



TG4 Statement of Performance Commitments for 2018

March 2018

Summary

Executive Summary

This is TG4's Annual Statement of Performance Commitments (ASPC) for 2018, presenting target activities and deliverables for the year. It fulfils the requirements of the Broadcasting Act 2009 and is prepared in accordance with TG4's objects, strategy and public service statement.

TG4's New Strategy for 2018 - 2022

TG4 has developed a new five-year vision and strategy for 2018 - 2022 to address the many opportunities and challenges facing it as a result of the recession, globalisation and competition. As an indigenous language broadcaster operating in an English-speaking media market, TG4 competes with national and global media and technology companies with major content budgets. TG4's new strategy includes how it can: grow national audience share and reach through better, more focused content; serve habitual Irish speaking audiences better; and, enable the creation of world-class content through partnership with the Irish language production sector. Through its new vision and strategy, TG4 has the opportunity to restore its vibrancy, impact and reach.

A fundamental element of TG4's new strategy is a twin-pole audience approach (reflecting the unique duality of TG4's audience base). This approach focuses on retaining the core Irish language audience and increasing its satisfaction with TG4 while at the same time growing reach and share with the wider national TV audience.

Growth in TG4 Audiences

Under the direction of the new Ardstiúrthóir, 2017 was a year of transition towards TG4's new strategy. Already its impact is being felt. With additional funding and investment in content, 2016 was the first year since 2009 in which TG4's national television audience share grew - it increased by 6% to 1.8%. Leveraging the 2016 investment in content, TG4's national audience share increased again in 2017. It grew by 5% to 1.87%¹ (1.95% prime time share).

While a solid share performance, without on-going sustainability in TG4's content funding, TG4 can only maintain this audience growth for a limited period of time. TG4 needs to increase, and then stabilise, its investment in content in order to compete successfully. To continue to grow audience share, TG4 must deliver compelling, entertaining programmes year round, and across the broadcast schedule, in addition to ensuring discoverability of its content on all platforms and devices.

2018 Funding & Strategy Funding Gap

TG4 has been allocated €33.79m of current funding and €2m of capital funding for 2018. Current funding increased by 3% on 2017 funding and TG4 greatly appreciates this as it will assist TG4 to address some of the many challenges facing it.

However, to deliver its new strategy, TG4 sought restoration of pre-recessionary funding levels in addition to inflation in the last 3 years of its new strategic plan (2020 - 2022). An average increase in current funding of 5.07% per annum was required, albeit front-loaded in the first two years of the plan (2018 and 2019). For 2018 specifically, TG4 sought an increase of €3.95m in current funding.

As TG4's current funding increase is only 25% of the funding increase sought for 2018, TG4 will be unable to deliver all 2018 targets contained in the Statement of Strategy 2018 - 2022. For example, target broadcast hours, target content, programming and schedule developments in addition to target produced / versioned Irish language hours etc. These in turn will have an impact on target linear reach and share and non-linear engagement levels. As such, while this ASPC is based on TG4's Statement of Strategy for 2018 - 2022, particular targets or metrics have been amended to reflect the level of actual funding for 2018.

¹ Consolidated share. Live & VOSDAL share was 1.92%. All day, individuals 4 years + (source: Nielsen).

TG4's Priorities for 2018

In 2018, TG4 aims to focus on the following strategic priorities:

1. Maintaining the solid performance with national TV audiences that was achieved in 2017 (1.87%² national TV audience share) - this will be challenging with the quality of content from broadcast competitors and other content providers along with the sheer number of competitors.
2. Maintaining TG4's strong position with Irish language audiences (85% reach and an audience satisfaction level score of 7.5 out of 10).
3. Strong growth in all non-linear audience engagement (online visitors, Player streams, mobile downloads, social media engagement etc.).
4. More investment in quality Irish content including commissioning more from the Irish language independent production sector.
5. Delivery of a range of unique initiatives to support the Irish language and culture.
6. Further development of TG4's partnerships to expand its content, distribution and audience availability.
7. Achievement of the regulatory access sub-titling targets set by the Broadcasting Authority of Ireland (BAI).
8. Continued development of TG4's structure, culture, skills and talent.

These are in addition to the fundamental requirements of TG4 which are to: deliver efficiency, value-for-money and make the best use of public funding; maximise commercial opportunities; and ensure best-practice governance and compliance with all Broadcasting Codes and regulations.

For 2018, TG4 will deliver 17 commitments in the five themes agreed with the BAI. The commitments are listed overleaf with detail on each presented in Section 3.

In 2018, TG4's content commitments will incur an expenditure of €27.11m³ of which €25.39m will be spent directly on Irish content and services with the independent production sector here in Ireland. ***Irish language programming and content will represent 75.1% of TG4's current public funding in 2018 which is a significant investment.***

² Consolidated share. Live & VOSDAL share was 1.92%. All day, individuals 4 years + (source: Nielsen).

³ Including €1.8m of production staff costs.

(I) Audiences - Impact & Reach

1. Maintain share with national television audiences and our strong position with Irish language audiences.
2. Grow non-linear audience engagement by investing in digital content and social media.
3. Develop our partnerships to broaden our multi-platform distribution and audience availability.
4. Enhance our media brand and improve audience awareness and appreciation.
5. Achieve the regulatory access sub-titling target for 2018, enhancing accessibility for our audiences.

(II) Content - High Quality & Distinctive

6. Invest in strong factual, live music and cultural content and enhance our sports brand and content to maintain national audience share.
7. Improve the broadcast schedule and programming for habitual Irish speakers.
8. Engage in partnerships to further develop the content available to audiences and our creativity.
9. Invest in content technology and systems to develop our services and distribution.

(III) Promotion & Development of the Irish Language & Culture

10. Grow our investment in the Irish language independent production sector.
11. Expand our Irish language archive and its access to the public.
12. Deliver a range of unique initiatives to support the Irish language and culture.

(IV) Transparency & Efficiency

13. Ensure we make the best use of our public funding and deliver efficiency and value-for-money.
14. Grow advertising, sponsorship and other commercial revenues.
15. Embed the new organisation structure and continue to develop our culture, skills and talent.

(V) Trust & Good Governance

16. Ensure greater diversity and inclusiveness as part of our broadcast agenda and strategy.
17. Ensure best-practice governance and compliance with all Codes and regulations.