television Application Layer. The BBC is able to deploy these features in its standard applications, and will try wherever possible to replicate them in bespoke implementations. The experience achieving the latter has proven difficult, and has resulted in a marked divergence in aspects of quality (such as timely and reliable availability of content¹⁴) between the evolving standard BBC iPlayer application and the comparatively static bespoke implementation¹⁵.
 - b. Second, the BBC works flexibly to integrate its content with platforms' own innovations. For example, the BBC has worked with Roku and Now TV to implement an HbbTV¹⁶ triggering solution for Red Button services

¹⁴ For example, one non-standard implementation sees an average delay in content availability of 3 hours after transmission (the period of peak demand).

¹⁵ Non-standard implementations constitute less than 10% of BBC iPlayer consumption, but over a third of operational incidents, and half of high-priority incidents in relation to iPlayer delivery.

¹⁶ HbbTV ('hybrid broadcast broadband TV') is a specification for the delivering interactive internet services within a broadcast environment.

(in doing so helping the industry transition from the legacy MHEG standard), and has worked with TV platforms to deploy a system of deep-linking¹⁷ from their mobile apps into the BBC iPlayer app.

- c. Third, in its role as a shareholder in the Freeview, YouView and Freesat platforms, the BBC has sought to drive platform innovations that benefit users, such as a backwards EPG¹⁸.
50. Innovation is also critical in a market context where competitor services - in particular global VOD services - are themselves innovating and raising audience expectations. Given that the BBC's content must be free to access, the quality of its services - in relation to technical features, accessibility, curation, and the content and content breadth itself - is a key point of differentiation, and helps ensure audiences enjoy the broadest possible range of BBC content, and that British content remains competitive in the context of ever-greater international competition. The BBC is committed to working with partners where to do so is in the public interest.¹⁹

Direct relationship with audiences

51. The BBC can deliver a better and more valued service by maintaining a direct relationship with audiences. This is a stated BBC strategy - in common with most consumer-facing organisations - and critical to the delivery of its public mission in this Charter period.
52. The BBC has always sought to understand as much as possible about those who consume its services at an aggregate level, through surveys, panels (e.g. BARB, RAJAR) and direct collection of consumption data. This data allows the BBC to measure the reach of its content and services, and to make better commissioning, curatorial and strategic decisions.
53. The fact that the BBC's content is free to access and made as widely available to audiences as possible means it cannot use consumer purchasing decisions to inform strategic decisions as commercial operators do. In the absence of this mechanism, data is even more crucial to ensuring the BBC fulfils its mission in respect of all audiences over time.
54. As more consumption of BBC content takes place on connected platforms, the two-way nature of internet delivery enables the BBC to understand much more about audiences as individuals. Collecting and processing this data will enable the BBC to deliver personalised experiences and better and more

¹⁷ Deep-linking is the process of loading a programme in one application, by selecting it in a separate application, or area of a platform user interface. For example, a user may select a BBC programme from within a third party content discovery app on a mobile device, which triggers the BBC iPlayer app to open and immediately play the selected programme.

¹⁸ A backwards EPG is an electronic programme guide that allows users to navigate to on-demand assets for programmes that were broadcast earlier that day, as well as programmes currently being broadcast.

¹⁹ In line with article 13 of the BBC's Charter.

tailored content recommendations – greatly enhancing the BBC’s ability to surface the full breadth of its public service content offering. The BBC will look to invest and innovate in those environments where user-level data can be captured and used to enhance audiences’ experiences.

55. Other VOD services, whether large commercial providers such as Netflix and Amazon or PSB-provided ones such as All4, offer highly personalised data-driven experiences, which audiences have come to expect and demand. As with manual curation, algorithmic recommendation reflects the curatorial objectives of the organisation in question, and the curatorial objectives of the BBC (informed by its public mission) are likely to differ from those of a commercial organisation. The BBC’s mission and funding model mean it collects user data to enhance its public services, and not for commercial purposes. The BBC will consider appropriate ways in which usage and consumption data can be shared with platforms to better enable them to enhance their offer to consumers²⁰.
56. The BBC will work with all platforms to explore ways to deploy the capabilities required for the BBC to capture user-level data and serve personal content recommendations (e.g. support for the BBC’s ID system), but recognises that this may be difficult, or not technically possible for the platform in some cases. For the BBC’s simulcast and VOD services, where sign-in and personalisation materially improves the value proposition, and where users are accustomed to signing in, the BBC will always seek to deliver these capabilities.
57. With the recent change in the law that requires audiences to hold a valid TV licence to watch BBC iPlayer, the BBC has sought to put in place adequate measures to inform and verify users. The BBC currently relies on self-verification (audiences confirm that they hold a licence fee), but will consider other solutions and fulfil the review of verification processes which it is required to conduct under the BBC Agreement²¹. Options to implement verification against a licence fee database will be considered should it be necessary as the number of internet-only households increases. The BBC’s means of distribution must therefore support self-verification solutions and have sufficient flexibility to support full verification if introduced.
58. A genuine two-way relationship relies not only on the BBC understanding its audiences, but also its audiences understanding the BBC. The BBC seeks to ensure that its content and services are clearly branded and can be reliably and accurately attributed. This delivers two important benefits for audiences, and for the effective functioning of competition in the content and platform markets respectively. First, the BBC’s brands signpost the quality or tone that a user might expect from a programme, thereby helping the user to make better informed content consumption choices. Second,

²⁰ Subject to any competing constraints such as data protection requirements.

²¹ Clause 51 of the Agreement.

effective attribution ensures that the user can better identify the value they receive from the licence fee whichever route they choose to access BBC content.

Review of the Strategy

59. Distribution is a rapidly changing area. As there may be developments in the market, technology or audience behaviours that require a recalibration, the BBC will periodically review its Strategy.

Conclusion

60. The BBC has always been at the forefront of investing in UK content and ensuring it is delivered reliably via high-quality, innovative services curated in the public interest. The BBC considers that the above approach to distributing the UK Public Services will ensure the BBC continues to be able to deliver its public mission effectively, via its own services, and by harnessing the dynamism of a competitive platform market. In this way, the BBC will continue to bring the best to every licence fee payer.