

# THE STATE OF VIEWERSHIP



**H1 2023 | AUSTRALIA**

ANALYSING APPROXIMATELY 3 BILLION  
HOURS OF LINEAR AND STREAMING

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# Opportunities abound with AVOD and BVOD growth

With the first half of 2023 behind us, advertisers are seeing real-life rewards on streaming and broadcaster video-on-demand (BVOD), with better managed audience reach and frequency. The final months of 2022 ushered in Netflix ad tiers and consumer response is becoming clear: the ability to personalise subscriptions allows us to watch more of our favourite shows when we want, how we want. Advertisers are also tapping into free, ad-supported BVOD options to strike the right balance to reach every imaginable audience.

Amidst this shifting paradigm, it's essential for advertisers to exact targeting precision in both creative and placement. With the omniscreeen future upon us, advertisers need to tear down the silos between TV and digital to have one clear view of viewership behaviour.

Data from 2023 shows a strong link between bingeability and retention, while the fight for attention has shifted into a full-scale retention effort as consumers move between streaming services. Meanwhile, connected TV (CTV) ads are proving much more effective than linear at managing frequency. Add a second screen to the mix, and the opportunities for direct calls-to-action are endless.

The future of measurement is here. Advertisers and streaming platforms who follow the data will be well positioned to meet the needs of today and tomorrow.



Team **Samba**

## Methodology

Samba TV gathers viewership data via its proprietary automatic content recognition (ACR) technology on opted-in Smart TVs, and through partnerships with leading OEMs. Samba TV's insights are built on a comprehensive source of real-time viewership data across broadcast, set-top boxes, over-the-top, and digital media.

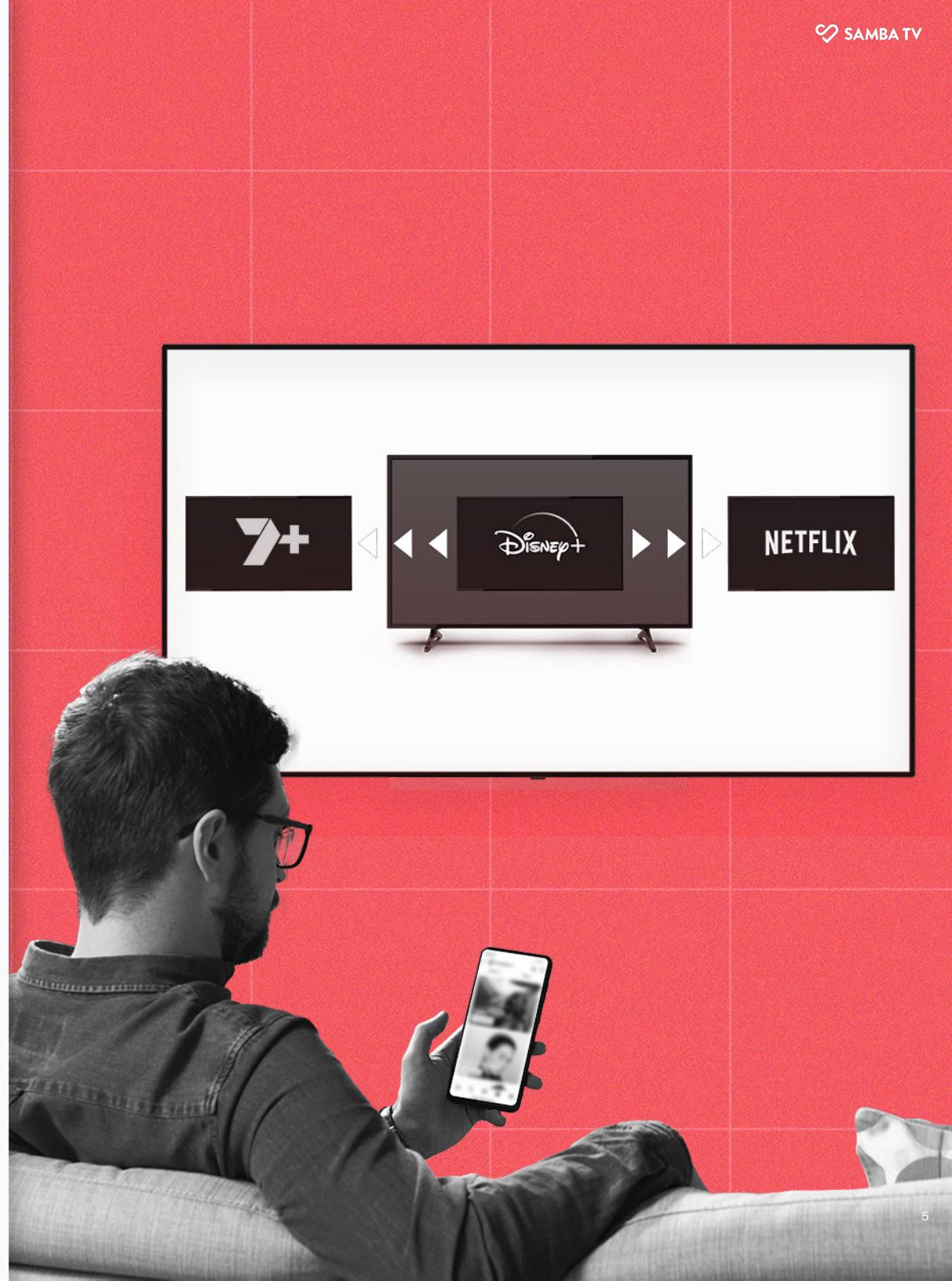
As is standard industry practice, we analyse our large proprietary dataset to project household-level TV viewership. We do not estimate viewership on non-TV devices, nor do we estimate co-viewing (number of people watching). For example, if someone watches Disney Plus via a mobile or web browser and casts that to their Smart TV, then our content recognition technology would capture that. We weight individual households in our dataset to create a research panel that we believe accurately represents viewership behaviours across geographies.



## 04

## TV Trends

With changes in streaming platform offerings and over-the-top (OTT) and BVOD consumption on the rise, new viewing habits around TV consumption are emerging. For instance, many viewers are demonstrating a preference for bingeing, giving streaming platforms new ways to retain audiences. Above all, advertisers now have more opportunity to connect with those valuable and elusive audiences, especially through free, ad-supported offerings.



# Linear consumption continues to decline, while streaming continues upward trajectory

The way Australian viewers engage with TV continues to change, with the total hours of linear watched throughout the second half of 2023 dropping to the lowest it's been in the past two years. In line with this trend, linear's average daily reach was slightly lower than last year, with about half of Australian households (5.2M) watching linear each day on average. As viewers spend less time on linear TV, their interests are turning to streaming platforms: subscription OTT penetration increased by 3% year-over-year, building off of a 5% increase from 2021 to 2022. Advertisers relying on linear to reach audiences should look to BVOD and streaming to engage consumers that have shifted away.

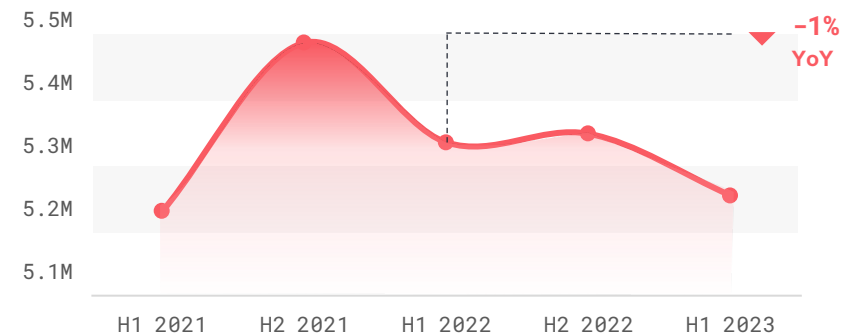
## +3%

Subscription OTT penetration increased by 3% between 2022 and 2023\*

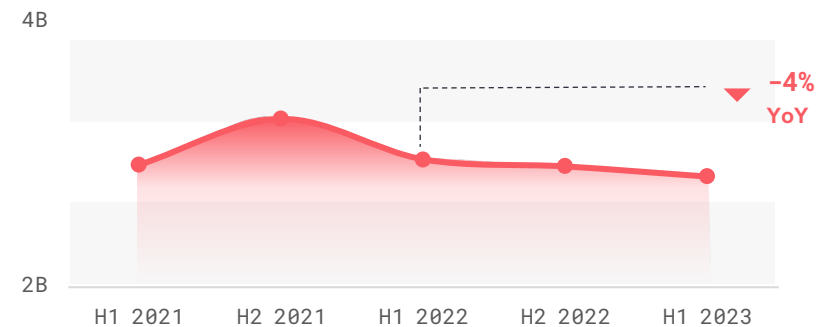
## -4%

Linear hours watched during H1 2023 declined 5% year-over-year

Average daily household reach: H1 2021 – H1 2023



Total hours watched across households: H1 2021 – H1 2023



SAMBA TV

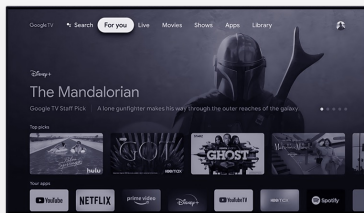
\*Source: Insider Intelligence | eMarketer

# Three-quarters of streaming households watch two or less services

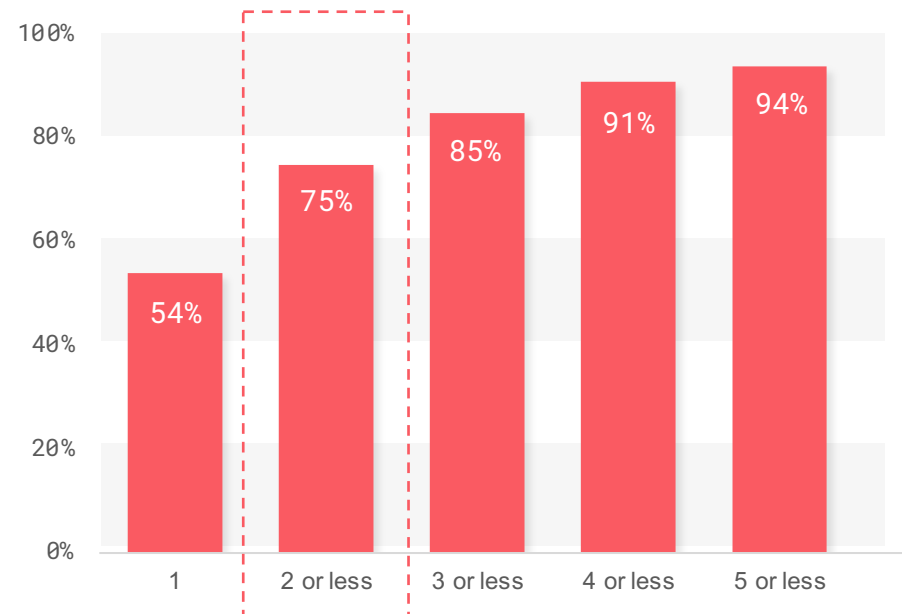
As streaming becomes increasingly common among Australian households, data indicates that budget-conscious consumers are unwilling to maintain endless subscriptions. Throughout the first half of 2023, 75% of households watched content across two or less streaming services. This indicates that even with limitless options of content to watch across platforms, people are unlikely to watch more than a few services over the course of a six-month period. With streaming platforms like Netflix and soon Disney+ adopting AVOD models, it's likely that consumer behaviour will continue to shift in coming months as viewers customise their viewing experiences, cycling through paid streaming services while they supplement their content bundles with a variety of AVOD and BVOD services.

## 52%

Over **half** of the Australian population uses **OTT video** services\*



Percentage of streaming households that watch multiple services  
H1 2023



SAMBA TV

\*Source: Insider Intelligence | eMarketer



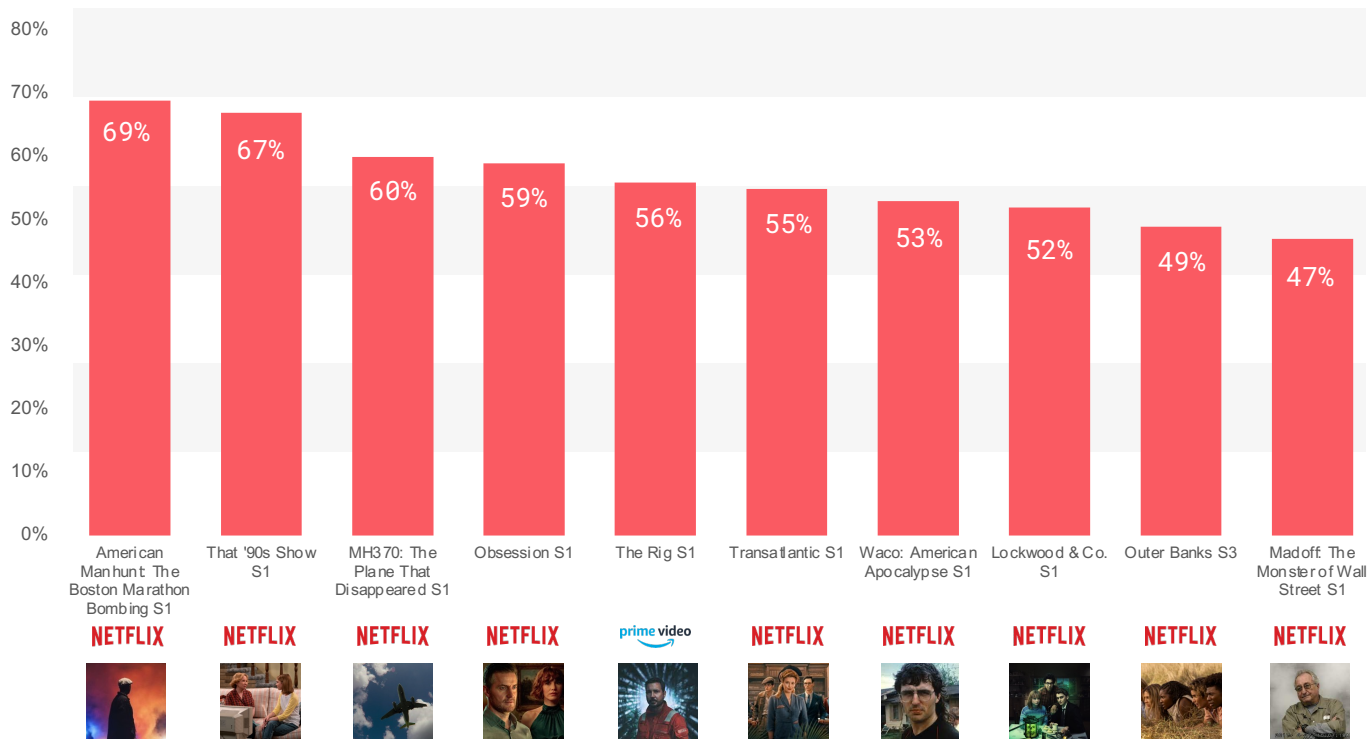
# When episodes are released in bulk, viewers will binge them

With streaming platforms competing for limited consumer attention, one differentiator has become the release model: Netflix and Amazon Prime Video generally adhere to the bulk or multi-part drop, while Disney+, AppleTV+, and others favour weekly episode releases. Meanwhile, local streaming platforms, BINGE and Stan, are opting for a hybrid approach to release models. Viewers turned out for the 2023 slate of bingeable shows, with over half of viewers watching several of the top bulk-release shows of H1 2023 in the first five days. Many of the most binged shows were miniseries with three or four episodes, led by Netflix's American Manhunt: The Boston Marathon Bombing. Longer shows with previous seasons or iterations, such as That '90s Show, had a high share of bingers tuning in as well.



## Top streaming shows with multi-episode releases on premiere date

Percentage of 31-day season finishers that binged in first five days



# Bingeable shows have edge on audience retention

When audiences can binge their shows as quickly as they want, they're more likely to finish the whole season. The average retention between season premiere and finale across bulk releases was 41%, as compared with 36% across shows that released episodes weekly. With its bulk-release model, Netflix dominated from a retention standpoint, led by the second season of drama series Sex/Life which retained over two-thirds of its viewers between premiere and finale. Meanwhile, weekly shows like Citadel on Amazon Prime Video and Poker Face on Peacock retained approximately one-quarter of households between premiere and finale. Looking at the highest retention weekly shows, two of the three (Apple TV+'s third season of Ted Lasso and Disney+'s third season of The Mandalorian) benefitted from multiple seasons with built and committed fanbases. For advertisers, the takeaway is clear: bingeable shows with high audience retention means a captive way to reach consumers who will be home for a few hours and available to order delivery, shop online, and browse websites.

## Average household retention between season premiere and finale

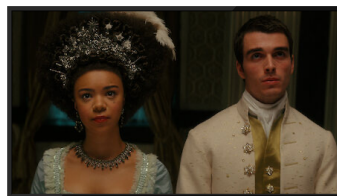


## Bulk release shows with highest retention rate

Retention from premiere to finale



**NETFLIX**  
Sex/Life S2  
**67%**



**NETFLIX**  
Queen Charlotte:  
A Bridgerton Story S1  
**64%**



**NETFLIX**  
Vikings:  
Valhalla S2  
**56%**

## Weekly release shows with highest retention rate

Retention from premiere to finale



**Apple TV+**  
Ted Lasso S3  
**51%**



**Disney+**  
The Mandalorian S3  
**43%**



**Apple TV+**  
The Last Thing He  
Told Me S1  
**43%**

\*Averages include data from the top 50 streaming premieres of 2023 to date; includes shows with 5 or more episodes



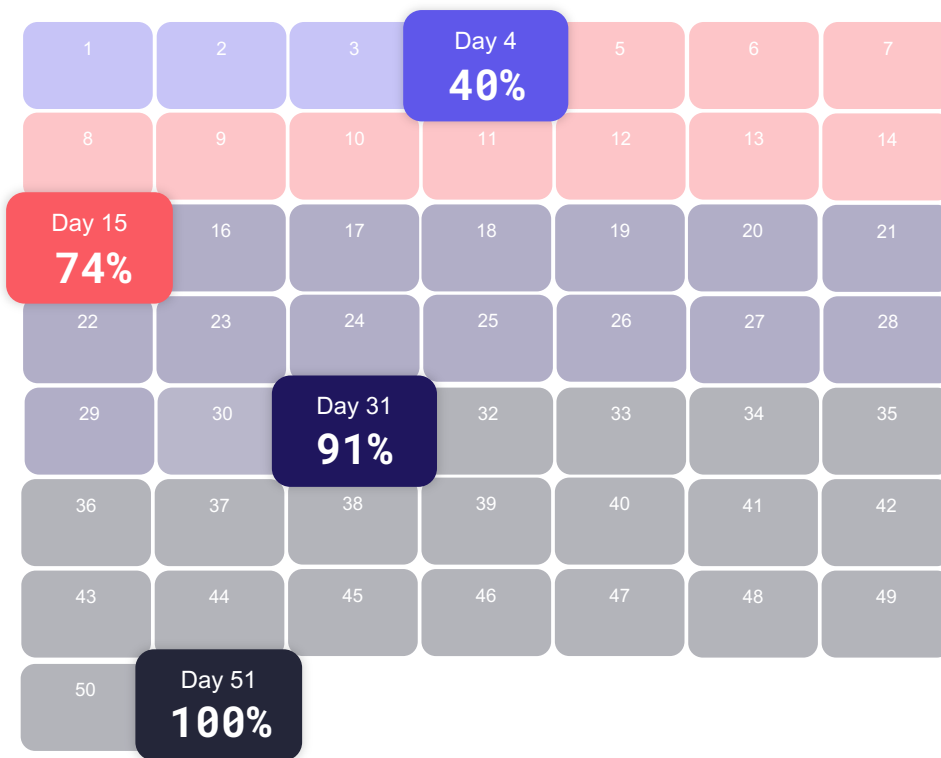


# Majority of viewers watch new shows in the first two weeks

Across Australia, the U.S., and the U.K., the hottest new TV premieres soaked up the majority of viewership within their first two weeks. In fact, all of the top 50 shows released in H1 2023 saw over half of their Australian audience tune in during the first 15 days, and all but eight saw more than two-thirds do so. Some exceptions were *Physical: 100*, a South Korean reality show, and *Shrinking*, a new Apple TV+ original starring Jason Segel. This small window to capture audience attention highlights the importance of aligning targeted promotional and discovery campaigns early.

## Average household viewership achieved by day\*

Percentage of 51-day viewership



## Shows with the **longest** shelf-lives

Based on percentage of 51-day viewing households that watched in the first 15 days



*Physical: 100* S1E1

55%

**NETFLIX**



*Shrinking* S1E1

57%

**AppleTV+**



*Silo* S1E1

58%

**AppleTV+**

## Shows with the **shortest** shelf-lives

Based on percentage of 51-day viewing households that watched in the first 15 days



*That 90's Show* S1E1

93%

**NETFLIX**



*Obsession* S1E1

84%

**NETFLIX**



*Kaleidoscope* S1E1

84%

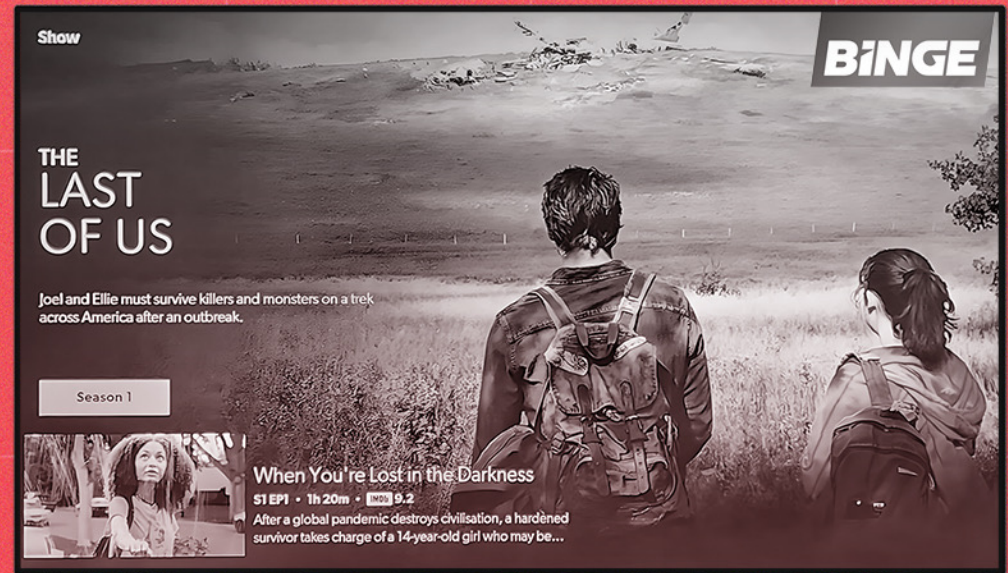
**NETFLIX**

\*Averages include data from the top 50 streaming premieres of 2023 to date released prior to 5/11/23 to allow a full 51-day viewership window to transpire

## 03

## Biggest TV Moments

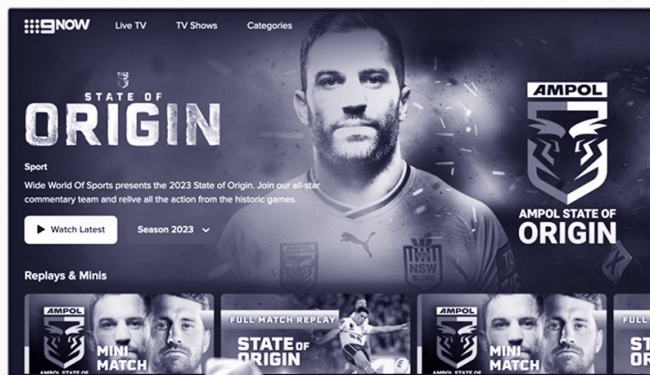
With global and local streaming platforms putting huge spend behind original content, what's paying off for them? Data from the first half of 2023 shows that dramas and docuseries are leading the way, with *The Last of Us* driving the highest viewership. Meanwhile on linear, the Coronation of King Charles III and Queen Camilla was a strong draw for viewers.















# Tentpole events like State of Origin and the Coronation keep viewers tuning in to linear

While the data shows stagnant growth on linear TV, traditional channels remain a draw for Australians seeking live coverage of major events. In particular, viewers tuned in to free-to-air channels like Channel Nine and Seven Network for the State of Origin and coverage surrounding the Coronation of King Charles and Queen Camilla. In fact, viewership of both State of Origin games increased year-over-year, with Game One up 3% and Game Two up 5%, as viewers rallied to see Queensland win the three-game series. The Australian Open was another standout event, with the men's finals bringing in the highest viewership at 2.4M households.



## Top H1 2023 linear programs Live + same day household viewership

	Network	Household Reach
State of Origin Game 1		2.6M
State of Origin Game 2		2.4M
2023 Australian Open Tennis   Men's Final		2.4M
2023 Australian Open Tennis   Day 4, 2nd Round		2.0M
2023 Australian Open Tennis   Day 8, 2nd Round		1.8M
Coronation of King Charles III   The Concert*		1.8M
2023 Australian Open Tennis   Day 1, 1st Round		1.8M
Coronation of King Charles III   The Celebration*		1.7M
Test Cricket   Australia vs. South Africa*		1.5M
2023 Australian Open Tennis   Women's Final		1.5M

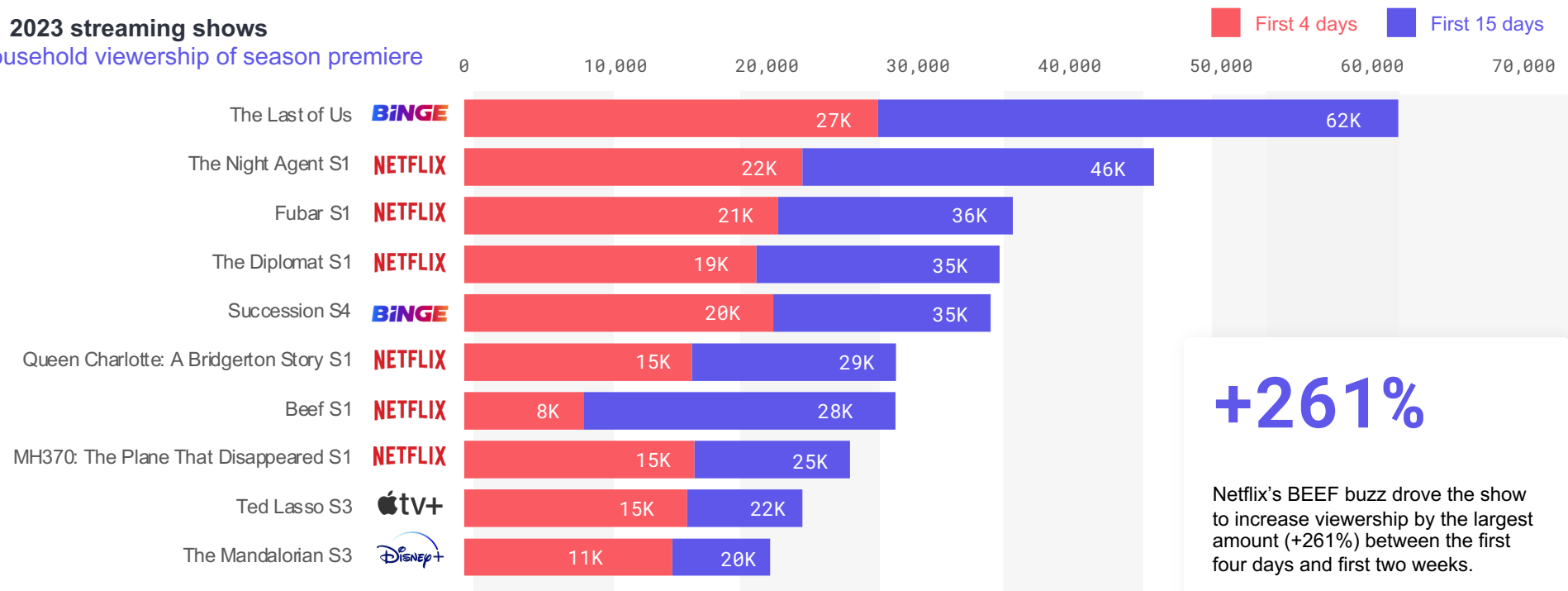
\*Program was simulcast on multiple networks; total includes viewership on other networks

# Originals pay off for global and local streaming platforms

Original streaming series are winning audiences. On BINGE, the Last Of Us was the number one performer for viewership of its premiere and the only series to crack 50k views within the first 15 days. Meanwhile, Netflix's BEEF benefited from global post-debut buzz with a 261% increase in viewership over its first two weeks, indicating that positive word-of-mouth helped it grow (a trend that was also seen in the U.S. and U.K. for the show). Other Netflix shows drove notable buzz throughout the half, with The Night Agent claiming the number two spot and benefitting from a 104% increase in viewership over the first two weeks. Overall, Netflix dominated the pack: six out of the top 10 streaming series were original content. With new ad tiers, this makes the platform an ideal addition to advertisers' omniscreeen campaigns.

## H1 2023 streaming shows

Household viewership of season premiere



# +261%

Netflix's BEEF buzz drove the show to increase viewership by the largest amount (+261%) between the first four days and first two weeks.

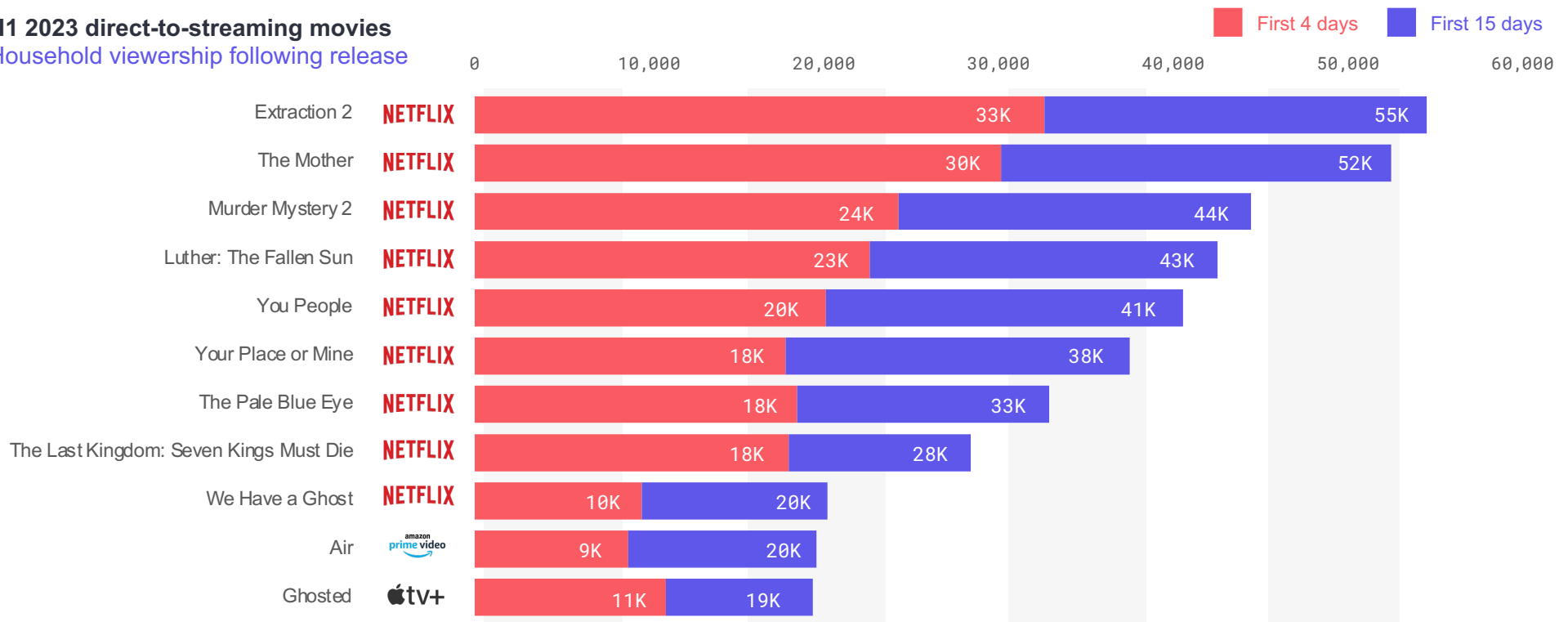
## NETFLIX

# Netflix sequels dominate top streaming movies, post-theatrical rights a smart investment for others

The top nine streaming movies of the first half were Netflix originals, led by Extraction 2 starring Chris Hemsworth. Driving 33k tune-ins within the first four days, the film was a sequel to Extraction, which was the most-watched original film in Netflix's history when it was released in 2020. With approximately 88% of original programming outlays spent on scripted titles for global streaming platforms, Netflix's consistent spend of \$17B has been smartly allocated to investing in action-adventure flicks and rom-coms. The investment in post-theatrical rights also pays off for streaming platforms. Looking at rented or paid VODs and post-theater debuts not analysed in this list, for example, Disney+ saw strong Australian numbers for the debut of Black Panther: Wakanda Forever even after months in theatres.

## H1 2023 direct-to-streaming movies

Household viewership following release

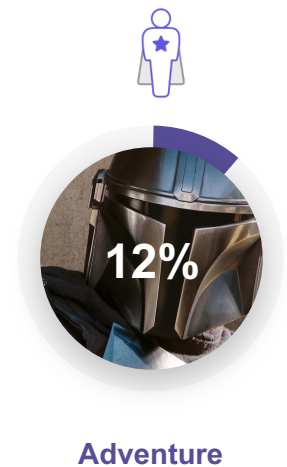
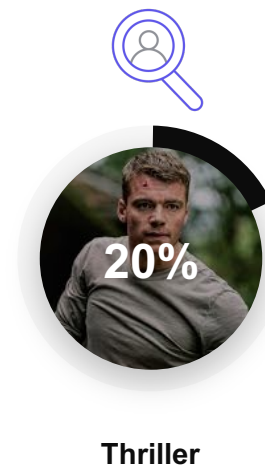
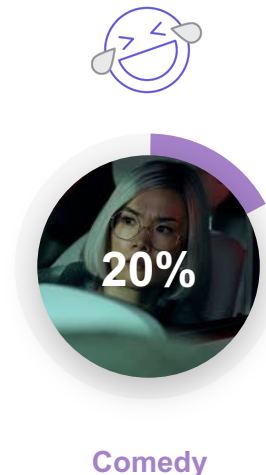
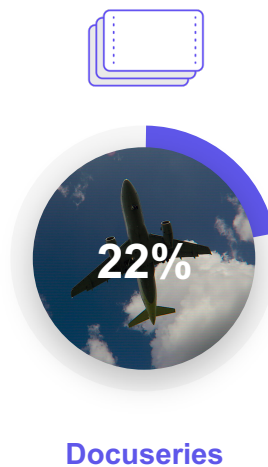
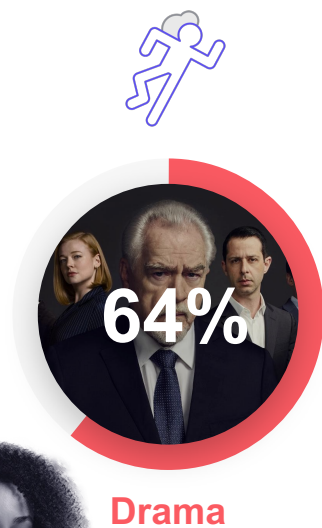




# Audiences come for the drama across streaming

Despite drama making up just 8% of programming spend for global streaming platforms, the genre made up almost two-thirds of the top streaming shows of the first half of the year, with Netflix shows like *The Night Agent* and *The Diplomat* capturing audience attention. Docuseries and comedies tied for the number two genre, with Australian audiences showing more interest in docuseries than audiences in the U.S. or U.K. did throughout the half. Thriller and adventure programming, however, came in fourth and fifth, meaning that while these mainstays for original content are still yielding strong viewership, investing in dramas may yield larger audiences.

## Most represented genres across the top 50 streaming shows H1 2023



## 04

## Linear & OTT Advertising

With many people multitasking on other devices while they watch TV, advertisers have new opportunities to drive instant outcomes. So which brands are leaning in? Data shows that the Australian Government is serving more impressions year-over-year, while top retail and finance brands have cooled ad spend as the cost-of-living crisis and inflation dominate headlines.





# Australian government climbs the ranks back into top advertisers

Although McDonald's and Woolworths remained the top two advertisers based on impressions served during the first half of 2023, newcomers to the charts included Chemist Warehouse, the Australian Government, and AAMI. Meanwhile, advertisers like Sportsbet.com and Hungry Jacks slipped in the ranks out of the top 10. Absent in the second half of 2022, but climbing the ranks to land back in the top advertisers of the half was the Australian Government who launched a campaign aimed at providing voters with information on the referendum about the Indigenous Voice to Parliament, which ultimately passed and will be put to vote later in 2023. Consistently on top, however, was McDonald's, thanks in part to an ad campaign titled "Macca's Road Trip Rules" featuring star AFL players.



## Top linear + OTT advertisers by impressions: H1 2023

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

\*Excludes TV networks

# 89% of linear ads reached only half of Australian households

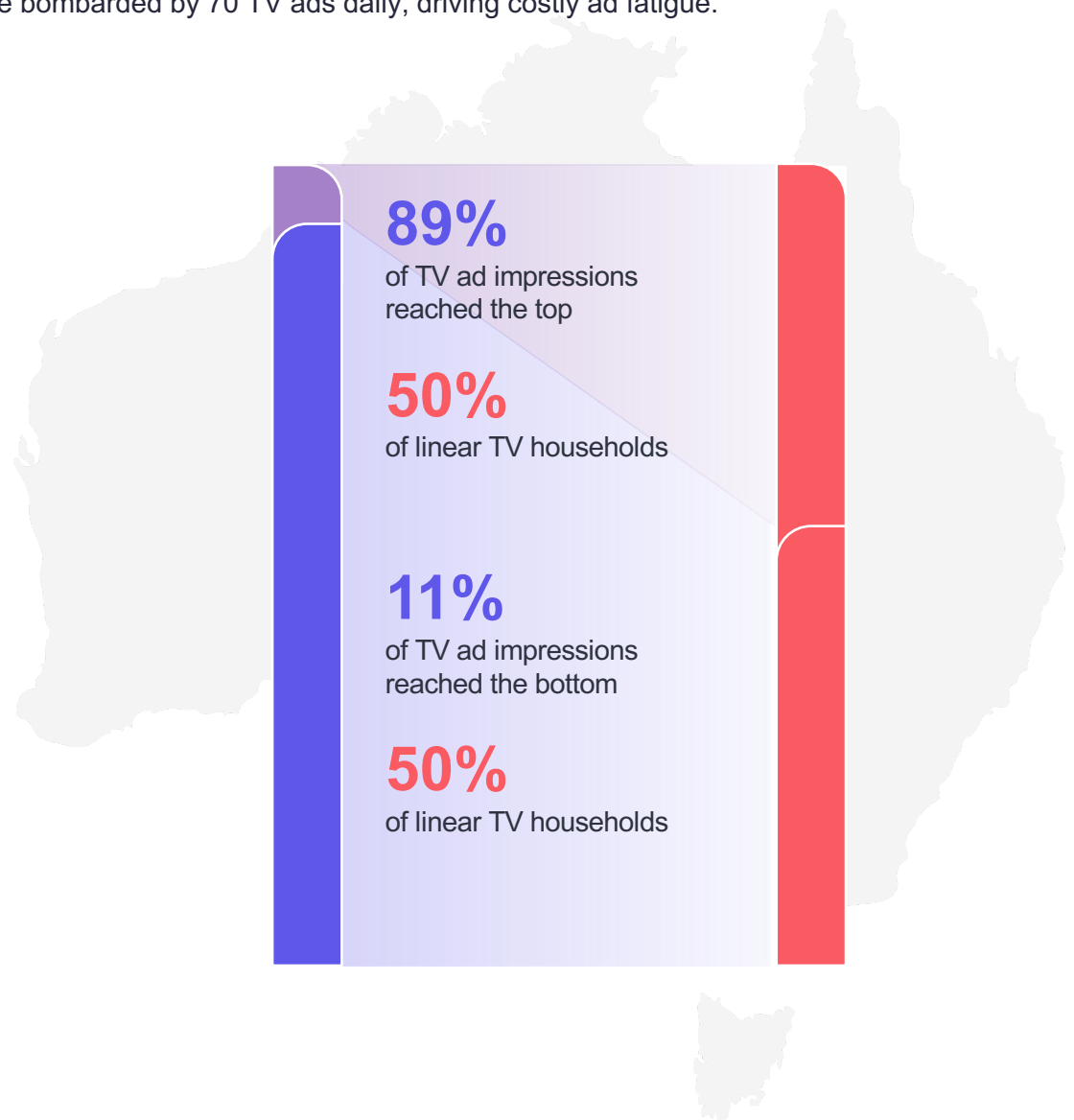
As consumer habits shift across linear and OTT, who are ads really reaching? Samba TV data shows that half of TV viewers (those who consume the most linear TV) are seeing the vast majority of ads (89%), while the other half of TV viewers (those who consume the least linear TV) are seeing just 11% of ad impressions. While that bottom 50% of Australian households were underreached or not reached at all, those heavy linear viewers who make up the upper half were bombarded by 70 TV ads daily, driving costly ad fatigue.

# 70

Average number of TV ads seen per day by the **top 50%** of linear viewers

# 9

Average number of TV ads seen per day by the **bottom 50%** of linear viewers



# Woolworths and Harvey Norman dominate the retail space, despite year-over-year declines

As the economy grapples with inflation and cost-of-living, retailers have felt the pinch. Instead of marketing into the challenge, the top Australian retailers pulled back on ad spend with each of the top 10 brands by share of voice experiencing declines in year-over-year impressions, including Woolworths and Harvey Norman. And, while Amart Furniture and Bunnings Warehouse saw the steepest declines year-over-year, other home & garden retailers like The Blinds Gallery, La-Z-boy, and Highgrove Bathrooms took advantage of the pull-back and achieved the largest increases in impressions for the half.

## Top retail advertisers by TV ad impressions H1 2023

H1 2023 vs. H1 2022			Share of voice	
1	Woolworths	-9%	■	10%
2	Harvey Norman	-7%	■	8%
3	coles	-32%	■	7%
4	CHEMIST WAREHOUSE	-18%	■	7%
5	ALDI	-9%	■	4%
6	nicksali	-10%	■	3%
7	BUNNINGS warehouse	-37%	■	3%
8	officeworks	-29%	■	2%
9	SPOTLIGHT	-27%	■	2%
10	Amart	-54%	■	2%
Other			■	52%



## Largest increases in impressions among top retail advertisers: H1 2023 vs. H1 2022



L A Z B O Y

hbj Highgrove Bathrooms



macpac



# Amidst rising cost-of-living and inflation, finance advertisers track mixed momentum

As economic uncertainty continues, top finance advertisers are reacting in different ways, with some marketing into the downturn and others slowing ad spend. The top four share of voice advertisers, led by National Australia Bank, remained cautious as high interest rates and cost-of-living kept Australians on edge. On the other hand, advertisers like Suncorp, La Trobe Financial, and Westpac tracked double and triple-digit increases in impressions. Interestingly, crypto-oriented eToro drove one of the largest year-over-year increases, even as crypto currencies have struggled to maintain their prices.

## Top finance advertisers by TV ad impressions H1 2023

H1 2023 vs. H1 2022		Share of voice	
1	 nab	-31%	4%
2	 ANZ	-40%	3%
3	 citi	-9%	3%
4	 Industry SuperFunds	-40%	2%
5	 SUNCORP	+85%	2%
6	 Bendigo Bank	+5%	2%
7	 Commonwealth Bank	-31%	2%
8	 La Trobe financial	+253%	2%
9	 Westpac	+182%	1%
10	 HOSTPLUS	+85%	1%
Other			78%



## Largest increases in impressions among top finance advertisers: H1 2023 vs. H1 2022

 eToro

 First Class Accounts  
ACCOUNTING AND BUSINESS ADVISORS

 bankwest

 Kasec

 MyStateBank

# Key takeaways from the first half of 2023



## Better manage reach and frequency with OTT advertising

For years, linear has been oversaturating the same viewers with hundreds of ads. Comprehensive, omniscience measurement is essential to manage reach and frequency across the new opportunities that OTT presents.



## Use advanced data to target audiences with precision

With consumer habits shifting constantly, it's more important than ever to be precise when developing a targeting strategy. Use comprehensive, first-party datasets to identify and engage with elusive audiences.



## Embrace new opportunities with BVOD and AVOD

With Netflix ad tiers showing permanence among viewers and BVOD growth continuing, advertisers should engage with all the new strategies at their disposal to find audiences exactly where they are.



## Streaming platforms should use bulk-release model to retain viewers

With content more important than ever, the high retention rate of shows that audiences can binge present global and local streaming with a clear roadmap for how to maintain viewership throughout a full season.



## Bet on drama for high audience tune-in

Drama was the top genre of the half for streaming audiences, despite comprising only 8% of programming spend. Advertisers should prioritise these coveted ad blocks.