



Channel 4
Annual Report 2023
Methodology



Introduction and Contents

This document provides details of the methodology and data sources for the metric charts and narrative presented in Channel 4's Statement of Media Content Policy (SMCP), published as part of the 2023 Annual Report and Financial Statements. An independent limited assurance report on selected metrics marked with a ‡ presented in the SMCP has been provided by Deloitte LLP and can be found on pages 110-113 of the Annual Report.

Following the introduction of the Digital Economy Act in 2010, Channel 4's remit was enhanced in scope and expanded across platforms to reflect Channel 4's delivery of public value across its portfolio of TV channels and digital media in addition to the main channel. With this remit there is an accompanying legislative requirement for Channel 4 to publish the SMCP.

The structure of this document is as follows:

Page 03	<u>Part 1 explains the background to the SMCP and changes in methodology</u>
Page 04	<u>Part 2 contains the methodology for each metric in the 2023 SMCP</u>
Page 14	<u>Appendix A describes the data sources used</u>
Page 16	<u>Appendix B contains a glossary of terms</u>
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Page 21	<u>Appendix D contains an extract from the Digital Economy Act 2010 regarding the requirement to publish a Statement of Media Content Policy</u>

The full Annual Report is available online at <https://annualreport.channel4.com>



Part 1: Background & Notes to the SMCP

Channel 4's accountability framework

As a publicly owned broadcaster with a remit enshrined in legislation, it is important that Channel 4 is accountable to stakeholders and the general public for its performance. With the introduction of the Digital Economy Act (DEA) in 2010, Channel 4's remit was enhanced and expanded to consider the various ways in which it delivers public value not only on the main channel but also across its full portfolio of services (See Appendix C).

The DEA also introduced a new statutory requirement for Channel 4 to publish an annual Statement of Media Content Policy (see Appendix D). As well as its review of Channel 4's performance in the previous year, the SMCP is also required to include a section providing a forward-looking content strategy for the following year.

As the organisation transforms through its Future4 and Fast Forward strategies, Channel 4 has reviewed how it measures the successful delivery of its remit. Through this work, it has refreshed the SMCP metrics framework into a more concise and focused set of metrics, aligned to the organisation's strategy and its corporate metrics. This ensures that Channel 4 is best placed for measuring and articulating its remit delivery across all its activities and for all stakeholders, while also holding its performance to account.

Where possible, Channel 4 has developed a cross-platform approach to ensure the framework is future-proof for the future.

The SMCP is structured around Channel 4's scale and vision. The retrospective section of the SMCP, on pages 28-113, analyses Channel 4's impact and performance in 2023.

The SMCP's Creative Forward Look, on pages 24-27, sets out Channel 4's content strategy in 2024 for different aspects of the remit. This section outlines broad strategies against which performance can be assessed in the following year. The only metrics that have been assured by Deloitte LLP are metrics indicated by a ‡ and included within their opinion, which can be found in the Annual Report.

The SMCP was prepared in accordance with guidance issued by Ofcom and in consultation with Ofcom, as required by The Digital Economy Act.



Part 2: Methodology for individual metrics

Chapter	Metrics
Chapter 1: Pushing boundaries	Brand reputations: Pushing boundaries ‡
Chapter 1: Pushing boundaries	Inspiring viewers to think differently ‡
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Introduction

The SMCP contains a total of 18 measures of Channel 4 performance in 2023, of which 14 are covered by the limited assurance opinion provided by Deloitte LLP, and are indicated by a †. Deloitte’s limited assurance opinion can be found in the ARA. These are included throughout the SMCP chapters, alongside case studies that illustrate and bring to life Channel 4’s impact. In this chapter of the methodology, we provide detailed guidance on the charts and narrative set out in the SMCP in the 2023 Annual Report. The charts in the SMCP are presented in this section in the chapter order in which they appear in the Annual Report.

Across all the charts in the SMCP, source data has been analysed to a high degree of precision (typically using several decimal places). Our approach for presentational purposes has been to round individual data points (i.e. individual figures in charts and trends and differences referred to in the narrative text) either to whole numbers or to one decimal point. Rounding is performed only on the final figures presented in the report, to ensure that individual data points are calculated and presented accurately.

Several measures in the SMCP draw on subsets of Channel 4’s output as defined by programme genres (news, drama, etc.) or “tags” (e.g. multicultural, international). While any given TV programme will always be assigned a single genre, it may also have several tags associated with it. For measures defined with reference to tags, we have not double-counted programmes with multiple tags.

Data sources and a glossary of terms are provided in Appendices A and B respectively.

Chapter 1: Pushing boundaries

Channel vision statements: ‘Channel 4 pushes boundaries’

(See below methodology)

Channel vision statements

There are three Channel 4 vision statements:

1. ‘Channel 4 is always trying something new’
2. ‘Channel 4 shows different kinds of cultures and opinions in the UK’
3. ‘Channel 4 pushes boundaries’

The statements are designed to track how our audience perceives Channel 4 in comparison to the other services including the other main public service media organisations (PSMs), Sky and streamers (Netflix, Amazon Prime, Disney+) through surveys.

The surveys are conducted by YouGov Plc using an online interview administered to members of the YouGov Plc UK panel of 2.5 million+ individuals who have agreed to take part in surveys. The statements are asked on a 10 point scale, with responses between 7 – 10 considered as agreeing with the statement.

Emails are sent to panellists selected at random from the base sample and invites them to take part in a survey, providing a generic survey link. Once a panel member clicks on the link they are sent to the survey that they are most required for, according to the sample definition and quotas. (The sample definition could be “GB adult population” or a subset such as “GB adult females”). Invitations to surveys don’t expire and respondents can be sent to any available survey. Once the quotas have been met for that particular week, respondents will stop being directed to that particular survey and instead are directed to another survey that they qualify for.

The responding sample is weighted to the profile of the sample definition to provide a representative reporting sample. The profile is normally derived from census data or, if not available from the census, from industry accepted data. The survey is conducted among



approximately 200 respondents weekly. There is a lockout period of 54 weeks with YouGov, as such, people are only able to answer the study on Channel 4 once per year.

In 2023 the total sample size was 11,118 adults, with results shown as a percentage based on respondees (i.e., excluding non-responders). Fieldwork was undertaken between 2nd January 2023 – 31st December 2023. The survey was carried out online. The figures have been weighted based on age, gender, region, social class and education, and are representative of all UK adults (aged 16+). The quotas and weights used are interlocked.

Inspiring viewers to think differently: Proportion of viewers who say that Channel 4's programmes make them think differently

This metric comes from the Channel 4 Genre Tracker run by Ipsos UK. Online surveys are conducted with UK adults aged 16+ using Ipsos' online panel and are asked on a quarterly basis with a sample of 1,500 per quarter. Channel 4's Genre Tracker measures how selections of Channel 4 programmes have inspired viewers to think differently, as captured by a selection of statements. The figures have been weighted and are representative of all UK adults (England, Wales, Scotland and Northern Ireland).

All Ipsos projects adhere to the Ipsos Global Quality Standard. The Ipsos Project Team are responsible for performing quality checks at each stage in the project process and monitoring quality throughout the project lifecycle.

Research is conducted in each of the four waves of the Genre Tracker, which is at the end of each quarter in the year (March, June, Sept and Nov-Dec). The research covers a large sample of programmes (c~100) taking the highest rating 25 programme titles on Channel 4 from each quarter, excluding sport, film and repeats. The programmes are selected at the end of each quarter and are based on the programme titles' top performing episode for average audience volume (linear 000s), sourced from BARB (as 'broadcast' module).

Some titles, if they reach the criteria, will be asked about in more than one wave of research if they air within different research periods, or episodes span two quarters therefore we may not have 100 distinct titles in total.

The programme list is derived from the 25 most-viewed first-run titles in each of four quarterly waves, giving 100 titles across the year. The recurrence of some shows in multiple waves meant that there were 79 unique titles this year (2022: 80 unique titles).

Reporting the news accurately and fairly: Proportion of viewers who trust Channel 4 to report the news accurately and fairly

A survey of TV viewers' perceptions of news programmes on British television is incorporated into the Genre Tracker Survey conducted by Ipsos (see above for more information on the Genre Tracker). Respondents were asked which news programmes – out of BBC News, ITV News, Channel 4 News, Channel 5 News and Sky News – they watch regularly, and to what extent they trusted each broadcaster to report their news programme accurately and fairly.

Innovation in content: Proportion of new Channel 4 content that is innovative

A panel consisting of the Chief Content Officer, Director of Scheduling & Content Strategy, Channel Executive, Head of Content Finance, and Head of News & Current Affairs (for N&CA titles only) determines which shows are considered innovative based on the following criteria:

- **FILM MAKING:** It incorporates an innovation in film-making approach
- **FORMAT:** It represents a new format or a pre-existing format that we have substantially developed
- **TECH:** It contains technological innovation
- **TALENT:** It features new or surprising talent or scripted content by new writers who have not previously led a series or major single for a major broadcaster



- **TOPIC:** It deals with content not typically featured on TV
- **DISTRIBUTION:** It has been innovatively scheduled or distributed

Only new programmes (as provided by Attentional) are considered as a returning series cannot, by definition, be innovative (however, as detailed in the FORMAT metric, exceptions can be made for shows which have substantially developed).

We look at % New Titles rather than % New Hours as hours are often skewed based on one big commission.

Chapter 2: Representing the UK

Channel vision statements: 'Channel 4 shows different kinds of cultures and opinions in the UK'

For methodology, please refer '[Channel Vision statements](#)' in Chapter 1 on page 5.

Proportion of onscreen contributions who are female, ethnically diverse, disabled or LGB

This metric measures the proportion of onscreen contributions which are female, ethnically diverse, disabled or LGB. Data is sourced from Diamond for actual on-screen contributions across all programming eligible for Diamond (excluding news and sport) over the reporting period for this metric for the following reasons:

- Diamond is accepted as a pan-broadcaster measure and therefore all broadcasters are being judged equally and PSM comparisons can be made. Both the BBC and ITV publish Diamond data in their reporting
- It is an important means of showing our support for Diamond, underpinning our work to drive industry support and use of Diamond data

National population estimates sourced from Office for National Statistics 2021 census data has been used as a benchmark which covers England and Wales only.

A single contribution relates to a transmission of a single programme or episode, therefore a repeat of a programme or episode would be considered to be second contribution (this excludes transmission of a single programme or episode on +1 channels). The proportion of onscreen contributions which are female, ethnically diverse, disabled or LGB are measured individually. In the future, Diamond are looking to monitor interdependencies so they can measure, for example, the proportion of onscreen contributors who are female, ethnically diverse and disabled.

Production companies enter the role, name and email address of each person (contributor) who works or appears on their programme into an online platform called Silvermouse. Silvermouse then sends an email to each of these contributors, inviting them to complete a Diamond diversity form. Once a diversity form has been completed by the contributor, the diversity details within it are matched to each programme where that contributor works or appears.

In this instance we have decided to use 'Actual data' which allows contributors to provide their own diversity data. Channel 4's contributor response rate for 'Actual data' was 32% in 2023.

Diamond data is supplemented with internal Faces of 4 data for narrative and more detailed insights. Faces of 4 is a report that looks at Channel 4's programmes across the past 12 months, examining the proportion of on-screen talent who are female and ethnically diverse. Where it is public, we have also noted how many of our talent are disabled* and those who are LGBTQ+. This includes tracking the picture in our top 100 shows – which we know have a particular impact for audiences – and referring to the specific shows that have driven change.

Whilst Diamond only provides headline data and doesn't allow us to identify the programmes



responsible for any changes, Faces of 4 can provide this supplementary narrative, as well as allowing us to compare how we are doing in terms of more significant contributions and on our most popular shows.

For more detail see: [Diamond Guidelines 2018-FINAL.pdf \(creativitydiversitynetwork.com\)](#)

'Fresh Faces of 4' - Developing new talent

Channel 4 is committed to growing the next generation of British talent, building a sustainable pipeline of exciting new talent that reflects the changing face of Britain, through a long-term commitment and strategy.

This narrative-based metric considers how Channel 4 creates bespoke development pathways for new talent that enable them to connect with audiences and grow.

Channel 4 finds and launches brand new talent, building strategies in close partnership with its digital team. The focus of this narrative metric is on how Channel 4 nurtures emerging talent, providing opportunities to build profile and feature on returning shows; and its support for the continued development of its well-established, high-profile talent with new opportunities and formats to enable them and often their production businesses, to diversify and reach an even wider audience.

Chapter 3: Engaging young viewers

Channel vision statements: 'Channel 4 is always trying something new'

For methodology, please refer '[Channel Vision statements](#)' in Chapter 1 on page 5.

Young audiences' viewing of the main PSM channels

This metric measures the proportion of linear TV minutes viewed by 16-34-year-olds on each PSM. The percentages are calculated by dividing the total number of minutes viewed by 16-34s on a given PSM by the total number of minutes viewed by 16-34s to the five PSM channels combined. This data comes from BARB (as 'broadcast' module). BARB does not measure viewing undertaken outside of residential households. Visitors to panel households are asked to record their viewing. This is known as guest viewing. Guests are asked to provide details of their gender and age group via the people meter handset. This provides an estimate of viewing that takes place outside the viewers own home but within another private household.

PSMs include Channel 4, BBC1, BBC2, ITV & GMTV and Channel 5 inclusive of all HD and +1 channels.

Channel 4 portfolio's share of total linear TV viewing

This metric is based on Channel 4's portfolio of channels which includes the main channel and digital TV channels, and is sourced from BARB (as Broadcast module).

Viewing share for entire channels is derived by aggregating hourly viewing shares for that channel across the year, weighted by each hour's share of total TV viewing (note: this is due to different available audience volumes across the day, which need to be taken account for). Viewing to staggercast channels is included in each hour's viewing total in the same way as for individual programmes.

When reporting portfolio viewing share figures, the viewing share for each channel is calculated individually, treating staggercast channels separately, i.e. without first reallocating +1 viewing back to the main channels. For this reason, minor differences may occur between the sum of individual channel shares and portfolio share.

BARB data includes recorded viewing for 7 days post transmission (recordings are made via personal video recorders such as Sky+). BARB captures all 7-day catch-up VOD viewing on TV platforms (i.e. big screen TVs in the home such as Samsung or LG).



There will therefore be a small degree of overlap between the metric for total full length-video views, which includes all TV-VOD and PC-VOD platforms, and TV viewing share (due to BARB also capturing some big screen VOD in a 7-day Window, which it does for all competitors).

Total programme views on Channel 4's streaming platforms

This metric is formed of data from a number of sources, which we class as either being owned or syndicated.

1. **Syndicated views:** For streaming views of programmes, data for some individual platform operators is provided by the platform operators themselves (Sky and YouTube longform). This information is collated and analysed by Channel 4. A streaming view for Sky is a download of ingested-VoD, which includes unwatched and watched downloads. For YouTube, a streaming view is when a viewer intentionally initiates the playing of a video on their device and watches for at least 30 seconds.
2. **Owned views:** Data for other platforms is collated internally. Video views are recorded from the point at which content starts playing, from the frame of content. This is the most consistent measure available, as it is not always possible to capture whether programmes are viewed in their entirety.

While we have conducted internal checks to verify streaming and download data generated from internal Channel 4 systems, this measure is vulnerable to the inclusion of data from third-party sources. We are continuing to work with third-party on-demand platform providers to develop additional processes to verify the accuracy and completeness of viewing data from those sources.

Owned and operated platforms are views that take place via a Channel 4 application or website. All adverts that happen on the owned and operated platforms belong to Channel 4. Syndicated platforms are Channel 4 views that take place on a third-party platform e.g. Sky, Virgin, Britbox, YouTube longform. They are still counted as our views but the ads belong to the third party rather than Channel 4.

Owned/ Syndicated	Type	Platform	Provider	Launch	End
Owned	Streamed	Browser	Channel4.com	Apr-08	
Owned	Streamed	Browser	Windows8	Dec-12	
Owned	Streamed	Browser	Windows10	May-17	
Owned	Streamed	Tablet	Android	Feb-13	
Owned	Streamed	Tablet	iPad	Apr-11	
Owned	Streamed	Tablet	Windows8	Dec-12	
Owned	Streamed	Mobile Phone	Android	Feb-13	
Owned	Streamed	Mobile Phone	iPhone	Sep-11	
Owned	Streamed	Mobile Phone	FlashMobile	Jan-12	
Owned	Streamed	Mobile Phone	Windows8 Phone	Nov-13	
Owned	Streamed	Games Console	PlayStation	Dec-10	
Owned	Streamed	Games Console	XBox 360	Dec-11	
Owned	Streamed	Games Console	XBox One	Nov-13	
Owned	Streamed	TV Application	Roku	Nov-13	
Owned	Streamed	TV Application	Samsung	Mar-13	
Owned	Streamed	TV Application	YouView	Jun-12	
Owned	Streamed	TV Application	Amazon Fire TV	Dec-15	
Owned	Streamed	TV Application	Freeview Play	Sep-15	
Owned	Streamed	TV Application	You View HTML5	Nov-15	



Owned/ Syndicated	Type	Platform	Provider	Launch	End
Owned	Streamed	TV Application	Google Assistant	2017	
Owned	Streamed	TV Application	tvOS	2018	
Owned	Streamed	TV Application	Virgin TV	2021	
Owned	Streamed	TV Application	Sky Glass	2021	
Owned	Streamed	TV Application	Android	Jul-13	
Owned	Download	Mobile/Tablet	iOS	Jul-13	
Owned	Download	Mobile/Tablet	Watch Live	May-12	
Owned	Simulcast	Browser	Sky Anytime+	Mar-13	
Syndicated	Streamed	TV Platforms	Virgin Media	Oct-06	
Syndicated	Streamed	TV Platforms	Britbox	2021	
Syndicated	Streamed	TV Platforms	Sky Go	Mar-13	
Syndicated	Streamed	Mixed	iTunes	Mar-08	
Syndicated	Download	Mixed	Sky Go	Mar-13	
Syndicated	Simulcast	Mixed	Sky Go	Mar-13	
Syndicated	Simulcast	Mixed	Virgin TV Anywhere	Apr-13	

Total number of minutes spent viewing Channel 4 content on streaming and social channels

Our methodology looks at the total time spent with Channel 4 video content on our Channel 4 streaming platform (previously called All 4), streaming on syndicated platforms as mentioned in the table above, YouTube and social channels. We will be looking at the Total time with 4 in its entirety for internal purposes, however our Future4 and Fast Forward strategies are centred on digital growth, so we decided that only the digital element of viewing would be the KPI. At present, we are only able to get reliable watch time data from Facebook, YouTube and Snapchat therefore, the current measure will be lower than the actual Total time with 4 because it doesn't include Instagram, Twitter or TikTok. If more reliable data for these platforms becomes available this will be incorporated.

Total digital streaming time, as well as long-form YouTube viewing on a big screen, is now available through BARB data (from the 'As Viewed' module). Total streaming time was made available in December 2021, whereas YouTube time was only captured from November 2022. As the YouTube time captured through BARB is only for long-form and on big screen (and therefore not a complete picture of our YouTube viewing), we have taken the decision to remove the BARB YouTube numbers from the total digital streaming time, and instead to use those provided by YouTube. This not only avoids duplication in recorded viewing time, but also allows for a year-on-year comparison, as the methodology remains consistent. Although the BARB data comes with the caveat that we are only able to include data for programmes streamed within the home only, and therefore while the true "streaming time with 4" would be higher, we believe that this is the best methodology to use.

Since the 2022 Annual Report was published, BARB have reissued numbers for Channel 4 streaming. As a result, 2022 minutes to Channel 4 streaming are restated from 45.9bn to 45.6bn. As the methodology for the social minutes has also been revised (see below), the total time with Channel 4 on streaming and social channels has also been restated from 49.2bn minutes to 49.1bn.

On demand viewing is available (through streaming, download or simulcast) across a wide range of platforms that include PC/laptop, tablet, mobile, game consoles, connected TVs, syndicated TV, SVOD and electronic sell through (EST) – see table in 2.1 for more detail.

Data for our social platforms comes from the data warehouse, which uses Application Programming Interface (APIs) to connect to each social media platform and pull in data daily.



The data warehouse is a cloud database that collates and stores structured data, in this case, key video metrics (views, watch time, UK views, revenue) by social media video for each day the video is live. This is used as the primary data source for our analysis and visualisation of social media data.

UK watch time is not readily available in the Data Warehouse for all platforms, so a calculation is used to estimate this on Facebook and YouTube. For YouTube, we calculate the proportion of UK views (UK views/global views) and apply it to global watch time to calculate an estimated UK Watch Time. Facebook watch time is estimated based on the percentage of UK watch time from the top 45 countries on a given video/ day applied to global watch time. We use the actual watch time for Snapchat as this is readily available via the API.

The platform content management system is the tool used by the social media team to publish and monitor our social media videos on each platform. Every platform has its content management system which includes analytics tools that are native to each social media platform, we take these as our source of truth for this platform.

We validate figures from the data warehouse against the platform content management system (CMS) to check they are within a +/- 5 per cent tolerance.

Occasionally, there is a small variation between the numbers reported in the platform content management system and the data warehouse – this is usually down to differences in how the content management system and APIs report numbers in certain contexts, or the availability of metrics between systems.

For instance, on Facebook, when a video is posted on a Facebook page, it is sometimes cross-posted (or shared) to another Facebook page within our portfolio – the content management system and API deal with this situation differently, leading to discrepancies between the two tools.

If a video was posted to E4 Facebook originally, and then shared to Channel 4 Facebook all the views on E4 and Channel 4 would show on E4's analytics in the content management system. However, the data from the API would only report the views from the original post against E4 and would count the views from the cross-posted (or shared) video against the Channel 4 page.

We use alternate validation methods, such as aggregating Channel 4, All 4, and E4 pages together in both tools or validating individual videos (no matter which channel they are on) to ensure that the figures in the data warehouse closely match the content management system.

We have revised our methodology to only look at estimated UK views on YouTube, Facebook, TikTok and Snapchat.

For Facebook, UK views are estimated based on the proportion of UK watch time from the top 45 countries of that video on that day.

For TikTok we receive actual UK views as a % of global views, as long as the UK and Ireland is in the top 10 countries for the % of views.

For Snapchat, we receive actual UK views at a Snap and Story level – we apply an internal definition of a view on Snap to bring this in line with other formats (which only reports one view per story, as opposed to one view per snap).

For YouTube, we receive actual UK views at a video level – including unlisted and private videos.

For Instagram, we estimate UK views based on the proportion of UK followers (out of the top 45 countries) on that Instagram account on that day.

Regarding the 4Studio case study in Engaging Young Viewers chapter (see p.61), UK 13-24-year-old views is an estimated metric based on the percentage of UK views (or watch



time depending on the platform), percentage of 13-24 viewers (or followers depending on the platform). In some instances, such as TikTok, demographic data was not available so panel data from TGI has been utilised in the absence of data directly available from the platform. On Instagram, this is based on the % of UK followers on a specific channel per day from the top 45 countries.

We are restating our 2022 UK watch time as we have developed our data warehouse and data cleansing processes to more accurately estimate UK watch time on some platforms. The change is due to being able to calculate UK watch time at a video/daily level – meaning that the weighting of the proportion of UK views applied to UK watch time is more accurate.

Chapter 4: Partnering with the creative industries

Content investment – total spend

This measure shows Channel 4's total expenditure on content (commissions, acquisitions, repeat cost, licensed, developments) on global content across the TV portfolio and on digital media. This is the same number as that disclosed in the financial accounts under Note 2. Main channel spend includes 4seven. Channel 4's total expenditure on digital media comprises a combination of investment made outside the main channel budget (e.g. on channel4.com, cross-platform projects and Walter Presents).

Content investment – originations

Spend across the Channel 4 network on originated content (content commissioned for Channel 4 where we have the worldwide premiere, i.e., this is the total content spend excluding acquired programming). This measure shows Channel 4's total expenditure on originated content across the TV portfolio and digital media. Originated content may include both UK and European content.

Investment refers to Channel 4's contribution to the cost of production, and any associated costs.

There is a clause (Appendix 2 1.2) in our commissioning contracts that can be used to determine if something is an Origination.

Content investment – originations spend in the Nations and Regions

The Communications Act 2003 requires broadcasters to invest a proportion of programming spend outside the M25, known as 'Nations and Regions'. This is the total spend in the Nations and Regions across the portfolio. The quota for both output (hours) and spend (£m) on qualifying productions is 35% and applies to first-run originated content spend excluding news. Of this 35%, 9% is required to come from the 'Nations' – i.e. Scotland, Wales and Northern Ireland. (This increased from 3% in 2020).

Broadly speaking, qualifying productions must meet two out of three criteria:

1. The production company must have a substantive business and production based in the UK outside the M25. The base will be taken to be substantive if it is the usual place of employment of:
 - i. executives managing the regional business; and
 - ii. senior personnel involved in the production in question; and
 - iii. senior personnel involved in seeking programme commissions.
2. At least 70% of the production budget must be spent in the UK outside the M25
3. At least 50% of the (off-screen) production talent by cost must have their usual place of employment in the UK outside the M25.

The fulfilment of these criteria are reported to Channel 4 from the Production Company via either the Editorial Specification or the final DRS form.

For more detail see: https://www.ofcom.org.uk/_data/assets/pdf_file/0017/152450/regional-production-and-regional-programme-guidance-from-2021.pdf



For the portfolio-wide outside London spend, 4Studio is excluded due to Ofcom's guidance that 'Self promotional content' is excluded.

Opportunities provided by 4Skills

This metric measures the extent to which Channel 4 has made an impact to training and skills in the industry. The **4Skills initiative** reaches out to untapped talent pools to attract people from under-represented groups who might not typically consider a career in the creative industries. This captures the number of training, learning and development opportunities provided through our 4Skills work across the full range of programmes and school's outreach. There aren't industry comparators at present, so this is a Channel 4 only metric.

The scope of 4Skills is broad in essence with multiple projects with different purposes and impact. This ranges from very intensive and lengthy programmes such as a fully funded 12-month production training scheme, through to bespoke training but shorter training to address skills gaps, through to broader engagement through our 4Schools careers workshops. A small number of people may attend more than one training, learning or development opportunity within 4Skills and these would count as multiple activities in our reported total therefore the metric does not represent unique individuals. Everything is included in the reported figure, no exclusions have been applied.

Data is collected from individual teams across Channel 4 and external partners who submit data such as development opportunities provided, numbers of participating trainees, numbers of bursaries provided, at key milestones and as part of end of project reports.

Diversity of suppliers: Proportion of suppliers who are diverse or based in the Nations and Regions

Data is based on commission year rather than TX year as this better reflects the suppliers we worked with in a given year and is supported by our method of data collection.

The data is based on Commissions and Pre-Purchases approved in the 12 months to 31 December 2023 for the following channels: Channel 4, E4, More4, 4Studio and online.

We are using the following definitions:

- Diverse: Production companies where the main shareholders, the leading decision makers or the creative leaders comprise those from a Black, Asian, minority ethnic background
- Nations and Regions: Ofcom's substantive base criterion and definition has been used as it is the most established definition within the industry with an existing reporting and compliance framework.



Appendix A – Data Sources

Data source	Description
Attentional	<p>Attentional is a research agency that conducts specialised analysis of television output and viewing, combining proprietary meta-tags with BARB data to provide a rich data source covering all programmes shown on the largest TV channels in the UK. Channel 4 commissions Attentional to analyse the number of new or one-off titles shown on the main PSM channels.</p>
BARB	<p>The Broadcaster’s Audience Research Board (BARB) is the organisation responsible for providing the official industry measurement of UK television audiences, for broadcasters and the advertising industry. It is owned by the BBC, ITV, Channel 4, Channel 5, BSkyB and the IPA (Institute of Practitioners in Advertising).</p> <p>BARB employs a panel of over 5,300 households, soon to be 7,000 households, sampled to be representative of the 25+ million TV households within the UK. The sample is also representative within each BBC and ITV region.</p> <p>The BARB panel provides a trusted, objective view of the entire nation’s viewing habits.</p> <p>They draw on two sources of data to deliver the UK’s television audience ratings: the Barb panel and big data sourced from devices. The BARB panel is a sample of carefully-recruited households, selected by geography, demographics and TV platforms, to mirror the entire UK. It’s continuously vetted and managed; each week they interview 1,000 households to see if the profile of the panel is current, and tweak the data weighting accordingly to ensure they accurately reflect the nation.</p> <p>People in BARB homes use a special remote with dedicated buttons for each household member – and guests – to confirm who’s watching. They press the buttons when they leave or come back into the room.</p> <p>To determine what’s being watched, the TV-set meters take audio samples of the sounds on panelists’ TV sets and convert these to digital fingerprints. Every night, BARB retrieve the fingerprints and match them to a reference library of TV content.</p> <p>There is also a meter attached to the WiFi router in panel homes to track viewing of subscription video-on-demand (SVOD) and video-sharing services (e.g. YouTube) by any member of the household on any device.</p> <p>They also capture device-based big data whenever anyone in the UK watches a broadcaster’s video-on-demand (BVOD) service on a connected device.</p> <p>So, as the total viewing universe expands, BARB can now capture all viewing, be it live, pre- and post-broadcast; on TV sets, tablets, PCs and smartphones; on broadcast channels and their BVOD services, or on SVOD and video-sharing platforms.</p>

Data source	Description
Channel 4	<p>Channel 4's internal data systems store transmission and expenditure information on every programme that it commissions or acquires, along with expenditure on originated content and services in digital media. Each television programme is tagged according to whether it is originated or acquired, first-run or repeat, in which part of the UK the production company was based, its genre, etc.</p> <p>Video views of full-length Channel 4 programmes on demand are collated by the Channel and stored on internal platforms.</p> <p>Channel 4 provides Ofcom with regular reports on its output based on this information. The tagging of programmes is conducted rigorously according to strict definitions provided by Ofcom and/or in legislation (primarily the Communications Act 2003).</p> <p>Since 2008, Channel 4 has linked information in its internal systems to BARB programme data, enabling viewing and reach to be calculated for groups of programmes defined by tags in its internal systems (e.g. first-run originations in particular genres).</p>
Ipsos	Ipsos is part of the Ipsos Group, a market research company. Ipsos runs the Genre tracking quantitative research study for Channel 4.
YouGov	YouGov is a British international Internet-based market research and data analytics firm, headquartered in the UK. They run the daily brand tracker for Channel 4.
Adobe Analytics	Adobe Analytics is a leading provider of online business optimisation software. Channel 4 uses Adobe Analytics to track and measure activity (visits, page views and video views) on its websites and apps.
Virgin Media, BT Vision, PlayStation 3, Xbox, YouView, Flash mobile, iOS Windows 8, Sky	The volume of on-demand views of Channel 4 programmes on third-party platforms is provided by the platform operators (e.g. Virgin Media).
Diamond	<p>The Creative Diversity Network manages a project initiative called 'Diamond' on behalf of broadcasters including BBC, ITV, Channel 4, ViacomCBS, Sky and UKTV. Diamond is an online system used to collate diversity data on commissioned programmes which allows broadcasters to report on diversity of the TV production industry. As part of post-production process, off screen and on-screen contributors are asked to complete a form which captures diversity data. Data is collected via an online platform called Silvermouse.</p> <p>For more details see: https://creativitydiversitynetwork.com/diamond/</p>

Appendix B - Glossary

Term	Definition
Acquisition / acquired	A TV programme shown by a broadcaster that it did not commission itself. Acquisitions include feature films, bought-in television programmes from the US and archive British programmes acquired from the original programme-makers (or their distributors).
Ethnically diverse	Refers to Black, Asian and Minority Ethnic groups. The "Ethnically Diverse" category comprises people who identify themselves as being "Arab", "Chinese", "Indian", "Pakistani", "Other Asian", "Black Caribbean", "Black African", "Black Scottish or Black British", "Black Other", "Indian", "Pakistani", "Bangladeshi", "Chinese", "Other Asian", "Mixed race" or any other category.
Channel 4	Refers in the SMCP to the broadcaster (the Channel Four Television Corporation), while its main TV channel is referred to as the main channel.
Commission	See Origination.
Digital TV channels	All channels other than the main PSM channels – i.e. BBC One, BBC Two, ITV1, Channel 4's main channel and Channel 5. The Channel 4 digital TV channels are E4, More4, Film4 and E4 Extra.
E4	One of Channel 4's digital TV channels.
External supplier	Any external organisation that produces programming that has been commissioned by a broadcaster but not made by the broadcaster itself. As Channel 4 does not currently have an in-house production base, it sources all of its programmes from external suppliers. Most of its originated programmes are made by independent production companies, while some are also commissioned from the production arms of other broadcasters (such as ITV).
Film4	Refers to two areas of activity. The Film4 channel is one of Channel 4's digital TV channels. Film4 Productions is the film-making arm of Channel 4, which develops and co-finances feature films.
First-run	A TV programme that is shown for the first time, as opposed to a repeat. The main PSM channels show much higher proportions of new (first-run) programmes in their schedules than most digital TV channels, which tend to rely on higher repeat rates.
Independent production	Refers to productions by companies other than the BBC or ITV's in-house production divisions. See Section 2.2 for the definition of an independent producer.
LGB	Those who collectively identify as lesbian, gay or bisexual.
Main channel	Channel 4 (and Channel 4 +1), the main TV channel operated by the Channel Four Television Corporation.
Main PSM channels	The traditional network channels, i.e. BBC One, BBC Two, ITV1, Channel 4's main channel and Channel 5. These are all public service channels, alongside the other BBC-branded TV channels.
Microsite	This is a dedicated website for a Channel 4 programme that is separate from the main site at www.channel4.com .
More4	One of Channel 4's digital TV channels.
Nations	Denotes Scotland, Wales and Northern Ireland.
Regions	Denotes any English area outside of the M25 (usually referred to as either Midlands & East, North of England or South of England).
Network	See Public service network.

Term	Definition
Network origination	A term (defined by Channel 4 for its public value reporting) that refers to any programme transmitted by Channel 4 on any of its TV channels that was commissioned by the broadcaster (in the current or any previous year). It differs from originations (the definition of which is fixed in legislation) in that it also includes programmes commissioned by other channels in Channel 4's portfolio. So an E4 commission such as Made In Chelsea counts as a network origination if it is also shown on the main channel. Similarly, if Come Dine With Me (a main channel commission) is shown on More4, it counts as a network origination on that channel.
New talent	Refers to on- and off-screen talent who are new to television, or who are doing something new. Channel 4's commitment to new talent – across a wide range of genres, including factual, drama, comedy and entertainment – includes giving young programme-makers (directors, writers, etc.) and performers (actors, presenters, etc.) exposure on mainstream television early in their careers. It also includes providing opportunities to more established talent to develop their skills (e.g. by moving into higher-budget productions) or to move into new areas (encouraging actors to develop their own scripts, writers to move into directing, and so on).
Ofcom	<p>The UK communications regulator, which regulates Channel 4's activities.</p> <p>We are obliged to report to Ofcom details of our investment in content, investment with Independent Producers, Access Services, and investment in the Nations & Regions.</p>
Older children	Older children are defined as 10-14-year-olds as per Ofcom's Children's content review. This audience group has been identified by Ofcom as being underserved by UK originated content. The requirement to provide content for older children in Channel 4's remit reflects the broadcaster's strong relationship with these audiences.
Young adults	Young adults are defined as 14-19-year-olds as per Ofcom's Children's content review. This audience group has been identified by Ofcom as being underserved by UK originated content. The requirement to provide content for young adults in Channel 4's remit reflects the broadcaster's strong relationship with these audiences.
On-demand	Video on demand (VOD) is a media distribution system that allows users to access videos without a traditional video playback device. Refers to services that enable a range of video content to be accessed at any time. On-demand services are generally delivered through broadband services, to digital TV platforms such as Virgin Media, to applications (such as Apple's iTunes or Channel 4's streaming product) or to websites such as channel4.com. Sky boxes that use broadband to stream will count as a VoD play but those that use a satellite dish do not count as Video On Demand.
(Online) page view	Refers to a full-page online view (rather than an element of a page such as an image, movie, or audio file) on a website. Each time a new only web page has loaded this counts as a new page view.
(Online) visit	Refers to an interaction between a visitor and a website. A visit begins when a person first views a page on the relevant website (in the SMCP, this covers channel4.com and E4.com). It continues until that person stops all activity on the site for 30 minutes. Within a visit, someone might access more than one page. A website that is engaging is one that gets many page views per visit. If a user closes the browser and reopens it for any length of time that is counted as a new visit.

Term	Definition
Origination / originated	All programmes shown on TV are either commissioned by the broadcaster (originated) or purchased (acquired). The main public service broadcasters (Channel 4, the BBC, ITV and Channel 5) are distinguished from the hundreds of digital TV channel operators by the large volume of programmes that are originated, i.e., commissioned by them, on their channels. These commissions may be made in house by the broadcaster (in the case of the BBC or ITV) or they may be commissioned from external suppliers.
Out of London	Refers to the nations and the English regions other than London (anything outside the M25). As the broadcasting sector tends to be heavily centralised, with most production companies and broadcasters based in London, the degree of activity in other parts of the UK is of concern to Ofcom and the Government. 'London' is classified as inside the M25.
Peak-time	Defined by Ofcom as the evening period between 6pm and 10.30pm.
Percentage point (pt)	Refers to the absolute difference between two percentages.
Portfolio / TV channel portfolio	The TV channels owned by a broadcaster. Channel 4's TV channel portfolio comprises the main channel and its digital TV channels (E4, More4 and Film4).
Public service media organisation (PSM)	Channel 4 is a public service media organisation, along with the BBC, ITV and Channel 5. These media organisations were traditionally granted analogue TV licences in exchange for commitments to provide a range of high-quality public service programmes (as defined in the Communications Act 2003). The BBC and Channel 4 are publicly-owned and exist primarily to fulfil broad public remits. The BBC is funded by the licence fee. Channel 4 derives its income in the commercial marketplace. ITV and Channel 5, which are privately-owned and commercially-funded, have a range of specific programming obligations.
Public service channel	Refers to all BBC-branded channels, ITV1, Channel 4's main channel and Channel 5. These channels have particular PSM obligations.
Public service network	Refers to the range of TV channels and digital media services provided by Channel 4 that contribute to the delivery of its public role.
Reach (TV)	The number of people or percentage of the target audience who view a programme, series or channel for a minimum specified duration (usually 3 or 15 consecutive minutes).
Remit	The formal articulation of Channel 4's public role, as set out in legislation (most recently, in the Digital Economy Act 2010). The remit is described in Chapter 1 of this document in more detail.
Repeat	A programme that has been transmitted by a broadcaster previously on the same channel (as opposed to a first-run transmission).
Share	The percentage of viewers (all people or those from a particular demographic group) watching TV at a certain time who watch a particular channel/programme. E.g if 1 million 16-34s were watching TV at 9-10pm, and 200k were watching Channel 4, Channel 4 would have a 20% 16-34 share at 9pm
Slot	Part of a TV schedule occupied by a single programme or episode.
Slot duration	Defined for any given programme as the difference between the programme's start time and the start time of the following programme. It therefore includes advertising minutage around the relevant programmes.
Talent	Refers to the people who appear in, or who make, TV programmes: writers, performers, presenters, directors, etc.



Term	Definition
TRP (Television Research Partnership)	TRP Research is an independent company used by all major broadcasters for reporting on BARB data. They extract the data from BARB on our behalf for the key metrics i.e. Portfolio viewing share and 16-34 viewing minutes by PSM channel.
TV channel portfolio	See portfolio.
Unique viewers	Number of television viewers who watch at least 3 consecutive minutes of any programme in a season.
(Video) view	Occurs when a clip or full-length programme is accessed on-demand. It is common to report the number of video views initiated, as it is difficult, if not impossible, to monitor whether user have watched videos in their entirety. For VoD a view is counted as soon as pre roll has finished or the video starts whereas, for syndicated platforms, a view is a fragment greater than or equal to three minutes of programme play.
Viewing share	See Share.
4Music	One of Channel 4's digital TV channels. It is part of the portfolio of music channels jointly owned by Channel 4 and Box Plus Network.
4seven	One of Channel 4's digital TV channels.
Box	Six Box music channels were acquired by Channel 4 in December 2018 and added to its digital TV portfolio (Box, Kiss, Kerrang, Magic, Box Upfront, Box Hits).



Appendix C - Channel 4's remit in the Digital Economy Act

1. Channel 4 Corporation (C4C) must participate in—
 - a. the making of a broad range of relevant media content of high quality that, taken as a whole, appeals to the tastes and interests of a culturally diverse society,
 - b. the making of high quality films intended to be shown to the general public at the cinema in the United Kingdom, and
 - c. the broadcasting and distribution of such content and films.
2. C4C must, in particular, participate in—
 - a. the making of relevant media content that consists of news and current affairs,
 - b. the making of relevant media content that appeals to the tastes and interests of older children and young adults,
 - c. the broadcasting or distribution by means of electronic communications networks of feature films that reflect cultural activity in the United Kingdom (including third party films), and
 - d. the broadcasting or distribution of relevant media content by means of a range of different types of electronic communications networks.
3. In performing their duties under subsections (1) and (2) C4C must—
 - a. promote measures intended to secure that people are well-informed and motivated to participate in society in a variety of ways, and
 - b. contribute towards the fulfilment of the public service objectives (as defined in section 264A).
4. In performing their duties under subsections (1) to (3) C4C must—
 - a. support the development of people with creative talent, in particular—
 - i. people at the beginning of their careers in relevant media content or films, and
 - ii. people involved in the making of innovative content and films,
 - b. support and stimulate well-informed debate on a wide range of issues, including by providing access to information and views from around the world and by challenging established views,
 - c. promote alternative views and new perspectives, and
 - d. provide access to material that is intended to inspire people to make changes in their lives.
5. In performing those duties C4C must have regard to the desirability of—
 - a. working with cultural organisations,
 - b. encouraging innovation in the means by which relevant media content is broadcast or distributed, and
 - c. promoting access to and awareness of services provided in digital form.

Appendix D - Statement of Media Content Policy

1. C4C must prepare a statement of media content policy—
 - a. at the same time as they prepare the first statement of programme policy that is prepared under section 266 after this section comes into force, and
 - b. subsequently at annual intervals.
2. C4C must monitor their performance in carrying out the proposals contained in their statements of media content policy.
3. A statement of media content policy must—
 - a. set out C4C's proposals for securing that, during the following year, they will discharge their duties under section 198A, and
 - b. include a report on their performance in carrying out the proposals contained in the previous statement.
4. In preparing the statement, C4C must—
 - a. have regard to guidance given by OFCOM, and
 - b. consult OFCOM.
5. C4C must publish each statement of media content policy—
 - a. as soon as practicable after its preparation is complete, and
 - b. in such manner as they consider appropriate, having regard to any guidance given by OFCOM.
6. OFCOM must—
 - a. from time to time review the guidance for the time being in force for the purposes of this section, and
 - b. revise that guidance as they think fit.