

2 TELEVISION

2.1 INTRODUCTION

The UK is one of the world's most mature television markets, with approximately 21.9 million television households, and total TV penetration of around 98 per cent. The average viewer watches 26 hours of television a week. It also has a very high VCR penetration at around 72 per cent of TV households.²⁰

In the past five years the UK's television industry has undergone the most dramatic changes since the introduction of private commercial television in 1954. New cable and satellite services, in particular Rupert Murdoch's BSkyB, have broken the "cosy duopoly" that was enjoyed by the public service broadcaster, the BBC, and the two commercial channels, ITV and Channel 4. With the arrival of other new services, such as the recently launched nostalgia channel UK Gold, the UK is moving rapidly towards a multi-channel environment. At present, however, cable penetration is just 2.0 per cent of TV homes and satellite penetration is 14.6 per cent.²¹

The existing four terrestrial broadcasters are undergoing considerable change, partly in response to the new competition, but also because of political pressure. Much of this change has been dictated by the 1990 Broadcasting Act, which legislated for the introduction of licence auctions for the 15 regional companies and single national breakfast licence which make up the ITV network and for Channel 4 to begin to sell its own airtime (previously it was sold by the ITV companies). Other changes included the creation of a new regulatory body, the Independent Television Commission, and the possibility of a fifth terrestrial broadcaster.

Table 5.23 Terrestrial television channels, 1991

Channel	Household penetration (%)	Daily hours of Transmission	Audience Share (%)	Ad mins per week	Year started
BBC1	97.0	18.5	34.6	None	1936
BBC2	96.9	17.0	10.3	None	1964
ITV	96.9	20.6	38.7	957	1955
Channel 4	96.7	20.0	9.6	905	1982
TV-am	96.9	3.4	2.8	167	1983

Source: Zenith Media 1992

Note: TV-am broadcasts in the ITV breakfast slot, and has since been replaced by GMTV.

²⁰ Source: Screen Digest

²¹ Source: Zenith Media