

## Public Service Broadcasting in the Age of the Meerkat



*On 23 October, I delivered a keynote lecture to the Royal Television Society entitled: Public Service Media in the age of the Meerkat. This is an edited extract of the lecture, which drew on research for the Open Society Foundation's Mapping Digital Media project.*

Around the world the audience and revenue figures do not show as precipitous a crisis of public service broadcasting as you might think. Licence fee funding – like subscription – has been rather robust in recent years compared to volatile alternatives such as advertising. Even countries with a cross-party consensus on the long term future of PSM, such as Sweden, have seen changes as regards commercially funded PSM. There are great contrasts. Some countries, such as Thailand, are experimenting with new models of public service broadcasting, while in others, arguably Japan, remit restrictions are preventing public service innovation.

Clearly policy matters at this time of audience volatility, yet the most striking thing about the countries covered by the [Open Society Foundation's Mapping Digital Media](#) project however is that media policy is almost everywhere a messy, politicised dysfunctional process. Within this mess, countries around the world are attempting to decide on a fundamental constitutional question in relation to their media systems: what is the role of the state in licensing and funding large media organisations?

The reports are full of stories about governments executing policy manoeuvres with the ostensible aim of 'adjusting to the digital era' but convenient effects of favouring favourable media or extending influence over powerful opinion formers. And not all of these countries are very far away: the [Hungarian](#) Government's attempt to gain control of the independent regulator, and the Sarkozy Government's [removal of advertising](#) from public service broadcasters and extension of press subsidies, were viewed with suspicion by many. Struggles over the role, remit and funding of public service media (PSM) are taking place in every European Country.

### Government Plans for Public Service Broadcasting

The UK Government plans to support PSB by making it more discoverable with new rules to make PSB channels appear more prominently on key TV platforms through 'electronic programme guides' (EPG), and a new deal whereby the BBC and other PSBs will not have to pay Sky for distribution in the form of 'retransmission fees'. Two new consultations are planned: on EPGs and the discoverability of PSM; and on a new distribution deal.

The real issue with this 'new deal' for PSM is that nobody has any idea if it will work. Broadcasting policy always involves chance and instability, but this really is a wing and a prayer. Patterns of change in audience behaviour in the coming decade will simply be too complex to be able to predict how 'nudges' like EPG prominence will impact PSM audiences and revenues. Similar policy measures have been tried elsewhere, but they cannot help predict their impact in the UK. Put simply, the proposed new deal might slow the decline of PSB, but it is by no means certain that it can.

This is of course why Parliament set up a careful and frequent independent assessment of broadcasting in the form of Ofcom's PSB reviews back in 2003. The problem with the strategy paper is that given the level of uncertainty about whether such interventions will in fact support PSM, there is no plan B if they don't work.

### Public Service Media in the age of the Meerkat

The government has opted for a 'steady as she goes' approach to public service regulation.

After all, according to Ofcom:

- We now watch more, not less linear TV than we did 5 years ago.
- Viewing of the main television set has increased.

As the Broadcasting Minister Ed Vaizey has said, this appears to be a situation of evolution, not revolution: in which we should examine the tools that we use to promote public service in the media, make some targeted reforms, and look at ways of making the existing tools more effective. The government proposes for example to:

- end retransmission fees – or at least bring them to zero net charges
- examine new ways of making public service content more 'findable', particularly through EPG
- reform spectrum allocation

But is this enough? What happens if it doesn't work?

Because whilst Ofcom evidence about the persistence of linear TV viewing are often cited, they may also hide some deeper and longer term changes.

- Younger people have quite different patterns of behaviour, and EPGs for example are less important to them.
- The figures about viewing tend to be impacted by multi-screen viewing: people do have the main TV on, but they are multi-screening or 'meerkatting'. (Peeping up from their smartphones and tablets for fleeting moments with good old TV).
- Under 35s are more likely to be on time-shift and catch up services and using recommendation rather than EPG to find content.

This can lead to a tendency to overestimate the importance of viewing to main sets, and of EPGs.

Clearly the consultation and review of EPG will do more to address the research gap. But the debate about EPGs has been framed as a debate about how to maintain prominence of PSBs, whereas it should also be about how this existing regulatory asset is likely to decline quite sharply in effectiveness and needs to be replaced by other interventions.

## Spectrum

In its strategy paper, the Government commits to 'making a 10 year plan to deliver greater public value from the use of electromagnetic spectrum'. Elsewhere in the paper it speaks of 'social value' associated with spectrum use.

Note that the strategy paper aims to reform spectrum allocation whilst still making sure that 'the framework underpinning the PSB model is not undermined'.

It is not clear at all what this means, and PSBs fear for their spectrum. In the long term, we might be witnessing a Negroponte Switch: whereby bandwidth hungry services such as broadcasting switch to fixed networks and wireless spectrum is used for mobile services. With the current rollout of fibre optic broadband this looks more feasible.

Ofcom first argued in its PSB review in 2005 that the end of the spectrum for service pact represented the withdrawal of a huge subsidy from the public service media system. This was the reasoning that led Ofcom to call for a new intervention to support public service content production: The Public Service Publisher.

This idea was quietly shelved. But the PSBs themselves sooner or later will have to acknowledge that 'public value' is not owned by broadcasters. Internet access and mobile services deliver public

value and arguably more when they carry broadcasting services. So one danger is that in the medium term broadcasters and public services, including the new Local TV services have no clear long term strategy for migration – or not migration off existing spectrum bands.

## Looking beyond existing tools

So if there is a nagging doubt about the strategy paper it is not that it is an attack on PSB but that it might not do enough. There are positive decisions that need to be taken about the role of 'public service' in the overall mix, and they need to be taken soon. The debate should not only be about tweaking existing nudges, it should be about the objective of all of this. If Parliament thinks that we have been well served over the last century by a mixed media system, including a range of media including commercial, public service and hybrids; the question is, what it might it take to maintain that mix. Perhaps we need to think again about new interventions – ones that might be being tested in other countries already, including the Public Service Publisher and new funding models such as levies on networks.

The paper claims it will act to maintain PSB, but is it doing enough?

*This article gives the views of the author, and does not represent the position of the LSE Media Policy Project blog, nor of the London School of Economics.*

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