**Case study: Channel 4 (broadcaster) and Omniture (web analytics)**
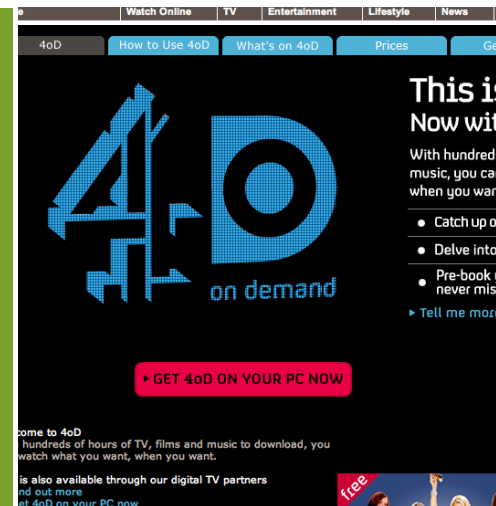
**Brief:**
Omniture needed a case study that demonstrated to other broadcasters how its web analytics service has improved Channel 4's digital presence and helped it meet its online business objectives.

# OMNITURE®

## Channel 4 Tunes in to Consumer Demand with Omniture

**10%** ▷ **LEADING BROADCASTER ACHIEVES A 10 PER CENT INCREASE IN PROMOTION CLICK-THROUGHS**

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**CASE STUDY** →

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**MEDIA AND ENTERTAINMENT**

**OVERVIEW**

The Channel Four Television Corporation is a publicly-owned, not-for-profit broadcaster operating in the UK. Its main public service channel, Channel 4, is a free-to-air service funded entirely by advertising and sponsorship that does not receive licence fee funds. In 2006, Channel 4's investment in programmes and content across its portfolio of TV channels and online was £608m; while its annual share of TV viewing across its portfolio of channels was a record annual share of 12.1 per cent.

Channel 4 operates a number of other services, including the free-to-air digital TV channels E4, More4, Film4 and 4oD, its bespoke, video-on-demand TV service that launched in 2006.

| OBJECTIVE | CHALLENGE | SOLUTION | RESULTS |
|---|---|---|---|
| » Extend core business beyond traditional TV to new media<br><br>» Increase market share of on-demand TV<br><br>» Increase user engagement with Web site with video content<br><br>» Measure the impact of new media investment on subscriptions and revenue | » Unable to analyse visitor behaviour and how users interacted with the site<br><br>» Unable to measure the impact of new functionality<br><br>» Lack of single reporting interface prevented immediate and easy analysis of site data at any given time | » Omniture SiteCatalyst chosen to provide visibility of users' behaviour and site navigation via a simple-to-use reporting function<br><br>» Leveraged Omniture Web 2.0 business optimisations to measure functionality such as streaming media | » 10% increase in promotion click-throughs<br>» 10% increase in landing page navigation click-throughs<br>» Half-a-million additional page views<br>» 25% reduction in bounce rate<br>» Omniture SiteCatalyst embedded in Channel 4 new media strategy |

## BUSINESS OBJECTIVES

In February 2005, Channel 4 Chief Executive described new media as the critical third leg of the channel's growth strategy, and in 2006 the broadcaster chose to focus on developing its Web 2.0 applications and video-on-demand (VOD) services.

Explains Louise Brown, Head of Operations, New Media at Channel 4: "There were a number of things we wanted to achieve online. Firstly, we wanted to extend Channel 4's core business, so that we satisfied online users as well as traditional TV audiences.

We wanted to increase our market share, and were open to exploring new business models to help us do so.

We also wanted to enhance our public service offering through new media. The advent of Web 2.0 has allowed us to create an online platform for user innovation and creativity. For example, users can showcase their talent by posting user-generated content

(UGC)—usually four-minute films— through our interactive media portal FourDocs."

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## CHALLENGE

Channel 4 knew the size of the TV audience it was attracting, but accurately gauging the popularity of its online portal was far more difficult. "The technology for measuring TV audiences has been around for a long time and it was easy to see how we were fairing on that front. Measuring the impact of the Web site was not so simple," says Brown.

"We didn't have a single accurate reporting system that allowed us to immediately pull up any data as and when we needed it. Also, we didn't have a system in place that facilitated a meaningful analysis of data; all we had were 'drive by stats', such as page views and site visits etc, which gave us no insight to user behaviour."

"In order to develop the Web site and expand our offering, we needed comprehensive and meaningful data that we had faith in. We needed to understand user behaviour and how they engaged with our site—what they
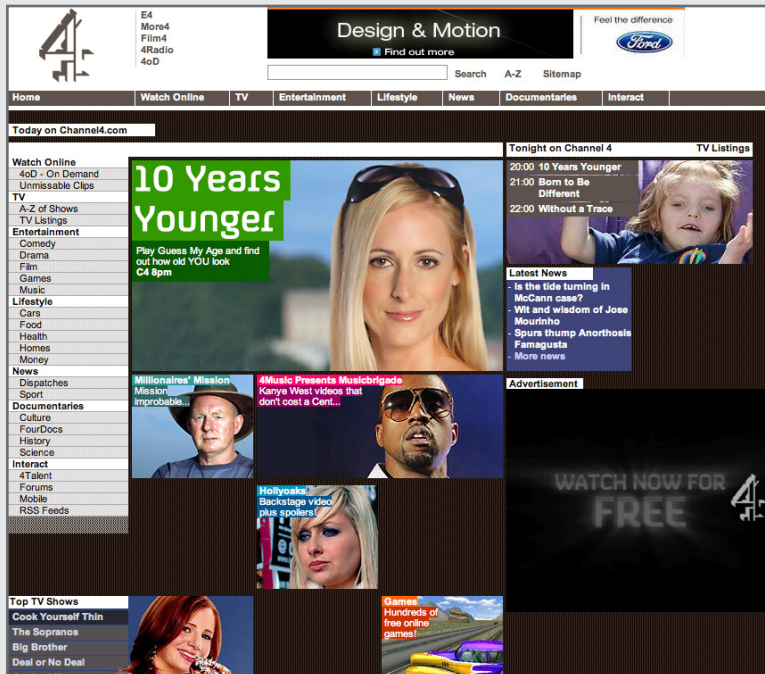
## CHANNEL 4 SERVICES

» **Channel 4**—a publicly-owned free-to-air TV channel

» **More4**—free-to-air digital TV channel showing world documentaries, films, news and current affairs and home-grown contemporary drama

» **E4**—free-to-air digital entertainment channel

» **Film 4**—free-to-air digital television channel showing critically-acclaimed films

» **4oD**—Channel 4's bespoke, on-demand service providing access to the Channel 4 schedule and archived programmes from throughout its history available on both TV platforms and online

**MEASURED AND OPTIMIZED BY OMNITURE**

liked and disliked and why they did or did not like something."

*In order to develop the Web site and expand our offering, we needed comprehensive and meaningful data that we had faith in.*

### SOLUTION

Channel 4 opted for Omniture because its solution would afford complete visibility of how users engage with its site. SiteCatalyst would allow the broadcaster to understand which content is really exciting its users and see the paths visitors take through the site. For example, Channel 4 would be able to understand what drives people to watch videos online; where visitors come from; and what encourages people to move from reading text on the site, to watching clips, to downloading whole episodes or buying paid-for content.

The broadcaster also needed a solution with a reporting function that was simple to use, not just by the new media team, but also by site and programme editors and producers. The solution would also need to accommodate reporting inquiries from the Channel 4 management and technology teams.

Says Brown: "We chose Omniture because we needed a system that

would benefit our editors and marketing teams—who make programming decisions—as well as our technical people in order to democratise the data. When a system is intuitive enough to be used by the actual people who make programmes or who edit the sites, it's going to have a much greater impact on the business."

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## RESULTS

Since implementing Omniture SiteCatalyst, Channel 4's new media team is able to be more strategic. It can analyse reams of data from one centralized platform and change the content on a day-to-day basis according to user demand and preferences.

One of the reasons for the broadcaster using SiteCatalyst was to measure bounce rates—people who enter the site and exit shortly thereafter without moving onto another page or clicking on any links.

"Our bounce rates had always been low but they still needed to be monitored because our content changes all the time. The Omniture data showed us that there was at least twice the demand from users for information on things they'd seen on the previous night's shows than there was for listings for forthcoming programmes. So we changed the focus and reduced the bounce rate by 25 per cent," says Brown.

SiteCatalyst also brought Channel 4's promotions into sharper focus. "Consumer research groups spoke highly of the animated Flash promotions for new programmes on the site, but the stats from Omniture clarified what these groups actually meant—they liked the 'look' of the promotions, but had little intention of clicking on them. The Flash panels on the Web site were taking up valuable space but were not stirring enough interest in users to justify their prominent position on the site. So, we switched the promotion to a static panel, which increased the click-through rate by five per cent. These improvements equate to 50,000 new users and 500,000 new page views for a very low-cost change to the site."

Prior to Omniture, Channel 4's landing pages were under-performing. An analysis of the Omniture data quickly revealed why. "We offer lots of lifestyle content with their own landing pages—such as our video on demand site, 4oD, and our automotive portal, 4Cars, etc—and we always assumed that the simpler and cleaner the content, the better. But the Omniture data revealed users wanted more information on what's on offer. Once the content lists on landing pages were expanded, click-throughs increased by 10 per cent."

Omniture also helped Channel 4 develop a new area of its Web site. "When our Film4 film channel moved from a subscription to a free-to-air channel, Film4 needed its own area within the Channel 4 portal. Initially, page views were high and the number of users were up, but views per user were down significantly—we had more users but they were viewing less content. We scrutinised the Omniture data and it showed the home page was performing satisfactorily. However, the data also showed the home page wasn't the main point of entry to the site. Most people were arriving via the review pages, which had a 50 per cent bounce rate. So, we changed the review pages to include more site navigation tools so people could easily explore other areas of the site."

For Brown, Omniture has been a resounding success and plays a crucial role in the channel's new media strategy. "I'd estimate at least 50 people are receiving and using an Omniture report every week."

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