

CONTENT TRENDS & STRATEGIC PERSPECTIVES

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THE NORDIC TV VALUE CHAIN PRIOR TO THE ENTRY OF GLOBAL SVODS

PRODUCTION COMPANIES



BROADCASTERS



OPERATORS



CUSTOMERS



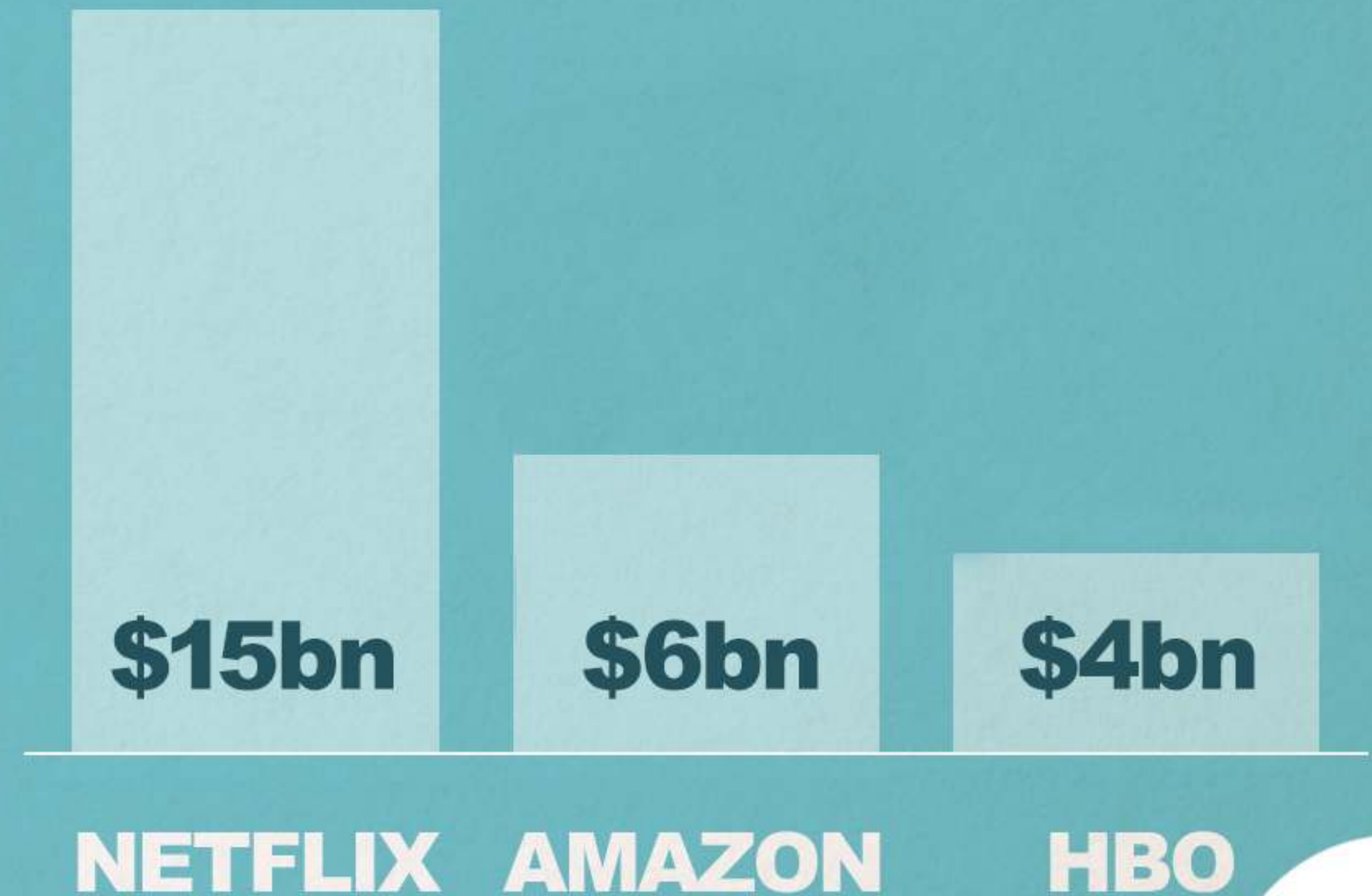
In 2011, Netflix entered the Nordic market, disrupting the value chain and changing consumer expectations

NEW CONSUMER EXPECTATIONS

CONTENT	Exclusive shows Full box sets
USABILITY	Easy access across multiple devices User-friendly curation Full on demand experience No ads
PRICE	Low pricing Easy cancellation

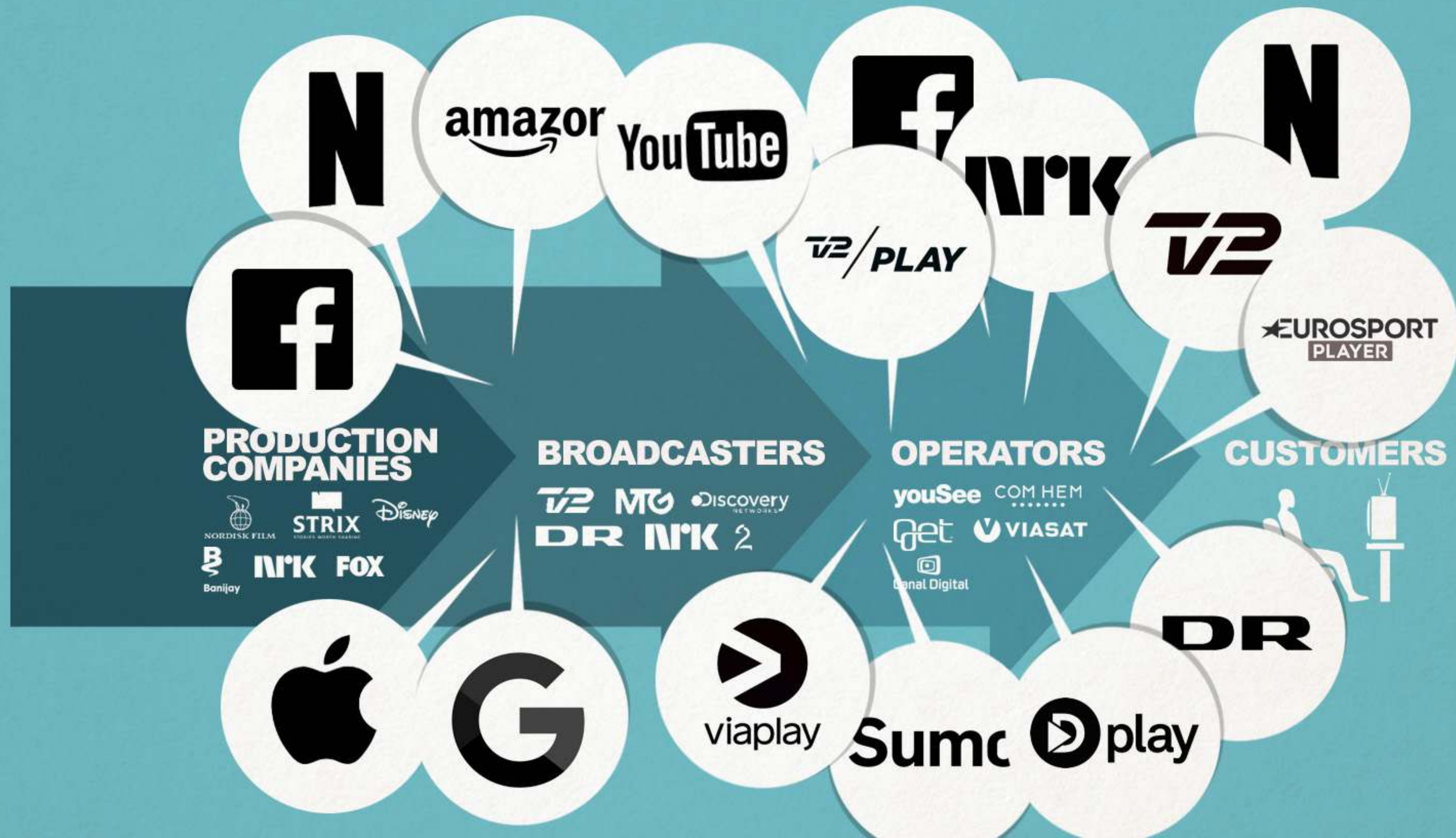
Today, three global SVODs with massive content budgets are present in the market, gaining significant share of viewing

ESTIMATED CONTENT COSTS 2019



*...and more
are coming*

TECHNOLOGY HAS ENABLED THE UNBUNDLING OF CONTENT AND INFRASTRUCTURE, CAUSING AN EXTREME FRAGMENTATION AND SIGNIFICANT PRESSURE ON THE TRADITIONAL TV PROFIT POOL

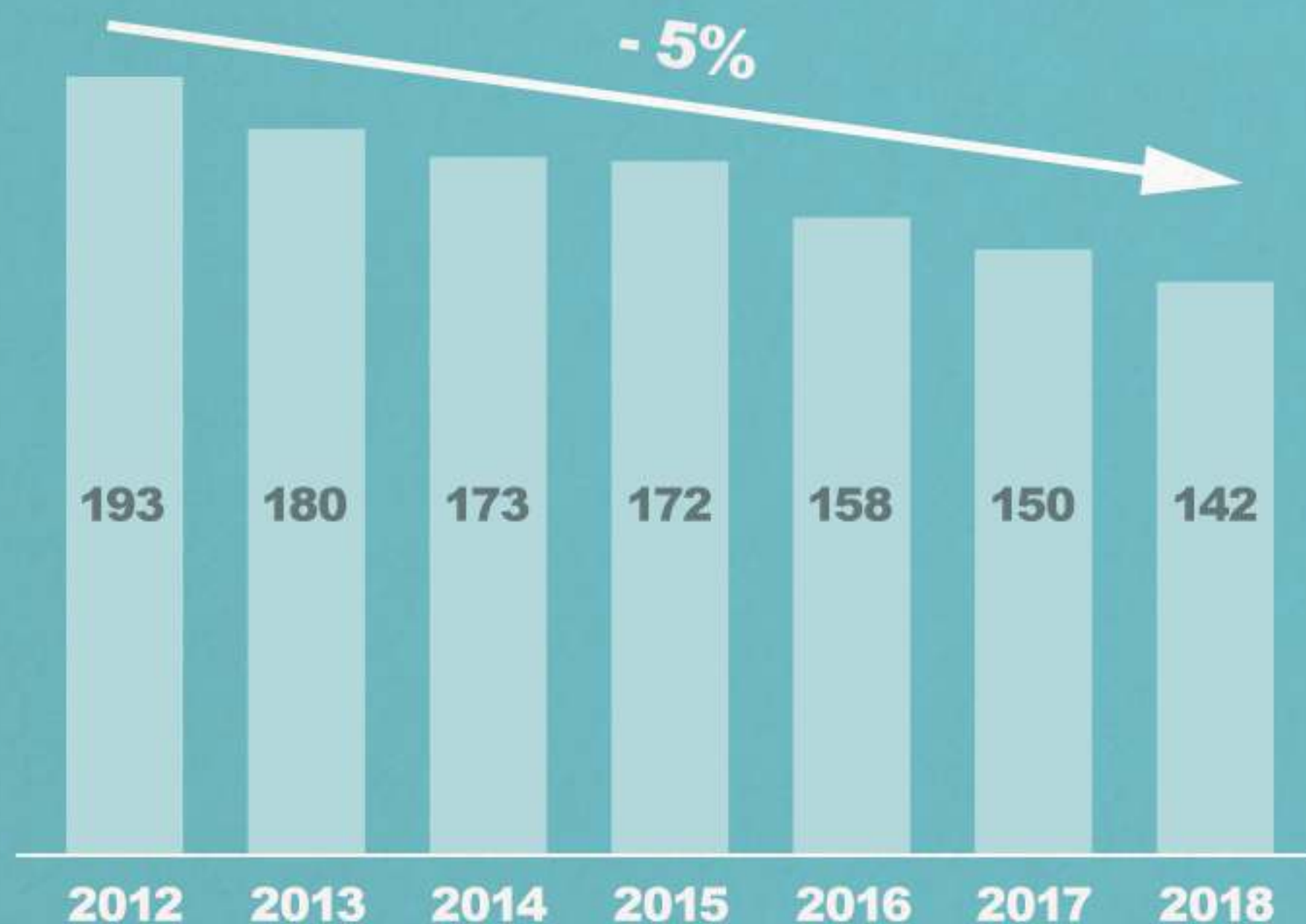


BROADCASTER OTT SERVICES ARE ESPECIALLY GAINING TRACTION, PUTTING PRESSURE ON OPERATORS IN TERMS OF ACCELERATED SHAVING AND CUTTING AS WELL AS BY SHIFTING NEGOTIATION POWER

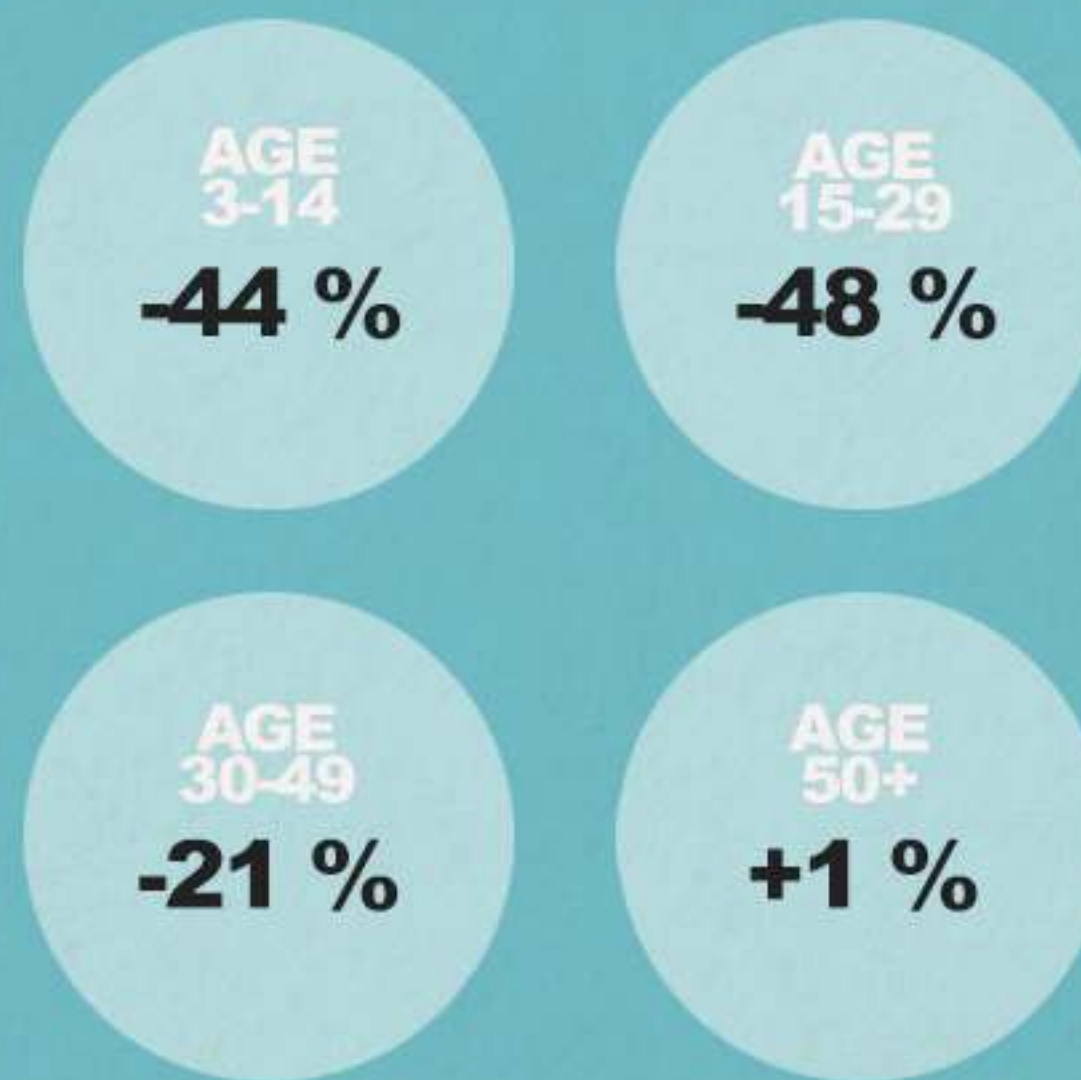


MODERATELY REDUCING VIEWERSHIP, BUT **STRONG POLARIZATION** AND PROFOUND IMPACT ON ESPECIALLY **LARGER** TRADITIONAL TV PACKAGES

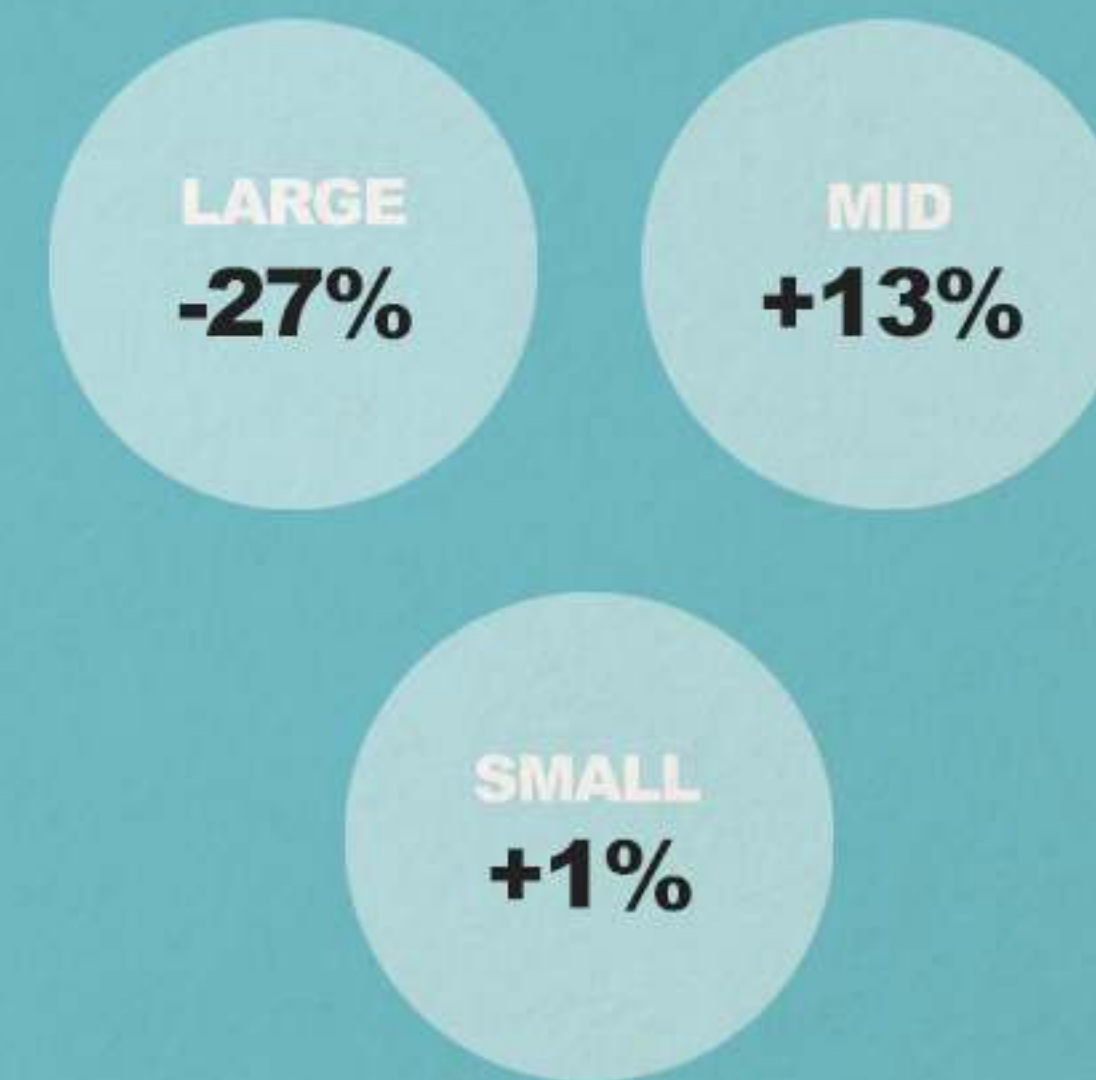
MINUTES VIEWED, DENMARK, 2012-2018



VIEWING, DENMARK-NORWAY
2010 VS. 2016



CHANGE IN SUBSCRIBERS PER PACKAGE
2015 VS. 2018



WITH MULTIPLE CONTENT CATEGORIES MOVING TOWARDS ON DEMAND, LIVE SPORTS IS BECOMING INCREASINGLY IMPORTANT TO ATTRACT PAY-TV SUBSCRIBERS

SPORTS RIGHTS INFLUENCE CUSTOMER TV PRODUCT CHOICES

■ Critical or highly important



MAKING THEM SOUGHT AFTER ASSETS FOR BROADCASTERS



Denmark and Norway

4 **IN SUMMARY** **CHALLENGES**

- I GLOBAL SVODS INVESTING HEAVILY IN CONTENT AND TAKING AN INCREASING SHARE OF VIEWING AND PROFIT POOL**
- II BROADCASTERS OTT SERVICES ARE GAINING TRACTION, PUTTING ADDITIONAL PRESSURE ON OPERATORS**
- III FIXED TV PACKAGING MODEL IS BECOMING INCREASINGLY CHALLENGED AS ESPECIALLY LARGE PACKAGES WITH NICHE CHANNELS ARE DESELECTED IN FAVOUR OF SVOD SERVICES**
- IIII SPORTS RIGHTS EXPLODING AS SPORTS IS BECOMING INCREASINGLY IMPORTANT FOR DIFFERENTIATION DRIVING FURTHER PRESSURE ON VALUE CHAIN PROFIT POOL**

**WE HAVE BUNDLED OUR
CONSIDERATIONS IN**

3 KEY STRATEGIC THEMES

I AGGREGATION II CURATION III DIFFERENTIATION

AGGREGATION

Only **30** seconds
away from
all the best
content



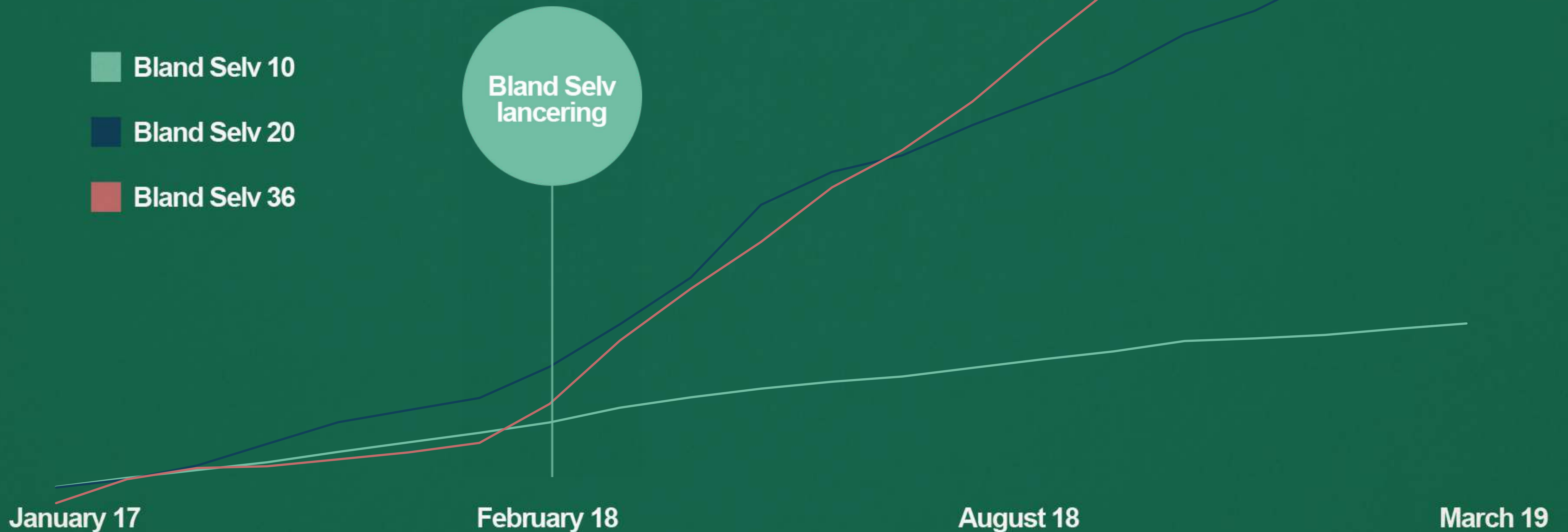


a new HBO® limited series



I AGGREGATION

DEMAND INCREASES WHEN YOU CAN PICK BOTH CHANNELS AND STREAMING SERVICES



II CURATION

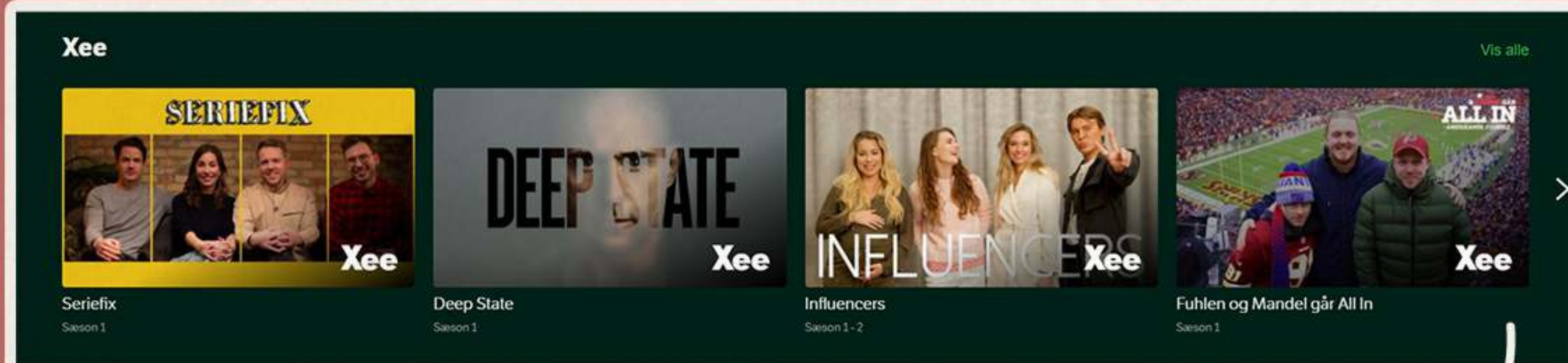
IN AN INCREASINGLY FRAGMENTED UNIVERSE, WHERE WE WANT TO BE THE **"SUPER-AGGREGATOR"**, CURATION WILL BE KEY.



FIRST STEP IS SIMPLE ALGORITHM RECOMMENDATION
PLUS EDITORIALY CHOSEN THEMES
**SECOND STEP EDITORIAL THEMATIC TAGGING AND FULL
INDIVIDUALIZATION VIA AI/ALGORITHM**

A CURATED HJALTE

CASE STUDY

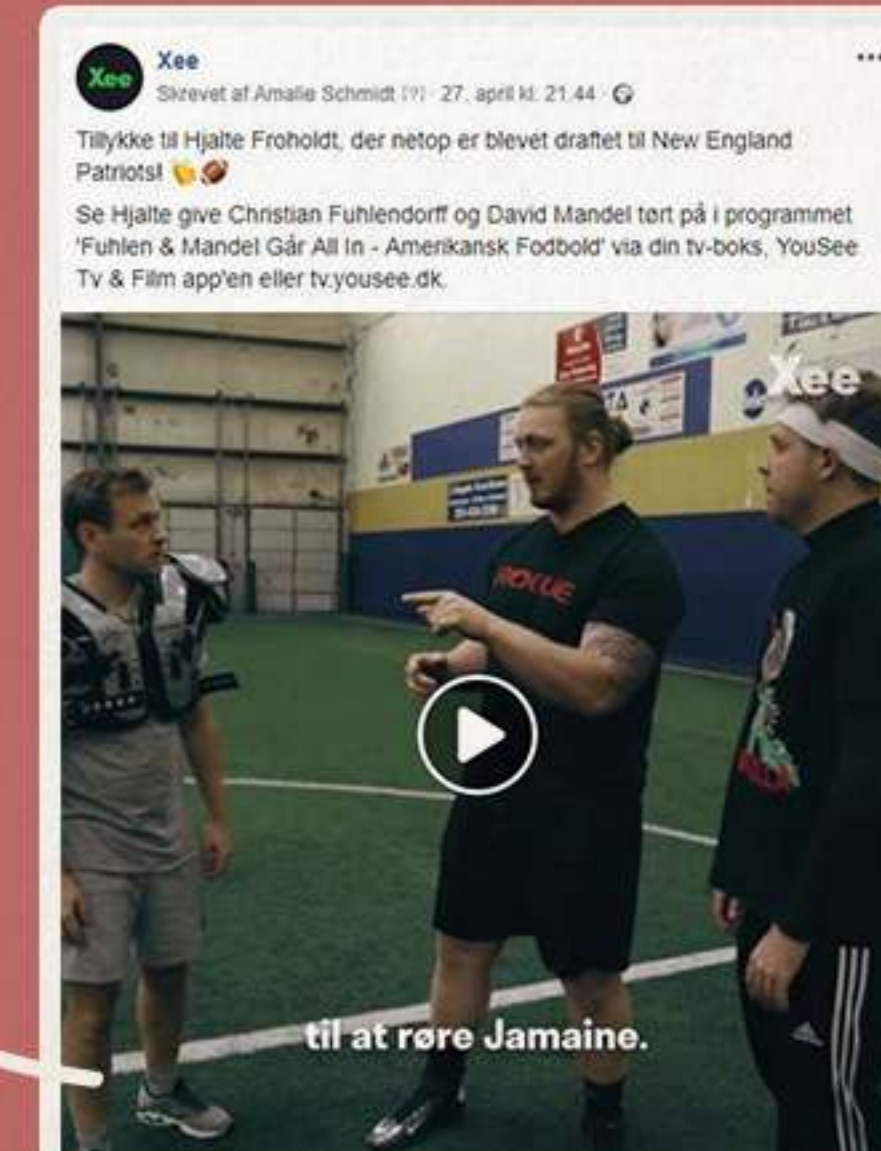


1.
BETTER
POSITIONING



2.
BETTER (MORE RELEVANT)
COVER

VIEWERSHIP
INCREASE
> 400%



3.
REAL-TIME
SOME POST



DIFFERENTIATION



III DIFFERENTIATION

FIRST STEP WAS TAKEN
IN JANUARY WITH THE
LAUNCH OF...

Xee

Xee



**4 TV AWARD
2019
NOMINATIONS**

**WINNER OF
TV AWARD 2019
BEST COMEDY**

**NOMINATED FOR
A ROBERT
(DANISH EMMY)**

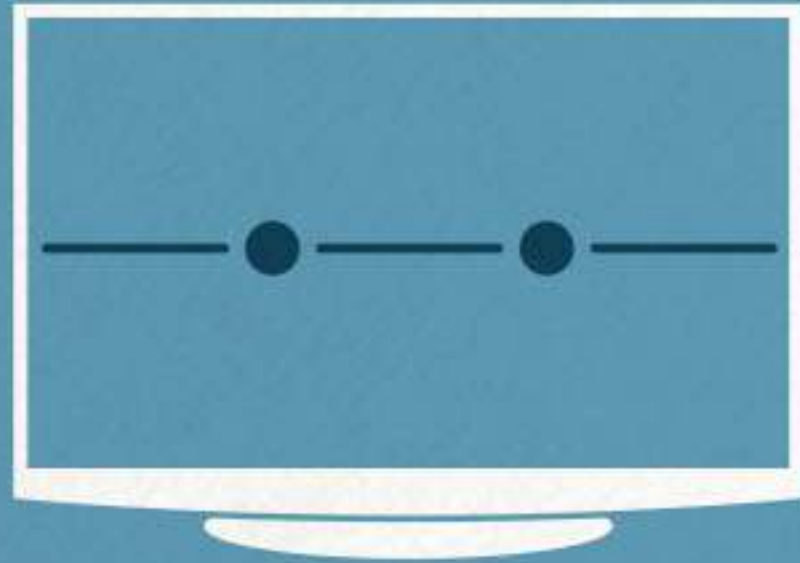
**TOP 10 SERIES
OF THE YEAR BY
DR, SOUNDVENUE
AND THE VOICE**

50



III DIFFERENTIATION

GOOD PERFORMANCE IN TERMS OF LIVE VIEWERSHIP,
BUT **EXTRAORDINARY PERFORMANCE IN TERMS OF**
ON DEMAND VIEWERSHIP



LINEAR

#20



ON DEMAND

#2

OVERALL ACTIVITY ON DIGITAL PLATFORMS
INCREASED >30% FOLLOWING LAUNCH OF **Xee**

III DIFFERENTIATION

WITH THE ACQUISITION
OF PREMIER LEAGUE,
A SECOND, VERY LARGE,
STEP WAS TAKEN,
PROPELLING US FROM
NICHE TO MUST HAVE
CONTENT PROVIDER



Premier
League

+

Xee