

## Microsoft's research fundamentally flawed; TV viewing figures underestimated

- No evidence to support Microsoft's assertion that Internet will overtake TV viewing in June 2010 -
- Television will continue to be the most widely accessible and consumed medium -
- Internet vs. TV debate is meaningless to consumers and advertisers -

**Brussels, 30 April 2009**

In its April 2009 report entitled "Europe Logs On", Microsoft makes the claim that Internet use will outstrip broadcast TV viewing in June 2010. egta, alongside national bodies including the informal association of German broadcasters, SNPTV (FR) and Thinkbox (UK) and on behalf of the 71 television members it represents throughout Europe and beyond, strongly refutes that there is evidence to support Microsoft's assertion.

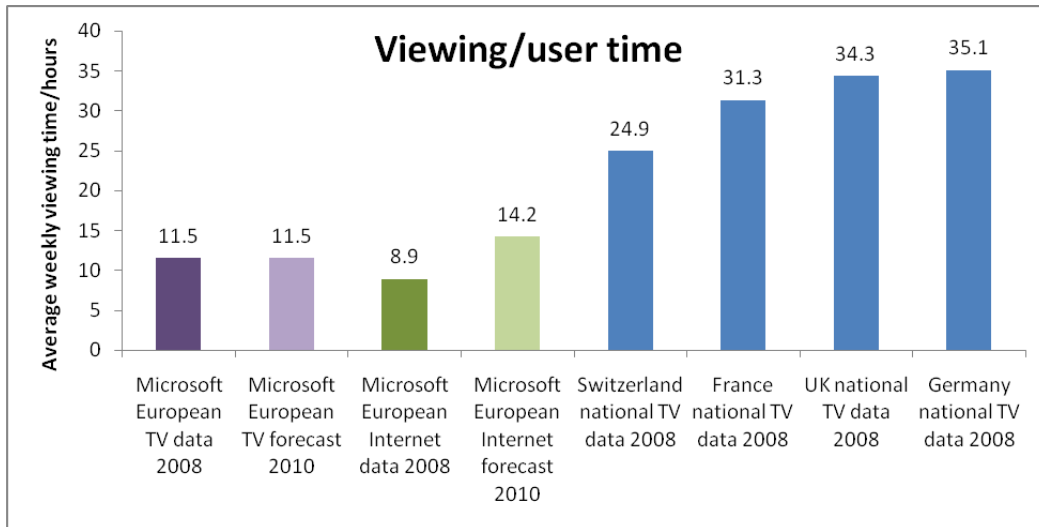
In addition to questioning the validity of the research methods behind the report, which draws data from research by Forrester, egta presents independently collected, empirical and rigorously tested data that shows that Microsoft has underestimated TV viewing figures by a gross margin.

Microsoft's assertions rely on data obtained from the claimed behaviour of an online access panel. Claimed behaviour is an inaccurate and unreliable way of measuring media consumption that consistently undervalues TV viewing because it is a passive, relaxed pursuit. Also, relying on the claims of an online access panel will also, by nature, skew results towards heavier users of the internet. Together, these two factors make Microsoft's conclusions and predictions based on the research unreliable and misleading.

The Microsoft report puts the average TV viewing time across Europe at 11.5 hours per week and forecasts that Internet consumption will reach 14.2 hours per week, overtaking TV in June 2010 if viewing hours remain stable. The 2008 data in egta's database of audience measurement records the European country with the lowest viewing time as Switzerland, at 3.6 hours daily or almost 25 hours per week. Comparable data from France puts average viewing time at 4.5 hours daily or over 31 hours per week, the United Kingdom at 4.9 hours daily or over 34 hours per week and Germany at 5.0 hours daily or a little over 35 hours per week, suggesting that Microsoft's assertion has no basis in fact. It is important to note that these figures represent viewing time for adult TV viewers over the age of 14, 15 or 16 depending on the country, comparable to online usage by Internet users in Microsoft's research. This is different from viewing time per individual, which samples the entire population. See table and graph below.

*Table & graph: TV viewer viewing data and Internet use data/forecasts:*

Microsoft European TV data 2008	11.5 hrs/week
Microsoft European TV forecast 2010	11.5 hrs/week
Microsoft European Internet data 2008	8.9 hrs/week
Microsoft European Internet forecast 2010	14.2 hrs/week
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Switzerland national TV data 2008	24.9 hrs/week
France national TV data 2008	31.3 hrs/week
UK national TV data 2008	34.3 hrs/week
Germany TV national data 2008	35.1 hrs/week



Even if the data for online usage by Internet users from Microsoft’s study, claimed to be 8.9 hours in 2008 rising to 18.0 hours in 2010, is compared to individual TV viewer time (17.4 hours for Switzerland, 23.9 hours for France, 28.0 hours for the United Kingdom and 25.8 hours for Germany), there is no evidence to support Microsoft’s assertion that Internet will overtake TV viewing in June 2010, incidentally the month of the soccer world cup. Data from the internationally recognised and highly regarded IP Television Key Facts shows TV viewing for all viewers to have remained very stable over the past few years, with the European average for 2007 standing at 3.75 hours daily, or 26.25 hours per week.

**TV anytime, anywhere, on any device**

Internet usage is certainly increasing throughout Europe as high-speed broadband becomes more widely available and the technology to use it, either at home or on a mobile device becomes more affordable. A substantial and growing part of the increase of Internet consumption consists of TV accessed in its various forms through the Internet and it should be recognised that only part of Internet consumption is represented by media usage. However, rapid changes in technology should not be mistaken as representative of wider social changes and audience or user behaviour patterns, which tend to change much less quickly and are all too easily overestimated.

In the UK, as an example of a country with relatively high Internet penetration, the Institute of Practitioners in Advertising’s well respected and unique Touchpoints research gives an accurate comparison of media use. It shows that people in the UK currently watch nearly three times as much TV as they spend time on the internet. Over 9 hours is spent using the internet every week compared to over 27 hours spent watching television. Touchpoints’ findings are based on strongly quality-controlled research, monitoring actual media behaviour in real time. It also shows that that time spent online has grown just 9.2% per user in 3 years.

Michel Grégoire of egta states: “This self-serving, genuinely flawed research sheds light on nothing. It obscures more than it reveals. The evidence shows that television is, and will continue to be, the most widely accessible and consumed medium and a highly attractive platform for viewers and advertisers alike. Evolving patterns of TV viewing makes a debate on Internet vs. traditional TV meaningless – and the fastest growing activity online is watching TV anyway!”

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**About egta:**

**egta is the trade association of television and radio sales houses that commercialise the advertising space of both private and public TV/radio channels all over Europe.**

- 61 TV members in Europe, a further 10 TV members worldwide
- 32 Radio members
- 34 European countries including 22 EU member states
- Over 70% of the European TV advertising market
- 50% of the radio advertising market in countries represented by the egta members

egta provides a network for its members based on **relationships with more than 1000 high-level advertising executives**. egta fulfils different functions for its members in fields of activities as diversified as regulatory issues, audience measurement, sales methods, interactivity, cross-media, etc.

During its 35 years of existence, egta has become the reference centre for television & radio advertising in Europe.

**Michel Grégoire. Secretary General, egta**

To request sources for national TV viewing data and additional information, please contact [matthew.carver@egta.com](mailto:matthew.carver@egta.com).

*Graph and table available as PDF files on request*