



# A distinctive BBC

April 2016

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## FOREWORD

I believe that the case for the BBC is a very straightforward, pragmatic one.

We have produced, and continue to produce, some of the very best programmes and services in the world. That is why people like the BBC. That is why they enjoy it. That is why they trust it. That is why they value it. That is what they pay us to do.

If the BBC stands for anything, it stands for quality. In just the last month, we have seen *Panorama's* exposé of the Panama Papers; Radio 4's previously unseen footage of Kim Philby speaking to the Stasi; the domestic abuse storyline on *The Archers*; *Inside Obama's White House* and *Behind Closed Doors*; *The Night Manager*, *Undercover* and *Cuckoo*. We have just launched the 2016 BBC Proms. And those are just a few highlights.

This is the BBC I believe in. A beacon of cultural excellence in a world increasingly awash with media of all kinds. A trusted voice in a crowded arena, accountable to the public and focused on their interests, independent of both government and market. A benchmark of quality.

But the unique way the BBC is funded places two further obligations on us.

Because the BBC's funding is independent, that gives us creative freedom. That means a BBC that must be more prepared than ever to take risks. More open than ever to partnerships and collaborations; open to working with the best ideas and talent wherever they come from. In other words, the licence fee gives us the freedom and the obligation to be distinctive and original.

And also because the BBC is funded by the licence fee, our mission is universal.

Universality does not mean doing everything for everyone. It means reaching everyone with good things, things of real value, of public value to them, but of personal value to them as well. Whoever they are. However wealthy they are. Whatever age group they are in. Whatever background they come from. Whatever part of the UK.

As we inform, educate and entertain the public, the BBC must meet these three aims: quality, universality and distinctiveness.

This document explores what we mean by distinctiveness. But while distinctiveness is important, it must be balanced against the public's desire for a BBC of the highest quality and a universal BBC that meets their needs. We do not want or need to reach all audiences as an end in itself, we want and need to reach all audiences with high quality and relevant public service content that informs, educates and entertains. That is how we fulfil our mission.

Our role in the next decade is to commission and create content of the highest quality, made in Britain, for audiences to enjoy. I believe a BBC with that level of creative ambition would be more distinctive than ever, and more successful than ever with audiences.

Tony Hall, BBC Director-General

# I EXECUTIVE SUMMARY

## What is distinctiveness?

Distinctiveness is an important characteristic of the BBC and all its services. It is one of the things that justifies the BBC's public funding. Sensibly defined, distinctiveness should be a clear requirement for all BBC services.

Distinctiveness should be judged at the level of services rather than programmes. It does not make practical sense to say that the BBC should only make a programme if another broadcaster never would. Nor does it make creative sense. The BBC should not start with a gap in the market, and try to fill it. It should start with its public remit and the creative idea, and then deliver programmes that fulfil them.

So, we propose two clear tests for the BBC's distinctiveness in future: that every BBC programme or piece of online content should aspire to be the best in that genre, and that overall the range of programmes in every BBC service or online product should be clearly distinguishable from its commercial competitors.

We, and the BBC's proposed new regulator, would test whether the range of programmes in every BBC service or online product is clearly distinguishable from its commercial competitors by looking at their:

- Creative and editorial ambition—the licence fee gives the BBC freedom to take creative risks and deliver services that are high quality, challenging, innovative and engaging
- High editorial standards—meeting the public's high expectations of fairness, accuracy and impartiality
- Range and depth—providing a wide range of genres and the best content in each genre, in order to serve all licence fee payers
- High level of first-run UK originated content and supporting home-grown ideas and talent.

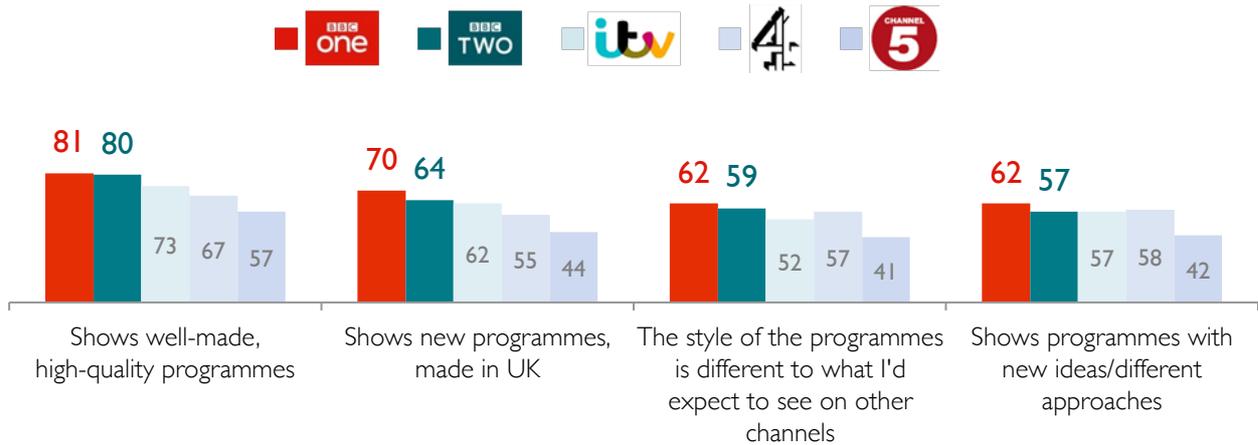
While distinctiveness is important, it is not the only important public policy goal for the BBC. The BBC's services should be universal and high quality as well as distinctive. Any policy framework must secure all three of these goals and ensure that a focus on one does not undermine the others.

## Measuring distinctiveness today – what the audience thinks

The most important measure of distinctiveness is the public's view. Through their millions of active choices every day, the British public rewards great, stand-out programmes and services with their attention and their appreciation.

As part of their responsibilities for public service television broadcasting, Ofcom asks regular viewers of the TV channels to rate the public service TV broadcasters (including BBC One, BBC Two, ITV, Channel 4 and Channel 5) across a number of delivery questions. As presented in their most recent PSB Annual Report, on measures of quality and distinctiveness ('well-made, high quality programmes'; 'new programmes made in the UK'; programmes being 'different to what I'd expect on other channels'; and for 'showing programmes with new ideas and different approaches'), BBC One scores significantly ahead of other PSBs on almost all of these measures.

PSB statements (% scoring 7-10 out of 10 for delivery)



Source: Ofcom, PSB Annual Report 2015

Results for BBC One from this data have been rising with 43% of BBC One viewers rating the channel highly for 'new ideas and different approaches' in 2006 increasing to 53% in 2010 to 62% in 2014. While all terrestrial channels have seen improving ratings, at 62% BBC One ranks first on this metric.

This data is supported by research from the BBC Trust. Each year, it has asked nationally representative samples of the UK public the extent to which they agree or disagree that 'The BBC has lots of fresh and new ideas'. This measure has also shown improvement, up from 55% in 2008 when measurement began to 62% in 2014.

These 'top-down' measures, which are asked at a pan-BBC or service level, are complemented by 'bottom-up' measures at a programme level. We do this by asking viewers of TV programmes the extent to which they agree or disagree that individual programmes are 'fresh and new'.

The BBC's main TV channels have seen increases in this metric in the last few years. The strongest increase has been for BBC One. Its 'fresh and new' score has climbed since measurement began from 64.7% in 2010/11 to 72.2% in 2015/16 – a considerable increase in audience's distinctiveness scores for BBC One.

'Original and different' is the BBC's distinctiveness audience metric for radio at a programme level. Again the data shows overall increases in the last five years, with scores for Radio 1 and 2 rising significantly.

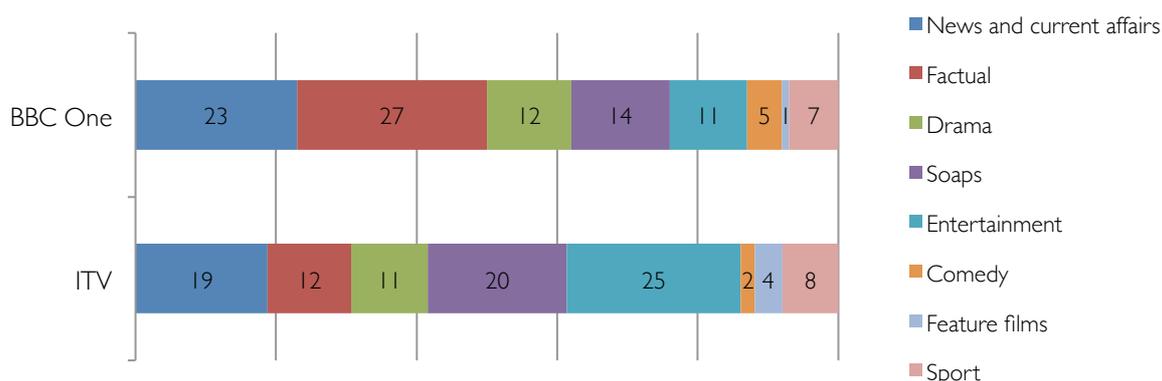
### Measuring distinctiveness today – comparisons to other services

In comparing BBC services to others in the market, we have focused on four in particular: BBC One, Radio 1, Radio 2 and BBC Online. These are all services that have come under scrutiny in the current Charter Review process.

#### BBC One

BBC One shows a much broader range and depth of content than its most comparable channel, ITV. BBC One broadcasts more than double the number of hours of factual programming in peak time. The reverse is true for entertainment across both channels. When you combine news and current affairs with factual content on BBC One, the combined total is an impressive 50% of peak time.

Genre mix on BBC One and ITV (% peak time)



Source: Ofcom PSB Annual Report 2015

The data shows that BBC One has become more distinctive over time, not less, as its genre mix has become less like ITV's. This is one of the reasons, we believe, why audiences now give it higher scores for distinctiveness. For example, between 2007 and 2013 (both years without major sporting events for proper comparability), the proportion of factual output in the schedule has risen from 25% to 29%, and entertainment has gone from 12% to 11%.

Across the whole of BBC One – including daytime – over the last six years hours of news and current affairs have risen by 33% and entertainment hours are broadly flat (excluding the impact of changes to daytime such as the move of children's output). By comparison, ITV hours of entertainment have risen by 62%. Looking back even further, BBC One's Nations and regions hours have increased by 22% over the last two Charters, while ITV's have nearly halved.

In other words, BBC One is a distinctive channel, and has become more distinctive over time.

### Radio 1 and Radio 2

Both Radio 1 and Radio 2 are popular and highly distinctive services, whose commitment to new and different music sets them apart from all comparable stations.

The Performing Rights Society (PRS) license music rights across the 200+ radio stations in the UK and is uniquely placed to access the music usage of the radio sector. Their data for 2014, shows that around 90% of the songs played on both Radio 1 and Radio 2 were not played on any other station, and that both stations play a huge range of music.

Station	Number of songs played	Number of unique songs played	% Unique
Radio 1	13,729	11,878	87%
Radio 2	21,329	19,478	91%
Sample commercial station 1	1,522		
Sample commercial station 2	3,496		
Sample commercial station 3	801		
Sample commercial station 4	1,610		

Source: PRS, 2014

Focusing just on daytime, BBC analysis shows that Radio 1 shares 9% of tracks with a comparable station – Capital. Capital shares 41% of tracks with Radio 1. In fact, across a typical week in September 2015,

56% of tracks on Radio 1 in daytime were not played by any of the competitor set, a percentage that has increased significantly over the past decade – up from 33% in November 2006.

Similarly, in daytime, Radio 2 shares 13% of tracks with Absolute Radio, Absolute Radio shares 29% of tracks with Radio 2. Across a typical week in September 2015, 71% of the tracks played on Radio 2 in daytime were not played by any of the other stations within the set they were compared against. This is up from 60% in November 2006.

Aside from music, Radio 2 has the most diverse schedule in UK music radio with over 100 hours of arts programming, 130 hours of documentaries, 170 hours of religious programming each year and at least 16 hours of news and current affairs each week. This news output includes the two hour Jeremy Vine programme, scheduled in the heart of daytime from midday each weekday.

*Newsbeat* on Radio 1 reaches more young people each week than the *10 O’Clock News*, and Radio 1 broadcasts over 40 documentaries a year alongside its weekly *Surgery* show. By being relevant and popular with young listeners, Radio 1 delivers on a range of public purposes during daytime through its speech output.

Nor do Radio 1 and Radio 2 overlap to any significant degree. Radio 1 shares just 6% of music tracks with Radio 2. Radio 2 shares 5% of tracks with Radio 1. Just 12% of the combined Radio 1 and Radio 2 audience listen to both stations.

This is because the ages of the tracks the two are playing are hugely different. During the most recent BBC survey in September 2015, 96% of Radio 1’s daytime music was found to come from the past five years (2010 or since); whilst on Radio 2 69% was pre-2010.

### BBC Online

BBC Online brings unique, distinctive qualities to the UK online market. BBC News Online, for instance, brings trusted, impartial news to audiences in the UK and around the world. It plays a distinctive role from that of newspaper websites to which it is sometimes compared, as BBC News Online is regulated to be fair, accurate and impartial. That is one of the reasons why BBC Online is the most shared publisher in the English language on Twitter.

Audiences recognise these values of trustworthiness, accuracy and impartiality. They are a core part of BBC News Online’s distinctiveness.

*Who do you associate with ‘trustworthy’ (asked of online news providers)*



Source: Populus for the BBC, 2,073 UK adults 18+ (online), 25th–26th June 2014

Another flagship product, BBC iPlayer, achieves its distinctiveness, of course, primarily through the fact that it hosts the BBC's distinctive TV programmes in all their full range and depth. But BBC iPlayer is also distinctive in its functionality, particularly in areas like subtitles, signing and audio description.

Similarly, other online products (like CBBC, CBeebies, and BBC iPlayer Radio) are primarily distinctive because they host a broad range of the BBC's TV and radio content. But like BBC iPlayer they are often also distinctive for other reasons too. For example, the use of innovative formats like BBC Live; BBC talent and brands; and simple functionality that makes new technology accessible to all.

However, in general our online services are newer than our broadcast services, and are still finding their place in a quickly evolving market. In some areas, they helped create that market, such as with BBC News Online and then BBC iPlayer.

Given the rapid pace of change, in November 2015, we launched a creative review to look at the whole of BBC Online and how we can better focus its resources. We will publish this review in the next few weeks, which will set out our plans to make the service better for audiences and more distinct from comparable services provided by others.

## Enhancing distinctiveness in the future

The analysis in this document, together with the comprehensive analysis published last September for the whole BBC, demonstrates that:

- BBC services – including BBC One, Radio 1 and Radio 2 – are highly distinctive today
- Audiences believe they have become more distinctive over the last Charter
- Data comparing these services to comparable services in the market also shows they have become more distinctive over the current Charter.

However, in an environment that is changing quickly, distinctiveness – like quality – is always a work-in-progress. So the BBC will need to continue to enhance its distinctiveness, alongside ensuring the BBC remains the benchmark for quality and continues to provide universal value to all audiences.

We believe the goals around increasing distinctiveness should be met in three ways and that the new governance model of the BBC should require it to be measured against these goals.

1. Firstly, the BBC should continue to improve the impact of certain genres that can be identified as under-provided from other parts of the media sector
2. Secondly, individual service licences should describe overall characteristics and mandate a small number of statutory quotas where market sensitivity is highest
3. Thirdly, the BBC should aim to increase innovation. Taking risks and trying out new things will always be an important way of breaking new ground in distinctiveness.

The effect of these three goals would be to create a BBC that is higher quality and more distinctive, while protecting its universality.

In practice, we are already taking steps to put these goals into action.

In television:

- We are already making a significant increase in Music and Arts spending on Television as a result of a strategic review in 2013. This will include new landmarks and series on BBC One
- The shift of BBC Three online has meant a renewed focus on its core genres of drama, comedy, factual and current affairs content and huge commitment to new and diverse talent
- We have an ambitious range of seasons and specials in 2016, including a celebration of Shakespeare; Brian Cox's first series for BBC One; topical films telling contemporary stories at the heart of BBC One; comprehensive coverage of the EU referendum, including three major debate programmes on BBC One; and a new season of programming across BBC television exploring how black history has shaped our world and what it means to be black and successful in Britain today.

In radio, we propose to reduce the overall number of quotas, but introduce some important new, targeted commitments that drive greater distinctiveness and public value, especially on Radio 1 and Radio 2 in daytime. We will:

- Ensure that Radio 1 and Radio 2 have a strong commitment to new and UK music so that a strong proportion of the new music in daytime on Radio 1 and Radio 2 should be from the UK
- Extend social action on Radio 1 to four campaigns a year, in daytime, working with partners (e.g. voluntary organisations, charities) wherever possible
- Strengthen the arts commitment and high-quality speech content on Radio 2 by committing to a minimum of four seasons a year covering arts and social action, working with partners (e.g. arts organisations) wherever possible
- Develop outcome measures that seek to get to the heart of audiences' views about the distinctiveness of BBC music radio
- Improve the meaningfulness of distinctiveness measures, by discussing with the proposed new regulator the most meaningful comparisons with relevant competitors.

## 2 WHAT IS DISTINCTIVENESS

The BBC has a duty to serve everyone – but not with just anything. Universality needs to be achieved through the sustained quality of our programmes, within a uniquely broad range of genres.

We have the privilege of being able to make good programmes, without also having to consider whether they will make a profit. That privilege should be felt in everything we do.

The BBC in the next decade must be *the* place people come to make brilliant programmes, programmes of distinction. For producers, directors, writers, artists to have the creative freedom to do things they would find it hard to do elsewhere.

We should aim for every programme to be the best in its genre. What counts as best will vary from genre to genre. Judging whether we have succeeded will always be subjective. We will frequently fail. Others will often make better programmes. But every BBC programme should aim to be the best – any that do not should not be commissioned.

### Our definition of distinctiveness

Distinctiveness is an important characteristic of the BBC and all its services. It is one of the things that justifies the BBC's public funding. Sensibly defined, distinctiveness should be a clear requirement for all BBC services.

Distinctiveness should, in our view, be judged at the level of services rather than programmes (or other forms of content like online articles, short form or interactive content). It does not make practical sense to say that the BBC should only make a programme if another broadcaster never would. That would mean that when ITV made *Broadchurch*, the BBC would have to stop making *Happy Valley*. Or it would mean that we should stop doing *EastEnders* because ITV does *Coronation Street*. The same is true of individual pieces of online content. They, too, should be judged on their own merits. It would not make sense to say the BBC should only produce online content that another provider would not. That would mean that when the Guardian, for instance, produced a piece of factual reporting about, say, flooding in Cumbria – whether in video or in text – the BBC couldn't report that same story.

Nor does it make creative sense. The BBC should not start with a gap in the market, and try to fill it. It should start with its public remit and the creative idea, and then deliver content that fulfils them. The fact that the BBC makes some of the same types of programmes as the commercial sector means there is 'competition for quality' that benefits all sides and explains why this country has some of the best television in the world. If we withdrew or spent less, it is likely that commercial broadcasters would reduce their investment, too. In fact, in the last five years, that is exactly what has happened.

So, we propose two clear tests: that every BBC programme should aspire to be the best in that genre, and that overall the range of programmes in every BBC service should be clearly distinguishable from its commercial competitors.

Why 'overall'? Why does the BBC make some of the same types of programmes as the commercial sector?

The most important reason is that it makes those programmes well.

The licence fee then means audiences pay less for those programmes from the BBC, but get more from the whole market, as competition brings the best out of pay, advertising and publicly funded broadcasters.

One of the reasons that the licence fee has public support is because of the range the BBC provides. What makes it possible to have a licence fee to fund news coverage or documentaries or live classical music is the broad support that comes from providing programmes for all.

The same rationale and tests hold for online. Every online product (our coherent, discrete, online destinations like BBC iPlayer) should aspire to be the best in their genre and clearly distinguishable from their commercial competitors. Do our online products include formats or features that are not found elsewhere? Do they include a range of content that makes them distinguishable from others? In particular, are they 'distinctly BBC' – bringing characteristics to online that only the BBC could. For example, BBC talent, BBC broadcast content and brands, and BBC values such as due impartiality and regulated fairness.

And how do we test that whether the range of programmes in every BBC service or our online products are clearly distinguishable from commercial competitors? We have proposed criteria that could be used (alongside performance indicators) to assess this:

- Creative and editorial ambition—the licence fee gives the BBC freedom to take creative risks and deliver services that are high quality, challenging, innovative and engaging
- High editorial standards—meeting the public's high expectations of fairness, accuracy and impartiality
- Range and depth—providing a wide range of genres and the best content in each genre, in order to serve all licence fee payers
- High level of first-run UK originated content and supporting home-grown ideas and talent.

Finally, while distinctiveness is important, it is not the only important public policy goal for the BBC. The BBC's services should be universal and high quality as well as distinctive. Any policy framework must secure all three of these goals and ensure that a focus on one does not undermine the others. We would expect the BBC in the next Charter to assess performance against all these goals.

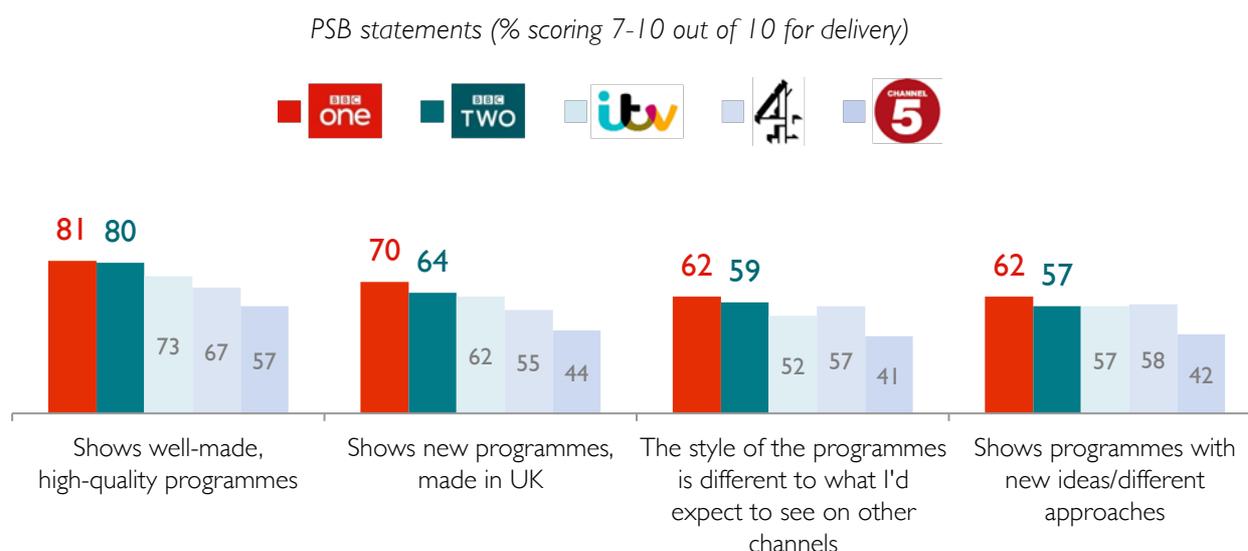
### 3 MEASURING DISTINCTIVENESS TODAY – WHAT AUDIENCES THINK

Any measure of how well the BBC is doing must start with what the public thinks. That includes the BBC’s distinctiveness.

So the most important measure of distinctiveness is the public’s view. They pay for the BBC. They have access to one of the most vibrant and successful media markets in the world. Through their millions of active choices every day, they reward great, stand-out programmes and services with their attention and their appreciation.

#### Ofcom’s research on distinctiveness

As part of their responsibilities for public service television broadcasting, Ofcom asks regular viewers of the TV channels to rate the public service TV broadcasters (including BBC One, BBC Two, ITV, Channel 4 and Channel 5) across a number of delivery questions. As presented in their most recent PSB Annual Report, on measures of quality and distinctiveness (*‘well-made, high quality programmes’*; *‘new programmes made in the UK’*; programmes being *‘different to what I’d expect on other channels’*; and for *‘showing programmes with new ideas and different approaches’*), BBC One scores significantly ahead of other PSBs on almost all of these measures.



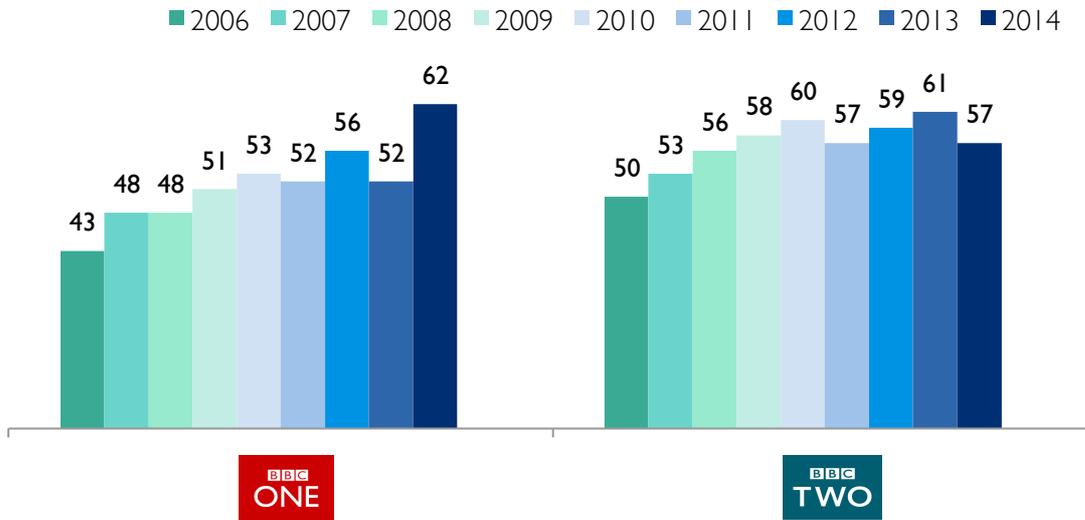
Source: Ofcom, PSB Annual Report 2015<sup>1</sup>

BBC One also ranks high when viewers are asked to assess channels in terms of ‘the style of the programmes is different from what I’d expect to see on other channels’. 62% of BBC One viewers rate the channel in this way (59% of BBC Two viewers rate the channel in this way, 57% of Channel 4 viewers, 52% of ITV viewers and 41% of Channel 5 viewers).

Results for BBC One have been rising with 43% of BBC One viewers rating the channel highly for ‘new ideas and different approaches’ in 2006 increasing to 53% in 2010 to 62% in 2014. While all terrestrial channels have seen improving ratings, at 62% BBC One ranks first on this metric.

<sup>1</sup> Available at: <http://stakeholders.ofcom.org.uk/binaries/broadcast/reviews-investigations/psb->

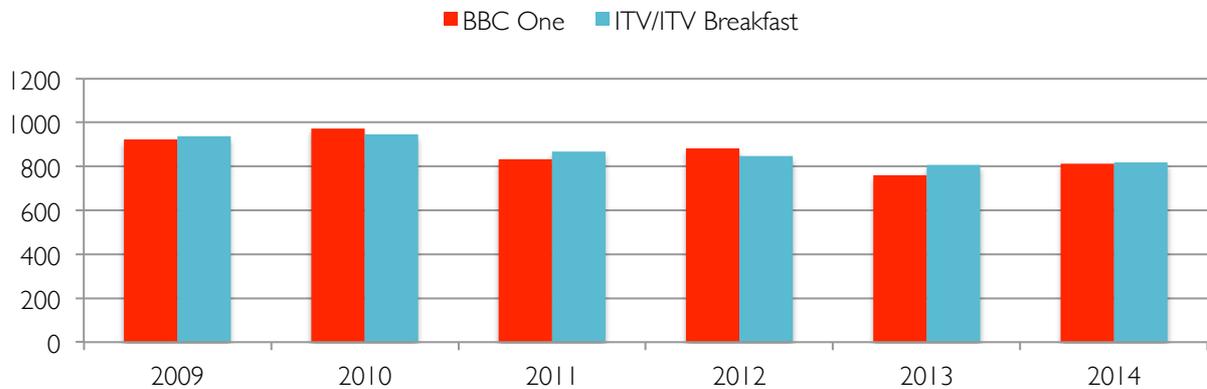
“Showing programmes with new ideas and different approaches” (% scoring 7-10 out of 10 for delivery)



Source: Ofcom, PSB Annual Reports. Survey was shortened in 2011

This strong performance has been achieved despite a network programme spend which has been lower than ITV's spend in four of the last six years – including in both 2013 and 2014.

PSB network programme spend by channel, £m in 2014 prices



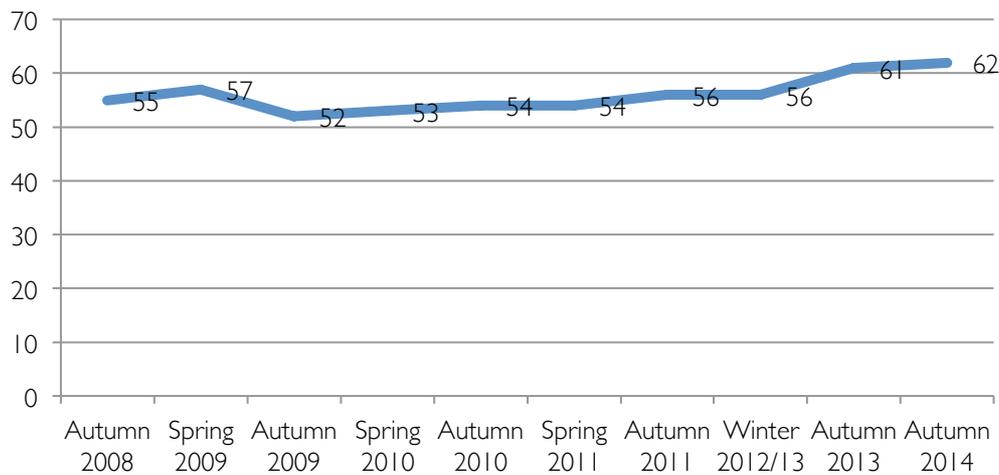
Source: Ofcom/broadcasters. Note: figures are expressed in 2014 prices. Figures exclude Nations/regions programming.

### BBC Trust's research on distinctiveness

In the current Charter, the BBC Trust has also assessed distinctiveness through asking nationally representative samples of the UK public the extent to which they agree or disagree that 'The BBC has

lots of fresh and new ideas'. This measure has also shown improvement, up from 55% in 2008 when measurement began (and 54% in 2010) to 62% in 2014 (the most recently published data).<sup>2</sup>

*% agreeing 'The BBC has lots of fresh and new ideas'*



Source: NatCen, Purpose Remit Survey UK report, Autumn 2014

### **'Fresh and new' on Television**

The BBC complements both of these 'top-down' measures, which are asked at a pan-BBC or service level, with 'bottom-up' measures at a programme level.

We do this by asking viewers of TV programmes the extent to which they agree or disagree that individual programmes are 'fresh and new'. These individual 'fresh and new' scores can be aggregated by genre, channel or at the level of relevant portfolios.

At a programme level 'fresh and new' is a very useful measure for identifying the content that audiences value as breaking new ground. At an aggregated level it can also work as an overall measure of whether a particular genre or channel is continuing to keep up the focus on innovation. It can be less appropriate for comparisons between genres or channels because each genre can have a different average so scores can vary between channels owing to their genre mix.

The BBC's main TV channels have seen increases in the 'fresh and new' metric in the last few years. The strongest increase has been for BBC One's, whose 'fresh and new' score has climbed since measurement began from 64.7% in 2010/11 to 72.2% in 2015/16 – a considerable increase in audience's distinctiveness scores for BBC One.<sup>3</sup>

<sup>2</sup> The proportion of participants who agree slightly, strongly or completely. Available at [http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review\\_report\\_research/ara\\_2014\\_15/uk.pdf](http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/ara_2014_15/uk.pdf)

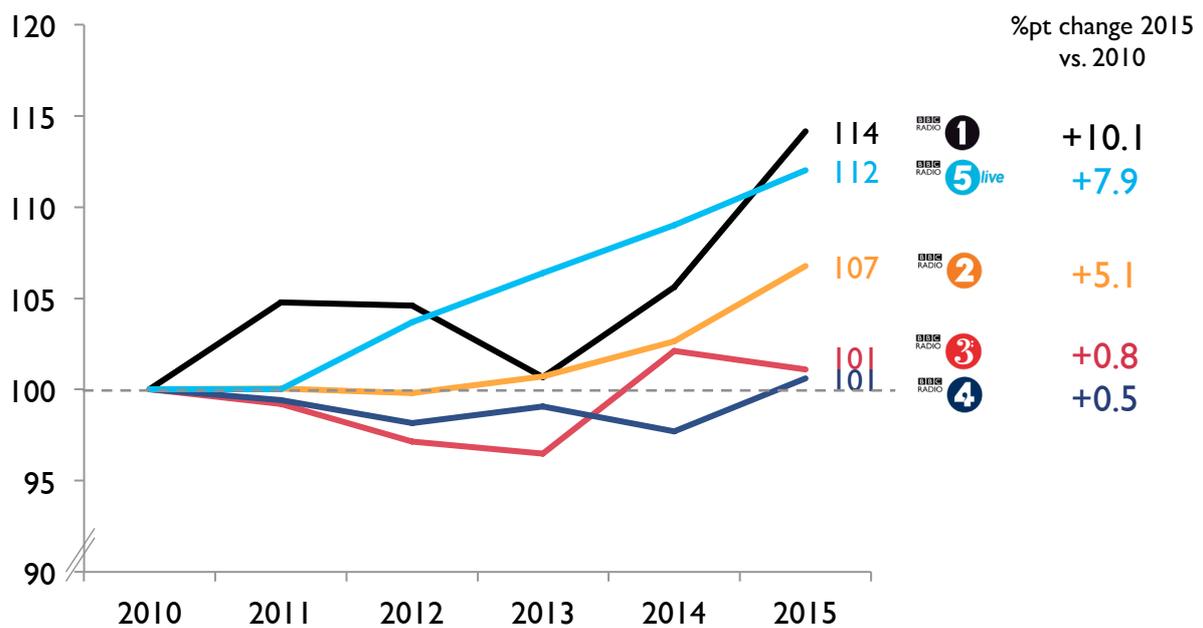
<sup>3</sup> Source: Pulse by GfK for the BBC, a panel of c20,000+ UK adults 16+, 2010/11 to 2015/16

## 'Original and different' on Radio

'Fresh and new' was developed for TV where the need for innovation is expressed most keenly. Audience testing showed that it was less suited to the habitual character of radio and the long-running nature of many radio programmes. As such, 'original and different' is the BBC's distinctiveness audience metric for radio. Again the data shows overall increases in the last few years.

We have indexed the data in the following chart to 2010, as the absolute levels of 'original and different' scores vary by genre, and the BBC's radio stations have very different genre mixes.

*"BBC's programmes feel original and different from most other radio programmes I have listened to"*  
 % agree, 2015 indexed on 2010



Source: Pulse by GfK for BBC, panel of c20,000 UK adults

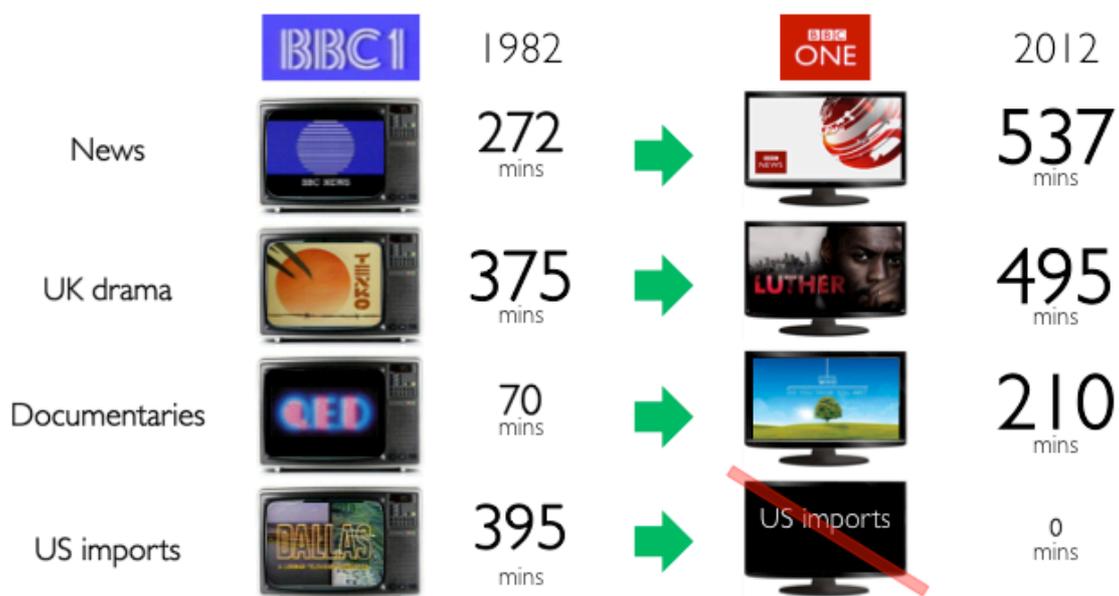
## 4 MEASURING DISTINCTIVENESS – COMPARISONS TO OTHER SERVICES

In the BBC's publication 'British, Bold, Creative' (September 2015), we published an extensive analysis of the BBC's distinctiveness, service by service, covering all the BBC's output and measuring BBC services against their competitors. Since then, a number of questions have been raised around the distinctiveness of a few services in particular: BBC One, Radio 1, Radio 2 and BBC Online. The data in this chapter therefore focuses on these specific services.

### BBC One

In many ways, BBC One has never been more distinctive. Thirty years ago, a fifth of BBC One's peak-time schedule consisted of expensively acquired US series such as *Starsky and Hutch*, *The Dukes of Hazzard*, *Dallas*, *Kojak* and *The Rockford Files*. Today, it is **zero**.

*Minutes of output per week in BBC One peaktime, sample weeks*

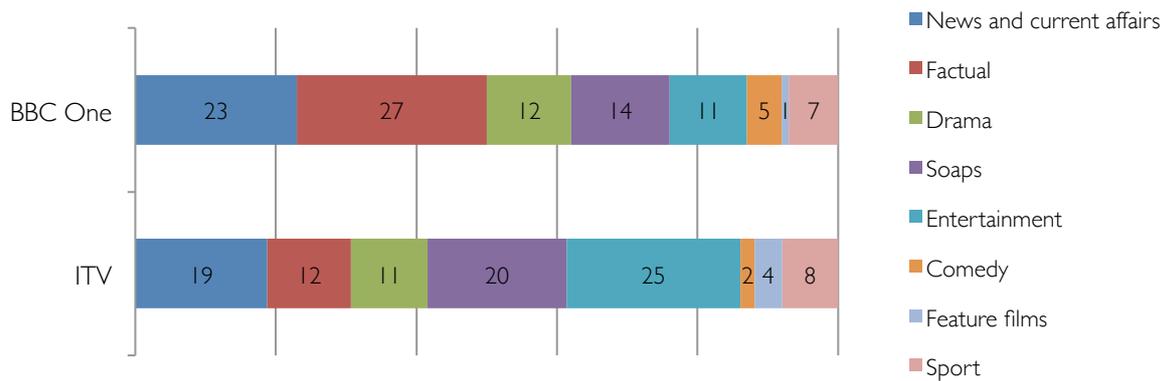


Source: Radio Times

Today, BBC One shows a much broader range and depth of content than its most comparable channel, ITV. BBC One broadcasts more than double the number of hours of factual programming in peak time. The reverse is true for entertainment across both channels. When you combine news and current affairs with factual content on BBC One, the combined total is an impressive 50% of peak time.

By contrast, ITV broadcasts close to double the number of peak-time hours of entertainment and soaps compared to BBC One (45% to 25%). Half of BBC One's peak-time schedule is allocated to news and current affairs and factual programming, against just 31% on ITV.

Genre mix on BBC One and ITV (% peak time)



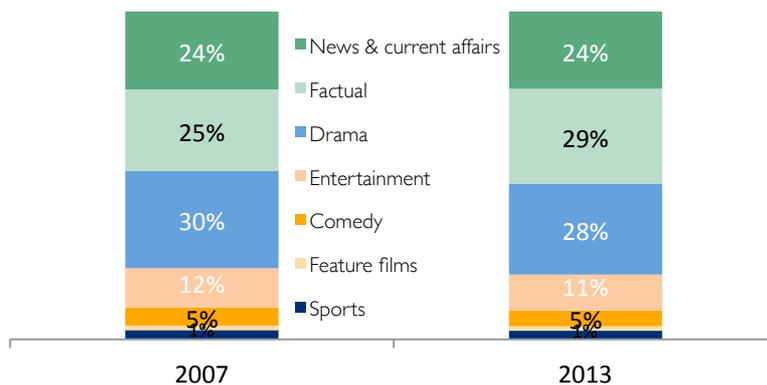
Source: Ofcom PSB Annual Report 2015

Compared to ITV, BBC One offers more news in peak-time (295hrs to 242hrs), more current affairs in peak-time (48hrs to 37hrs) and more new specialist factual programmes<sup>4</sup> in peak-time (123hrs to 70hrs). BBC One offers audiences more comedy and drama in peak-time schedules but fewer hours of soaps, entertainment and sport.

The data shows that BBC One has become more distinctive over time, not less, as its genre mix has become less like ITV's. This is one of the reasons, we believe, why audiences now give it higher scores for distinctiveness.

For example, compare two equivalent years 2007 and 2013 (both years without major sporting events for proper comparability). The proportion of factual output in the schedule has risen from 25% to 29%, and entertainment has gone from 12% to 11%.

Genre mix on BBC One peak-time 2007 versus 2013



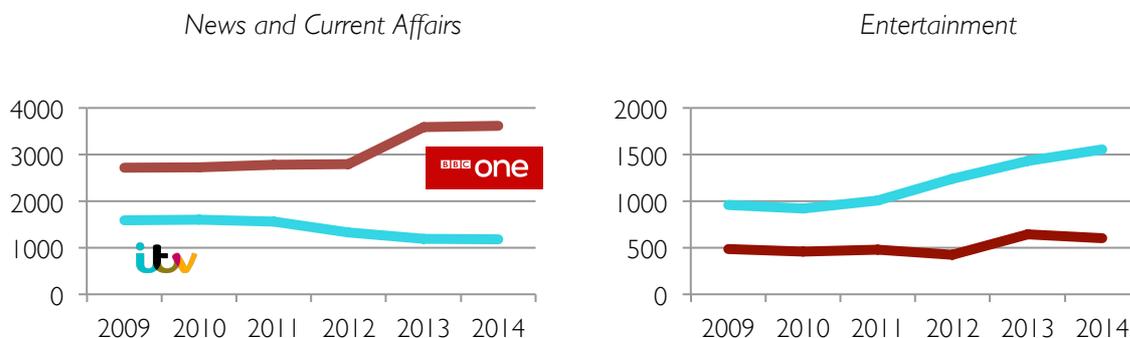
Source: BBC output data

According to Ofcom data, original UK factual output in peak-time BBC One has increased from 363 hours in 2009 to 396 hours in 2013. Through the whole period, the proportion of the peak-time schedule that is factual entertainment has remained broadly steady at c5%.

<sup>4</sup> Ofcom reports only first-run UK originated specialist factual content

Looking at all hours broadcast across the whole of BBC One – including daytime – shows a similar distinctive picture. Hours of news and current affairs have risen by 33% and entertainment hours are broadly flat (excluding the impact of changes to daytime such as the move of children’s output). By comparison, ITV hours of entertainment have risen by 62%.

*Hours of output on BBC One compared to ITV, all hours, all day*



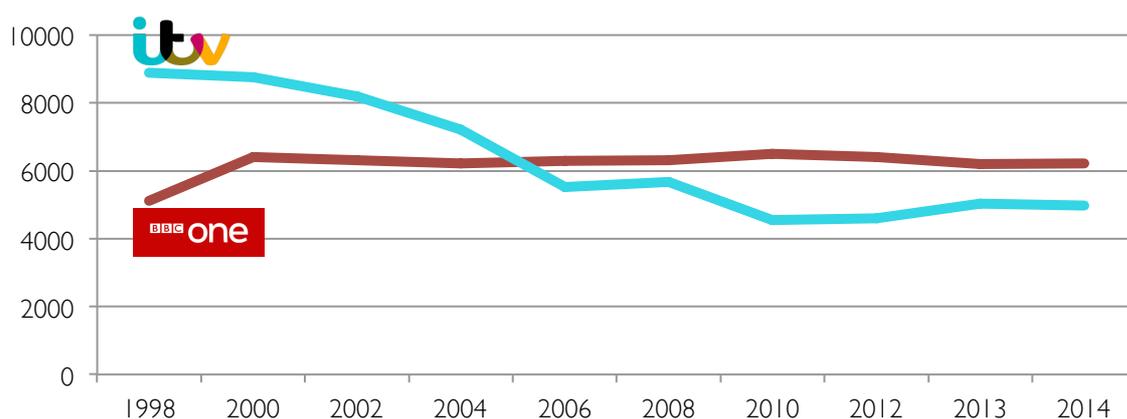
Source: Ofcom PSB Annual Report 2015

Along with ITV, BBC One is one of only two channels in the UK to offer dedicated programmes within the schedule targeted at the individual Nations and Regions of the UK (BBC Two does offer opt-out programmes for the Nations only). But BBC One today does this to a much greater extent than ITV.

In the last six years, the aggregated spend by ITV, STV and UTV on first-run UK originations in the Nations and Regions halved from £142m in 2008 to £71m in 2014. In contrast, BBC spend has remained relatively stable declining from £216m in 2008 to £207m in 2014.

Looking back even further, BBC One’s Nations and Regions hours have increased by 22% over the last two Charters, while ITV’s have nearly halved.

*Hours of first-run UK originations for the Nations and regions of the UK*



Source: Ofcom PSB Annual Report 2015: Output and Spend annex, slide 55. ITV includes STV and UTV hours

## Radio 1

Radio 1 entertains and engages a broad range of young listeners with a distinctive mix of world-class music and speech.

In reaching 37% of 15-29 year olds every week, it provides an important source of news.<sup>5</sup> *Newsbeat* reaches more young people each week than the *10 O'Clock News*,<sup>6</sup> and Radio 1 broadcasts 40 documentaries a year alongside its weekly *Surgery* show. By being relevant and popular with young listeners, Radio 1 delivers on a range of public purposes during daytime through its speech output.

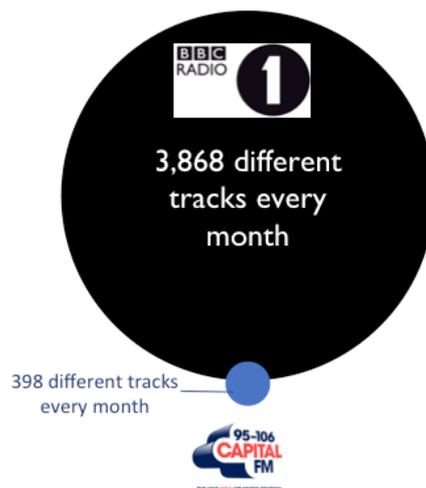
Radio 1 is an internationally renowned taste-maker – it breaks the hits that others play. Its music offer is unique, with greater depth and variety of music than its competitors and the most open and refreshed playlist in the UK.

It is a particular champion for new and UK music: on average over the last five years, 61% in daytime is new and 55% by UK artists. Levels of both new music and UK music are higher, on average, now than at the beginning of this Charter.<sup>7</sup>

The Radio 1 playlist is wider and more frequently churned than any other radio station in the UK. It takes more risks. 49% of songs added to the Radio 1 playlist in 2014 were by artists who had not had a significant chart hit by the end of that year – the equivalent for a comparable station like Capital is 12%. In 2014, 75% of additions to the playlist were by artists who had previously had support from Radio 1's specialist shows.

As can be seen below, it broadcasts a huge range of music that has very little overlap with comparable stations.

*Across a month, Radio 1 shares 3% of tracks with Capital, Capital shares 32% of tracks with Radio 1*



Source: *comparemyradio.com*, 4 July–3 August 2015, all hours

Focusing just on daytime, Radio 1 shares 9% of tracks with Capital, Capital shares 41% of tracks with Radio 1. In fact, across a typical week in September 2015, 56% of tracks on Radio 1 in daytime were not played by any of the competitor set, a percentage that has increased significantly over the past decade – up from 33% in November 2006.<sup>8</sup>

<sup>5</sup> Source: RAJAR, 15-29s, 2015 Q4 12-month weight

<sup>6</sup> Source: RAJAR, 15-29s, average weekly reach, Monday-Friday, 2015 (Q4 12-month weight) (*Newsbeat* slots 1245-1300 and 1745-1800); BARB, 15-29s, all homes, average weekly reach 3+ mins consecutive, Monday-Friday, 2015, *10 O'Clock News* on BBC One / BBC News Channel

<sup>7</sup> Aside from the PRS data, the evidence for music distinctiveness in this section comes from a variety of sources: music overlap between stations is sourced from *comparemyradio.com*; exclusives (proportion of tracks not played on competitor stations) is based on independent monitoring and BBC analysis; track repeat rate is sourced from Radiomonitor and BBC analysis; new and UK music data as well as playlist figures is sourced from Radiomonitor and BBC analysis

<sup>8</sup> In September 2015 Radio 1 was compared with Absolute, Capital, Key 103, Kiss 100 and Radio X

Radio 1 typically repeats songs less often on average compared with commercial stations: 96 different new songs a week on Radio 1 get six plays each on average; compared to 25 songs, played 15 times each on average on the comparable commercial station.

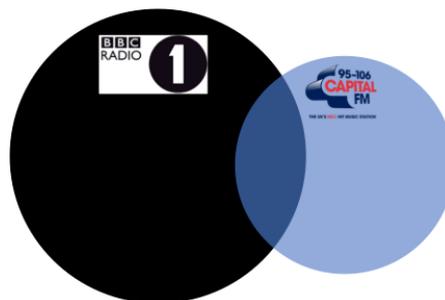
External data across a year makes the same point. The Performing Rights Society license music rights across the 200+ radio stations in the UK and is uniquely placed to access the music usage of the radio sector. Their data for 2014, shows that around 90% of the songs played on both Radio 1 and Radio 2 were not played on any other station:

Station	Number of songs played	Number of unique songs played	% Unique
Radio 1	13,729	11,878	87%
Radio 2	21,329	19,478	91%
Sample commercial station 1	1,522		
Sample commercial station 2	3,496		
Sample commercial station 3	801		
Sample commercial station 4	1,610		

Source: PRS, 2014

This distinctive music output results in very different audiences.

*Across a week, just 17% of listeners to Radio 1 and Capital listen to both stations*



## Radio 2

Radio 2 has the widest range of programming on radio in the UK from popular and specialist music to speech content ranging from news and current affairs to documentaries, arts and comedy.

Radio 2 has the most diverse schedule in UK music radio with over 100 hours of arts programming, 130 hours of documentaries, 200 hours of religious programming each year and 18 hours of news and current affairs each week. This news output includes the two-hour Jeremy Vine programme, scheduled in the heart of daytime from midday each weekday.

Such diversity of speech content is not provided by commercial competitors in the UK radio market. Highlights of Radio 2's speech output in the past year have included:

- A weekly short World War One daytime documentary, with Jeremy Vine presenting a real-time journey through the events, voices and music of 1914, allowing listeners to experience the Great War as it happened. The network also commissioned 50 new songs which feature in a series titled *Ballads of The Great War* to be broadcast between 2014 and 2018

- *Faith in the World Week*, which saw Claire Balding broadcast live from a hospital in a network-wide campaign exploring the power of music to heal
- Radio 2 raised the profile of its dedicated *Arts Show* over the last 12 months, last summer inviting all the daily daytime presenters to curate an edition and highlighting their own particular arts interests. This promoted the strand directly to the mainstream daytime Radio 2 audience
- Simon Mayo's *Book Club* has become a very influential broadcast supporter of books and reading for adults. The show broadcast from the Edinburgh and Cheltenham festivals and featured various high-profile authors such as Kate Mosse and David Nicholls
- *500 Words* is the largest short story writing competition for children in the UK, and has run as part of the Chris Evans Breakfast show for the last four years. This year there were over 120,000 entries – quadruple the number of entries in 2011. The initiative is supported by a dedicated webpage offering tips, tricks and videos, encouraging children to become interested in reading and writing. In partnership with Radio 2, the Oxford University Press analysed over 170 million words to create the world's first dedicated corpus of children's language.

Music on Radio 2 is hugely distinctive – the station plays a greater variety of music than any other radio station in the UK and this includes over 1,100 hours of specialist music programming every year, including jazz, folk and country. The station also broadcasts over 260 hours of live music each year.

Radio 2 adds huge public value by playlisting new artists that get little exposure on commercial radio, including folk, country, soul and jazz artists. It also supports heritage artists no longer played by commercial radio. As a result its range of music is hugely distinctive, particularly when set alongside comparable commercial radio stations.

*Across a month, Radio 2 shares 13% of tracks with Absolute, Absolute shares 37% of tracks with Radio 2*



Source: *comparemyradio.com*, 4 July–3 August 2015, all hours

In daytime, Radio 2 also shares 13% of tracks with Absolute Radio; Absolute Radio shares 29% of tracks with Radio 2.

Our regular in-house music surveys also compare Radio 2 against a set of key commercial services. Across a typical week in September 2015, 71% of the tracks played on Radio 2 in daytime were not played by any of the other stations within the set against which they were compared.<sup>9</sup> This is up from 60% in November 2006. Radio 2 features around 50 new songs a week, repeating them three times

<sup>9</sup> Absolute, Heart, Key 103, Magic and Smooth

each on average; compared to five new songs on a comparable competitor station, repeated 12 times each on average.

Again, this distinctive music output results in very different audiences.

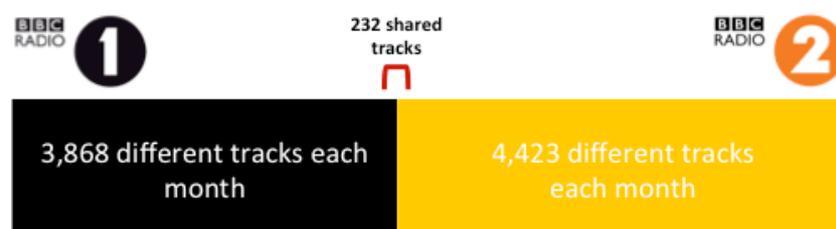
*Across a week, just 4% of listeners to Radio 2 and Absolute listen to both stations*



## Overlap between Radio 1 and Radio 2

The question has also been raised of whether Radio 1 and Radio 2's audiences and music choices overlap and make them both less distinctive. The evidence shows that these two services do not overlap to any significant degree.

Radio 1 shares just 6% of music tracks with Radio 2. Radio 2 shares 5% of tracks with Radio 1.



Source: *comparemyradio.com*, 4 July–3 August 2015, all hours

Just 12% of the combined Radio 1 and Radio 2 audience listen to both stations.<sup>10</sup>

Fundamentally, the ages of the tracks the two are playing are hugely different. During the most recent BBC survey in September 2015, 96% of Radio 1's daytime music was found to come from the past five years (2010 or since); whilst on Radio 2 69% was pre-2010.

The BBC monitors overlap between Radio 1 and Radio 2 on a regular basis, using a variety of methods. All of them show the same broad picture:

- At the simplest level, we count the number of shared tracks **in a week** during daytime programmes. During the September 2015 survey Radio 1 and Radio 2 played 912 different tracks between them in daytime, just 16 of which appeared on both networks (1.8%). Only three of these songs had five or more plays on both networks during the week (although this is probably slightly below average)

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<sup>10</sup> Source: RAJAR, 15+, 2015 Q4 12-month weight

- Looking at data for all hours broadcast, across **the 30 days** to 22nd February 2016, Radio 1 played 3,523 different tracks, Radio 2 played 4,436, with 602 shared (8% of the total 7357 different tracks across the two stations)
- Analysis of **tracks added** to the Radio 1 and Radio 2 daytime playlists during 2014 (2015 data not yet available) found 732 different songs appeared across the two lists, but only 61 (8%) appeared on both – roughly equivalent to one shared track added to both the Radio 1 and Radio 2 playlist each week.

Any overlap is mainly owing to the handful of artists whose music appeals to a wide range of demographics; Adele, for example, is 27, still within Radio 1's target age range, but her songs have an almost universal appeal. Ultimately, however, the difference between the two stations is the next track after Adele: on Radio 1 it will often be a cutting edge track from a brand new band; on Radio 2 it is more likely to be a classic 60s or 70s song.

## BBC Online

BBC Online is the gateway to the BBC on the internet. It is the third biggest BBC service, providing public service content to half of British adults each week.<sup>11</sup> It is the third biggest service for time spent with younger audiences.<sup>12</sup>

But it is a small part of the internet – just 4.5% of UK time spent online.<sup>13</sup> It is highly rated for quality, and plays a vital role in delivering the BBC's mission to inform, educate and entertain.

Its key products bring unique qualities to the UK online market. BBC News Online, for instance, brings trusted, impartial news to audiences in the UK and around the world. It plays a distinctive role from that of newspaper websites to which it is sometimes compared, as BBC News Online is regulated to be fair, accurate and impartial. That is one of the reasons, we believe, why BBC Online is the most shared publisher in the English language on Twitter.<sup>14</sup>

These values are more important than ever in the internet age – and in many ways increasingly distinctive. The need for independent, impartial and insightful news has never been greater. There is a surfeit of data, but a shortage of understanding; more official information, but arguably less public trust. It is easy to find something on the internet that seems to be a fact but is not. Or something that appears to be news but is really just a particular take on the news. There are sources of news that entertain or enrage; others that take sides or push a line. There is more news, but also a lot more noise. The sheer scale of information now available makes the BBC more rather than less useful.

Audiences recognise these values of trustworthiness, accuracy and impartiality. They are a core part of BBC News Online's distinctiveness.

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<sup>11</sup> Source: Cross-Media Insight Survey by GfK for the BBC, c6,000 UK adults per quarter, based on average weekly reach 3+ mins, 2015; BARB, 16+, 2015

<sup>12</sup> Source: (16-24s) Cross-Media Insight Survey by GfK for the BBC, 2015; BARB, all homes, all hours, 2015; RAJAR, 2015 (Q4 12-month weight)

<sup>13</sup> Source: comScore MMX Multi-Platform, UK, Average Total Minutes, [P] BBC Sites, Jan-Dec 2015. Data can be variable within a small range, depending on tagging

<sup>14</sup> <https://mobile.twitter.com/NewsWhip/status/669597174326423553>

Who do you associate with 'trustworthy' (asked of online news providers)



Source: Populus for the BBC, 2,073 UK adults 18+ (online), 25th–26th June 2014

Another flagship product, BBC iPlayer, achieves its distinctiveness, of course, primarily through the fact that it hosts the BBC’s distinctive TV programmes in all their full range and depth.

BBC iPlayer is also distinctive in its functionality. External and internal reviews on VOD product functionality suggest that among the main broadcaster and subscription VOD providers, BBC iPlayer has the broadest range of audience-facing features, providing a wide-ranging combination of functionality such as download for later, a fully responsive website, notifications and personalised recommendations. Indeed, among the major VOD platforms there are some features unique to BBC iPlayer, such as Live Restart.

Just as TV channels have for decades bundled information, education and entertainment together, so too does BBC iPlayer with its offer of the range and breadth of BBC output. iPlayer uses a range of curatorial tools to direct audiences to content that they might not otherwise have considered watching.

This is already bringing demonstrable public service benefits: we are consistently able to generate significant volumes of viewing to hidden gems by giving these programmes prominence on the BBC iPlayer home screen (an estimated uplift around 500% in some instances). There is also evidence that audiences watch a breadth of content beyond that which is simply popular. Around 40% of BBC iPlayer users say they come to BBC iPlayer to browse for something to watch without a specific programme in mind. 51% of users say they watch something they’ve never seen before, and 28% watch things they’ve never heard of before.<sup>15</sup>

BBC iPlayer has also prioritised the way it helps audiences with disabilities to gain access to content on every possible platform, with subtitles, signing and audio description. The lessons from developing the technologies to deliver accessible services as well as the delivery of an accessible product are shared with all other VOD providers and published externally as BBC guidelines, techniques libraries and testing tools.

Most of the BBC’s online products (like CBBC, CBeebies, and BBC iPlayer Radio) are primarily distinctive because they host a broad range of the BBC’s TV and radio content. But like BBC iPlayer they are often also distinctive for other reasons, too. For example, the use of innovative formats like BBC Live; BBC talent and brands; and functionality such as personalisation, responsive websites, and mobile downloads.

But BBC Online is more than just a collection of distinctive products. It is a distinctive *portfolio* of products. So, for instance, we have seen 30% of journeys starting at BBC News navigating to another

<sup>15</sup> Source: Pulse by GfK for the BBC, 632 nationally representative BBC iPlayer users 16+, December 2015

part of the portfolio. Every month, there are two million journeys from our News website to our educational and learning websites. Personalisation will increase the value of these links between different products.

However, in general our online services are newer than our broadcast services, and are still finding their place in a quickly evolving market. In some areas, they helped create that market, such as with BBC News Online and then BBC iPlayer. Given the rapid pace of change, in November 2015 we launched a creative review to look at BBC Online and how we can better focus its resources.

This Online Creative Review will be clear about what the BBC will not do online. It cannot be all things to all people. The internet is a vital marketplace for products and services, businesses and organisations that the BBC cannot hope to – nor seek to – compete with.

The BBC should enable a thriving market. To do this, the BBC's services must be distinctive. We will continue to offer and improve services where the public value exceeds the market impact. Where we do not add to the market we should review.

In other areas, the review will be clear about how BBC Online can operate in ways that grow the market itself. So, for instance, we have proposed to open our online operations to serve as a platform for others, or to partner with local newspapers.

Proposals in all these areas will be published in the next few weeks.

## 5 ENHANCING DISTINCTIVENESS IN THE FUTURE

The focused analysis in this document, together with the comprehensive analysis published last September for the whole BBC, demonstrates three key findings:

- Firstly, BBC services – including BBC One, Radio 1 and Radio 2 – are highly distinctive today
- Secondly, audiences believe they have become more distinctive over the last Charter
- Thirdly, data comparing these services to comparable services in the market also shows they have become more distinctive.

However, in an environment that is changing quickly, distinctiveness – like quality – is always a work-in-progress. A format or programme idea that one broadcaster invents can be quickly taken up by others. Content and functionality changes even faster in the online world.

So the BBC will need to continue to enhance its distinctiveness, alongside ensuring it remains the benchmark for quality and continues to provide universal value to all audiences. Any framework for measurement or regulation will need to cover all three areas.

As previously defined, that means:

- Programme / content quality: every BBC programme or piece of content should aspire to be the best in its genre. As with any creative endeavour, we will not always succeed, but we should always aspire
- Universality: We must reach all audiences with high quality and relevant public service content. A service with no audience – no matter how unique – is as ineffective as output with no public service value
- Service distinctiveness: we believe distinctiveness makes sense at an aggregate level (e.g. a service or a product or a genre), and can be measured for instance by how distinguishable from the market its mix is.

We believe the goals around increasing distinctiveness should be met in three ways and that the new governance model of the BBC should require it to be measured against these goals.

1. Firstly, the BBC should continue to improve the impact of certain genres that can be identified as under-provided from other parts of the media sector. This could include, say, arts, science or UK-produced children's output. Genre mix is one of the ways in which the BBC could achieve the goal of attracting audiences to prioritised genres. But there are other methods, individually or in combination: new formats, bespoke services, personalisation, hammocking, cross-promotion, increased spending, incorporation within other genres of programming (such as Simon Mayo's *Book Club* or Chris Evans' *500 Words* initiative) or focusing on landmarks with significant spending
2. Secondly, individual service licences should describe overall characteristics and mandate a small number of statutory quotas where market sensitivity is highest. As suggested by Sir David Clementi's review, we would anticipate a smaller number of services licences overall that would group services together and look at distinctiveness in the round. This would mean an overall reduction in the number of quotas: the BBC already has 160 individual quotas and in keeping with the spirit of deregulation we would argue that rather than replicate or add to them, the BBC's proposed regulator should review whether each is required. However, some of the

existing floors should continue. For instance, it will be important to continue to protect the amount of live or new music in daytime on music radio, or the amount of current affairs on television.

We welcome comparison with relevant competitors, especially in radio where there is no equivalent of the Ofcom PSB tracker cited earlier. Distinctiveness is only meaningful if there is something to compare with

3. Thirdly, the BBC should aim to increase innovation. Taking risks and trying out new things will always be an important way of breaking new ground in distinctiveness. 'Fresh and new' scores on television, for instance, will continue to be a good way to measure progress against this ambition.

The effect of these three goals would be to create a BBC that is higher quality and more distinctive, while protecting its universality.

In practice, we are already taking steps to put these goals into action.

### BBC Television

Significant recent steps include:

- A significant increase in Music and Arts spending on Television as a result of a strategic review in 2013. This includes new landmarks and series in peak-time BBC One
- The shift of BBC Three online, which has meant a renewed focus on its core genres of drama, comedy, factual and current affairs content and huge commitment to new and diverse talent. It also involves experimentation in new formats and different kinds of content
- A series of programme commissions for BBC One peak-time that recommit to risk-taking and innovation. In recent weeks this has included:
  - *The Night Manager*, *Dickensian*, *War & Peace* and the return of *Happy Valley*
  - BBC One's mental health season, which brought together BBC News special reports; prime-time documentaries giving insight to living with two extreme forms of mental illness; *EastEnders'* compelling postpartum psychosis storyline featuring Stacey Branning; *The One Show* and BBC One's unique regional current affairs strand *Inside Out*
  - Panorama's slate of important investigations into G4S youth prison abuse, big tobacco bribery, and the Panama papers.

New commissions and seasons to come this year include:

- *Shakespeare*: partnering with some of the country's leading arts organisations, this unique festival will bring to life the genius of William Shakespeare for millions of households in the UK and around the world, across all platforms. As the centre-piece, BBC One becomes The Globe, with a bold and accessible adaptation of Shakespeare's *A Midsummer Night's Dream* by Russell T Davies. This is alongside a new series of *The Hollow Crown*, with Henry VI Parts 1 & 2 and Richard III on BBC Two.

The Shakespeare season aims to bring Shakespeare alive for a new generation. The new BBC Shakespeare Archive Resource offers unique access for colleges, universities and schools to

hundreds of BBC television and radio broadcasts of Shakespeare's plays, sonnets and documentaries. BBC Bitesize will launch brand new resources for both primary and secondary school pupils. CBBC and CBeebies will celebrate the 400th anniversary of Shakespeare's death with a raft of programmes including a *Horrible Histories* special, a Shakespearian edition of *Blue Peter*, a special *How to be Epic @Shakespeare*, a CBeebies performance of *A Midsummer Night's Dream* and special episodes of *Magic Hands Shakespeare*

- *Science*: In his first series for BBC One, *Forces of Nature*, Professor Brian Cox will bring viewers back to Earth to unveil the forces that make our planet what it is
- *History*: *Henry VIII's Six Wives* is an ambitious, ground-breaking approach to drama and history on BBC One, as historian Lucy Worsley time travels back to the Tudor Court to witness some of the most dramatic moments in their lives
- *Invictus Games*: BBC One is the exclusive UK broadcast partner for the 2016 Invictus Games. In addition to the daily live programming, BBC One will be putting the stories of the UK Armed Forces Team centre stage through its coverage of the events and through documentary. Another documentary will follow the progress of choirmaster Gareth Malone, who has been invited to form a choir made up of wounded, injured or sick ex-servicemen and women that will perform at the Games
- *Sitcom season*: This season of programming across BBC One, BBC Two and BBC Four will celebrate the legacy and importance of BBC comedy by revisiting some of Britain's iconic sitcoms alongside launching brand new comedy shows
- *Topical films*: through both drama and documentary films at the heart of BBC One, we are telling contemporary stories that tackle the complexities of life today. Recent examples include the 90-minute *Abused: the Untold Story*; coming up later this year is a 90' film about the death of Damilola Taylor and *Reg Keys* – a single film by Jimmy McGovern
- *EU Referendum*: The centre-piece of the BBC's coverage will be BBC One's three major debate programmes in the run-up to the EU Referendum. All three of the programmes will feature key campaigners from both sides of the debate, and live audiences from a cross-section of the electorate. Additionally, all of the BBC's regular political interview and debate programmes will continue throughout the campaign and travel to all corners of the UK
- *Black Britain season*: A new season of programming across BBC television reveals how black history has shaped our world and explores what it means to be black and successful in Britain today. It will include *A Black History Of Britain*, written and presented by acclaimed historian and broadcaster David Olusoga; *White Boys And Black Heroes – How Black Footballers Transformed Modern Britain*, a look at an extraordinary game of professional football that took place in 1979 and that if played today, would cause mass protest; *Back In Time For Brixton* which takes one second or third generation black British family through 60 years of cultural and social shifts; and *Roots Reggae, Rasta & Rebellion* which tells the story of a golden period in Jamaica's musical history.

## BBC Radio

The current service licence regime for music radio has led to a proliferation of detailed quotas (to around 50) which, taken together, limit our ability to make creative choices to promote a distinctive mix of music and speech. Our proposal is to reduce the overall number of quotas, but introduce some important new, targeted commitments that drive greater distinctiveness and public value, especially on Radio 1 and Radio 2 in daytime. In summary:

- Ensure that Radio 1 and Radio 2 have a strong commitment to new and UK music so that a strong proportion of the new music in daytime on Radio 1 and Radio 2 should be from the UK
- Extend social action on Radio 1 to four campaigns a year, in daytime, working with partners (e.g. voluntary organisations, charities) wherever possible
- Strengthen the arts commitment and high-quality speech content on Radio 2 by committing to a minimum of four seasons a year covering arts and social action, working with partners (e.g. arts organisations) wherever possible
- Develop outcome measures that seek to get to the heart of audiences' views about the distinctiveness of BBC music radio
- Improve the meaningfulness of distinctiveness measures, by discussing with the proposed new regulator the most meaningful comparisons with relevant competitors.

### BBC Online

As outlined earlier, we will publish the Online Creative Review in the next few weeks, which will set out our plans to make the service better for audiences and more distinct from comparable services provided by others.