

144

new and one-off programmes were shown (between 6pm and midnight) (-24%)

915m

programme views initiated on All 4 (+26%)

36th

Channel 4 is ranked the 36th biggest social media brand in the world

Our remit encourages us to push creative and commercial boundaries, taking risks and experimenting in ways that other broadcasters do not or cannot.

Innovation

Innovation takes a number of forms. It drives our commissioning decisions and creative strategy, leading us to take more risks with new programme ideas to find winning formats and programmes. And it informs how we use technology to reach audiences and encourages us to find new commercial approaches.

In 2018, we remained at the cutting edge of innovation in the media sector, experimenting with new programme formats to produce fresh, original and accessible content, forging new commercial partnerships to ensure we remain competitive, and harnessing technology so that we continue to best serve and reach audiences.

2019 ambitions

- 1 — As part of our 'one show, many platforms' strategy, we will shape shows with digital as well as linear expression from the first point of commission.
- 2 — We will use our new Digital Creative Unit in Leeds to experiment with new, future talent and ideas on social platforms, taking Channel 4 to new audiences.
- 3 — 2019 will also see us create more space and investment in risky and innovative programmes, such as a bigger and bolder second season of *The Circle* and more experimentation with virtual reality.



Innovation

(continued)



Technically outstanding, truly innovative and utterly coherent.”

Broadcast, on *Married to a Paedophile*



Married to a Paedophile

Programme innovation

Throughout the year, Channel 4 focused on taking risks and innovating its schedule. As well as refreshing and updating much-loved programmes, we brought hundreds of new shows to the screen in 2018. By the nature of innovation, some programmes attracted fewer viewers than we had hoped for – while others are on track to become hits.

On the main channel, in the evening period when most people are watching (between 6pm and midnight), Channel 4 showed 144 new and one-off programmes. This is more than the other commercially-funded public service broadcasters, ITV (104 programmes) and Channel 5 (128 programmes).

We developed new ideas and formats to introduce more innovation into our schedule with programmes such as *The Big Narstie Show*, *Genderquake: The Debate*, our fly-on-the-wall documentary *Inside the US Embassy* and our ground-breaking *Prison* documentary series.

Tapping into the world of fan-generated content, *The Real Football Fan Show* brought the stars of YouTube's ArsenalFanTV format onto Channel 4 in a late-night slot. The programme is unique in that it provides an authentic voice for real fans in a TV landscape that is dominated by pundits, professional comedians and former football players.

We also worked with other YouTube talent, helping them make their TV debuts throughout the year, for example with Elijah Quashie and *Peng Life*.

A highly innovative take on storytelling, *Married to a Paedophile* was a 90-minute film following two families as they deal with the shock, trauma and stigma of a family member being convicted of possessing indecent images. This documentary, directed by Colette Camden and produced by Brinkworth Films, went on to win Broadcast's Best Original Programme Award in 2018.

With these families living under the constant fear of vigilante attacks, we devised an innovative technique designed to protect their identities. The documentary was originally recorded as an audio documentary, using the real voices of families affected by men convicted of the crime. Actors were then cast to lip sync the audio precisely – including every breath, every swallow – over these recordings for the film.

It combined the emotional intensity and intimacy of documentary with the heightened aesthetic of drama. Despite its length and challenging subject matter, the innovative film performed well, ranking in the top ten most successful true crime and factual drama documentaries we have shown in the last three years.

The Circle

Ground-breaking reality gameshow *The Circle* is a prime example of an experimental, innovative series on Channel 4.

Produced by Studio Lambert with Motion Content Group, and launched in August, *The Circle* is the first reality show where players communicate via a social network. Contestants living in separate apartments in a single building play games and chat with each other through a unique voice-activated social media platform.

The players were observed by 106 fixed-rig cameras – the biggest rig on British television ever. They rate each other frequently, unpopular players are ‘blocked’ and, ultimately, the most popular player wins a cash prize.

It was a genuine risk for Channel 4 to take on this innovative new reality format, and the series struck a chord with young viewers, who were utterly gripped by the set-up in which drama and relationships unfolded on screen between players who never met.

The Circle was Channel 4’s most popular new factual entertainment series for young viewers in 2018, proving a hit with critics and young audiences on social media alike.

With an average of 49% profile of 16-24-year-olds, it was Channel 4’s youngest profiling show since 2012. And on All 4, *The Circle* was the biggest new original commission launch since 2012, with over ten million views.

Viewers appreciated its distinctiveness and learnt useful lessons about trust and privacy online. Three-quarters agreed that *The Circle* felt new and different to other reality TV shows (rising to 84% of 14-19-year-olds). Seven in ten viewers said the series made them think differently about who to trust on social media, and one in five claimed to have changed their privacy settings on a social media account since watching the show. Following the programme’s success on Channel 4, Netflix has bought the format for the rest of the world.



New reality show *The Circle* has proven a hit with viewers who have called it ‘perfect’ and ‘powerful’.

The Sun

1 in 5

viewers have changed their social media privacy settings after watching *The Circle*

75%

of viewers agreed *The Circle* felt new and different to other reality TV shows



Innovation (continued)

All 4 continued to punch above its weight in video-on-demand (VoD) and grew faster than the market thanks to its unique mix of live TV, catch-up TV, box-sets and programming from partners such as VICE and Walter Presents.

Our online platform All 4 had its best year ever in 2018. Viewing on our apps and platforms increased by 26% to reach a record 915 million views over the year.

This increase in streaming views is the highest year-on-year growth in percentage terms since 2010; while in absolute terms, this year's increase – of 187 million views – is the largest annual rise since Channel 4 began reporting this metric in 2008. This strong performance is important as audiences – especially young people – are increasingly turning to on-demand services for content.

All 4's popularity has been driven by a mixture of expert curation, catch-up programming following a strong linear schedule and exclusive programming, such as *Community* and *Dawson's Creek*. Our large collection of box-sets – a mixture of archive (such as *Friday Night Dinner* and *The Inbetweeners*) and exclusive content (such as *90210*) – was also a huge draw. We also made improvements to our products, including the All 4 app.

First-run catch-up programmes accounted for nearly half of total views on All 4 across 2018. *Hollyoaks* was the biggest title of the year, followed by *Celebs Go Dating* and *The Great British Bake Off*. Our new reality formats, *The Circle* (see case study, p59) and *Five Star Hotel*, also landed well – over half of the 16-34-year-old viewing volume to these shows was on All 4.

We also recorded our best-ever drama launch with *Kiri*, with 1.9 million catch-up views of the first episode, and our best-ever comedy launch with *Derry Girls* – which attracted a staggering six million views in the first 30 days and a further four million after this initial catch-up window.

The Courtney Act Show



Repeats and the Channel 4 archive accounted for more than a third of our total views. While most of the top 20 titles were unchanged in 2018 compared to 2017, reflecting the enduring value of classic Channel 4 shows, more people watched more programmes.

The average monthly number of logins grew by 35% in 2018 to an average of 4.8 million users. Nearly 20 million people are now registered with All 4, including approximately 70% of all 16-24-year-olds in the UK.

Walter Presents, our curated channel dedicated to quality foreign language programming, also had a strong year with steady growth. The service now includes 80 titles from almost 20 countries, and its library features around 900 hours of curated content, including French crime drama *Killer By The Lake*, haunting German legal thriller *Shades of Guilt*, compelling Norwegian thriller *The River* and Swedish action crime thriller *Alex*.



915m

programme views on All 4
(+26%)

4.8m

average monthly viewers (+35%)



First Dates



Who Is America?

All 4+ trial

In 2018, we launched the trial of a paid-for service on All 4, to test viewer response and functionality of a video-on-demand service without ads.

All 4+ launched as a beta test with an invited sample group in December. The test forms part of our strategy to increase investment in All 4 and to compete against large digital players.

The results of the beta test are being evaluated in 2019 and will help to inform the future strategic development of the service.

19.6m

registered All 4 users (+14%)

Innovation

(continued)

Innovation through partnerships

Experimenting with innovative content partnerships featured strongly in 2018 for Channel 4 on our linear channels as well as our on-demand platform All 4.

In September, we announced that Channel 4 and Sky had agreed a bold and innovative cross-platform deal between a public service broadcaster and pay-TV platform. Channel 4 will show highlights of Formula 1 races, with the British Grand Prix shown live on both Sky Sports F1 and Channel 4. This ensures that the 2019 Formula 1 Championship and the British Grand Prix remain available on free-to-air television for UK viewers.

The partnership also saw the first season of the Sky original production *Tin Star* air on Channel 4. In exchange, Sky and Now TV subscribers are being given access to a variety of Channel 4 and Walter Presents content packaged as box-sets, including *No Offence*.

This collaboration was the first of its kind in the UK, benefiting viewers and strengthening the ecosystem of UK broadcasters and British originated content.

Another standout partnership of 2018 was the exciting and innovative partnership that All 4 signed with digital media company VICE in August, which bolstered our video-on-demand offer significantly.

The partnership led us to create a VICE-branded hub on All 4; the first time we have hosted content from a non-Channel 4 brand. More than 900 hours of new and old VICE long-form content – previously only available on subscription TV services – have been added onto All 4 for viewers to watch for free.

The programming includes documentary series *Hate Thy Neighbour*, *Needles and Pins* and *Gaycation*, fashion series *States of Undress* and a current affairs and news strand. As part of the partnership, the All 4/VICE box-sets are also pushed on all of VICE's social media platforms.



TESTIMONIAL

"The partnership has been a true collaboration across our brands, resources and creative that has enabled us to raise awareness of the VICE brand and to bring new audiences to the All 4 platform.

"Channel 4 has been the ideal platform for VICE, given our shared sensibilities for bold, experimental and creative content to engage young audiences. We are looking forward to working together to further expand our partnership."

CJ Fahey, General Manager, VICE TV and Studios EMEA



Payday



Diversity and innovation in advertising

From experimental production techniques and programme formats, right through to ground-breaking advertising breaks and commercial firsts, innovation runs through the Channel 4 business.

In 2018, we worked with several major advertisers to create innovative ad breaks that celebrated diversity in unique, engaging ways.

A strong example of this is our partnership with Nationwide Building Society, Maltasers and McCain to broadcast a primetime ad break takeover to take a stand against online abuse.

The takeover, which was broadcast in September during the first episode of the new series of *Gogglebox*, adapted the brands' original adverts to include examples of real online abuse that the diverse contributors had received. This was amplified with visual effects – such as mould, a cracked screen and digital distortion – designed to replicate what it felt like for those on the receiving end.

We also teamed up with eight organisations to mark International Day of Persons with Disabilities and the worldwide #PurpleLightUp campaign in December, which sought to celebrate the economic contributions made by disabled people.

Employees from BT, HSBC UK, Lloyds Banking Group, Lloyd's of London, Nationwide Building Society, Reed Smith, Scope and Virgin Media – plus Channel 4 – appeared in the film to give insight into the extra worries that they have to cope with. Broadcast throughout the weekend and International Day of Persons with Disabilities, the innovative partnership encouraged businesses to help disabled people find careers in which they can thrive.

For the third year, we ran our £1 million Diversity in Advertising Award, this year inviting agencies to create a campaign challenging ingrained gender stereotypes and the objectification of women. The Royal Air Force and Engine won the £1 million of commercial airtime, with their advert airing in February 2019.

Reaching audiences on social media

Channel 4, E4 and All 4 experienced strong growth on social media, resulting in Channel 4 being ranked the 36th biggest social brand in the world at the end of 2018.

This is ten places higher in the rankings than in 2017 and is higher than much bigger organisations such as Netflix, Amazon, ITV and Sky and higher also than key challenger brands such as VICE.

While the UK media market's social performance increased by 7% year-on-year in 2018, the Channel 4 portfolio grew by 40% – and E4 alone by 160%. As a portfolio, our brands achieved in excess of ten billion views in 2018, up 40% against 2017.

This success is crucially important in showing that Channel 4 can engage with younger audiences in new ways – 87% of our social media audience is aged under 35. Our youth-focused channel E4 also became the biggest Facebook page by any UK broadcaster, overtaking *BBC News* in March 2018. Since then, it has grown each month and, by December, was three times bigger than the next biggest competitor page, BBC One.

Channel 4 News also continued to be one of the UK's biggest video news brands on social media in 2018. More than 1.5 billion minutes of *Channel 4 News*, *Dispatches* and *Unreported World* was viewed on YouTube and social media.

Channel 4 News also announced a partnership with Facebook to produce a news show, *Uncovered*, exclusively for Facebook Watch. The ten-minute show will focus on a single international issue each week, going beyond the headlines to tackle stories that often go unreported.

In addition, *Channel 4 News* launched a podcast in 2018. *Ways to Change the World*, presented by Krishnan Guru-Murthy, features hour-long conversations with high-profile guests to explore "the big ideas influencing how we think, act and live". A hit with audiences, it was included in Apple's UK 'Best of 2018' podcast list.

