

a broadcaster perspective

## my journey from terrestrial to multichannel television

**Sir Jeremy Isaacs<sup>1</sup>**



British television is developing a mixed economy of conventional viewers and niche viewers, and a converged audience of those who spend time watching terrestrial channels and those who watch specialist channels

It was only when, at last, I understood that multichannel television would happen that I realised it could release my passion for arts – and I began to plan an arts channel. The idea did not happen in a vacuum. Indeed when I was at the Royal Opera House someone from Rupert Murdoch's office came to see me to ask if I thought an arts channel was possible – and I don't think I was able to give much in terms of guidance because I hadn't thought much of it. I also had several conversations with David Elstein when he was at BSkyB and told him that I was interested in the programming of such a channel.

With the experience of Channel 4 - and over 20 years before that in television - I was facing a new challenge. I needed to know what were the conditions in which one could put on the air a digital channel with a tiny audience compared to the audience of the mass channels that I was used to. To start with I hadn't scaled down the costing of it in my head. As it happened two of my old friends and colleagues – John Hambley and Richard Dunn – embarked together on trying to get an arts channel onto BSkyB. They went through a lot of preliminary work and looked to me for the tone of the channel. They were more concerned with the mechanics. Richard Dunn, sadly, died – and his death made us absolutely determined to get an arts channel on air.

### **two channels, two eras, and two very different models.**

A great deal of work and two years of chasing around the City ensued. Later we got a commitment from BSkyB (surprisingly easily) and then, eventually, we raised the money. We had one major media investor – the Guardian Media Group, another investor Caledonia who followed them and various individuals who had a passionate interest in the arts. This process was, of course, totally unlike the one at the start of Channel 4. The debate that preceded Channel 4 took place over 20 years not two. Its conclusion required Channel 4 to be different in the programmes that it made from other channels and particularly from ITV. It was also obvious that if it were to have a big audience, and if it were to cater for audiences satisfactorily, it ought to be talking to a lot of different people about their needs in broadcasting and their taste for different sorts of programming.

The arts channel was completely different. It followed an identification of an un-met serious need, a gap in programmes which the principal terrestrial channels were simply failing to close. They were not doing as much for the arts as they once had done, and they certainly weren't doing enough to satisfy the demand of people who wanted a constant and reassuring supply or either pleasant and restful or

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stimulating and exciting arts programming. And so the arts channel targeted one single taste in viewers by setting out to cater for people who liked music, who liked books, who liked painting, who liked drama who liked movies even ... and who liked opera and dance. The idea was to wrap all that up in one package and tell the viewer "I am delivering one package to you" in a way that you never could do with Channel 4.

### **the channel's unique selling proposition**

One of the difficulties of marketing Channel 4 in its early days was that I found it very hard to say either before we were on the air – or even when we were on the air – that we were only about one thing. Marketing departments nowadays like to have a channel that is just one brand and I did not have one proposition that our marketing department could market. In fact, I wanted Channel 4 to be about many different

things, and therefore I urged the agency we worked with to try to sell individual programmes rather than the concept of a channel.

Channel 4 aimed to be completely antithetical to the previous ideas of channel scheduling. In those days it was understood that the aim of the schedule was to keep the viewer in front of the set in the evening, sitting in front of one channel. The object of the channel scheduler was to keep you sitting watching their channel alone through out the evening. They didn't want people to choose, and they didn't want people to get out of their chair and use the switch to turn the channel over. The whole point of Channel 4 was that it was an opportunity both to select the programmes that you wanted, and to have the shock of seeing what followed what you had just watched. We scheduled with the idea that the following programme might be completely different from what you had been watching and therefore give you the opportunity to satisfy varied tastes, and not just one taste.

#### unpredictability vs pragmatism

Of course, Channel 4 did offer programmes for people with a niche interest, but it did that in another guise - that of being a conventional terrestrial channel. One of the things we had to abandon early on was the idea that programmes could be whatever length we wanted – I never meant them to hop around all over the place, but I still didn't want nothing but blocks in the schedule. I did not want a predictable schedule. But gradually I realised that it made sense to provide common junctions with our competing terrestrial channels.

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One of the reasons why there is so little of the arts on terrestrial channels, is that conventional broadcasters are terrified of performances; another is that they love to have slot lengths that are fixed. Mainstream terrestrial channels approve of arts programmes like Omnibus or The South Bank Show which both have a fixed length. They are terrified of performance or as-live performance because it runs unusual lengths, so when they show performance they pad it out with things to fill (usually discussions in a studio) to try and get the programme into a fixed slot length.

At Channel 4 my desire for programmes running at the length they need to be was thwarted but it turned into a bonus at the Arts Channel. Basically, an opera runs for the length of time that the composer has written and wants it to last – and of course, as long as it takes to perform. There is far less rigidity of slot length in an arts channel, or other specialist niche channels.

#### multichannel: a "radical" difference

Multichannel broadcasting is radically different from terrestrial broadcasting in the methods of marketing, the way the viewers actually watch, and requires a different approach to programmes. The Arts Channel was only going to cater for one particular taste, but of course it needed

enough of those people to make it economically viable. In retrospect our costs were too high during the first year. We were encouraged to spend decent money on programmes by BSkyB and we thought that as well as great performances on the channel, that there ought to be something more about the arts scene - an arts magazine programme.

Also, we believed strongly in the almost moral obligation to make programmes as well as simply buying in programmes. But both the magazine programme and the commissioned programmes involved an expenditure that couldn't be matched by the channel's first 18 months of income. So we almost ran out of money.

#### **knowing your audience**

Equally important was the fact that we had very little idea of who we were broadcasting to when we started. The



*Soane Museum  
Art and Architecture on Artsworld 2003*

marketing of the channel was left in the hands of BSkyB. The channel faced an enormous difficulty. After all when Channel 4 launched, on your set was the fourth button which had to be pressed. If you pressed that button in the year before the launch a test card came on. But once we went on the air, all you had to do to get Channel 4 was to press that button. In contrast, Sky had to sell a channel to arts lovers, and they had two different methods open to them.

One approach was to target arts lovers, not knowing when you speak to them (when you address them with an advertisement) whether they possess Sky or not. If they are not Sky viewers, then in order to subscribe to Artsworld they first have to subscribe to Sky – they need a basic package and then can add Artsworld to it. So they need a dish and a box, then a basic package and then the choice of a single stand-alone channel. If on the other hand you market the channel to people who already have Sky then you have no idea (when you are talking to them) whether they are arts lovers or not. Since the great bulk of people who like Sky are film fans and football fans we had to search hard to find among them the people who might be subscribers of an arts channel.

#### **filling a gap in the market**

Marketing by these two difficult and complicated routes we did attract a core loyal audience of viewers and subscribers. More important, we turned out to be the answer to their prayers as we could show them what they couldn't find elsewhere. In the early days of Channel 4 we always assumed that the audience was sophisticated, and wanted to see a wide variety of ideas. Channel 4's principal

objective was to knock on the head the idea that there was only one audience.

Multichannel experience tells us that there are many different audiences, although they may enjoy the same programmes. It is interesting to reflect that now in the marketing of Channel 4 the idea has developed that there has to be one brand for the channel and that there has to be one target audience for the channel. As the audience at Channel 4 grew it decided it needed to attract a particular segment of the audience – the 16-34 year olds. So a proportion of its programmes were aimed in that direction, narrowing the focus, and ignoring other people with different tastes.

With the Arts Channel we faced the audience from a different perspective. We already had the niche. When we started we toyed with the idea of developing an audience that would cross over to the arts. We thought we would try to bring people into the Arts Channel who liked more popular artistic material, and they would want more of it from us. It turned out to be a mistake. People who want to see Bryan Ferry or Julie Andrews know where else to find them – on MTV or wherever.

Our core viewers knew what they wanted, and they loved what they were given. They wanted classical opera and dance and documentaries across the range of the arts that meant that we didn't have to make our own sorts of programmes to satisfy their tastes. They wanted Rigoletto or Beethoven's 7th and we could give them wonderful performances without making the programmes ourselves. You can buy arts programming in the world market at very high quality and a very low price. Now no self-respecting channel can confine itself only to what it is able to buy. You have

to put something back 'into the well'. Of course Artworld has done that and Artworld will do it – but nevertheless the staple that it will offer to the audience is identifiably high culture, and much of that is available worldwide.

### the niche viewer

In our fast changing marketplace there are three types of viewers. Some viewers are conventional and watch conventional channels in the way that they always have done. While others are flicking a switch continually, they will watch only the things they want to watch and only at a time they want to watch them. The third group is in-between the first two – they are the viewers who are so determinedly single-minded, they are couch potatoes ever day of the week. Arts lovers may be very intelligent, but they know what they want in their lives and they want to watch lots of it. For whatever reason they may not want to go out to live music and arts – they need to know where they can satisfy their needs, and control the costs of doing so.

Niche viewers are passionate viewers. They watch the channel or the environment. In the case of a subscription channel, the image of the channel has to be strong enough for the audience to want to pay for it in addition to the other subscriptions that they have. Niche channels, whether subscription or advertising funded, can never survive if they are a channel that you 'just flick'. Successful channels must be the object of desire. Marketing must make people aware of it. The viewers must already know what they want, enough to find it – it's a determined and pre-planned decision.

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moves from one topic to another. There is still space for the variegated channel that offers choice; what I know now is that you can also cater for viewers who are single-minded. The thing that underpins the hope and excitement of multichannel television is that, like in the early days of Channel 4, it can cater for niche tastes that are not covered on the more conventional channels. The great difficulty always in evaluating strategy for broadcasters, is getting the timing of things right. I don't have any doubt at all that things are moving away from the conventional channels, but things are perhaps moving more slowly than analysts predict, and the old will co-exist with the new. ■

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