

## **SUMMARY**

The Q2 2004 Bellwether Report, the quarterly survey of marketing budgets, published today (20th July 2004) by NTC Research on behalf of the IPA, reports continuing buoyancy in the marketing sector, with final data for 2003 showing the steepest rise in marketing spend since the survey began and improved confidence among top marketing executives.

One of the most significant trends appearing in Q2 Bellwether Report is the shift in marketing spend back towards the main media. Whilst budgets for media were only revised up modestly, this upward trend is the largest seen since the survey began and appears to suggest that media advertising has gained favour as companies perceive a brightened economic outlook.

Other categories showing upward revisions were direct marketing which, whilst still showing growth, saw the smallest upward revision since Q2 2003, and internet related marketing, which continues to show the strongest rate of growth but still only accounts for less than 3% of total spend. Sales promotion and 'all other' marketing saw budgets revised down for the first time since Q3 2003 and Q2 2003 respectively.



# TRENDS IN TELEVISION VIEWING

QTR 2 2004

Produced in association with OMD UK

- July 2004

TABLE 1

**AVERAGE DAILY HOURS OF VIEWING - ALL TV**

**ALL INDIVIDUALS**

	<u>Qtr 1</u>	<u>Qtr 2</u>	<u>Qtr 3</u>	<u>Qtr 4</u>	<u>FULL YEAR</u>
<i>OLD PANEL</i>					
<i>1991</i>			<i>3.41*</i>	<i>4.09</i>	<i>#</i>
<i>1992</i>	<i>4.13</i>	<i>3.52</i>	<i>3.55</i>	<i>4.03</i>	<i>3.81</i>
<i>1993</i>	<i>4.07</i>	<i>3.41</i>	<i>3.34</i>	<i>3.93</i>	<i>3.69</i>
<i>1994</i>	<i>3.91</i>	<i>3.38</i>	<i>3.28</i>	<i>3.82</i>	<i>3.60</i>
<i>1995</i>	<i>3.94</i>	<i>3.38</i>	<i>3.21</i>	<i>3.84</i>	<i>3.59</i>
<i>1996</i>	<i>3.95</i>	<i>3.39</i>	<i>3.25</i>	<i>3.78</i>	<i>3.59</i>
<i>1997</i>	<i>3.89</i>	<i>3.41</i>	<i>3.29</i>	<i>3.77</i>	<i>3.59</i>
<i>1998</i>	<i>3.84</i>	<i>3.46</i>	<i>3.34</i>	<i>3.78</i>	<i>3.61</i>
<i>1999</i>	<i>3.91</i>	<i>3.48</i>	<i>3.35</i>	<i>3.93</i>	<i>3.67</i>
<i>2000</i>	<i>3.86</i>	<i>3.49</i>	<i>3.43</i>	<i>3.91</i>	<i>3.67</i>
<i>2001</i>	<i>3.95</i>	<i>3.46</i>	<i>3.34</i>	<i>3.75</i>	<i>3.62</i>
<b>NEW PANEL</b>					
<b>2002</b>	<b>3.54</b>	<b>3.47</b>	<b>3.36</b>	<b>3.80</b>	<b>3.54</b>
<b>2003</b>	<b>3.99</b>	<b>3.55</b>	<b>3.41</b>	<b>3.95</b>	<b>3.73</b>
<b>2004</b>	<b>4.00</b>	<b>3.50</b>			

NOTES: 1. New panel commenced on 1st January 2002  
2. Figures italics refer to previous panel

\* = Average of 8 weeks ending Sept 29th 1991 - new panel data only

# = No average quoted because of panel change

TABLE 2

## TRENDS IN AUDIENCE SHARE BY CHANNEL

ALL INDIVIDUALS

	TERRESTRIAL						NON-TERRESTRIAL	TOTAL
	<u>BBC1</u>	<u>BBC2</u>	<u>ITV1 + GMTV</u>	<u>CH 4</u>	<u>Five</u>	<u>TOTAL</u>		
	%	%	%	%	%	%	%	%
2002 - Qtr 1	25.3	11.7	25.1	10.1	6.4	78.6	21.4	100.0
2002 - Qtr 2	27.2	10.7	24.2	10.2	6.4	78.7	21.3	100.0
2002 - Qtr 3	25.7	11.3	23.6	10.4	6.3	77.4	22.6	100.0
2002-Qtr 4	26.6	11.6	23.9	9.5	6.2	77.8	22.2	100.0
2003 - Qtr 1	26.4	11.2	24.0	9.2	6.4	77.2	22.8	100.0
2003 - Qtr 2	25.5	10.7	23.6	9.8	6.5	76.1	23.9	100.0
2003 - Qtr 3	25.1	11.0	23.2	10.1	6.5	75.9	24.1	100.0
2003 - Qtr 4	25.4	11.1	23.8	9.6	6.5	76.3	23.7	100.0
2004 - Qtr 1	24.9	10.9	24.0	9.4	6.6	75.8	24.2	100.0
2004 - Qtr 2	24.8	9.7	22.5	10.1	6.9	74.0	26.0	100.0

TABLE 3

## WEEKLY CHANNEL SHARES - THIS QUARTER

ALL INDIVIDUALS

Week Ending:-	TERRESTRIAL						NON- TERRESTRIAL	<u>TOTAL</u>
	<u>BBC1</u> %	<u>BBC2</u> %	<u>ITV + GMTV</u> %	<u>CH 4</u> %	<u>Five</u> %	<u>TOTAL</u> %	%	%
04.04.04	25.7	10.0	23.1	9.4	6.6	74.8	25.2	100.0
11.04.04	22.4	10.2	22.9	9.6	7.3	72.3	29.5	100.0
18.04.04	24.4	9.8	22.2	9.4	6.4	72.3	27.7	100.0
25.04.04	24.7	10.3	23.7	9.6	6.8	75.0	25.1	100.0
02.05.04	24.4	11.6	21.8	10.1	7.3	75.0	25.0	100.0
09.05.04	24.5	10.1	22.3	9.7	7.3	73.9	26.1	100.0
16.05.04	25.0	9.2	23.1	9.5	7.0	73.8	26.2	100.0
23.05.04	24.5	9.2	23.4	10.0	7.4	74.5	25.5	100.0
30.05.04	24.4	10.1	22.3	11.2	6.7	74.6	25.5	100.0
06.06.04	23.5	9.0	22.0	9.9	6.7	71.3	28.7	100.0
13.06.04	24.8	9.1	22.6	11.2	6.5	74.2	25.8	100.0
20.06.04	24.6	9.0	23.4	11.3	6.9	75.2	24.8	100.0
27.06.04	29.8	7.9	20.2	10.6	6.9	75.4	24.5	100.0

TABLE 4

## CHANNEL SHARES BY DEMOGRAPHICS - ALL TIME

ALL INDIVIDUALS - 13 W/E 27th JUNE 2004

	TERRESTRIAL					TOTAL	NON-TERRESTRIAL	TOTAL
	BBC1	BBC2	ITV + GMTV	CH 4	Five		%	%
	%	%	%	%	%	%	%	%
All Individuals	24.8	9.6	22.6	10.0	6.8	73.8	26.2	100.0
All Adults	25.8	9.8	23.1	10.4	7.0	76.0	24.0	100.0
Men	24.9	10.4	21.0	10.2	6.8	73.3	26.7	100.0
Women	26.4	9.4	24.7	10.6	7.1	78.3	21.7	100.0
Housewives	26.6	10.1	24.3	10.6	7.4	78.9	21.1	100.0
HW with children	20.9	6.0	22.4	9.8	6.5	65.7	34.3	100.0
16-34	19.7	6.7	20.0	13.1	5.9	65.5	34.5	100.0
35-54	23.4	8.1	21.9	9.8	6.9	70.1	29.9	100.0
55+	31.2	13.1	25.8	9.3	7.8	87.2	12.8	100.0
ABC1	27.5	10.6	21.1	11.5	5.8	76.4	23.6	100.0
C2DE	24.5	9.3	24.5	9.6	7.9	75.8	24.2	100.0
16-34 ABC1	20.8	7.3	18.8	15.0	5.3	67.3	32.7	100.0
35-54 ABC1	25.3	8.8	20.9	10.8	6.2	72.1	27.9	100.0
55+ ABC1	34.7	14.9	23.0	9.5	5.6	87.7	12.3	100.0
16-34 C2DE	18.9	6.2	21.1	11.6	6.3	64.1	35.9	100.0
35-54 C2DE	21.8	7.5	22.9	8.9	7.4	68.5	31.5	100.0
55+ C2DE	29.3	12.0	27.3	9.2	9.0	86.9	13.1	100.0
CHILDREN	17.0	7.7	17.7	7.0	5.6	55.0	45.0	100.0

TABLE 5

## CHANNEL SHARES BY DEMOGRAPHICS - PEAK TIME (1800-2259)

ALL INDIVIDUALS - 13 W/E 27th JUNE 2004

	TERRESTRIAL					NON- TERRESTRIAL	TOTAL	
	BBC1	BBC2	ITV + GMTV	CH 4	Five			TOTAL
	%	%	%	%	%	%	%	
All Individuals	26.9	8.5	28.0	9.7	7.1	80.2	19.8	100.0
All Adults	27.4	8.8	28.4	9.8	7.2	81.6	18.4	100.0
Men	26.5	9.5	26.5	9.3	7.2	79.1	20.9	100.0
Women	28.0	8.3	29.9	10.2	7.1	83.5	16.5	100.0
Housewives	28.0	8.9	29.6	9.9	7.4	83.8	16.2	100.0
HW with children	24.5	5.5	26.1	11.2	6.9	74.1	25.9	100.0
16-34	22.7	6.4	23.2	14.4	6.5	73.2	26.8	100.0
35-54	25.7	7.7	26.5	10.0	7.2	77.0	23.0	100.0
55+	31.3	11.1	32.8	7.1	7.5	89.8	10.2	100.0
ABC1	29.3	10.1	24.8	11.3	5.9	81.5	18.5	100.0
C2DE	25.8	7.8	31.2	8.6	8.1	81.6	18.4	100.0
16-34 ABC1	23.9	7.2	21.0	16.3	5.7	74.1	25.9	100.0
35-54 ABC1	27.3	8.7	23.9	11.5	6.5	77.9	22.1	100.0
55+ ABC1	35.0	13.6	28.2	7.9	5.5	90.1	9.9	100.0
16-34 C2DE	21.6	5.7	25.2	12.7	7.1	72.3	27.7	100.0
35-54 C2DE	24.1	6.8	28.8	8.7	7.9	76.3	23.7	100.0
55+ C2DE	29.0	9.5	35.7	6.6	8.7	89.6	10.4	100.0
CHILDREN	21.6	5.4	24.5	8.5	6.1	66.1	33.9	100.0

TABLE 6

## CHANNEL SHARES BY PLATFORM - ALL TIME

ALL INDIVIDUALS - 13 W/E 27th JUNE 2004

	TERRESTRIAL					NON-TERRESTRIAL	TOTAL	
	<u>BBC1</u>	<u>BBC2</u>	<u>ITV + GMTV</u>	<u>CH 4</u>	<u>Five</u>	<u>TOTAL</u>		
	%	%	%	%	%	%	%	
<b>All Platforms</b>	<b>24.8</b>	<b>9.6</b>	<b>22.5</b>	<b>10.0</b>	<b>6.9</b>	<b>73.8</b>	<b>26.2</b>	<b>100.0</b>
Dig-sat	17.0	4.9	16.9	6.5	3.7	49.0	51.0	100.0
Dig-cable	17.5	5.4	17.7	6.9	5.1	52.6	47.4	100.0
Dig-terr	27.0	10.5	22.5	11.4	9.4	80.8	19.2	100.0
<b>Total dig</b>	<b>19.2</b>	<b>6.3</b>	<b>18.3</b>	<b>7.6</b>	<b>5.1</b>	<b>56.5</b>	<b>43.5</b>	<b>100.0</b>
Anlg-cable	15.6	5.2	17.7	6.3	6.3	51.1	48.9	100.0
Anlg terr	33.6	14.2	29.6	13.8	8.8	100.0	0.0	100.0
<b>Total anlg</b>	<b>32.5</b>	<b>13.6</b>	<b>28.5</b>	<b>13.4</b>	<b>8.9</b>	<b>96.9</b>	<b>3.1</b>	<b>100.0</b>

DEFINITION: For the purposes of this table, viewing is allocated according to the home's reception capability rather than the set being used. Thus viewing to any analogue sets in digital homes is classified as "digital" in this table.



TABLE 7

**PLATFORM UNIVERSES - HOMES**

	Dig-sat	Dig-cable	Dig-terr	Total dig	Total anlg	Anlg cable	Anlg terr	All Platforms
01.04.02	5,583	2,223	974	<b>8,716</b>	<b>15,865</b>	1,637	14,013	24,528
	22.8	9.1	4.0	<b>35.5</b>	<b>64.7</b>	6.7	57.1	100
01.07.02	5,730	2,338	997	<b>8,905</b>	<b>15,731</b>	1,310	14,136	24,570
	23.3	10	4.1	<b>36.2</b>	<b>64.0</b>	5.3	57.5	100
01.10.02	6,105	2,292	763	<b>9,015</b>	<b>15,645</b>	1,148	14,265	24,613
	24.8	9	3.1	<b>36.6</b>	<b>63.6</b>	4.7	58.0	100
01.01.03	6,247	2,516	873	<b>9,491</b>	<b>15,283</b>	924	14,127	24,727
	25.3	10	3.5	<b>38.4</b>	<b>61.8</b>	3.7	57.1	100
01.04.03	6,372	2,156	1,398	<b>9,718</b>	<b>15,101</b>	1,222	13,647	24,772
	25.7	9	5.6	<b>39.2</b>	<b>61.0</b>	4.9	55.1	100
01.07.03	6,470	2,156	1,510	<b>9,928</b>	<b>14,930</b>	1,122	13,576	24,811
	26.1	9	6.1	<b>40.0</b>	<b>60.2</b>	4.5	54.7	100
01.10.03	6,600	2,250	1,710	<b>10,354</b>	<b>14,544</b>	1,010	13,303	24,857
	26.6	9	6.9	<b>41.7</b>	<b>58.5</b>	4.1	53.5	100
01.01.04	6785	2326	2075	<b>10961</b>	<b>13688</b>	951	12576	24612
	27.6	9.5	8.4	<b>44.5</b>	<b>55.6</b>	3.9	51.1	100.0
01.04.04	6830	2356	2695	<b>11579</b>	<b>13088</b>	921	12011	24667
	27.7	9.6	10.9	<b>46.9</b>	<b>53.1</b>	3.7	48.7	100.0
01.07.04	6981	2404	3084	<b>12114</b>	<b>12679</b>	921	11602	24723
	28.2	9.7	12.5	<b>49.0</b>	<b>51.3</b>	3.7	46.9	100.0

NOTE: Included in the total are a small number of homes (less than 1%) still receiving analogue satellite signals

TABLE 8

## AVERAGE WEEKLY PATRONAGE\* - CONSOLIDATED DATA

ALL INDIVIDUALS

		TERRESTRIAL					NON- TERRESTRIAL	ANY TV AT ALL
		<u>BBC1</u>	<u>BBC2</u>	<u>ITV + GMTV</u>	<u>CH 4</u>	<u>Five</u>		
		%	%	%	%	%	%	%
2002	April	82.2	71.4	81.3	70.0	49.0	40.6	90.0
	May	83.3	71.9	80.3	70.2	48.6	40.1	89.5
	June	85.8	73.4	82.9	73.1	49.9	40.4	91.1
	July	84.8	74.5	81.6	75.0	50.1	41.8	91.9
	August	83.8	73.1	81.1	70.2	48.0	41.1	90.5
	September	85.8	74.2	83.4	70.2	50.4	42.3	92.2
	October	87.4	77.8	84.0	72.7	52.9	42.5	92.9
	November	88.2	78.9	85.5	76.1	53.0	43.3	93.3
	December	88.6	77.5	85.6	76.1	51.2	44.3	93.8
2003	January	88.9	79.3	86.3	76.1	51.7	44.5	94.0
	February	89.9	79.3	86.9	76.7	54.3	46.2	95.3
	March	89.5	77.8	85.4	73.7	52.3	46.9	95.4
	April	88.5	77.0	85.9	74.1	52.0	46.9	94.7
	May	87.8	76.1	85.5	74.3	52.4	47.0	94.8
	June	86.7	73.7	82.5	73.1	50.7	45.9	93.9
	July	85.4	73.4	81.8	72.3	50.8	44.8	92.8
	August	84.7	73.4	81.5	70.1	49.4	45.0	91.9
	September	87.4	75.2	84.2	72.0	54.2	46.5	93.9
	October	88.3	76.3	85.9	74.1	55.4	47.5	94.4
	November	89.1	78.5	86.8	75.8	56.0	48.3	95.1
	December	89.8	78.4	86.4	75.3	52.3	49.8	95.1
2004	January	89.3	77.9	85.9	74.8	54.0	50.2	94.7
	February	88.2	75.6	85.7	74.3	55.5	50.2	94.9
	March	88.4	75.9	84.8	73.2	56.2	51.7	95.1
	April	87.2	71.7	84.3	72.7	53.4	52.1	94.5
	May	85.3	70.7	82.1	71.9	52.4	52.0	94.1
	June	86.1	69.6	83.3	72.5	50.6	52.0	93.5

\* Patronage is defined as the percentage of the population tuning to a channel for at least three minutes during the week

TABLE 9

## TRENDS IN AUDIENCE SHARE BY BROADCASTER

	<u>BBC</u> %	<u>ITV</u> %	<u>CH 4</u> %	<u>Five</u> %	<u>Sky</u> %	<u>UKTV</u> %	<u>Other Flextech</u> %	<u>Discovery Channels</u> %	<u>Other</u> %
<i>Includes:-</i>	BBC1 BBC2 BBC3 BBC4 BBC NEWS 24 CBBC/CBEEBIES	ITV1 ITV2 ITN NEWS GMTV	CH 4 E4 FILM FOUR S4C	Five	All Sky branded channels	All UK branded channels	All other Flextech channels:- Bravo Challenge Ex. Sports FTN Living Trouble	All Discovery branded channels & Animal	
2003 - Qtr 1	39.1	24.8	9.8	6.3	6.9	2.3	1.3	1.1	8.4
2003 - Qtr 2	37.6	24.5	10.8	6.4	6.6	2.3	1.6	1.2	9.0
2003 - Qtr 3	37.6	24.1	10.9	6.5	6.2	2.5	1.5	1.3	9.4
2003 - Qtr 4	37.9	24.8	10.0	6.3	6.5	2.4	1.4	1.3	9.4
2004 - Qtr 1	37.3	25.0	10.0	6.5	6.6	2.5	1.6	1.4	9.1
2004 - Qtr 2	36.2	23.6	11.2	6.9	<b>6.3</b>	<b>2.6</b>	1.9	1.4	9.9

TABLE 10

## TRENDS IN IMPACT'S SHARE BY SALES HOUSE

	<u>ITV1</u> %	<u>Other ITV</u> %	<u>GMTV</u> %	<u>CH4</u> %	<u>Five</u> %	<u>BSkyB</u> %	<u>IDS</u> %	<u>All others</u> %
<i>Includes:-</i>	<i>ITV1</i>	<i>ITV2</i> <i>ITN NEWS</i>	<i>GMTV</i>	<i>CH4</i> <i>E4</i> <i>FILM FOUR</i> <i>S4C</i>	<i>Five</i>	<i>----- See Appendix -----</i>		
2003 - Qtr 1	43.3	1.6	2.8	16.7	10.8	11.2	6.5	7.1
2003 - Qtr 2	41.4	1.8	2.9	17.9	10.8	10.8	6.7	7.7
2003 - Qtr 3	40.0	1.9	3.0	17.5	11.1	11.0	7.1	8.4
2003 - Qtr 4	41.2	1.9	3.0	16.6	10.7	11.5	6.7	8.4
2004 - Qtr 1	41.7	1.8	2.9	16.2	10.7	11.4	7.3	8.0
2004 - Qtr 2	38.1	2	2.7	18.4	11.1	11.1	7.8	8.8

NB: Please note that these data have been corrected since the last issue of this report

APPENDIX

LIST OF CHANNELS

**Sky wholly owned**

Sky One  
 Sky One Mix  
 Sky Sports 1  
 Sky Sports 2  
 Sky Sports 3  
 Sky Sports News  
 Sky Sports Extra  
 Premier Plus  
 Sky Box Office  
 Sky Sport Active 1 - 4  
 The Amp  
 Flaunt  
 Scuzz  
 Sky Movies 1 - 9  
 Sky Cinema 1 - 2  
 Sky News  
 Sky Travel  
 Sky Travel S  
 Sky Travel 2  
 Sky Movies Active 1 - 8

**Sky Sales**

History  
 History+1  
 Nat Geog  
 Nat Geog+1  
 Nat G Adv1  
 Hallmark  
 Biograph  
 FX  
 MUTV

***(Discovery)***

Discovery+1  
 Dis H&L  
 Dis H&L+1  
 Dis T&A  
 Dis Civil  
 Dis Sci  
 Dis Wings  
 Dis Health  
 Animal  
 Animal+1

***(EMAP)***

Box  
 Kerrang  
 Smash  
 Magic  
 Kiss  
 Q Chan

**IDS**

Trouble  
 Trouble R  
 Bravo  
 Bravo+1  
 Challenge  
 Living  
 Living+1  
 Ex Sports  
 FTN  
***(UKTV)***  
 UK Gold  
 UK Gold+1  
 UKG2  
 UK Doc  
 UK Doc+1  
 UK Style  
 UK Style+1  
 UK Drama  
 UK Food  
 UK Food+1  
 UK History  
 UK History+1  
 UK Bright  
 UK People