



Proposed Ad Legislation Changes To SBS TV

The Exchange Study

Prepared by Audience Strategy and Insights

April 2015

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Research Aims and Methodology

From April 2nd to April 7th, 2015, SBS conducted a research study on *The Exchange*, SBS's online research panel.

The study asked respondents about their opinions towards the government's proposed changes to SBS' advertising.

This questionnaire was completed online by a total of 1,158 respondents, of which 1,005 were SBS viewers and 153 were non-SBS viewers, or viewers who do not watch SBS in an average month. Please note that this is the second highest participation rate ever recorded on *The Exchange*, behind *Talent Study 2015* (1,385) conducted in March 2015. The study was incentivised with one Coles Myer gift card and an entry into *The Exchange's* quarterly prize draw, for a chance to win one of three Coles Myer gift cards.

The purpose of this study was to find out about:

- (i) Respondents' perceptions and feelings towards the proposed advertising changes on SBS TV
- (ii) Respondents' preferred advertising option for SBS TV

Respondents were made up of passionate SBS and non-SBS consumers aged 18+, from all over Australia, who joined *The Exchange* panel to help shape our channels. Please note that non-SBS consumers are defined as people who don't watch SBS in an average month.

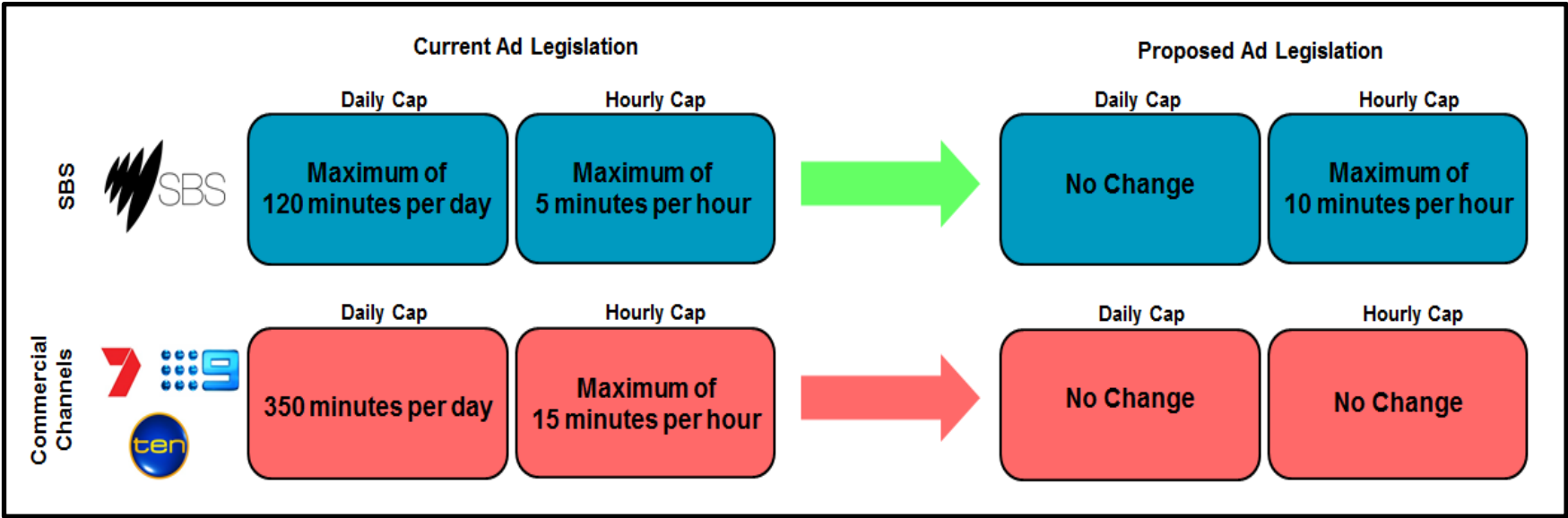
Respondents' Perceptions Of The Proposed Ad Legislation Changes To SBS TV

Respondents' Awareness Of The Proposed Ad Legislation Changes To SBS TV

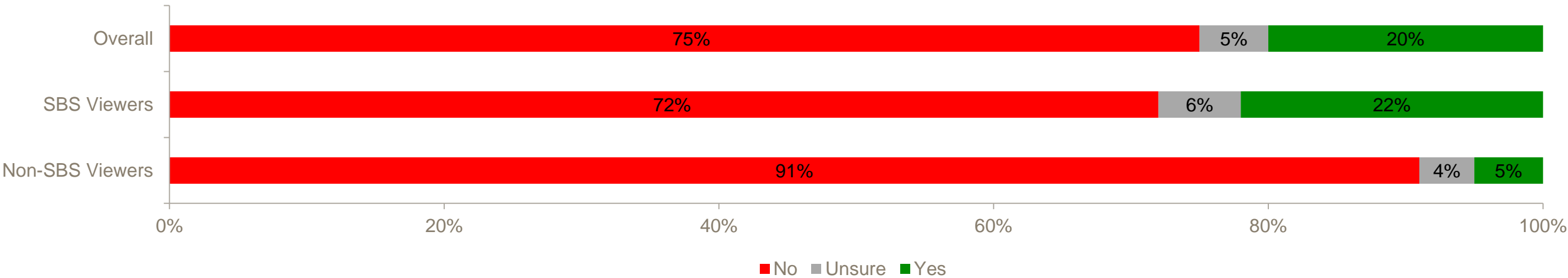
One fifth of respondents were aware of the proposed changes

Respondents were given a short description, and diagram, highlighting the proposed advertising changes to SBS TV.

- One fifth (20%) of overall respondents said they knew of the proposed changes to SBS' advertising. 5% were unsure and 75% were not aware of the changes.
- SBS viewers were significantly more aware of the proposed advertising changes (22%) than non-SBS viewers (5%).



Respondents' Awareness Of The Proposed Ad Legislation Changes To SBS TV



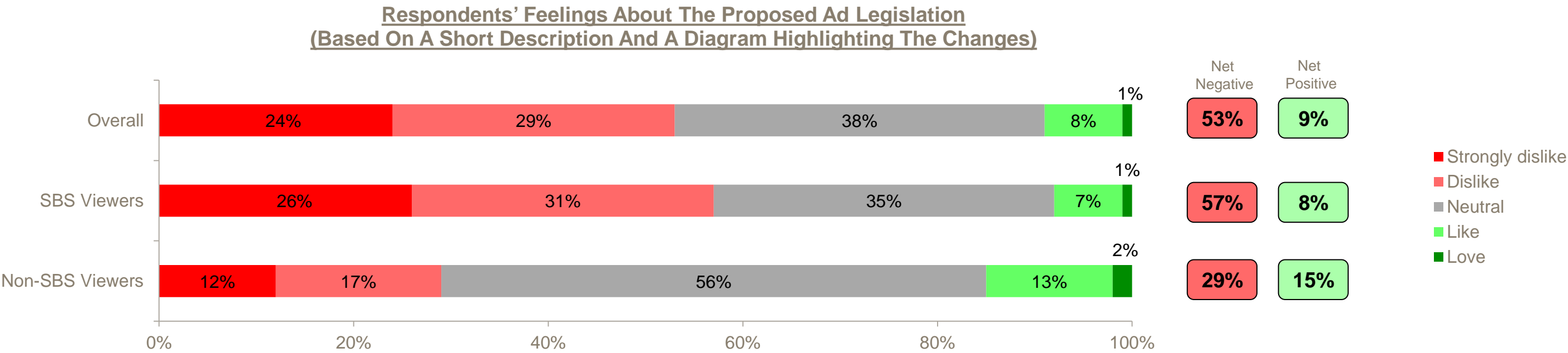
Source: The Exchange, Ad Legislation Questionnaire, 02/04/15 till 07/04/15, Were you aware of these changes to SBS' advertising proposed by the federal government?
Base: All respondents N=1,158. (SBS Viewers N=1,005, Non-SBS Viewers N=153)

Respondents' Initial Feelings Towards The Proposed Ad Legislation Changes To SBS TV

Respondents are strongly opposed to the changes

Respondents were asked their feelings towards the proposed ad legislation changes to SBS TV based on a short description, and diagram, highlighting the proposed advertising changes.

- Respondents are strongly opposed to the proposed changes to SBS' advertising after reading a short description and seeing a short diagram highlighting the changes. Only 9% of respondents said they liked the proposed changes. 53% said they disliked the proposed changes and 38% were neutral.
- Note that non-SBS viewers were more open to the proposed changes (15% net positive) than SBS viewers (8% net positive).

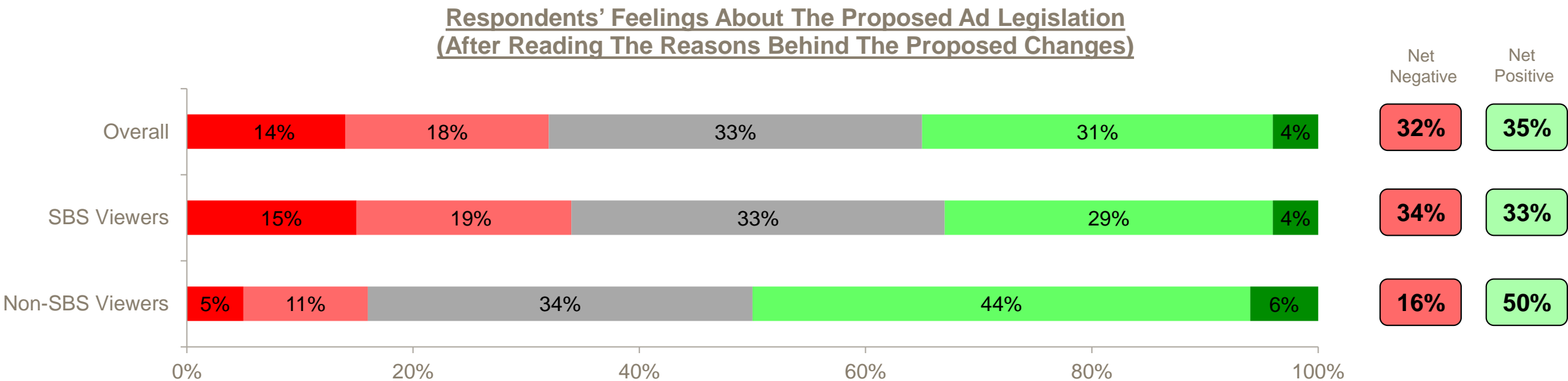


Respondents' Subsequent Feelings Towards The Proposed Ad Legislation Changes To SBS TV

Respondents are more open to the changes after understanding the reasons behind them

Respondents were again asked their feelings towards the proposed ad legislation changes, after being given the reasons why the ad legislation changes are important to SBS. The study highlighted how the changes could help offset some of the funding cut received last year and how it could help SBS continue commissioning Australian TV content, purchase overseas made content and keep on broadcasting world class sporting events.

- A larger amount of respondents (35% Vs. 9% before the reasons were explained) said they liked the proposed changes to SBS' advertising, after understanding the reasons behind them.
- Fewer respondents had a negative opinion about the changes (32% Vs. 53%) and a similar amount of respondents had a neutral opinion (33% Vs. 38%). Again, note that non-SBS viewers were more open to the proposed changes (50% net positive) than SBS viewers (33% net positive).



Reasons Why Respondents Liked The Proposed Ad Changes –SBS Viewers

A third of respondents agree with the proposed changes to maintain programming quality once they understand the reasoning behind the changes



33%
of SBS
viewers

An overwhelming amount of respondents agree with the proposed changes if they help maintain or improve the network’s content quality.		Many respondents said there are no other options for SBS to offset the budget cuts.	Some respondents believe SBS should self-fund itself.
<i>“If it keeps the SBS going and can use the money for programming then that is good”</i> Gordon, M, 62, Brisbane	<i>“If the quality of broadcast material in the same or better I reluctantly agree...”</i> Geoffrey, M, 76, Regional NSW	<i>“Bring in revenue to replace money lost in funding cut”</i> Christopher, M, 41, Adelaide	<i>“SBS is capable to stand on its own feet after so many years of Govt. subsidies. There is nothing that the commercial channels do that SBS cannot do!”</i> Francis, M, 66, Melbourne
<i>“It would be worth putting up with to maintain the programing”</i> Colin, M, 56, Regional NSW	<i>“It will help SBS maintain its high quality programming and local production of important and unique shows while coping with funding cuts”</i> Josh, M, 43, Sydney	<i>“Other than cut back on services and/or staff, I don't see that SBS has much option other than increase ad income”</i> Christopher, M, 63, Regional NSW	<i>“The Federal government has the right attitude in expecting SBS to cope with change the same as the rest of Australia!”</i> Neale, M, 66, Regional NSW
<i>“It is better than losing favourite programs”</i> Mario, M, 70, Melbourne		<i>“You need the funds and this looks like the way to go. Long Live SBS”</i> Paul, M, 61, Brisbane	<i>“We tax payers should not pay for some of SBS programs. You should earn your money as other channels. SBS is not TV for ALL Australians but only for few and it is bad”</i> Wally, M, 65, Sydney
<i>“An extra 5mins an hr. is a small price to pay”</i> Jaki, F, 60, Adelaide	<i>“It is important for SBS to continue providing this content, particularly cycling and soccer which the commercial channels would make a mess of”</i> Garry, M, 48, Perth	<i>“I don't like the government cut funding, as I love the original programming on the government stations, but I think raising revenue is the only way to keep the channels alive”</i> Amy, F, 32, Melbourne	
<i>“I value the sporting and cultural contribution that SBS provides to me and my family on a daily basis. For the sake of a few longer ads, it's worth it”</i> Nikola, M, 36, Regional NSW		<i>“If this small change allows SBS to produce and buy the same programs it does now, then it is necessary”</i> Debra, F, 45, Perth	A few respondents said ad minutage would still be small compared to commercial TV.
<i>“While I dislike advertising, I feel it is more important to be able to create new local product & improve access to events such as Eurovision, Socceroos & the Tour de France”</i> Louise, F, 45, Regional NSW	<i>“Because I want SBS to maintain the quality of its programming & budget cuts seem inevitable given the Federal budget situation”</i> Olwyn, F, 61, Brisbane	<i>“If there is no other way of getting more budget I guess”</i> Stina, F, 37, Sydney	<i>“It will contribute to funding of SBS and is still limited to small amount in comparison to commercial TV”</i> Lubosh, M, 52, Regional VIC
<i>“SBS needs to offset \$cuts. We will live with it as we love SBS!”</i> Carolyn, F, 55, Regional NSW	<i>“It will help SBS maintain its ability to access good viewing material, unlike the rubbish the commercial stations send out”</i> Janet, F, 56, Regional WA	<i>“SBS has no choice - it has to make up for any funding shortfall by the Govt.”</i> Mark, M, 64, Brisbane	<i>“An extra five minutes per hour is nothing compared to commercial stations, if it helps maintain the excellence of SBS I am all for the extra 10 minutes of commercials”</i> Lynn, F, 66, Melbourne
<i>“I will tolerate extra ad times in the evening if it means good quality programs can be produced”</i> Robyn, F, 64, Melbourne	<i>“I dislike the idea of more ads, but I accept the rationale that this is the only way to buy and produce quality programs in the face of budget cuts”</i> Alan, M, 61, Sydney	<i>“SBS has to offset the budget cut somehow - and advertising is the only way to do it. We do expect it these days so if the ads only increase a little I am sure most people won't mind”</i> Lisa, F, 36, Sydney	
<i>“I want more Australian content of the type that SBS provides. Therefore, if it is necessary for SBS to have more ads in the evening, I'll just have to put up with it”</i> Barbara, F, 63, Regional QLD	<i>“SBS offer a unique range of programs and sporting coverage. If more ads will keep the high quality of programs I may not like it but I understand why and think it is a good solution”</i> Kylie, F, 37, Melbourne	<i>“If it means SBS will still stay on air and produce such fantastic shows, I am willing to compromise with more advertising, in the hope it has quality and not trashy advertising”</i> Linda, F, 54, Regional VIC	<i>“If it means SBS is able to do/provide more/better viewing for viewers then it's fantastic”</i> Leanne, F, 50, Adelaide
<i>“I am all for it if it enables SBS to continue to offer premium TV shows and sports”</i> Kerry, F, 56, Regional QLD			



Reasons Why Respondents Disliked The Proposed Ad Changes – SBS Viewers

Another third of respondents would find more advertising disruptive and would negatively affect their viewing



34%
of SBS
viewers

An overwhelming amount of respondents said they watch SBS because it has fewer ads. Increasing them would, thus, be disruptive and negatively affect their viewing.		Many respondents said it is the government's duty to fund SBS.		Some believe an increase in ad minutage would make SBS just like other commercial channels.	
"Apart from the quality and content of the programming on SBS, one of the reasons why I enjoy watching SBS is because of the few ads" Sanja, F, 50, Melbourne	"One of the reasons I am more likely to tune in to SBS is because it has fewer and far less irritating ads" Ron, M, 58, Regional QLD	"I am of an age when I expect the government to generate sufficient tax revenue to pay for it's services. SBS is a service that the government should fund. SBS already has too much advertising and should be fully funded by the government" John, M, 62, Regional NSW		"If you can continue delivering the excellent service then great. But it will one day mean that there is no difference between SBS and the commercial stations" Brian, M, 48, Melbourne	
"Ads are seriously one of the reasons we don't watch a lot of commercial TV" Kim, F, 36, Brisbane	"Intrusion in an intelligent program" Johanna, F, 54, Melbourne				
"I watch TV in the evenings and choose to watch sbs due to the quality of programs and fewer ads or ad breaks" Charlie, M, 52, Sydney	"I feel the extra advertising is likely to be disruptive to some programs. I do not watch commercial television, apart from sport" Peter, M, 64, Sydney	"SBS is NOT a commercial TV station. SBS should not compete for advertising dollars with commercial stations, but should be 100% government funded" Ron, M, 59, Sydney		"SBS is becoming just a like regular commercial network" Greg, M, 44, Regional NSW	
"The current rate of ads and program promotions (really ads too) is quite enough to put up with. Any more and my viewing of SBS will be reduced considerably. I don't watch commercial TV for that reason" Peter, M, 81, Regional NSW	"I don't generally enjoy advertising, which is why I rarely watch the commercial TV stations anymore. I fear that I might get sick of the ads and stop watching SBS as well" Murray, M, 47, Brisbane				
"One of the pleasures of watching ABC and to a lesser extend SBS is the lack of, or low number of, ads" Mark, M, 39, Perth	"I hate ads. I don't watch them and am less likely to continue to watch a show after an ad break as I will read during a break and might continue to read" Emily, F, 38, Melbourne	"A national broadcaster should be funded from the public purse predominantly" Christopher, M, 50, Sydney		"Part of the attraction of SBS is that it is different to the 'commercial' channels. This change lessens that difference and moves SBS toward becoming just another (bland) channel" Peter, M, 55, Adelaide	
"I understand the reason behind the proposed changes, but adverts interrupt viewing, which is why I watch little commercial TV" Aletha, F, 48, Perth	"One of the reasons I watch SBS, apart from the quality shows, is that there is very little advertising. What advertising there is, in general, disturbs my viewing experience" Karen, F, 61, Sydney				
"Advertising ruins programs." Margot, F, 63, Melbourne	"I watch ABC and SBS because of limited or no advertising. More advertising will affect my viewing because I don't want to watch advertising even though I recognise why it's needed. Sorry" Debra, F, 49, Regional NSW	"Because I believe SBS should be fully government funded and should never have been made to introduce ads" Merriwyn, F, 32, Perth		Some respondents believe there are other ways to offset the cuts.	
"Like to watch TV with as little interruptions (i.e. advertising) as possible. I am an ABC and SBS fan for this reason. When I watch Channel 10 I am amazed at the amount of times I need to reach for the remote to turn the sound down when the ad breaks start" Rob, M, 48, Perth	"This will further reduce the viewer base of SBS" Zlatan, M, 38, Adelaide				
		"I would rather pay more tax fund SBS adequately than watch more ads" Gareth, M, 42, Melbourne		"I'd rather amalgamation with ABC to cut costs than more advertising on SBS" Andrew, M, 55, Sydney	
		"Both SBS & the ABC should be funded by the Australian Government as a core responsibility of maintenance of public broadcasting" John, M, 62, Regional NSW		"A more creative solution would be licence fees" John, M, 62, Regional NSW	
		"Government should fund SBS & ABC not big sponsors. We want the independence of our viewing" John, M, 66, Regional TAS		"Would prefer if viewers were given the option of subscribing with a reasonable fee instead of losing hours of our lives to advertising crap" Pritam, M, 74, Regional NSW	
		"Will have a negative impact on the viewing experience. Government should find other spending cuts, not something as important as SBS" Grant, M, 43, Sydney		A few believe this will see a precedent for the government to further cut funding.	
				"Once you start down this road, you will just allow the gov. to cut your funding more as (you can make it up with advertising)" Darren, M, 43, Sydney	



Reasons Why Respondents Liked The Proposed Ad Changes – Non-SBS Viewers

Half of non-SBS viewers said the proposed changes would help support programming

50%
of non-SBS
viewers



Many respondents said it will help SBS maintain its broadcasting quality and help the channel continue to invest in local programs.

"If they enable SBS to continue broadcasting good programmes, then it is a good solution"
Liesl, F, 49, Melbourne

"If it will bring opportunities for other programs and shows I don't see why not"
Jasmina, F, 32, Perth

"They need to do something to keep the quality of programming. I don't like the ads but it's not that big of a deal"
Natalie, F, 34, Sydney

"With more money coming in, it means more Australian produce shows"
Geoffrey, M, 28, Brisbane

"It allows SBS to continue some investment in local programs"
Geoff, M, 76, Melbourne

"if it allows SBS to operate as it has been"
Robin, F, 50, Regional QLD

"Will allow for Australian content"
Geoffrey, M, 56, Melbourne

"More funding for new programs"
Bubble, F, 45, Perth

Many respondents said it is a way for SBS to raise extra revenues.

"It offsets the funding cut so I can understand the reasoning"
Louise, F, 48, Brisbane

"You need the money and you need to get it from somewhere"
Kezia, F, 33, Sydney

"If it helps them balance their budget then we have to grin and bear it"
Anne, F, 75, Melbourne

"U have to make money some how"
Michael, M, 46, Perth

"If it helps them with money its a good idea"
Kylie, F, 32, Melbourne

"More money to SBS is great"
Carl, M, 47, Sydney

"SBS has to raise revenue from somewhere"
Lorraine, F, 62, Brisbane

A respondent said more self funding means tax payers would have less to fund.

"Less that the tax payer has to cover"
Brian, M, 64, Melbourne

Some respondents said ad minutage would still be small compared to commercial TV.

"The proposed changes still have a lot less advertising than the other commercial channels"
Michelle, F, 48, Adelaide

"It will still be much less advertising than most other channels"
Shelley, F, 30, Adelaide

"It is still less than commercial channels"
Naomi, F, 44, Sydney

"It seems like a creative way to offset budget problems while still being less bad than the commercial channels"
BB, M, 51, Adelaide

A respondent said other channels fund themselves so SBS could too.

"The other channels do it so why not SBS?"
Megan, F, 46, Regional QLD

A few respondents said there are no other options for SBS to offset the budget cuts.

"If its a way for SBS to stay above water then there is choice in the matter"
Irene, F, 62, Regional NSW

"It has to happen if SBS is to compete with other stations/networks with quality programs"
Kenneth, M, 66, Melbourne



Reasons Why Respondents Disliked The Proposed Ad Changes – Non-SBS Viewers

About one fifth of non-SBS viewers said there are already too many ads on TV

16%
of non-SBS
viewers

Many respondents said there are already enough ads on TV.
<i>"There is already to many ads on TV, & the government should leave SBS & ABC alone"</i> Karen, F, 56, Regional NSW
<i>"There are too many ads on TV already"</i> Suzanne, F, 46, Regional SA
<i>"there is already to many ads on TV"</i> Anne, F, 61, Regional SA
<i>"too many ads already"</i> John, M, 77, Regional QLD
<i>"I hate ads on TV"</i> Jerzy, M, 60, Perth
<i>"SBS has enough advertising already"</i> Vinh, M, 35, Sydney

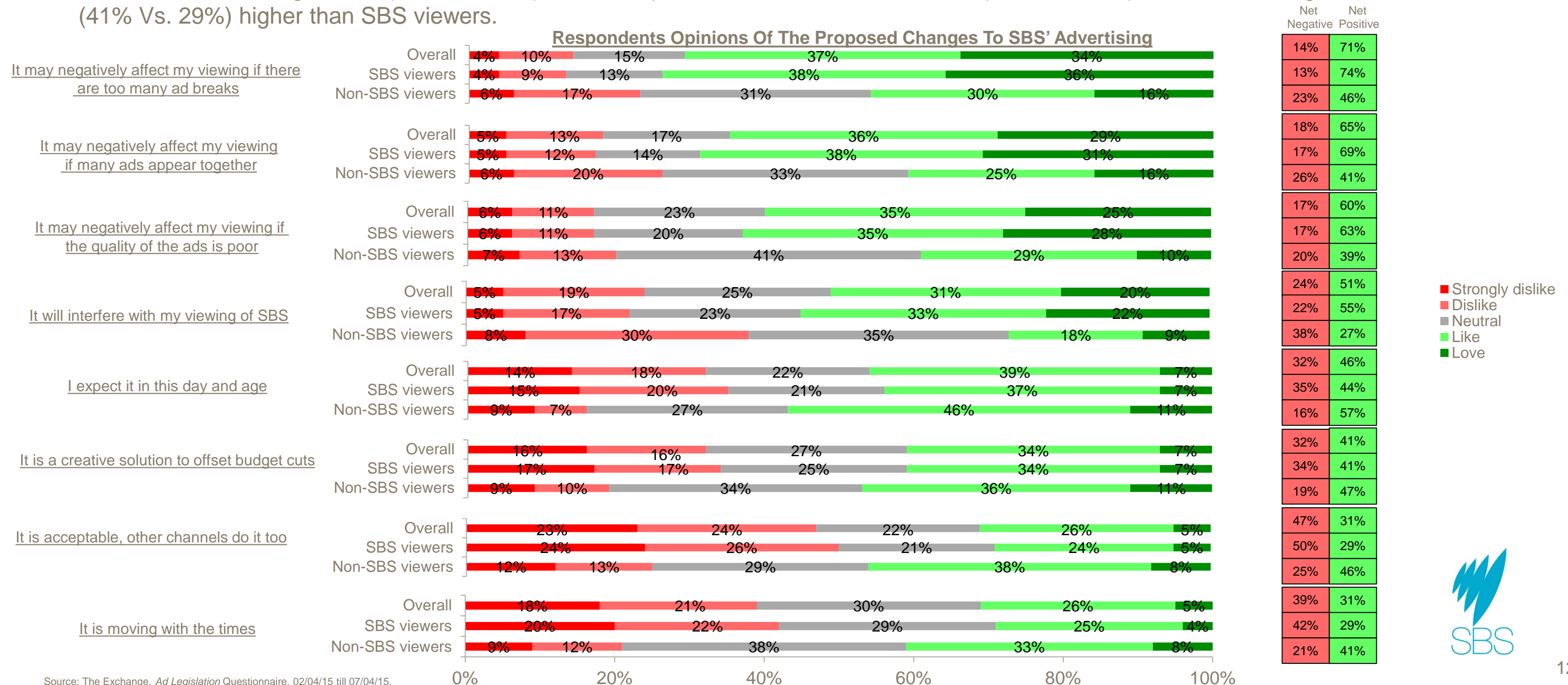
Many respondents also said the changes would likely affect viewing.
<i>"All that advertisement takes away the pleasure of watching television"</i> Angela, F, 49, Perth
<i>"Do not like to be disturbed while watching shows"</i> Betty, F, 45, Melbourne
<i>"I have already turned off SBS because of advertising. Sometimes I get halfway through a show and can't be bothered watching through because the ads become annoying. I love SBS and see advertising destroying the channel"</i> Ewen, F, 53, Victoria
<i>"It's so refreshing not to be bombarded with continuous, repeated adds throughout a program of interest. I think most people who watch SBS, not only watch it for it's superb program contents but also due to the lack of ads, unlike the commercial channels"</i> Maureen, F, 63, Regional QLD



Respondents' Opinions Of The Proposed Ad Legislation Changes To SBS TV

Respondents said the changes may negatively affect their viewing

- 71% and 65% of respondents respectively said the changes may negatively affect their viewing “if there are too many ad breaks” (SBS viewers, 74%; non-SBS viewers, 46%) and “if too many ads appear together” (SBS viewers, 69%; non-SBS viewers, 41%). Note that SBS viewers said they would be more affected by those changes than non-SBS viewers.
- Non-SBS viewers are more open to change than SBS viewers. They rated “I expect it in this day and age” (57% Vs. 44%), “it is a creative solution to offset budget cuts” (47% Vs. 41%), “it is acceptable, other channels do it too” (46% Vs. 29%) and “ it is moving with the times” (41% Vs. 29%) higher than SBS viewers.



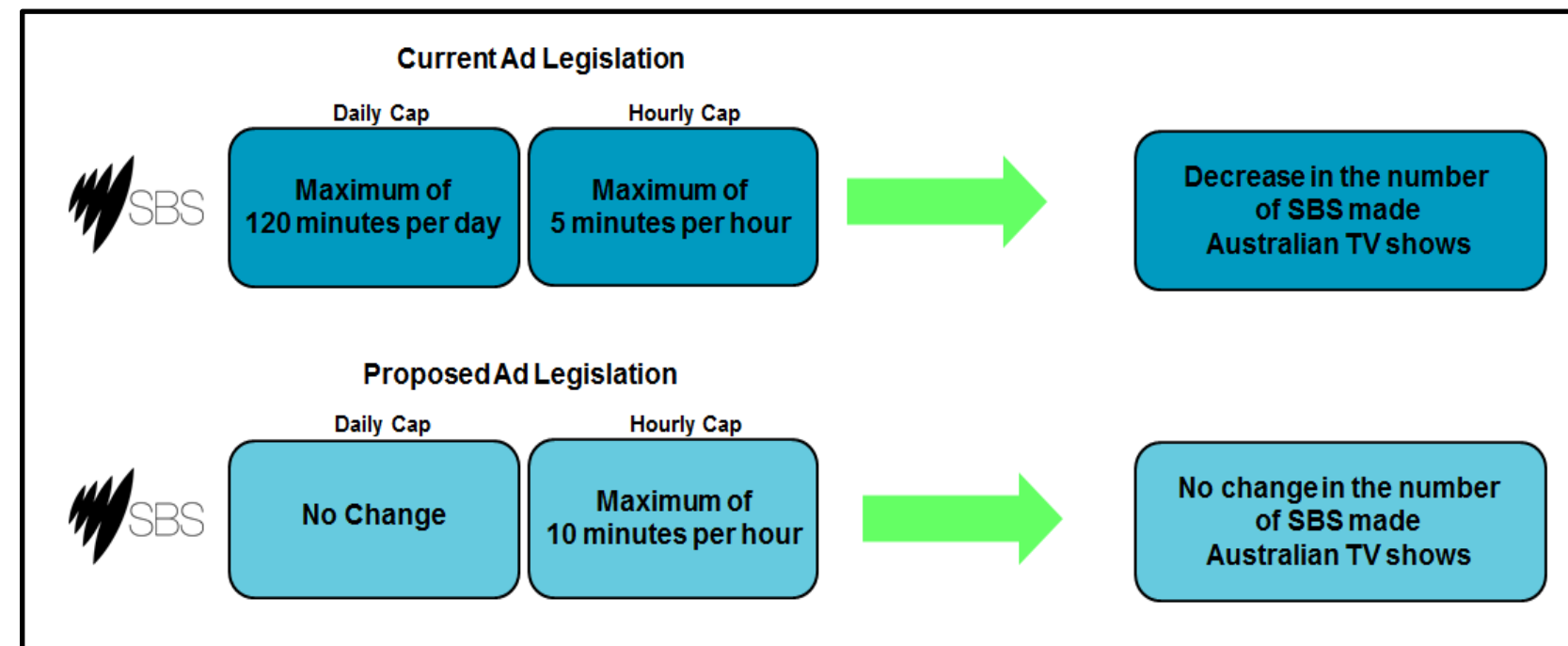
Respondents' Preferred Advertising Option For SBS TV

Respondents' Preferred Advertising Option For SBS TV

An overwhelming amount of respondents said they would prefer SBS to offer the same amount of content, offset by slightly more ads

Respondents were asked if they preferred SBS to offer the same amount of unique and distinctive Australian content, funded by slightly more ads during prime time, or 25-30% less content, but no changes to the current advertising breakdown.

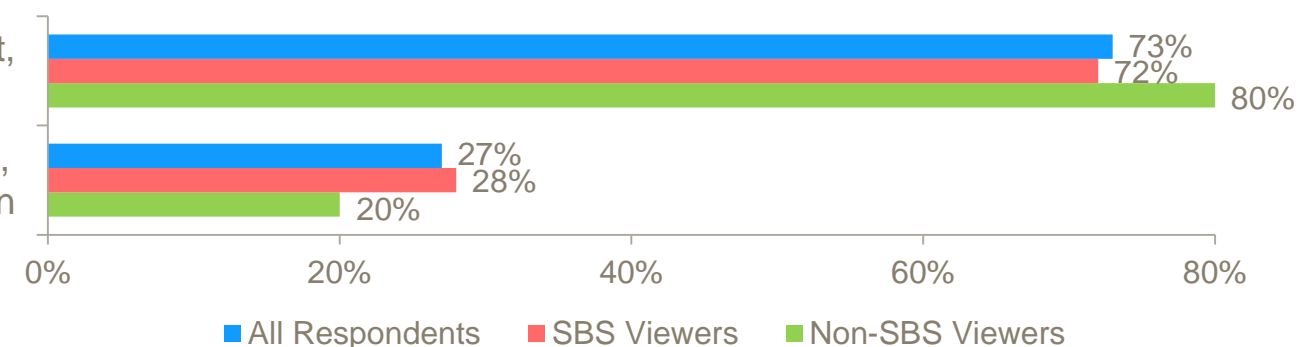
- 73% of respondents said they would prefer SBS “offering the same amount of unique and distinctive Australian content, created by SBS, offset by slightly more ads”. Note that non-SBS viewers like that option more than SBS viewers (80% Vs. 72%).
- 27% of respondents said they prefer SBS “offering about 25-30% less unique and distinctive Australian content, created by SBS, and making no changes to the current ad breakdown”. Note that SBS viewers like that option more than non-SBS viewers (28% Vs. 20%).



Respondents Preferred Advertising Option For SBS TV

Offering the same amount of unique and distinctive Australian content, created by SBS, offset by slightly more ads

Offering about 25-30% less unique and distinctive Australian content, created by SBS, and making no changes to the current ad breakdown



Reasons Why Respondents Prefer The Same Amount Of Content Offset By Slightly More Ads – SBS Viewers

An overwhelming amount of respondents (over 500) preferred this option, so that SBS can keep on creating unique Australian content

72%
of SBS
viewers

An overwhelming amount of respondents (over 500) said producing unique Australian content is key to SBS’ identity, thus, more important than the possible extra ad minutage during prime time.			
“SBS has many great Australian shows that should continue to be produced” Dominic, M, 61, Perth	“I see SBS as having 2 differentiators: 1) not having lots of ads 2) offering distinctive and unique Australian content. While it would very disappointing to see SBS have more ads, I think it's more important to continue to offer the same (or more) unique and distinctive Australian content, as this is what ultimately differentiates SBS from its competitors” Katalin, F, 40, Melbourne	“I would prefer to keep watching the unique programs otherwise it will become just like all the other channels” Debbie, F, 55, Regional VIC	
“I especially don't mind a few more ads if it means SBS will continue to offer the content I most enjoy” Michelle, F, 32, Regional VIC		“I don't want to see the quality of programs decline, so I am willing to compromise by accepting more ads” Simone, F, 45, Sydney	
“We need to continue to have the good local content, much better than some of the American rubbish on some of the commercial stations that they have been dishing up lately” Stephen, M, 68, Regional TAS		“I want SBS to continue to produce its high quality content, therefore I am prepared to tolerate more 10 minutes of ads each hour” Robyn, F, 64, Melbourne	
“The ads will be more annoying but SBS has an important role in developing and broadcasting unique Australian content. It's a point of difference with the other Channels” Sanja, F, 50, Melbourne	“We need diverse programs that SBS offers, so if you have to advertise to raise funds, then so be it” Sandra, F, 47, Regional VIC	“A reduction in quality and variety of the content would be the worst outcome. I expect that the increase in advertisements would have little effect on the shows I watch. Reducing the range or quality of the shows would mean that I would watch less of SBS” John, M, 48, Sydney	
“I like the different content SBS offers as the commercial channels can't fulfil this role in a meaningful way. I would rather your ad breaks were a little longer to achieve this” Claire, F, 32, Canberra	“I like the Australian content and would not like to see less of it” Kevin, M, 57, Sydney		“I don’t want to lose any programs” Michael, M, 63, Adelaide
	“The Australian content created by SBS is always of a high quality and if the same amount is available as a result of increased advertising then so be it” Darren, M, 43, Regional QLD		“I don't want SBS to lose it's unique flavour” Ian, M, 54, Melbourne
“I think it's important to broadcast the shows that SBS currently does, and don't want to see this reduced” Megan, F, 30, Hobart	“I like the programs that SBS have on and would not want to see anything less” Mary, F, 77, Adelaide	Some said it has to be done for SBS to survive.	
“Unique content is SBS' biggest draw card” Jacq, F, 32, Sydney	“It is part of our national identity, less Australian content will lead to the dilution of that identity” Ron, M, 60, Regional NSW		“What has got to be done has got to be done we suppose...” Geoffrey, M, 76, Regional NSW
“We need Australian content. It is more important than ever in an era where we are constantly bombarded with American culture via television etc.” Chenoa, F, 30, Melbourne	“Because that is what makes SBS unique, it's content. It's the best compromise in light of the situation” Ester, F, 32, Melbourne		“Small price to pay” Christopher, M, 51, Adelaide
		“If this is the only way it can happen that's OK” Joan, F, 72, Adelaide	

Many respondents also said it was the best of two poor options.
“It seems the lesser of two evils” Murray, M, 47, Brisbane
“Least of two evils” Ron, M, 59, Sydney
“I wouldn't, but it is better than the alternative - you are between a rock and a hard place” Ray, M, 70, Regional QLD
“It's a choice between two alternatives, neither of which is ideal, but retaining the fullest possible range of programming content seems more valuable” Matthew, M, 46, Hobart

Many would like SBS to continue supporting the Australian film making industry.
“Need to support Australia film makers-need to keep plenty of Australian content” Robyn, F, 74, Melbourne
“We should support local shows being produced to improve the local art and film industry” Levilance, M, 45, Regional QLD
“Because SBS should keep supporting Australian productions. I'll just pick and choose my viewing. If the ads drive me bonkers I'll send the psych bill to Turnbull” Michael, M, 56, Regional NSW

Some believe the extra minutage is low compared to the commercial channels’.
“I'm so used to the long ad breaks on commercial television that 10 minutes per hour doesn't sound so bad” Michelle, F, 32, Regional VIC
“The ad content is still less than the commercial stations” Harry, M, 58, Brisbane



Reasons Why Respondents Prefer The Same Amount Of Content Offset By Slightly More Ads – Non-SBS Viewers

Many respondents said it is important to support Australian-made content

80%
of non-SBS
viewers

Many respondents said it is important to support Australian made content.	Many respondents said advertising on SBS would still be less than that of commercial TV.	Some respondents said it is worth having more ads to maintain content quality.	A respondent said this would increase competition between FTA channels and result in better shows for viewers to watch.
<i>"I think we need some Australian content and if more ads can pay for that then it is a good thing"</i> Anne, F, 59, Regional VIC	<i>"A few more ads is not a big deal. It's still much less than other channels"</i> Natalie, F, 34, Sydney	<i>"These are shows your viewers enjoy. I think a few ad breaks are worth it"</i> Courtney, F, 28, Adelaide	<i>"More competition more to watch. With increased ads in prime time, SBS should be able to keep up with or better its quality shows. Giving 7, 9 and 10 some competition"</i> Tracy, F, 47, Melbourne
<i>"More Australian content is a good thing"</i> Sue, F, 52, Brisbane	<i>"SBS is one of few channels that offers Australian content and to be subjected to a few more ads a day will make no difference, other channels show upwards of 9 ads per break"</i> Dale, F, 49, Regional WA	<i>"Because then SBS shows wouldn't have to be changed"</i> Jacqui, F, 44, Regional NSW	
<i>"I think it's important to keep the Australian content, makes SBS different"</i> Maureen, F, 49, Adelaide	<i>"Get the same great programs and still less ads than other channels"</i> Gavin, F, 40, Melbourne	<i>"Again, it has to be paid for somehow, it would be unfortunate to lose the unique content that SBS has simply because of a few minutes of advertising"</i> Michelle, F, 48, Canberra	
<i>"Because Australian content is more important for our identity"</i> Angela, F, 40, Perth	<i>"I am so used to advertising on Commercial and pay-to-view TV that a little more on SBS won't do me any harm!"</i> Bob, M, 72, Adelaide		
<i>"Well if it means more Australian content yes"</i> Brian, M, 47, Melbourne	<i>"Still less ads than other commercial channels so will not be too noticeable, shouldn't affect program viewing"</i> Natasha, F, 31, Brisbane		
<i>"We keep the same amount of Australian content. That's more important than the number of ads in question."</i> Johanna, F, 43, Melbourne			
<i>"We should not reduce the number of Australian made films"</i> Anne, F, 57, Melbourne			
<i>"Because we need to support Australian content"</i> Kezia, F, 33, Sydney			
<i>"Because I believe it is important to support the Australian film/television industry instead of having everything made overseas"</i> Bonnie, F, 29, Melbourne			
<i>"We need good Australian Content to continue, even if we have to put up with more ads, I don't think an extra 5 minutes of ads will be noticed per hour"</i> Karen, F, 56, Regional NSW			



Reasons Why Respondents Prefer Less Content And No Change To The Ad Breakdown – SBS Viewers

Many respondents (about 80) said more ads would negatively affect their viewing experience

Many respondents (about 80) said they dislike ads, thus, any increase would negatively affect their viewing.	A large amount of respondents said it's not about the origin of the content but its quality.	Many respondents also said it was the best of two poor options.	Some said the cut in content wouldn't be too big.
<i>"I don't want my viewing to be affected by ads"</i> Matthew, M, 36, Brisbane	<i>"Australian content is not important to me"</i> Terry, M, 73, Regional NSW	<i>"I don't want you to offer 25-30% less unique and distinctive Australian content, created by SBS, but I don't want to watch advertising even more than is displayed already either"</i> Libby, F, 59, Regional VIC	<i>"Even with a 25-30% cut in unique and distinctive Australian content SBS would still be offering a good line-up of program's. Fewer ads sets SBS apart from the other channels, I would not want to see that aspect change"</i> Daniel, M, 36, Regional NSW
<i>"in our home we really dislike any advertising on SBS. Certainly we will watch fewer SBS programs in the evening, if the ads increase to 10 minutes per hour"</i> Margaret, F, 65, Adelaide	<i>"We would prefer to cut down on some of the "home grown" programmes in favour of some cheaper imported but excellent viewing say from the UK"</i> David, M, 74, Regional NSW	<i>"Lesser of two evils"</i> Peter, M, 57, Canberra	<i>"One show less per week is not a lot. It can be replaced by other shows of equal or better quality"</i> Stanley, M, 88, Sydney
<i>"No more ads! I will simply stop watching SBS!"</i> Gerard, M, 50, Sydney	<i>"I am happy for overseas content and I detest ads which is why I do not watch 7,9 or 10"</i> Michael, M, 54, Sydney	<i>"Something has to give, and this is the lesser of the two evils. If you go the other way, that 'unique and distinctive Australian content' (read: poor ratings) will be cut. 'Housos' isn't going to draw any advertisers nor audiences. So it will be cut anyway, if SBS becomes more advertising driven"</i> Conor, M, 37, Melbourne	<i>"I would prefer to lose one show a week...you have so many cooking shows it's crazy...dropping one of them a week to keep the ads down would be worth it"</i> Juanita, F, 46, Sydney
<i>"SBS as national broadcaster is no place to air commercial advertising. I will not stand for any increase in the number of ads per hour"</i> Christopher, M, 50, Melbourne	<i>"I think the value of local content is overstated. High quality content, regardless of origin, is important to me and I think is what sets ABC and SBS apart from commercial channels"</i> Mark, M, 39, Perth	<i>"It is a very hard choice. I just hate the mindless repetitive ads that the other stations show"</i> David, M, 65, Brisbane	Some said the current government and the funding cuts, may not last.
<i>"the reason I watch SBS is because there are far less ads. The other stations are just ad after ad I hate it"</i> Kayleen, F, 61, Brisbane	<i>"SBS is a world channel. We don't need more Australian content. We need quality content. Where it comes from is irrelevant"</i> Darren, M, 43, Sydney	<i>"of course I don't want the content cut, but I know I won't watch much of it if there's twice as many ads"</i> Tammy, F, 50, Canberra	<i>"Also, current Federal government will not be there forever! Who knows what changes the next government will bring"</i> Karen, F, 61, Sydney
<i>"I hate ads interrupting my television viewing"</i> Ron, M, 58, Regional QLD	<i>"I would PREFER less ads. I do like Luke etc. but I am happy for MORE overseas (euro) content. The LACK of ads sets SBS apart"</i> Tamara, F, 42, Melbourne	Some believe SBS shouldn't be commercialised.	<i>"Because when the government falls, the new ALP government can restore proper funding and the SBS will not be forever compromised- just 18 months of less Australian product"</i> Neville, M, 55, Melbourne
<i>"Because I think I would honestly stop watching the station if you have too much advertising"</i> Veronica, F, 55, Perth	<i>"The best shows on SBS are imported anyway. I'd rather see more quality imported shows and less ads. The SBS-created content is quirky but the format has become really dull and repetitive"</i> Jessica, F, 31, Regional QLD	<i>"I would prefer less unique content, because doing it would be aligned with what I believe is one of SBS' core values - to be ad free. This is not a financial decision, rather a ethical one. To remain true, or to sell out?"</i> Andrew, M, 39, Regional NSW	<i>"Once the increase in ad time during evening viewing is made, it is unlikely that this would be reversed in the future. On the other hand, it is conceivable that with improvement in the government budget in the future, more Australian content could be added"</i> Meng Inn, F, 59, Hobart
<i>"I hate being bombarded with advertising. I'm better off watching a DVD instead"</i> Julia, F, 55, Regional NSW	<i>"The overseas content you offer is preferable to the adverts. As much as local content appeals, I would sacrifice this for less ads"</i> Gareth, M, 42, Melbourne	<i>"I dislike the idea of commercialistaion of SBS"</i> Jeannette, F, 59, Melbourne	
<i>"I may not be able to continue to enjoy any of the quality shows if the amount of ads increases"</i> Graeme, M, 69, Regional NSW	<i>"The quality of the Australian SBS content is not of a high standard"</i> Orieta, F, 50, Regional NSW		

28%
of SBS
viewers



Source: The Exchange, Ad Legislation Questionnaire, 02/04/15 till 07/04/15, Why would you prefer SBS to offer about 25-30% less unique and distinctive Australian content, created by SBS, by making no changes to the current ad minutage?
Base: SBS Viewers N=278

Reasons Why Respondents Prefer Less Content And No Change To The Ad Breakdown – Non-SBS Viewers

There was little feedback by this viewer group

20%
of non-SBS
viewers

Many respondents said they dislike ads, thus do not want to see more on TV.
<i>“ads are a waste of time”</i> Melissa, F, 29, Adelaide
<i>“I hate ads”</i> Jennifer, F, 60, Sydney
<i>“Because I don't want more ads”</i> Suzanne, F, 46, Regional SA
<i>“I do not want to see more ads”</i> Bruce, M, 67, Melbourne
<i>“Getting to many ads”</i> Leah, F, 36, Sydney
<i>“I really hate ad”</i> Sharon, F, 57, Regional WA
<i>“Less ads much better”</i> Pam, F, 71, Sydney
<i>“There are enough programs on TV for me personally.”</i> Sue, F, 50, Perth



Other Feedback

<p>Many respondents said ads are acceptable in between programs but not throughout.</p> <p><i>"The ads are distracting and annoying. Acceptable between programs but not during"</i> Liana, F, 46, Melbourne</p> <p><i>"if ads must be had, better between shows than IN shows!"</i> Lou, F, 67, Melbourne</p> <p><i>"I don't mind the ads if they come BETWEEN shows"</i> Mary, F, 55, Regional QLD</p> <p><i>"As long as the ads are between shows, rather than during shows (i.e. like 7/9/10), I wouldn't mind extra ads. I would not ever accept ads in a show, as I am sick of all the stupid ad breaks while watching a show like Big Bang Theory on a station like 9"</i> Chris, M, 39, Brisbane</p> <p><i>"I would LIKE MORE ads BETWEEN shows rather than TOO BIG ad breaks DURING shows. Lets have MOST of them between shows!!!"</i> Tamara, F, 42, Melbourne</p> <p><i>"If it means that this is the only way SBS is able to stay true to it style and uniqueness then go for it. However would prefer if the ads are played in a manner that does not interfere with my viewing of programs"</i> Sharon, F, 47, Sydney</p> <p><i>"The only, I stress, only way I would find this acceptable is if SBS follows many countries and places ALL the ads in a block at the beginning and end of a program"</i> Michelle, F, 71, Sydney</p> <p><i>"I would support more ads even increase 120min limit if the ads weren't in-program or limited to every 30min"</i> Greg, M, 44, Regional QLD</p>	<p>Some respondents said they wouldn't mind the ads as long as they are of quality.</p> <p><i>"I wish SBS had the opportunity to be more selective about what ads it airs. For example, Ashley Madison ads are very offensive. If increasing the number of ads will enable SBS to sell advertising to more reputable advertisers I would support this change on that basis as well"</i> Chenoah, F, 30, Melbourne</p> <p><i>"I hope that if SBS does increase ad time that the advertisements will be quality and not trashy and loud ones"</i> Linda, F, 54, Regional VIC</p> <p><i>"I think if the ads were interesting or about social issues or community minded, charities or things like that it would be more in keeping with the SBS style"</i> Jane, F, 35, Melbourne</p>	<p>Other advertising feedback.</p> <p><i>"I am in favour of this change. But I would like to see a balanced approach to the advertising. I would not like to see a doubling of the add breaks in prime time. I do not like seeing the same add being aired on every add break over a program"</i> Ron, M, 60, Regional NSW</p> <p><i>"Please don't copy commercial TV with going to ads 30sec before end of show, then followed by another ad break after the 30sec is screened, that is just manipulative and annoying"</i> Scott, M, 45, Perth</p> <p><i>"If an increase to ads per hour is absolutely necessary, I would definitely prefer there to be more ads per ad break, rather than more ad breaks per program (as on commercial channels) really cuts up the show and makes viewing much less enjoyable. Thanks!"</i> Firona, F, 25, Adelaide</p>	<p>Some respondents don't accept a reduction in programming or an increase in advertising as they see it as the result of broken government promises.</p> <p><i>"I don't accept the cuts to our national broadcasters; they are a result of broken promises and do not properly recognise the role of the ABC and SBS in portraying and informing our culture, independently and without advertising"</i> Chris, M, 56, Melbourne</p> <p><i>"More ads will remind me not to vote for the current government who promise not to have cuts to the ABC or SBS was broken"</i> John, M, 62, Regional NSW</p> <p><i>"The current government pledged not to cut funding to SBS prior to the last election. If they had kept their promise, the matters would not even be under consideration. SBS funding should be fully restored to pre-election levels, immediately"</i> Graeme, M, 63, Adelaide</p>
	<p>Other solutions to offset the budget cuts.</p> <p><i>"I do not want to see the decrease in Australian content. I would rather see SBS spend less on overseas content"</i> Chris, M, 56, Melbourne</p> <p><i>"How about different options. Run ads during o/seas morning news bulletins; pay less for some of the shows (who else is in the market to buy them?); run ads as a banner during the program"</i> Claudio, M, 61, Adelaide</p> <p><i>"I pay taxes so that community goods like SBS are provided. Raise taxes rather than cut services please"</i> Gareth, M, 42, Melbourne</p>	<p>A few respondents said they enjoy ad breaks to do short tasks.</p> <p><i>"It will help with the costs and I enjoy having ads when viewing because you can get up to make a coffee or go to the toilet. Also you get to see what's coming up on SBS with the ads"</i> Jacqui, F, 44, Regional VIC</p> <p><i>"I find the current ad breaks too short to e.g. go to toilet, do short tasks etc. that I can do in the commercial channel breaks. Advertising is now a part of SBS and I would happily support any changes that will offset budget cutbacks"</i> Robyn, F, 60, Sydney</p>	<p>Program duration feedback.</p> <p><i>"The Australian content created by SBS is always of a high quality and if the same amount is available as a result of increased advertising then so be it. However, I don't wish to see the programme length decreased from what it is presently so more advertising can be shown. If a show is currently an hour in duration, then I would expect it to be an hour plus ten minutes in the future"</i> Darren, M, 43, Regional QLD</p> <p>Some said SBS has repetitive promos.</p> <p><i>"There is too much repetitive advertising on SBS now. No more please. No more repetitive promos for SBS programming. I detest it"</i> Andrew, M, 55, Sydney</p>

Conclusion

Conclusion

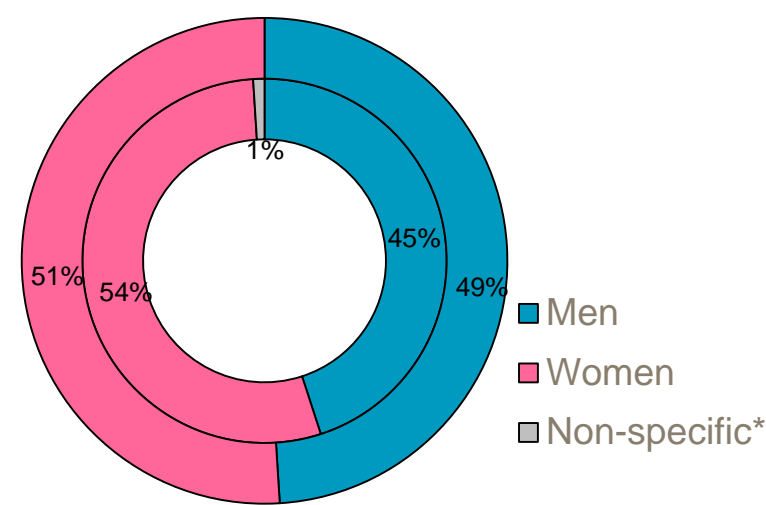
- A small proportion of respondents (20%) said they knew of the proposed changes to SBS' advertising. 5% were unsure and 75% were not aware of the changes.
- The initial response to the changes was negative. 53% of respondents said they did not like the proposed changes to SBS' advertising, after reading a short description and seeing a short diagram highlighting the changes. Just 9% of respondents said they liked the proposed changes.
- The subsequent response to the changes, after reading the reasons behind them, was much less negative. 32% of respondents said they disliked the proposed changes and a larger amount (35%) liked them. Thus, it would be important to communicate the reasons for making changes to the viewers if these were to happen.
- 71% said the changes may negatively affect their viewing "if there are too many ad breaks". 65% of respondents also said the changes may also negatively affect their viewing "if too many ads appear together".
- Non-SBS viewers are more open to the proposed changes than SBS viewers. 50% liked the proposed changes to SBS' advertising, after reading the reasons behind them, compared to just 33% of SBS viewers.
- Non-SBS viewers also rated "I expect it in this day and age", "it is a creative solution to offset budget cuts", "it is acceptable, other channels do it too" and "it is moving with the times higher than SBS viewers."
- When forced to make a choice, 73% of respondents said they prefer SBS "offering the same amount of unique and distinctive Australian content, created by SBS, offset by slightly more ads".
- 27% of respondents said they prefer SBS "offering about 25-30% less unique and distinctive Australian content, created by SBS, and making no changes to the current ad breakdown."
- An overwhelming amount of respondents (over 500) also said producing unique Australian content is key to SBS' identity, thus, more important than the possible increase in ad minutage during prime time.
- About 80 respondents said, in verbatims, that they would stop, or lower, their SBS TV consumption, should there be any increase in ad minutage.
- Many respondents also mentioned, in verbatims, that they are not opposed to an increase in ads as long as they are scheduled in between programs.

Appendix

Demographic Overview of Survey Respondents

- 1,158 Respondents completed the online questionnaire. In the sample, the gender split was 45% Men, 54% Women and 1% non-specific.
- People 40-54 were the most represented (32%). They were followed by People 55-64 (28%), People 18-39 (21%) and People 65+ (19%).
- By region, Melbourne (23%), Sydney (19%) and Regional NSW (10%) were the most represented.

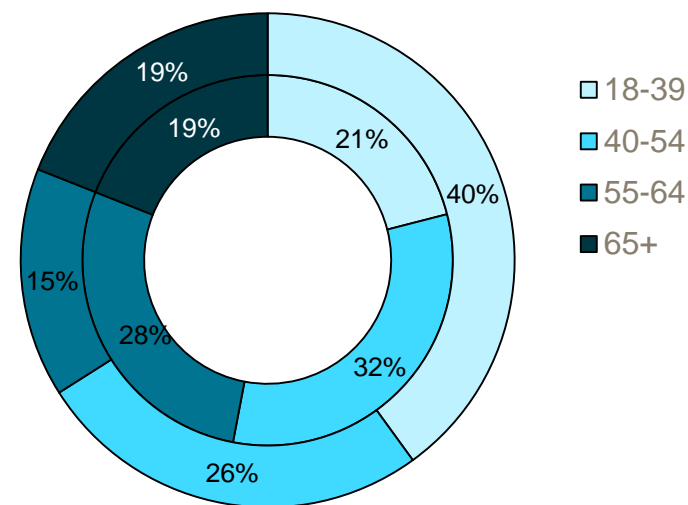
Respondents Vs. The Universe :
Gender demographics
(People 18+)



Inner Ring: Respondents
Outer ring: The Universe

*Non-specific gender data is not available for The Universe

Respondents Vs. The Universe :
Age demographics
(People 18+)



Inner Ring: Respondents
Outer ring: The Universe

Respondents Vs. The Universe:
Region
(People 18+)

Location	% of Respondents (people 18+)	% of the Aust. Population (people 18+)
Sydney	19%	20%
Regional NSW	10%	13%
Melbourne	23%	20%
Regional VIC	6%	5%
Brisbane	8%	13%
Regional QLD	8%	7%
Adelaide	9%	6%
Regional SA	2%	1%*
Perth	8%	8%
Regional WA	2%	2%
Canberra	2%	2%
Hobart	1%	1%
Regional TAS	2%	1%
Northern Territory	0%	1%*



Source: The Exchange, Ad Legislation Questionnaire, 02/04/15 till 07/04/15, Base: All respondents N=1,158, (SBS Viewers N=1,005, Non-SBS Viewers N=153)

Universe:OzTAM and RegTAM Universe Estimate 2015

*ABS data, Australian Demographics Statistics, June 2014, released 18/12/2014