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# Reaching Young Population in Media Broadcasting

A Scorecard Solution for Target Group Reach Analysis

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<p>The Media and Broadcasting industry is facing a transition in business. At present, most people enjoy television programs and services in a traditional broadcast schedule and the majority of people will continue to appreciate radio and television, as now. But due to new media applications made possible by the Internet and mobile devices, people are increasingly enjoying what they want, whenever they want and wherever they are. Media Broadcasters need to understand how people's behaviour is changing as a result of these emerging media platforms.</p> <p>My thesis focuses on young viewers, as this is a universal point of interest for Media Broadcasters and advertisers alike. The fact is that TV is losing young viewers, and the industry is very aware of that. As video content is consumed on an increasingly diverse range of platforms nowadays, the role of the traditional linear TV in the life of this target group is questionable.</p> <p>Nowadays Media Broadcasters are determined to respond to these challenges to ensure that the core values of broadcasting are strengthened and reinvented for a new generation. Media Broadcasters are focusing on the younger audiences (18-35-year-old), and they need to provide content that Millennials want to watch, listen to and interact with and ensure that they can find it and consume it in ways that suit their lives. Those needs have to be served across all the genres, services and platforms of the Media Broadcasters.</p> <p>The objective of my thesis is to identify the factors associated with the successful reach of young population by Media Broadcasters and combine the findings into a clear and comprehensive KPI analysing tool. In order to come up with the relevant KPIs I will review 1) what are the best ways to offer content and services to the young population by inspecting the best practices in the industry from different countries; 2) how to change the internal processes and actions by offering the suitable development methods; and 3) how to understand that the change is positive, and company is moving the right direction by finding the right tool and adjusting its KPIs for the needs of the media company. The output of this thesis is an adopted from findings KPI tool for Media Broadcasters, called the Balanced Business Scorecard, for analysing if the reach of the young population is successful. The tool is transferable and can be reused in reaching other target groups and segments as well.</p> <p>Successfully reaching young audiences requires a process of continually striving to understand this target group - by empowering younger employees from diverse backgrounds in the media company, by writing and presenting content in an authentic voice, by creating strong visual components to the content, by meeting the needs of the young population for the content reach on their busy schedules, by understanding the data media companies are receiving about them, and by interacting with consumers on social media and in person.</p>	
Keywords	Media Broadcasting, Young Population, Millennials, The Balanced Scorecard, Business KPIs, MTV Oy

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## 1 Introduction

### 1.1 Overview

For the last decade, human behaviour in media consumption has rapidly changed and it makes media companies to adjust their businesses according to the new media consumption patterns in order to keep their position on the market. Traditional media companies with the need in the big investments in the existing media technologies are less flexible to moderate their resources and business models according to the latest media consumption habits. In the last century traditional media has been spoiled for almost 50 years by having the Television and Print as the dominant media channels, but now they had to transfer also to the Online, Mobile and Applications, Digital Advertising, Social Media, etc., where media consumption behaviour has been different from other media channels. Especially media consumption differs among younger population, as they learn faster how the latest technology works from hardware to software and eager to communicate and use online data for all their needs.

### 1.2 Business Challenge

Young people spend less time watching traditional Television, but they are using more media than other demographic groups in general. MTV Oy, as a Television Broadcaster, is having a lack of reaching the young population. For traditional media companies, it is harder to implement or start using the new media technologies, because the investments are needed to be carefully weighed before the implementation. Also, traditional media companies are not so flexible to switch or adjust their business models or internal processes if we compare them to the new start-up media and content production companies. Nowadays the main problem for TV Broadcasting companies is lack of reaching the young population or Millennials.

### 1.3 Case Company

The case company, I am doing my thesis for is MTV Oy, one of the oldest commercial Television Broadcasting companies in Europe. MTV Oy is a Finnish media company with its roots firmly in television's early days in 1950s. MTV Oy has transformed from a small television station into a global media company which is very popular in Finland. MTV3, Sub and AVA are free-to-air channels popular among the Finnish nation and are

subsidized by the advertisement money from B-to-B customers and by B-to-C subscription based paid online TV services. The free programs on the MTV Oy channels can be also viewed online via streaming service MTV Katsomo. Paid content can be watched through the subscription online service C More, which focuses on films, series and sport. There are about 200 employees in the company, and MTV Oy is owned by the Swedish media company Bonnier AB.

In 2017 MTV Oy in Finland continued to struggle in a very challenging market situation, in which advertising spending continued to fall. MTV Oy's investments in Finnish quality content continued to yield ratings and consumption successes. MTV Oy was market leader among all commercial target groups, recording 2 million logged-in users. During the year 2017 MTV Oy also launched C More SVOD service in Finland. EBITA fell in a very tough business climate, with MTV Oy posting a loss of -22 millions of euros (-6 millions of euros in previous 2016 year). (Bonnier, 2018)

I worked closely with the Research and Development department of MTV Oy on the topic of my thesis and I got the latest research results in the media consumption and development not only among young people, but also among the whole population of Finland. This source and being close to the business gave the credibility of the data and research results for my investigation about the business problem on how the Media Broadcasting companies can reach young population and benefit through that.

#### 1.4 Objective and Scope

In the world where Information Technologies develop very rapidly, and large media companies do not catch with the progress in time or implement some improvements too late, it might decrease the media reach, lower the income and change the image of the company in the eyes of the consumer. In order to implement the technologies, that will bring the success, profit and benefit from the desired target group, it is essential to understand what media channels are used by the target group and how. Traditional TV channels reach the older population, because they used to watch the content through the TV-sets and stay loyal to the Television, what we cannot say about the young generation, who is used to consume the media through digital services on their own terms of use. Broadcasters haven't adopted the young peoples' media consumption styles, and now they have lack in reaching the desired target group, or the young generation.

The objective of my thesis is to identify the factors associated with the successful reach of young population by Media Broadcasters and combine the findings into a clear and comprehensive KPI analysing tool. In order to come up with the relevant KPIs I will review 1) what are the best ways to offer content and services to the young population by inspecting the best practices in the industry from different countries; 2) how to change the internal processes and actions by offering the suitable development methods; and 3) how to understand that the change is positive, and company is moving the right direction by finding the right tool and adjusting its KPIs for the needs of the media company. The output of this thesis is an adopted from findings KPI tool for Media Broadcasters, called the Balanced Business Scorecard, for analysing if the reach of the young population is successful. Due to this research, there will be an analysis of the currents state and modern media channels' usage trends by Millennials.



Figure 1. Main parts of the solution for the business problem

The scope of this research will be within the young people aged from 18 to 35 years old, who are the generation of Millennials and early Generation Z. According to Eurostat (2017), Millennials accounted for 24% of the adult population in the 28-member European Union in 2016, and 24,4 % particularly in Finland. In comparison, this generation represented about 27% of the adult population in the United States in 2016, and they have become the largest generation, overtaking Baby Boomers.

This represents significant opportunity for brands that understand who Millennials are, where they live and what they watch and buy. In order to truly understand Millennials,

they must be put in the context of the other generations. While there are varied definitions of the generations from the past century, Nielsen defines them as follows:

- Greatest Generation (1901-1924)
- Silent Generation (1925-1945)
- Baby Boomers (1946-1964)
- Generation X (1965-1976)
- Millennials/Gen Y (1977-1995)
  - Younger Millennials (18-27)
  - Older Millennials (28-36)
- Generation Z (1995-Present)

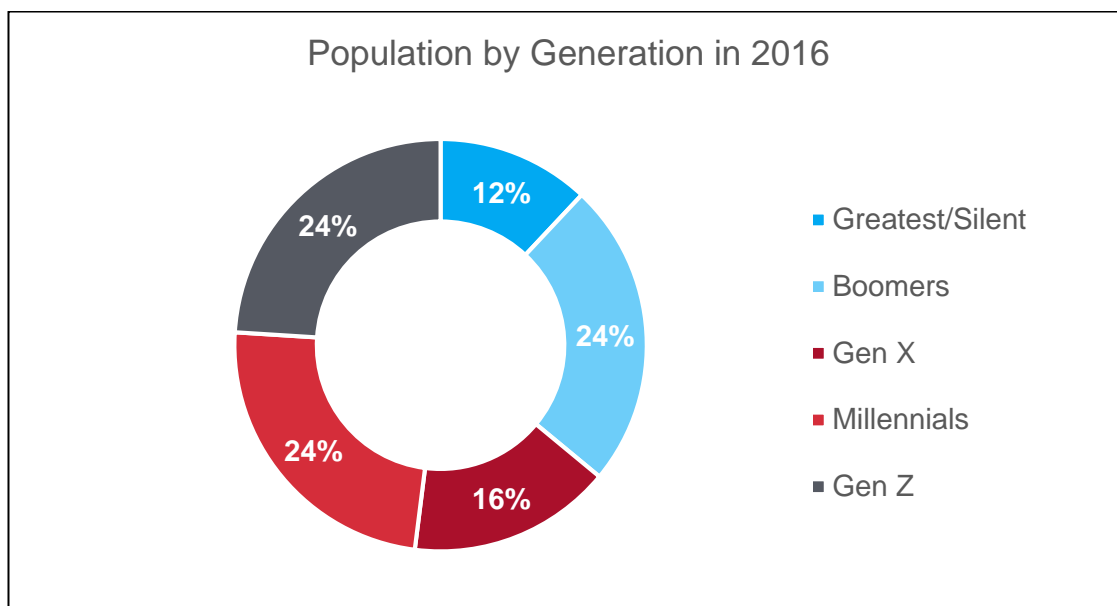


Figure 2. Population by Generation (Nielsen 2014, Eurostat 2016)

The scope in Media Broadcasting representatives is clear: the case company is MTV Oy, but I interviewed and relied on the data from several media companies as in Finland (Yle, Nelonen, etc.) as abroad (BBC, Music Television, etc.). I want the outcome of this thesis to be reusable and transferable within Media Broadcasting industry's different target groups and segments of the audience.

## 1.5 Thesis Outline

In my thesis, first I will do is a research design. For my research I will interview media representatives from MTV, Yle, Nelonen Media and a media agency. This will be the

qualitative research executed with face-to-face interviews. I will do a quantitative research for the younger target group by sending out a questionnaire to the students of the Metropolia University of Applied Sciences and ask them about their media consumption habits. This data gives me a current state analysis at the Media Broadcasting companies, what are their present strategies, tools they use, plans for the future, etc. After I learn the current state at the media companies, their views and opinions about the media consumption trends by young population, I will refer to the existing literature on my topic in online journals (EBSCO, Google Scholar, etc.), printed and online books and magazines in Marketing and Advertising industry, and media companies own research archives, news and databases. I will analyse the used tools at the companies, internal processes, media trends and researches from Nordic countries, Europe and the United States of America because the trends look alike, and the borders are disappearing when we are taking into the consideration that the digitalization brings the globalization.

After I have the current state analysis and conceptual framework done, I will start building the proposal based on the key findings and reference to the existing knowledge and best practices. The outcome will be the draft proposal for adopted KPI tool for Media Broadcasters for analysing success of the young population reach. I will discuss my findings and the solution tool with media representatives in order to get the feedback and validate my ideas and consumptions in the real media business environment. After the evaluations, I will update my proposal and add the suggested improvements. The final proposal for the KPI tool on how to analyse the reach the young population will be placed in this thesis and shared with the managers of MTV Oy and by request with Yle and Nelonen.

At the end of the thesis I will reflect my thoughts about the tool's building process and its future implementation in the company. In a conclusion of my thesis, I will do a summary and practical implications and evaluate own work and the success of my thesis, and did I achieve the assigned outcome of my thesis or not.

## **2 Research Design**

The research design chapter refers to the overall strategy, which I have chosen to combine the different components of my study in a coherent and logical way, ensuring that my research will effectively address the research problem of my thesis. It creates the blueprint for the structure, collection, measurement, and analysis of the data.



Applied Research method suits my study more than Fundamental Research, as it aims to find the solution for the business problem rather than being concerned with generalization and formulation of a theory as in Fundamental Research. When Fundamental Research is gathering the knowledge for knowledge's sake, Applied Research faces a concrete social or business problem; it identifies social, political or economic trends that might affect an institution, evaluation or marketing research, while aiming to discover a solution for pressing practical problems. With the help of Applied Research, I am looking forward finding an information in the existing knowledge and the experience from the other companies that solves the business problem of my thesis.

In my research I am using as Quantitative as Qualitative research methodologies. As Qualitative research is concerned with phenomena relating to quality, investigates the reasons for human behaviour, discovers the underlying motives and desires using in depth interviews for purpose, I am going to use this research method by having face-to-face meetings with Media representatives. This will be designed in order to find out how media representatives feel about the business problem of my research, what is their opinion about the reaching the young population, where media companies fail, have a progress and where they would like to be. I will apply Quantitative research approach in sending out the survey for the young population, as I am looking for quantitative measurements of some characteristics, from big amount of answers in order to find the patterns and trends in media usage of the young population.

## 2.1 Research plan

In order to achieve the objective of my thesis to identify the factors for successful reach of the young population for Media Broadcasters and combine findings into a KPI analysing tool, I decided to talk as to the Broadcasters as to the young population for whom the Broadcasters offer their content and services, in order to find the similarities and differences in the opinions and needs of the both sides, and the internal actions and processes of the media companies.

Current state analysis will start from planned questions for two sets of data collection: first of them was designed for interviews of Media Broadcasting representatives (MTV Oy, Nelonen, Yle) using qualitative method, and the second for the survey of young population applying quantitative method and executing it by sending out a questionnaire form to the students of Metropolia University of Applied Sciences. The clarifying questions

might be added after the research, if required. Those sets of data help me to understand the current state and review the current processes in reaching the young population, actions and the used tools in the media companies. Current state analysis (CSA) provides me with the recognition of the strengths and weaknesses of the current state analysis and what are the actual needs of the both sides of my research participants: the young people and the Broadcasters.

After the CSA I review the existing studies and literature for the best practices, actions' improvement methods and the KPI tools information, which is more relevant my business problem, as I get more familiar with the topic after the data collection. In a literature review I survey books, research articles, and other sources applicable to my business problem. Literature review provides an overview of sources, I have explored while researching my topic, and demonstrates how my research fits within a larger field of study in Media Broadcasting industry. Outcome of the revisiting the literature one more time gives the structure for the finalized conceptual framework and finding the right tool for the tracking and identifying the success of the reaching the young population.

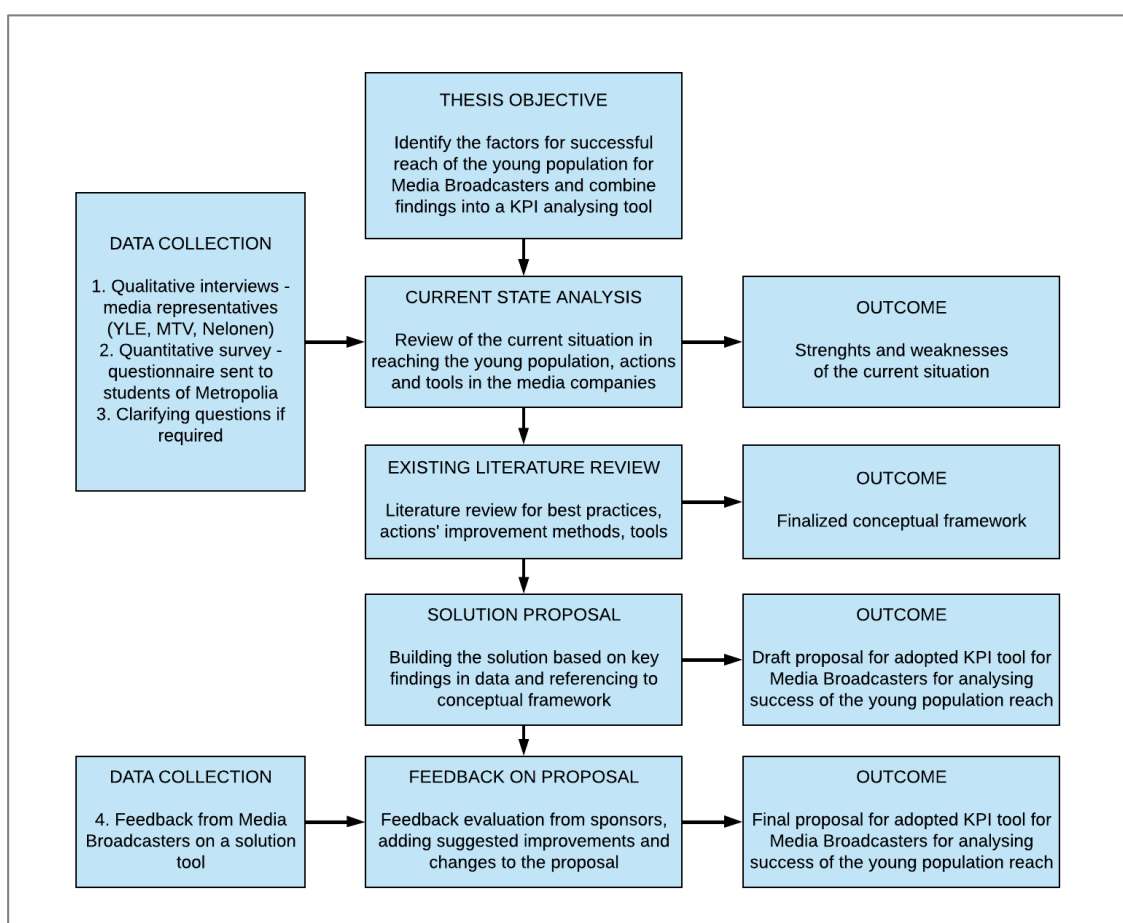


Figure 3. Research plan

From the current state analysis and literature review I plan to have the initial setup of the KPIs from the three main components: a) best practices in reaching the young population, b) actions' improvement methods, and c) finding the tool.

With the help of the conceptual framework I start to build a solution for the Media Broadcasting companies based on the key findings in my data and the existing literature. The outcome will be the draft proposal for adopted KPI tool for Media Broadcasters for analysing success of the young population reach. In order to test how right and eligible is my solution and the proposed tool, I ask for a feedback from the Media Broadcasting industry representatives. After I receive the feedback and an evaluation from the sponsors, I add the suggested improvements and changes to my final proposal. The final proposal will be built on the combination of the picking the best practices from the field, relying on the data findings from my researches and the finding and adjusting the tool's KPIs on how to analyse the reach the young population for Media Broadcasting company.

## 2.2 Qualitative Method

I need to do a research of what is the current state in Broadcasters' internal processes and how do they experience the situation of the shifting media usage trends among the young population. Before I go to the interviews with Media Broadcasting representatives, I have to do the questionnaire list in order to be able to ask my interviewees the right questions, and to know what kind of initial setup of the best practices there are in the reaching the young population, and which processes and tools they use.

I choose to use qualitative research for Media representatives as it allows to explore and gain the understanding of underlying reasons, opinions, and motivations during the conversation. Qualitative research provides insights into the problem and helps to develop ideas or hypotheses for the research problem. It is also used to uncover trends in thoughts and opinions, and dive deeper into the problem. In my qualitative data collection method, I prefer to use semi-structured techniques for individual interviews of the media representatives from different departments and with various backgrounds. The sample size is small, and respondents are selected to fulfil a given quota of 5-10 persons. In order to understand the picture of the current situation of how Broadcasters see the young population as a target group, do they know the media usage habits and what kind of strategy and processes Broadcasters have for reaching the young population, I prepare a topic list with the questions to discuss.

My qualitative research for Media representatives starts with the finding the background information of the responders and their companies:

- In which company do they work (MTV Oy, Yle, Nelonen, etc.)
- In which area do they work (Production, Content, Development, Marketing, etc.)
- How many years do they work in Media Broadcasting industry?
- Which age groups are more important for their company?
- Should Broadcasters put more attention on how to reach the young population?
- Which tools are used in order to follow the reach of young population?
- Which processes are in the company to make decisions or actions, and are they constantly improved?

Then I ask their opinions on some statements about the content and media usage habits of the young population:

- Young people are not interested in Linear Television?
- The largest reach and revenue come via Linear Television?
- Linear TV will be still the main business of Media Broadcasting in 10 years?
- Total Video (Linear + Online) should be the new standard of the reach measure?
- 'Digital First'-approach is the future?
- Autoplay in video players bothers young population?
- Sticky player media solution bothers young population?
- The quality of video content is more important than the quantity of clips?
- How Video Content (TV & Digital) will develop and be consumed by Young Population in the future?
- Broadcasters and Social Media. How the relationship should and will develop?

and attitudes about the monetization methods:

- Do Digital Video Ads bother young population?
- How many Video Ads should be shown in the pre-roll of the online video?
- How long one Video Ad should be in the online video?
- On which platform Advertisement is more effective for young population? (mobile, tablet, desktop, social media, etc.)
- Which platform is more suitable for advertising/ subscription streaming services?

Interviews and face-to-face conversations would give me deeper understanding of the internal processes and tools used in the Media Broadcasting companies, and how they see the shift in the media consumption trends by young population.

### 2.3 Quantitative Method

In order to understand the young people's media usage habits, their opinions and the way they will consume Media Broadcasters' content and services in the future, I plan to execute a quantitative research method by sending out a questionnaire to young population aged 18-35 years old and collect the data from the answers. My questionnaire will be sent out to the students of Metropolia University of Applied Sciences from the Finnish study programs, because I want to see the habits and media usage transformation of the local young people, who was risen in the Finnish TV environment and has perceived the local TV culture for years.

I choose the quantitative research method in young population survey in order to quantify the problem by way of generating numerical data that can be transformed into usable statistics. I use it to quantify attitudes, opinions and behaviours of the young people in media usage and generalize results from a larger sample of 20-50 persons' answers. Data collection will be done via questionnaire form and analysed for the determination of the relationship between young population needs and Media Broadcasters' offerings.

My quantitative research for young population representatives starts with the finding the background information of the responders to understand what possibilities and influences they have had in media usage:

- Your gender?
- Your age?
- Do you live in own apartment/ student apartment/ with parents?
- Which electronic devices do you own?
- On which devices do you watch video content (TV or Digital)?
- Are you interested in Linear Television?
- Why young population watches Linear TV less or not at all?
- Should Broadcasters put more attention on how to reach young population?
- How often do you watch Linear TV (any free or paid TV channel)?
- How often do you watch online Streaming services (Netflix, Youtube, HBO, Ruutu, Katsomo, etc.)?
- Which will you watch more in the future? Linear TV or Streaming service?
- What makes or keeps you watching a video on Linear TV or Streaming service?
- Why would you watch TV? What should happen that you turn a Linear TV on?

Then I ask their opinions on some statements about the content and media usage habits they have (as the young population representatives), security concerns and their attitude to the Media Broadcasters' monetization methods:

- Does sticky player solution bother you?
- Is the quality of video important for you?
- Does Video Advertisement bother you?
- Are you ready to pay for access to the quality video content (paid TV channels or paid digital services)?
- Do you want to see/receive personalized video recommendations (like in Youtube or Netflix)?
- Would you share your data with Streaming service or TV channel in order for them to analyse your video content preferences?
- Do you follow your favourite TV shows or series on social media?

I will clean all the responders beyond my age group of 18-35 years old, because I am looking for the relevant and appropriate data for my research. From my quantitative research I want to learn what young population appreciate in the content and services offered by Media Broadcasting companies, how the media usage is shifting nowadays and what is the future trends. The main aim of my quantitative research study is to classify features, count them, and construct statistical models in an attempt to explain what is observed.

## 2.4 Summary of Data

Data analysis is one the most crucial part of any research, it summarizes collected data and involves the interpretation of the gathered data using the analytical and logical reasoning to determine patterns, trends or relationships. In order to communicate the large amount of information as simply as possible I will describe the observations in graphs, arithmetic proportions and percent ratios. From Qualitative Research I have 7 responders from five different media companies, with almost all of them we had the face-to-face interviews, I took notes and the voice recordings at the most cases. In Quantitative Research I got 33 answers from Metropolia students, the survey was conducted via online tool and responds were stored in the tool.

Responders	Organization	Type of Contact	Time Spent	Type of Recording Data
Qualitative:				
Media Representative 1	MTV Oy	Face-to-face	1:15 h	Notes + voice recorder
Media Representative 2	MTV Oy	Face-to-face	0:45 h	Notes + voice recorder
Media Representative 3	MTV Oy	Face-to-face	1:00 h	Notes + voice recorder
Media Representative 4	MTV Oy	Face-to-face	1:05 h	Notes + voice recorder
Media Representative 5	Yle	Online meeting	1:00 h	Notes + email
Media Representative 6	Sanoma	Phone call	0:35 h	Notes + email
Media Representative 7	Media Agency	Face-to-face	0:55 h	Notes
Quantitative:				
33 x Millennials Representatives	Metropolia students	Online survey	2 weeks	Survey backlog

Table 1. Snapshot of conducted interviews and collected data

I have got valid and reliable data for my research, because I have interviewed people from the media industry with experience and young population fitting my scope of age (18-35-year-old). Data collection procedure was appropriate to consider that the data can be reused for another research, cross-check or validation. Results of this research will be analysed by bringing statistics from qualitative and quantitative researches to Microsoft Excel, grouping answers and applying algorithmic and statistical calculations in order to find the common patterns and percentage ratios of the behaviour trends' similarities and differences.

My research plan helps me to keep the focus on the things which are relevant for finding the right solution for my business problem. Clear understanding of the structure and the next steps brings the logic and trust in the outcome of my thesis. After I analyse the gathered data, I will have the strengths and weaknesses of the current situation on how Media Broadcasters reach the young population and compare how it meets the best practices of the industry. All aspects of my study are carefully designed and executed while data was collected.

### 3 Data Analysis

#### 3.1 Current State Analysis

In the spring of 2017 I interviewed seven Media Broadcasting representatives in order to understand the picture of the current situation in Finland of how Broadcasters see the young population as a target group, do they know the media usage habits and what kind of processes and strategy they have for reaching the millennials and tools to follow it up.

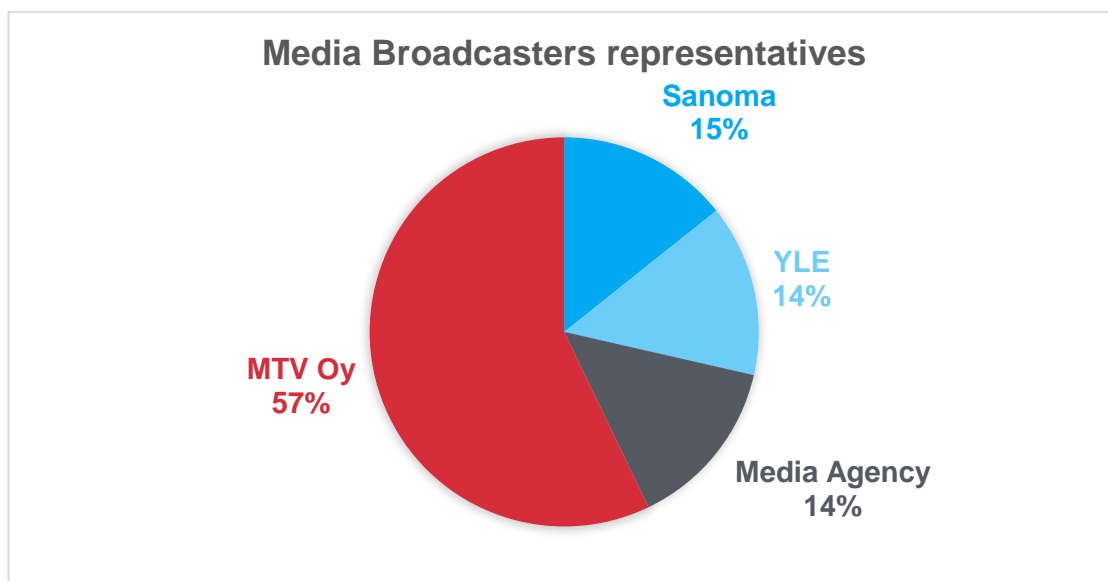


Figure 4. Media Broadcasters representative distribution (Media Broadcasters Survey, 2017)

I talked to four employees of MTV Oy and one representative from competing Media Broadcasting companies Yle, Sanoma Group and a representative from a media agency, who works with all the TV and digital media Broadcasters in Finland at the same time and has an overall picture how Finnish TV reaches different target groups. I had two representatives from Development departments, and by one from Production/Content development, Marketing, Research, Advertising funded commercial department, Media buying and Analytics. I tried to get to interview as many people with different media experience backgrounds in order to have as broad picture as possible about the strategy and action points on how Media Broadcasters reach young population. The average working experience in the Media Broadcasting business of my interviewees was two years, so they were well acknowledged about the internal processes inside their media companies.

71,4 % of my interviewees told that target group of young people (15-34 years old) is very important for their companies and 57,1 % told that the target group of 35-54 years



old are very important. This means that four out of seven, or more than a half, agreed that young population is as important as older target groups. In TV and media industry has been used a rule, that older target groups are more valuable, as they are the decision-makers in the family, as they have incomes and they have money to spare for paid content or advertisement message perception. So, Media Broadcasting companies do recognize the importance of the reaching the younger population. Also, Media Broadcasters are aware of the fact that young population is not interested in traditional linear Television as it was the generation before, and there is no sure that in the next ten years the linear TV will be the main business of the Media Broadcasting business.

All of the interviewed companies use Finnpanel Oy's tools and reports of TV-Mittaritutkimus for following up how their TV channels reach young population and Media Broadcasters choose the content suitable or popular among millennials relying on this tool as well. Finnpanel Oy measures TV viewing and radio listening, the purpose of the company's research is to monitor the trends of TV and radio consumption in households and by individuals. (Finnpanel 2018). MTV Oy has tried a Scorecard tool for following up the key areas designed to support the overall mission and vision of the organization and expressed that it would be useful to have a similar one designed especially for following up how they succeeded on reaching the young population. The Scorecard tool landed in MTV for top management from owners in Sweden as there was a need to keep an eye on several aspects that are critical to their functioning including ensuring process efficiency, keeping track of finances and planning growth to ensuring smooth transmission and broadcasting of their content. Scorecard is used in such profitable companies as Apple Inc., Microsoft, Philips Electronics, AT&T, UPS, Volkswagen, Citibank, etc.

Linear TV still brings most of the revenue in comparison of other income channels, but Media Broadcasting representatives are sure that the online video will compensate the lack of the linear TV reaches and, in the future, there should not be the big difference if a video content was watched via linear TV or digitally, the new measurement as Total Video reach will come as a term and a standard. Six out of seven admitted that the "Digital first" approach is the future, and that the right balance between the quantity and the quality of the video content plays a big role for the young viewers. As Media Broadcasters' budgets for the new content production (TV programs, series, online video, etc.) are limited, there is always a dilemma to create more quality content vs. more video pieces or increase the quantity of the videos. The right compromise in this question is to have enough content pieces and the comprehensive quality will attract the young population to the content of the Media Broadcasters.

As Media Broadcasters have different forms of commercial partnerships with advertisers, Broadcasting companies understand that ads bother young population, as the autoplay and sticky player (effect, when user scrolls a page, video jumps to the side or corner of the page) bother young population as well. All these techniques are used by Media Broadcasters in order to increase the video usage and the time spend while watching a video, as usually these are ones of the main KPIs of the media usage. There are different approach methods in ad placements in different media companies, but the average amount of the ads in the video, recommended by my interviewees, was 1-3 ads depending on video contents' length and length no more than 20 seconds per ad.

I was interested to find out which devices and media platforms, including social media, perform better for reaching young population by opinions of Media Broadcasters, and the mobile devices win in almost each category of advertisement, free or paid content, and even in consumption of news articles. Paid contents' most popular device is Big screen (7 out of 7 answered), when for free content dominate mobile and tablet. Social media is useful for advertisement and is used mostly as a marketing channel in order to create a buzz and drive the traffic to the Broadcasters content on their online services.

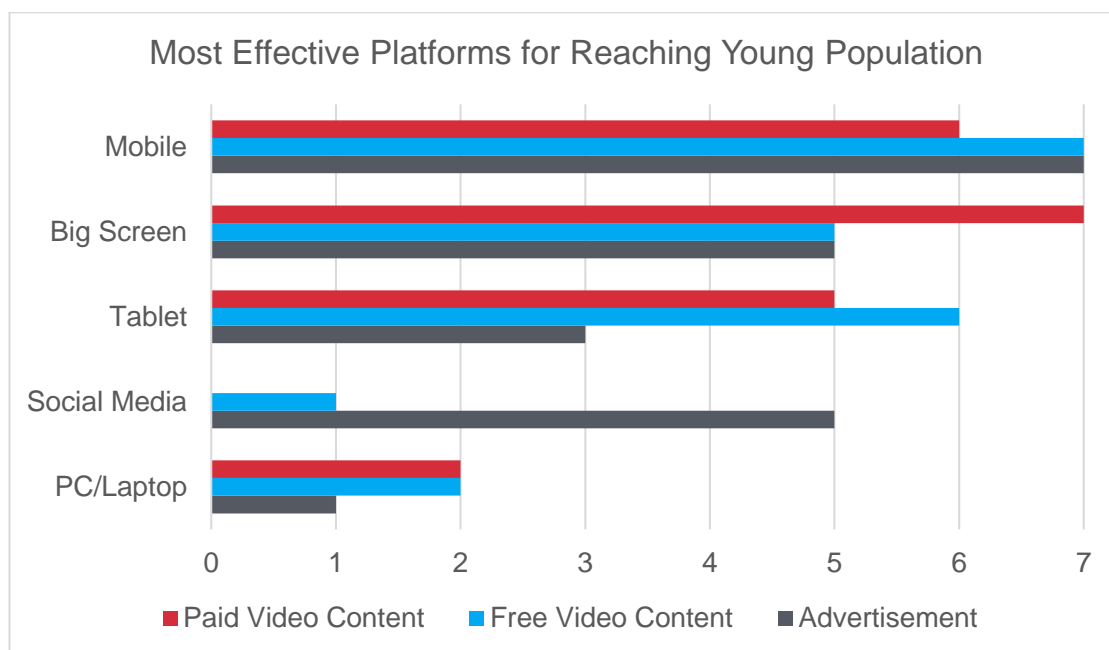


Figure 5. Effective Platforms for Reaching Young Population (Media Broadcasters Survey, 2017)

In the last section of my interview I let the media representatives reflect their thoughts on the topic how video content (TV & Digital) will develop and be consumed by young population in the future and here are the comments:

- “As a content category trend, drama and scripted content will be consumed via free/paid content services both short and long form. However, the biggest phenomena will still be linked to linear TV related scheduling.”
- “Independence of device, video services, short-form on small screens, independence from the time (video rights to be expanded).”
- “Young population is there where is no parents, families will have OTT/VOD services, daily soap operas influence will disappear.”
- “It has been changing already, scope has been changed (from TV to Social Media), big happenings are still in the hands of broadcasters.”
- “Mobile grows more, Linear TV usage reduces, digital platforms develop, social media grows, prime time shifts (20-23:00), event building is important (GOT), Go big or go home.”
- “Most important thing that it’s personally targeted.”

Media Broadcasters see the shift in the media consumption trends by young population. Traditional linear TV is less interesting for young population and instead they prefer digitally to consume the video content and on mobile devices preferably. From the interviews I noticed that Media Broadcasters are concerned that Media Broadcasting companies are not agile to make radical changes and are not flexible in their processes, but they see that the future is bright and they will be able to adjust their businesses because they have resources, trustful brand images and the power to create the interesting and exciting content for young population as well.

### 3.2 Weaknesses in Media Broadcasters Situation

Young people have gained many more entertainment options in just the last few years thanks to the explosion of smartphone and tablet ownership. While older people formed their television habit long ago, 15-year-olds today will have only dim memories of life before the launch of the first iPhone in 2007. They have grown up in a world of ubiquitous screens, online video delivered by broadband and mobile apps. Improving Internet speeds, both at home and on the move, are also probably playing a role. (Williams, 2014)

The main challenge for commercial broadcasters, who rely on broadcast advertising for most of their revenues and are seeking for young audiences, will be to convince their advertisers to follow viewers away from the main screen in the home towards the digital screens and platforms. However, advertisers can be convinced that the ageing

population and increasing relative wealth of older people means they should stop chasing young people, it may not matter so much. Ofcom's data shows viewing among those over 45 has increased lately. (Williams, 2014)

Millennials spend less of their time watching TV, but boomers watch almost twice as many hours of TV every month as Millennials. Boomers watch 174 hours per month vs. 107 hours per month for Millennials. They're more likely to watch event-related programming like Sunday Night Football or cable programming on BET, Comedy Central or FX Network, while Boomers tend to watch the Primetime offerings from the broadcast networks. When Millennials watch TV, they're also engaged with social media, commenting about what they like/dislike about a TV storyline, in line with their expressive nature. (Nielsen 2014)

Lindsey Clay, Chief Executive of the Television Advertising Trade Group Thinkbox said there was "no need to panic":

But they [young people] are the big viewers group of TV watched on other devices. ... we need clarity on overall volume. But what is clear is that TV remains the dominant youth medium both in terms time spent watching it, reach and culturally.  
- Lindsey Clay, Chief Executive, Thinkbox

Thinkbox claims, that TV is generally the medium young people trust the most. So, it's important for advertisers and Media Broadcasters to understand that they might not be directly targeting young people, but these are their future consumers and therefore building a brand rapport at an early age is a great way of gaining competitive advantage.

Millennials may make up the majority of streaming-only viewers, but the mix of ages among people who mix traditional TV and streaming means Media Broadcasters shouldn't leave any group out. If they are targeting TV viewers, they should remember that the "experience" still remains a critical asset and can be emphasized in marketing. This is particularly true in sports and news, both of which rank as top content valued by TV watchers. (Facebook, 2017)

Television news is still a widely used and important source of news and will remain so for many older people for years to come, but if television news providers do not react to the decline in traditional television viewing and the rise of online video – in particular on-demand, distributed, and mobile viewing – they risk irrelevance. The full implications of the changes will not be felt immediately, as current viewers will continue to watch TV for years to come. But the challenge needs to be recognized now and acted on if Television

news providers want to reinvent themselves and find an audience that increasingly prefers digital media to television, and increasingly embraces on-demand, distributed, and mobile video distributed online. (Nielsen & Sambrook, 2016)

The long-term viability of media companies today depends on understanding Millennials and younger generations, which are the massive, influential demographic that grew up connected to the Internet, social platforms, and smart devices. The young generation, tethered to the world through technology, has developed digital routines that directly affect how they consume and share news and media content. Younger readers have expectations about the reliability, tone, transparency, sharability, and relatability of the content they engage with. Newsrooms must meet and build upon these expectations to captivate a generation that is shaping everything from the workplace to politics, pop culture, and media. (Maerz, 2015)

### 3.3 Situation Perception by Millennials

I did a questionnaire to send out in autumn 2017 for young population aged 18-35 years old and asked about their media usage habits, opinions and the way they see Media Broadcasters should offer their content and services in the future. My questionnaire was sent out to Metropolia University of Applied Science's students of the Finnish study programs, because I wanted to see the media usage habits and transformation of the local young people, who lived for long and was risen in the Finnish TV environment and had perceived the local TV culture.

All together I got 33 answers from Metropolia's students. There was 51,5 % male and 48,5 % female responders in my questionnaire. I got 93,9 % of the responders to fit my goal in terms of age of my target group (72,7 % were aged under 25 years old, 21,2 % were 25-35 years old), and the rest of 6,1 % were over 36 years old, whom I left outside of the research data analysis.

18,2 % of the responders still live with parents, but mostly they live in a rented or owned apartment (72,7 % of all answers) and some of them in a student apartment (9,1 %), this means that 80 % of the young people from my survey are financially independent and decide about their entertainment by themselves, without being dictated by their parents. For example, as they live separately from parents, they don't heritage the ability to have the TV set in their apartments, as it is their parents' property, and they are not forced or

influenced to watch what their parents watch. This finding was a positive surprise for me and I am glad I am using the survey data from independent young people.

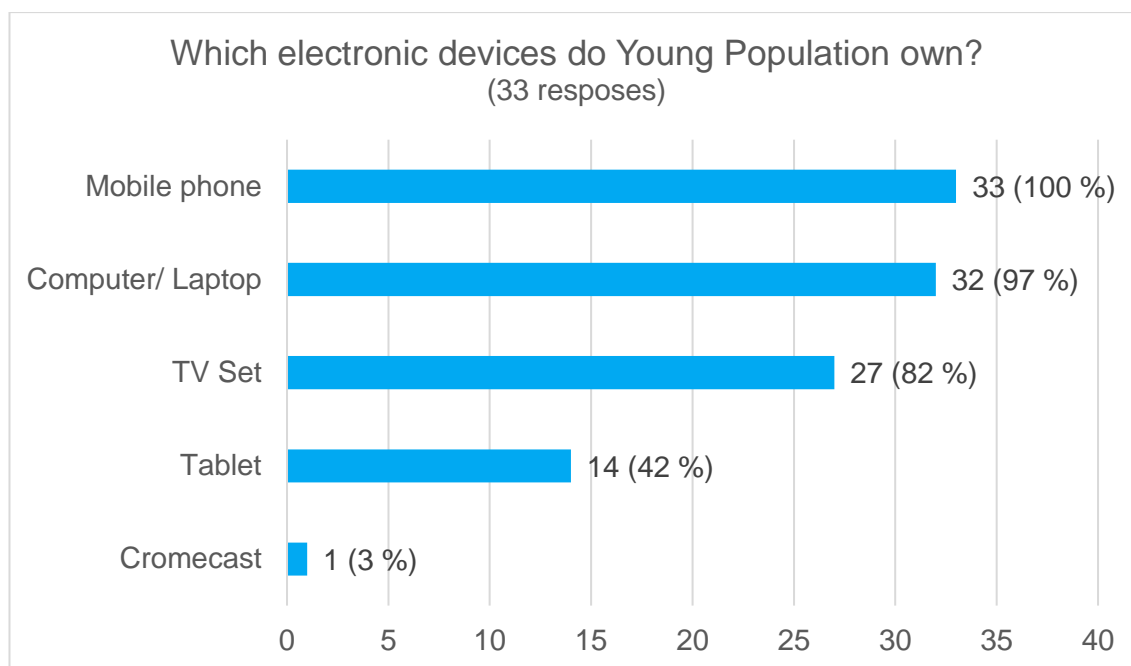


Figure 6. Number of devices Young Population has (Young Population Survey, 2017)

I was keen to know how many digital devices my responders have (see the Figure 9), because the media usage habits vary from the device, its size and capabilities. I found out that almost all of them have two devices a computer and a mobile phone. At the same time, four out of five have a TV set, so this means that young population likes big screens and have them, even they live in a time when any content or entertainment asset is accessible via computer or mobile phone. I was surprised that less than a half (42 %) owns a tablet, and it explains the fact, that young persons do not need a middle-sized device to consume digital content; the small screen of a mobile phone or the bigger screen of a computer is enough for them and there is no need nor willingness to pay for a tablet. The video content usage as of Television as of Digital is used accordingly the percentage rates between the owning the devices: the most and the same percentage of video usage is on mobile phone and a computer (84,8 % of responders), next comes TV set (72,7 %), and about 21 % watches video content on a tablet.

When I asked how often young people watch a linear TV (meaning usual Finnish TV channels as TV1, TV2, MTV3, Nelonen, any free or paid TV channel), 21,2 % told they watched it every day, 24,2 % watched TV several times a week, 21,2 % several times a month, 24,2 % several times a year and 9,1 % that they don't watch a TV at all. Very

interesting to notice, that only one out of five watches TV regularly and the rest turns the TV set here and there without any consistency. But the picture changed radically when I asked them, if they watch online streaming services like Netflix, Youtube, HBO, Katsomo, Ruutu, etc.: 54,5 % answered they watch it every day, 36,4 % told they watch it several times a week and 9,1 % several times a month, and nobody answered that they watch it several times a year or don't watch at all (see the Figure 10).

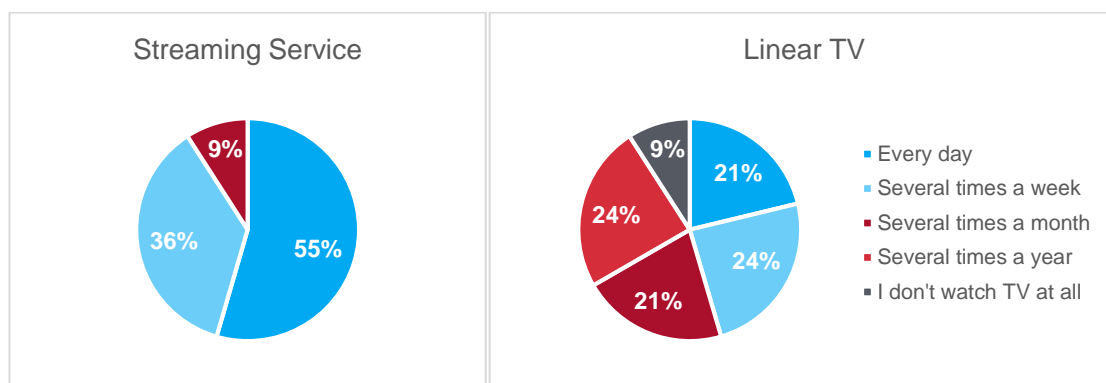


Figure 7. Frequency of watching video content (Young Population Survey, 2017)

In my survey 87,9 % of responders answered that they will watch more online streaming services in the future, and only 12,1 % said they are going to watch more video content on linear TV channels. The main reasons young people watch video on the streaming services or linear TV are because:

- there is relevant content for the young persons (78,8 %)
- the timing is right for the persons (48,5 %)
- persons got used to “that” content (42,4 %)
- they watch because they are forced by family/friends to watch (33,3 %)
- persons' friends or people around them talk about the content (27,3 %)
- there are guests, celebrities, personas they like and want to see (24,2 %)

In the open comments young people told that they prefer interactivity in the video content, such as “something where you have to vote or use mobile application”. Most part of the responders highlighted the relevancy and interesting content offered them by a Media Broadcaster plays a big role in their choice of video content. “Probably Linear TV would have to offer me content that I would not get anywhere else” was mentioned as well. In the questionnaire young people were concerned and spoke out that Media Broadcasters should put more attention on how to reach young population (on TV or digitally).



Quality of the video and content plays an enormous role for the young people, 90,9 % answered that it is important for them and they are ready to pay for the content in order to get the quality and escape from video advertisement (69,7 % says video ads bother them). Media Broadcasters come up with different solutions how to increase the video starts and time of video playing, and this troubles young people as well (48,5 % says autoplay function bothers them and 70,0 % says sticky player, when user scrolls a page video jumps to the side of the page and is always on display, bothers them).

If young population likes good quality video and appreciate the relevant content, so I asked if they would enjoy receiving personalized video recommendations from video broadcasters, and 57,6 % answered Yes, 39,4 % answered Maybe and, only 3 % said No. In order to be able to provide the personalized recommendations, Broadcasters have to collect personal information data, like gender, age, living area, video content preferences etc., so my next question was would young people share their data with the streaming service or TV channel in order for them to analyse the video content preferences of the person? Now the majority told that they are Maybe willing to share their data (48,5 %), 30,3 % said Yes and 21,2 % said No. The privacy, especially digitally, is a big topic of concern among the young population, so Media Broadcasters should be transparent about that kind of information and why they are collecting, how it is stored and secured.

Social media is a very close media channel for the young population and 18,2 % of them strongly appreciate if their favourite show is active on social media and they can get news and interactive material about TV shows or series on social media; 51,5 % says that it is somehow important for them if the TV show or series are on social media; and 30,3 % are not interested if their favourite TV show or series is on social media. This shows, that activity on social media adds some value to the overall of the video content, so I would suggest that using the social media channels, as a marketing channel, will help to reach more people.

Millennials started the social networking movement from their dorm rooms. They are an open book, sharing all their thoughts, pictures and videos instantly with their online community - 20 % update their Facebook status multiple times per day, while 36 % of Boomers report never updating their status. Compared with Boomers, they aren't as concerned with sharing personal information online, but there is some concern with its security and privacy issues.



The last question in my questionnaire for young people was ‘Why young population watches Linear TV less or not at all?’ and I got some interesting and decent answers:

- “That’s because we want to choose the time and place ourselves. If I got extra time to watch my favourite show it’s probably in the bus on my way home from school or work.”
- “Most of shows in linear the are re-runs. Streaming services offer more content.”
- “We always have a phone or tablet on our hands and we can choose what to watch whenever they want.”
- “Commercials and content is often older [on linear TV] than on demand services.”
- “It is easier to watch content on mobile devices whenever we want. Short content is also very suitable for this because that can be watched if you only have a little bit of time.”
- “Because streaming services are so much more convenient. This has been seen with music (Spotify) and TV series (Netflix). Linear TV has to adapt.”
- “There’s more interesting content on online streaming services.”
- “I don’t think that’s true. Young people still watches TV.”

From my survey I learned that young population appreciate the content, quality and independency from the time and place, ability to watch on mobile, they are ready to pay for the quality content, and the media usage is shifting to the digital streaming. Millennials are looking for the content which is relevant for them individually but want to know the latest trends and content people around them are talking about. They like to participate and be a part of the show and its community, and social media is a part of the channels to reach them. Young people value the individual recommendations in video consumption but are sceptic about sharing their personal information with the second or third party. Young people are not against the linear Television, but they find it outdated, old, not flexible, and they suggest by themselves that TV should adapt.

### 3.4 Key Findings

Millennials demand fairness, transparency, and clear, consistent rules in every aspect of life, but they don’t expect perfection - they accept apologies from brands that have “wronged” them. As consumers, they feel comfortable leveraging their power (individually or collectively) to “level the playing field” — with 70% claiming “If a company is unfair with me, I’ll figure out how to make things fair.” Millennials use their tech-savvy slingshots to take aim at Goliath brands and knock them down to their level (we could just consider

how they more or less took down the record industry, demanding the right to buy and download single songs versus entire CDs). 74% percent feel that they've "won" when they get more than the average consumer. Millennials are accustomed to having a voice, and having it heeded. And they're frustrated when big corporations don't give them a voice or a true "role" as a consumer in the game. (Shore, 2011)

Life-stage, not age, is by far the most crucial factor in video consumption – it's inevitable that young people will eventually grow up. This may happen later than it did for previous generations, but eventually they will have their own space, more financial independence and their free time will become more limited. Most young people will eventually find themselves in full-time employment and many will settle down with partners and start families. Their social circles will reduce as they move out of education, the need to connect with those their own age will lessen and ultimately, their relationship with video will stabilize. (Thinkbox, 2015)

While the media landscape is undergoing a transformation, it is more clear that the conversation about the content is happening on mobile. With the rise among content-focused viewers, it is the time for Media Broadcasters to show that they are tuned into the right channels and their messages are tailored to their audiences.

As Media Broadcasters work to serve the digital natives better, they should be developing new skills and standards that will benefit all their audiences. They should also create a foundation of innovative thinking that encourages experimentation and iteration to keep adapting to rapidly changing media consumption — not only for the Millennial generation, but for generations to come. (Maerz, 2015)

In the current state analysis and my research was mentioned a Scorecard tool as a useful tool to analyse the various KPIs to see the complete story of the strategy execution at a glance. The Balanced Scorecard is seen as a structured and logical way to help the leaders of the organizations to ensure that all areas of the strategy are covered in an easy-to-understand way. The findings from the data analysis point that there are needs to innovate and experiment (supports the Innovation Perspective from the Scorecard solution); be relevant and listen to the target group's needs and preferences (supports the Customer Prospective); provide modern products and services and learn from the insights (supports the Internal Business Prospective); while not forgetting about revenue and commercial solutions (supports the Financial Prospective).

## 4 Conceptual Framework

Conceptual framework is based on looking at the best practices found in the existing literature for successful methods and tools in reaching target groups by Media Broadcasting companies and comparing the proposed plan and tactics to the current state in the case organization. The business problem is not unique, as there are almost all Media Broadcasting companies affected by the media usage trends shifting, so out there are comparing materials and success stories covering the topic of my thesis. I would like to offer MTV Oy or any other Media Broadcasting company the setup of the best practices on how to reach the young population; to choose an adjusted tool to work with; and introduce improvement methods for internal processes and actions while making the right decisions.

### 4.1 Best Practices in Reaching Young Population in Media

Best practices are the set of guidelines, ethics or ideas that represent the most efficient or practical course of actions. Best practices are often set by an authority or by analysis of the success stories in the industry. In media industry best practices generally tell the recommended course of action, because the content and the services differ from the media brand perception and the target groups, but in some situations industry's best practices help to keep the right direction in the development.

Millennials and all the younger generations present an opportunity for Media Broadcasters and publishers, not just a new set of challenges. Maerz (2015) has defined a list of the best practices for reaching young audiences in American Press Institute's research:

- To reach Millennials, publishers have to employ some and listen to them:  
If Media Broadcasters want younger audiences, they should hire and empower Millennial staffers and allow them to assert some influence in the workplace.
- Make content relevant to Millennials by developing approachable tone of voice:  
Young consumers follow media brands expressing relevant perspectives with an approachable tone. As Millennials come to much of the content and information through personal conversations and social feeds, they expect the content to be in a tone that feels at home in that conversational space.

- Step up the visual skills to stand out in social media:  
Looked at as a whole, 88 % of Millennials get news and content from Facebook, 83 % look to YouTube, and 50 % stays current through Instagram. These are overwhelmingly visual platforms, where a strong graphic goes a long way in inspiring a consumer to share or comment on a content.
- Make room for new products and startup units within your legacy organization to reach Millennials:  
The legacy media companies are seeing value in creating lightweight, startup-style spinoffs that approach voice, content, revenue, and distribution from fresh perspectives, earning strong Millennial followings along the way. For example, by positioning The Bold Italic, CharlotteFive, RedEye, and Unravel as independent brands, these media companies gave small teams permission to reach new audiences without the entrenched routines and expectations that come with an established organization.
- Engage your Millennial audience on the platforms they're populating:  
Millennials stay connected to current events through personalized social media feeds from their favourite sources. Media companies often ignore these networks at their peril. Social media is more than a marketing tool; it's the way digital natives make sense of the world.
- Give readers and viewers content they can consume on the go:  
Smartphones with Internet connections are constellations of information and are often the first point of contact a digital native will have with the content on Media company. It's vital that the articles, video content and visual elements translate well on a smartphone.
- Interact with a Millennial audience offline through events:  
The experiences Media companies create for people offline can build the trust in the brand as one that's applicable to their lives, their values, and even their sense of humour. Events and meetups are excellent opportunities for Media companies to break from its competitors and create a sense of connection, loyalty, and engagement with younger communities in person.

- Embrace a culture of experimentation from the highest levels on down:  
Media companies should listen to what their teams are learning from data and be agile when all signs point to change. There should be an ability to demonstrate at a management level that numerous trial-and-error exercises are crucial to success.

According to Reuters Institute research, there are no reasons to believe that a younger generation that has grown up with and enjoys digital, on-demand, social, and mobile video viewing across a range of connected devices will come to prefer live, linear, scheduled programming tied to a single device just because they grow older. This raises wider questions about how sustainable the wide public interest role Broadcasting industry has played over the last 60 years is.

Media owners need to keep up with young people or 'risk alienating' them. Topics such as climate change or LGBT issues that young people care about are covered rarely if at all, because the people making TV are making it about the things that interest them. It's a different market and it consumes media in a different way. It can't be advertised traditionally, and young population wants media to be specific only to them. (Jackson & Sweney, 2016)

Younger people's perceptions of advertising are broadly similar to the wider population, although they are generally more apathetic, and brands have to work harder to inspire and entertain them. Resonance is therefore imperative – in short, make them laugh, make an ad that resonates with them and let them figure out how they'd like to react. Humour is disproportionately important to young population - they find funny, irreverent and entertaining ads the most appealing. They are also more likely to favour advertising featuring personalities of a similar age that they can relate to. Unsurprisingly young people tend to be more rebellious and dislike being told what to do. (Thinkbox, 2015)

#### 4.1.1 Best Practices in Europe

One of the major strategic focuses for Media Broadcasters should be personalization. BBC, in its Annual Report 2017/18, is sure it is important to provide the audiences with a better service if there is a clear understanding of knowing who they are and what they might be interested in. For Media Broadcaster, simple and frictionless discovery of its content across all their services, powered by sophisticated, intelligent search should be

the key strategy. By enabling participation and activity beyond consumption it is possible to encourage people to choose the specific Media Broadcaster more often and spend longer with it, and thereby increase the value audiences get from it and the public value they create.

News are the genre which is interesting for young population according to many researches from big media institutions. For example, BBC overall outperforms other news providers in reaching younger audiences but there is no doubt that this is where the biggest strategic challenge lies for the BBC and for all traditional news providers. Consumption of news is shifting from traditional TV and radio to online and social platforms and continues to fragment among a large number of providers. Social media platforms are increasingly important to reaching young audiences with news as this is where many of them expect to find it. But news providers are less differentiated on these platforms, making attribution and measurement a challenge, and making it harder to differentiate between reliable and unreliable sources. (BBC 2017) The great attention should be put on how Broadcasters could be more effective at building trust for the audience and reducing the impact of 'fake news' effect created by social media platforms.

The TF1, the most popular national French TV channel, which is considered as the most viewed in Europe with average market share of 24 %, distributes and showcases its content using all available media: the internet, television, mobile phones and pads. Their strategy is to offer free high-quality content coexisting with other payable services or content, depending on the opportunities for monetization. They see the opportunities in the reaping the benefits of growth in new media, they focus on gaining expertise in technological development and taking advantage of new uses, including multi-tasking. TF1 maintains leading position through an innovative and proactive approach. TF1 brings its public a unique and coherent product range on all screens – web, IPTV, mobile screens and mobiles – through a harmonious offer, graphic style and ergonomics.

There are good points to benchmark for best practices in TF1's strategy:

- Be present on all available media and deliver content of consistently high quality.
- Showcase target group relevant content.
- Provide catch-up content appealing to viewers while also attracting advertisers.
- Find new sources of monetization income by:
  - Marketing advertising space
  - Selling products to consumer
  - Receiving a license fee from broadband operators

Vice Media's Chief Executive told on the Edinburgh International Television Festival in 2016, that "... Everyone said young people don't care about news [and] they, sure as hell, don't care about international [news]. Bullshit. They care. But they don't like the way it's been portrayed up until now. This is a huge white space." (Jackson & Sweney, 2016)

Thinkbox highlights in its research in 2015, that today's 20-year-old could be in education and living at home with mum or dad or they could be married and working full-time with a kid or two. It's fair to say that 14-24s are more influenced by age, education and lifestyle than any other group of people – and that this has an inevitable effect on the way they consume video content. And as Thinkbox's research shows, they consume a lot of video.

Key Points from Thinkbox research in 2015:

- Young people typically have limited control of the main TV set
- 'Boredom-busting' is a key motivation for watching online video
- Identity creation is a fundamental driver for content choice
- Fear of missing out influences the video content that is sought and shared

Young people watch less TV because of the change of lifestyle. Almost everything is mobile nowadays and watching video content is easier thanks to smartphones, tablets and laptops. For younger generation the new reality is the online video content.

#### 4.1.2 Best Practices in USA

MTV (Music Television) explained their strategy with young population in MTV's Playbook for Engaging With Millennials, that millennials learned to game the system early in their own homes, negotiating homework rules, privileges and punishments in family democracies with peer-like parents. Indeed, in the study, almost 7 out of 10 Millennials believe they "can successfully negotiate anything with authority figures." (Shore, 2011) This highlights the finding from my research, that young population wants the media content on their terms, on the device suitable for them and on the time, they choose.

Facebook (2017) looked at the conversations on their social media platforms that focused on hundreds of top shows from both cable providers and streaming providers, including Netflix, Hulu and Amazon Prime. They found that, of all age groups, Millennials are 1.24x more likely to talk about streaming shows compared to other topics on average, while Boomers are 1.74x less likely to discuss streaming.



Millennials, or Streaming Viewers as Facebook calls them, value the availability of their favourite content and it is the most important factor when picking a provider, and traditional TV Viewers (older generations) care more about the hit to their wallet. While the average paid cable TV subscription is more costly than any single streaming service, Facebook sees that TV Viewers may value that cost relative to how much service they get. Meanwhile, Streaming Viewers value access to specific shows. (Facebook, 2017)

	1	2	3
 Streaming Viewers	Availability of my favorite content	Price	Ability to watch content at my own pace
 TV + Streaming Viewers	Availability of my favorite content	Ability to watch content at my own pace	Price/amount of content
 TV Viewers	Price	Availability of my favorite content	Amount of content

Figure 8. Ranked Value by Different Media Users (Facebook, 2017)

Streaming Viewers are 1.40x more likely than TV Viewers to say they would subscribe to a smaller set of channels at a lower price. Streaming Viewers are also 2.23x more likely than TV Viewers to pay a monthly fee to watch content without ads and 2.13x more likely to want to watch back-to-back episodes instead of tuning in weekly. (Facebook, 2017). Here we can see that young population is willing to pay for the paid content, when it satisfies their needs, and for the Media Broadcasters this is an opportunity to get the revenue from.

As Facebook also notices, Streaming Viewers are more likely to prefer movies, comedies and documentaries, while TV Viewers favour sports, talk shows and news programs. A closer look at what influences these choices reveals that the top way Streaming Viewers discover content is through a friend's recommendation, while TV Viewers and TV + Streaming Viewers browse the platform they're on to discover content.

#### 4.1.3 Best Practices in Nordics

Even though linear TV still attracts large audiences in Nordic countries, the trend is clear: linear TV is decreasing while online TV is growing. And this is especially true for the young audience. This is shown in Nordicom's compilations of 2016 TV data from the national survey institutes in the Nordic countries. Studies show the increasing video-on-



demand viewing in the Nordic countries. The growth includes both openly available and paid-for streaming services (SVOD), especially among the young. (Nordicom 2017)

While young people in the Nordic countries have been daily Internet users for many years, today older people are also becoming avid users. Compared to the EU average, young people in Europe are now on par with the young in the Nordics, while there are still major differences between older groups in the Nordic countries and the EU. Young people have completely different media habits than the older generation. In particular, social media and video clips make up a larger part of the media use among young people. In the age group 9-14 years, 74 per cent used social media during an average day in 2016, and 70 per cent watched video clips online. Among the 15-24-year-olds, 94 per cent used social media, and 69 per cent watched video clips. (Nordicom 2017)

In the Nordic countries, young people's viewing of traditional television has declined for several years while their interest in social media and streaming services has increased. And the competition for their attention is great. Against this background, in 2015 Nordvision commissioned a survey among 13-29-year-olds in Denmark, Finland, Norway and Sweden. The results showed that the changes among the young are similar in all Nordic countries, indicating that the development entails global and structural trends rather than national and cultural ones.

In 2016-2017 the Nordvision Fund Board has awarded the Commissioning Editors within the Youth genre 53,000 euro in annual Research and Development Support (R&D Support). The money is to be used for the development of Nordic co-operation and projects for the young adult target group, approx. (15-) 20-25 years old. The Nordic Youth Group awards money to promising collaborations, and on an ongoing basis if and when new and interesting projects appear. (Nordvision 2017) This kind of promoting the content production for younger audiences shows that media broadcasting industry is interested in attracting the millennials and younger generations.

Nordic companies highlight that changes within the media market happen fast. A five-year strategy no longer works; it is now about looking a year ahead and keeping a constant eye on your commercial competitors. If you want the audience onside, then emotional engagement is important. (Nordvision 2017) "Young people live in a completely different world to older people. Public service companies are good when it comes to the world of broadcasting, but we need to be better online", says Eija Moisala from Yle, Finland.

“We found there was a need for a targeting tool that could be used when the editors themselves needed it. Previously we had been dependent on SVT central admin when we wanted to research our target groups, and the studies have often been mostly aimed at adults”, says Helena Persson, Development Manager at SVT in Stockholm.

MTV Oy has tried out a Scorecard tool in order to introduce and follow up on the new strategy and innovative operating processes in 2016, using performance and financial indicators’ measures like return-on-investment, sales growth, operating income, coverage, reach, etc. From the interviews I had with MTV Oy representatives I learned that the tool is very beneficial and easy to use, so it would be practical to have a Scorecard designed for the reach of young population.

From the best practices from the industry on how to reach the young population, we see that the main goals for Media Broadcasters should be relevant content, social media presence, continuous research and analytics, best personalization, intelligent search and content discoverability, modern IT solutions and security.

#### 4.2 Balanced Business Scorecard Tool

Media companies admit that there is a lack of the tools on how to follow if the reach of target group is successful, but MTV Oy has tried a Scorecard solution in tracking the business KPI for top management and liked the solution. So, I am going to learn more about this tool if this could be used as the solution for the business problem.

In 1992 Harvard Business Interview published a phenomenal article of Kaplan and Norton, and the Balanced Business Scorecard was introduced: “What you measure is what you get. Senior executives understand that their organization’s measurement system strongly affects the behaviour of managers and employees.”

With no doubt organization’s measurement system strongly affects the behaviour of managers and employees. The traditional financial performance (ROI, EPS, Income statements, etc.) measures worked well for the industrial era, but they do not tell all the truth and are out of step with the skills and competencies companies are trying to master today. The solution would be a balanced presentation of both financial and operational measures in the Balanced Business Scorecard, which I recommend Media Broadcasting

companies and MTV Oy to adapt as a tool for reaching the target groups and analyzing its success by following up the predefined Key Performance Indicators (KPIs).

While giving senior managers the information from four different viewpoints (Finance, Customer, Internal Business and Innovation and Learning perspectives), the Balanced Scorecard minimizes information overload by limiting the number of measures used. First, the Scorecard brings together, in a single management report, many of the seemingly disparate elements of a company's competitive agenda. Second, the Scorecard guards against suboptimization by forcing senior managers to consider all the important operational measures together. (Kaplan & Norton, 1992) Managers should use the Balanced Scorecard in order to translate company's general mission statement into specific measures that reflect the factors that really matter to the business.

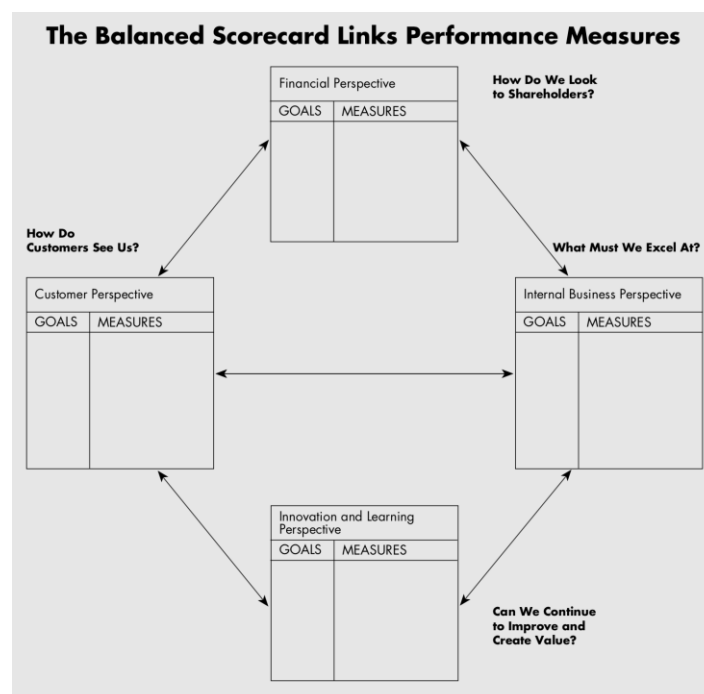


Figure 9. The Balanced Scorecard Links Performance Measures (Kaplan & Norton, 1992)

Companies should also attempt to identify and measure their company's core competencies, the critical technologies needed to ensure continued market leadership. Companies should decide what processes and competencies they must excel at and specify measures for each. (Kaplan & Norton, 1992) The linkage between top management's KPIs and workforce's actions ensures that employees at lower levels in the organization have clear targets for accomplishments, decisions, and improvement activities that will contribute to the company's overall mission.

The Balanced Scorecard includes financial measures that tell the results of actions already taken. And it complements the financial measures with operational measures on customer satisfaction, internal processes, and the organization's innovation and improvement activities—operational measures that are the drivers of future financial performance. (Kaplan & Norton, 1992)

The greatest concern about the Scorecard is that the information is not timely; reports might be a week behind the company's routine management meetings, and the measures have yet to be linked to measures for managers and employees at lower levels of the organization. (Kaplan & Norton, 1992) The companies should aim to develop the more responsive information systems to eliminate this constraint. Even an excellent set of Balanced Scorecard measures does not guarantee a winning strategy for the company. The Balanced Scorecard can only translate a company's strategy into specific measurable objectives. A failure to convert improved operational performance, as measured in the Scorecard, into improved financial performance should send executives back to their drawing boards to rethink the company's strategy or its implementation plans. (Kaplan & Norton, 1992)

By combining the financial, customer, internal process, innovation and learning perspectives at organizations, the Balanced Scorecard helps companies and its managers to understand, at least implicitly, many interrelationships. This understanding can help managers transcend traditional notions about functional barriers and ultimately lead to improved decision making and problem solving. The Balanced Scorecard keeps companies looking and moving forward instead of backward. (Kaplan & Norton, 1992)

For MTV Oy, or any other Media Broadcasting company, the Scorecard is a way to clarify, simplify, and then operationalize the vision at the organization, it helps to focus the attention of its managers and executives on a short list of critical indicators of current and future performance regarding how to increase the reach of young population. Benchmarking procedures are another technique MTV Oy can use to compare their performance against competitors' best practices. MTV Oy's managers need to focus on the critical internal operations that enable the company to satisfy its young viewers, readers, visitors or customers' needs. The Scorecard puts strategy and vision at the centre. According to Kaplan & Norton (1992) it establishes goals but assumes that people will adopt behaviours and take actions, which are necessary to arrive at those goals.

### 4.3 Processes Improvement

Goals and strategies are important for the companies, but they are nothing if not executed well and effectively. The most valuable and profitable development ideas could stay unreachable if there is slight or no ability at all to implement them. Weak business processes can reason the morale of even the most enthusiastic employees to decline, if they start to feel that all their efforts are being overwhelmed by the flaws of a large system that they have little influence or no individual control over it.

#### 4.3.1 Lean Development Methods

Lean and Agile terms reference usually to software development methodologies, project management, or organizational styles, which embraced the ability to adapt as a competitive advantage, favoured early and continued testing, and brought a human element into project management and execution. A typical lean company follows a Learn - Measure - Build cycle, and conducts many tests, frequently connects with customers and stakeholders, understands their value and focuses its key processes to continuously improve it. A never-ending cycle leads the company to sustainability, smart development and success.

I would like to introduce Kaizen (Continuous Improvement) method and PDCA (Plan, Do, Check, Act) lean development tools to MTV, because they are the modern tools for processes and action improvements, and because of own simplicity are very popular in the companies' development. The Japanese automotive manufacturer Toyota is one of the most famous companies who use Kaizen and they are responsible for making this method recognized and for demonstrating that its results are measurable, proven and extremely effective. Toyota has used this method for decades and has the taken advantage of its principles in many different levels of the organization. Kaizen is used in Ford Motor, ABB Limited, Lockheed Martin, Nestle, etc. Also, governments can benefit from Kaizen as the Education Department of the Gujarat Government (Indian state) commissioned two weeks of Kaizen training for more than 80 employees, as an attempt to improve the functionality of its public sector. This is a great example of how Kaizen can help as private companies as government and municipal organizations.

Kaizen is a strategy where the employees work together proactively to achieve the regular, incremental improvements in the processes (Lean Production 2017). According to KAIZEN™ Institute this tool is like a healthy lifestyle for companies because the good processes bring the good results. Kaizen helps to see the gaps in the current situation relying on facts, take the action to correct the root causes of the problems. Industries like media, life coaching, government, healthcare and banking amongst others, have implemented Kaizen in different ways in order to improve upon the best practices. I would like to see MTV Oy using Kaizen for analyzing its internal processes and providing a better service for its young viewers and users.

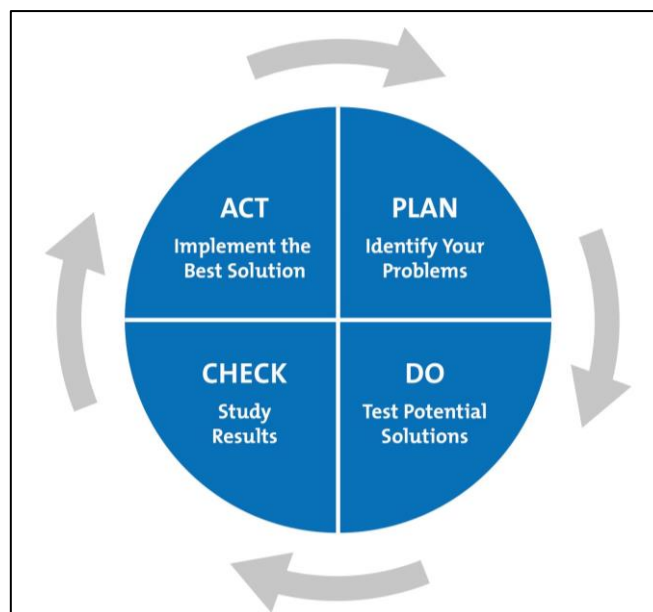


Figure 10. DPCA Plan-Do-Check-Act methodical tool (Mind Tools, 2018)

A great tool for continuous development for MTV Oy would be PDCA (Plan, Do, Check, Act). It is an iterative methodology for implementing improvements by:

- Planning (establishing plan and expected results, or developing a hypothesis),
- Doing (implementing the plan, or running the experiment),
- Checking (evaluating or verifying that expected results are achieved), and
- Acting (reviewing and assessing; doing or trying it again).

As we can see, both Kaizen and PDCA are aimed to achieve the business goals and delight clients with a competitive product of the best quality. Lean development methods put attention on the decision-making authorities and the ability on individuals and small teams, since best practices show this to be faster and more efficient than hierarchical flow of control in the company. Lean also concentrates on the efficiency of the use of

team resources, trying to ensure that everyone is productive as much of the time as possible. In MTV Oy the lean development methods and processes can help in applying the small changes into a big development safely, by checking what works better and implementing it step by step.

#### 4.3.2 Action Research Approach

As the objective of my thesis is to propose an adopted KPI tool for analysing success of the young population reach, I would like to introduce the action research approach which is applicable in the implementing organizational changes as well.

Cochlan & Brannick (2014) defined in their book, that Action research is a family of the related approaches that integrate theory and action with a goal of addressing important organizational, community and social issues together with those who experience them. The Action research is described as an iteratively repeating cycle of events, which consist of four main steps:

1. Constructing the issues,
2. Planning Action,
3. Taking Action, and
4. Evaluating Action.

The idea of a cycle effect in Action research means that the last step of Evaluating Action should lead back to the Constructing, but on another higher level, and go on repeatedly cycle by cycle, as is described on the Figure 6.

The Action research starts from the understanding of the context and purpose of the project, what are the internal or external background, what are the economic, political and social forces to drive a change.

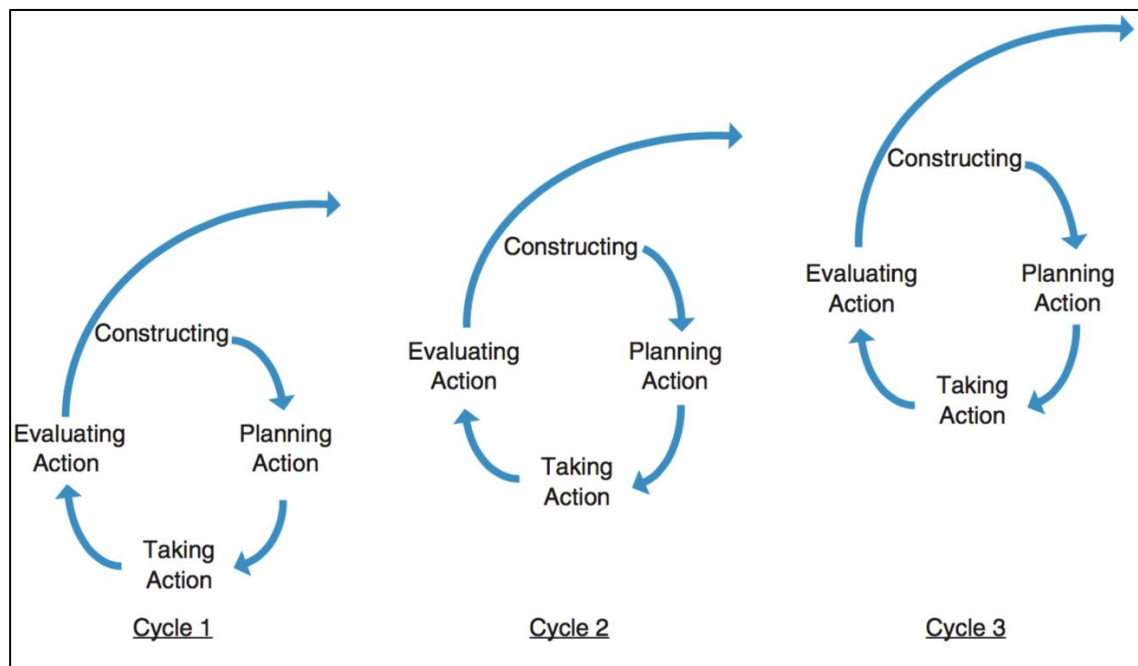


Figure 11. Spiral of Action Research Cycles (Cochlan & Brannick 2014)

According to Cochlan & Brannick (2014) Action research involves four elements:

- Knowing the context of the organization and how the issues to be explored fit into what the organization needs and what theoretical and research literature says.
- Building collaborative relationships with those who experience the issue most directly and engaging them in the project.
- Engaging in cycles of taking action and reflecting in and on that action.
- Making a sustainable contribution to both the organization and to theory.

There are three main action research engagements. The first and most pressing one is the engagement with others in shared action and inquiry on the project. The second one is our own personal learning where we learn about ourselves, how we think, what we value and what skills we have. Thirdly, as it is action research we aim to contribute to knowledge beyond the immediate circumstances of the project, knowledge that is actionable knowledge for practitioners and robust theory for scholars. (Cochlan & Brannick 2014) Contributing to knowledge and learning involves a deeper reflection on what is being learned through the process of action and reflection. This may be done by inquiring into engagement in how the cycles are endorsed and what is emerging from them.

Action research might use organizational frameworks to help to categorize data, enhance understanding, interpret data and provide a common short hand language. Such



frameworks typically describe relationships between organizational dynamics, such as purpose, strategy, structure, control systems, information systems, rewards systems and culture, and help organize data into useful categories and point to what areas need attention. Systems thinking is a most useful way of mapping what goes on in an action research project. (Cochlan & Brannick 2014) The frameworks need to be sufficiently comprehensive to enable data gathering and interpretation without omitting key pieces of information. As a word of caution, organizations should remember that they may become trapped by their frameworks, so that their way of seeing becomes a way of not seeing. Action researcher or the company using the frameworks need to critique the frameworks they use.

#### 4.3.3 Decision Making Improvement

If Media Broadcasters don't reach enough of the target group, it means they are making wrong decisions. As MTV Oy has lack in reaching the young population, they should improve the decision-making processes inside the company. Tracy (2015) introduced logical and systematic way of managing the making right and weighted decisions.

The average manager spends 50 % or more of his or her time solving problems, either alone or with others. The ability to deal with the difficulties and solve problems is determining everything that happens to a manager in his or her career. In fact, it is safe to say that an individual with poor creative thinking skills will be relegated to working for those with better-developed creative thinking skills.

Brainstorming is one of the most powerful ways ever discovered to creatively solve the problems, make decisions and achieve goals. It is a way of using focused questions for concentrating the power of the mind on a single question. (Tracy 2015). MTV Oy as a big media company attracts creative and smart people to work in, and the employers are the main power of the company. MTV Oy depends on its employees' decisions and the problem-solving skills, and brainstorming is one of the tools to do better weighted decisions on how to reach the young population.

According to Tracy (2015), brainstorming is one of the most powerful techniques of all for developing synergy and unlocking creativity in a group, team, or organization. One of the chief responsibilities of the effective managers is to conduct regular brainstorming sessions with their staff focused on business improvements. Organizations cannot afford

to leave the creative potential of its people untapped, and organizations have to create an environment that encourages them to contribute their best ideas to the success of the business.

Any organized method of a problem solving is more effective in generating higher quality solutions than no method at all. Tracy (2015) presents seven systematic steps for solving problems and better decision making:

1. Define A Problem Clearly in Writing

Writing is called a psychoneuromotor activity. By writing out a problem on paper, or on a whiteboard or flipchart, people are forced to use their visual sense, auditory sense, and kinaesthetic sense. As a result, people activate their whole brain in the act of defining the problem clearly in the first place. Actually, fully 50 percent of problems can be solved by the very act of defining them clearly in advance.

2. Read, Research and Gather Information

Next step would be to get the facts. One of the most successful management consulting firms in the world, the McKinsey & Company has own method, which consists of, first of all, identifying the problem and all the variations of it, in advance. The second part is gathering information from every possible source and validating every detail to make sure that it is correct rather than merely an assumption. The more information is gathered, the more likely it is the correct solution to the problem. Researcher should resist the temptation to fall in love with a solution early in the process and then to seek only that information that will confirm his or her initial conclusion. It is an important to keep an open mind.

3. Don't Reinvent the Wheel

Also, it is good to remember that whatever problem company is dealing with has probably been solved by someone else, somewhere, and often at great expense. There is no need to reinvent the wheel again. By asking questions of informed people and consult experts, it is possible to find out how they dealt with it.

4. Let Subconscious Work

After all the information is assembled and discussed thoroughly with the other people involved, first it is better to try consciously to solve the problem. Tracy (2015) says "Think of everything that you could possibly do, and then, if you're not satisfied with the answers that you have generated, put it aside for a while.

Set a schedule to revisit the discussion or problem at a later time when everyone has had a chance to think about it for a while.” When people switch the focus from the problem or difficulty to something completely different that engrosses the minds completely, subconscious and superconscious minds begin to work on the problem. By turning the problem to a higher mental power and just relaxing or getting a mind busy elsewhere, often brings the answers.

#### 5. Use a Sleep

Reviewing a problem just before going to sleep, and asking own subconscious mind for a solution, seems to work particularly well when there is a difficulty or a dilemma that must deal with the following day. By requesting a solution, people often wake up with a perfect answer to the problem.

#### 6. Write It down

It is a good policy always to have a notepad handy so that there is a chance to jot down the answers, ideas and insights at any moment, rather than forgetting them, as often happens. When people get the breakthrough illumination, it is better to write it down quickly.

#### 7. Take an Action

Finally, whatever the idea, the next step is to take an action on it without hesitation. There is a risk to be too late with a solution and the moment can be missed. The ability to make a decision based on deep thinking and analysis, and take the steps to solve the problem, are the main idea of being a valuable employee.

Usually Media Broadcasting companies, including MTV Oy, do not have the consistent frameworks on how to solve the business problem in lacking the reach of the young population but adopting one that they would understand and with which their employees or managers feel comfortable, can make the difference in their decision-making processes and create the progress in the problem solution of reaching the target group. I described lean development methods Kaizen and DPCA, systematic steps for solving problems and decision making, and action research approach, which all tell the same: there are the flexible and easy-to-use frameworks of methodical process improvements with simple steps of Planning-Doing-Analysing-Correcting cycles. The framework, MTV Oy will select, needs to fit the organization as close as possible, it needs to be comprehensive enough to cover as many aspects of the organization as possible, and to be clear enough for members of the organization to grasp.

In this chapter I did a literature review and built conceptual framework on the topics about the best practices, the tool with KPIs and how to improve the processes and actions. The Scorecard solution looks as the best suitable tool to follow up how the Media Broadcasting companies succeeded in reaching the young population. In order to build a relevant, yet transferrable and reusable tool for a Media Broadcasting company, I am going to adjust the KPIs of Business Scorecard solution for MTV Oy's needs to analyse the reach the young population. The final version of the Scorecard will be the outcome of my thesis.

## **5 Building the Proposal**

### **5.1 Solution Proposal and the Scorecard**

New forms of the content will help Media Broadcasters to reach more younger audiences. Specific and related content will focus on the interests and involvement of Millennial audiences, including short-form news, debates and cultural output as well as audio-visual content aimed at audiences on social media.

Media Broadcasting companies should aim to be more personal and relevant. For example, BBC highlights, that by personalizing and understanding more about what audiences like, Media Broadcasters can make its content more relevant and deliver it to the audiences more effectively. Once signed in to the personal accounts at Media Broadcasters' services, it is known that people spend more time watching, listening and reading content on the Broadcasters' websites and apps compared with people who were not signed in. It is essential continue to keep tailoring the services to the audiences' interests to ensure they get the best from the Media Broadcasters' offerings.

MTV Oy should ensure that their content reaches the audiences in the best way possible. That includes the ability to draw audiences to less-known programs; access to audience data to deliver a better service to audiences; the ability to innovate to keep pace with audience expectations; and the level of prominence, relevancy and personalization of Media Broadcasters' content and services are given so that their content is easily found and appreciated.

As my research has shown, young population is interested in the Media Broadcasters' content generally. Media Broadcasters need to use all the tools and techniques of the mobile world – like alerts, notifications and live feeds – to reach audiences where they are in the way they expect it. The video, news and articles should be easily accessible

online, on PC or mobile, on Twitter or Facebook, while taking into the attention the strategic challenges of providing content for young audiences and tackling the issue of frauds. With awareness of the 'fake news' syndrome, there is a need to work harder to maximize the visibility and the value of news or other content on third-party sites such as social media platforms.

The power of live and video is critical in driving engagement and usage of the young population. I suggest Media Broadcasters prioritize live video streaming with the news and entertainment genres. Live video functionality on third-party platforms like Facebook, Instagram and YouTube continues to lead the market, so it is essential Media Broadcasters are able to offer their own natively mobile live content on its own platforms as well as using social media platforms to reach out to the young population and other targeted audiences and show them that the Broadcaster has the relevant content and information to their lives. Media Broadcasters should provide on their streaming platforms online video content, add-ons and extras at key moments of their TV programs to help to engage younger audiences.

In order to keep up with modern brand image, Media Broadcasters should be working on refreshing the tone and on-air mix to make their content more engaging and relevant to the audience in order to retain their positions on the market. There have already been made significant changes to recast the anchors and TV programs presenters at the main Media Broadcasters channels, they should not stop on that and continuously work on this to deliver the more modern, relaxed, diverse and engaged style across Television programs. As BBC states in their Annual Report 2017/18, soaps and continuing drama are critical to reaching young and diverse audiences, so MTV Oy has here already a winning position and I suggest MTV Oy will continue to support them and make them feel continually fresh and relevant. For example, Finnish soap opera *Salatut elämät* consistently bring in for MTV Oy millions of younger viewers and have done very well to maintain their audience volumes, bucking the wider trend of declining audiences for continuous dramas as on air as digitally.

Nowadays Media Broadcasters' ambition should be to reflect and represent today's picture of the society, a situation in the country and in the world in all the content and services, in order to be relevant and interesting about the pressing topics. Media Broadcasters should aim to ensure that their programs and services appeal to the new young diverse audiences as well as to existing loyal ones. Diversity, from start to finish, is an integral part of the creative processes and should run throughout the offered content.

MTV Oy might plan how to increase its impact and appeal to younger audiences by introducing a wider range of younger characters, developing more storylines about young people's issues that have cross-generational appeal and driving engagement through greater use of social media.

To judge the impact of changes in MTV Oy's content consumption, I would suggest few key measures of success:

- The overall reach of MTV Oy's content to young audiences. New cross-media measurement surveys and IT solutions, like ComScore Online Media Measurement tools, will aim to capture cross-platform reach on both the Broadcaster's services and on third-party platforms
- Perceptions of MTV Oy's content among young audiences, including measures of trust, impartiality, quality and recommendation
- Comparing those metrics to the performance of other traditional TV Broadcasters' and competitors' content to assess the performance of the MTV Oy within the marketplace.

The shift to a new cross-media measurement system will add the new accuracy to these measures and allow better measurement of the peoples online and offline behaviour on different devices. However, the metrics below may change over the next years as audience habits and the market shift. The order of the priority might as well be changed due to deeper on-hands exploration whether these metrics continue to be relevant for young audiences.

To measure the performance against the ambitions to reach more young population, I have found a suitable tool called the Balanced Business Scorecard, developed by Kaplan and Norton (1992), I adjusted it for the Media Broadcasting business goals and measures, which will help them to understand how effective their actions and content serve the purpose. The aim of the Scorecard is to combine main KPIs from wide range of the business while still staying simple and easy to understand.

The tool and my predefined measures can be transferable and reusable for reaching other target groups or segments of the audiences. Here are the predefined goals and measures for each perspective in order to reach young population or any other target group by Media Broadcasters:

### Financial Perspective

- **Survive:**  
Cash flow
- **Succeed:**  
Quarterly advertisement income growth by media channel
- **Prosper:**  
Advertisement income growth faster than market growth

### Customer Perspective

- **Relevant content:**  
Be present in relevant topics
- **Speed:**  
Fast news delivery
- **Social media presence:**  
Fast reaction on trending topics
- **Cultural responsibility:**  
Credibility, everyone gets value from services

### Internal Business Perspective

- **Production excellence:**  
Provide relevant and high-quality products and services
- **Research & Analytics:**  
Data based decision-making and Balanced product portfolio
- **Employees care:**  
Be great place to work

### Innovation and Learning Perspective

- **Modern IT solutions:**  
Create technological conditions for a modern media house
- **Security:**  
Transparency and protection of personal information
- **Best personalization:**  
Relevant recommendations and Search performance
- **User Experience:**  
Continuous UI and UX development

The Scorecard, as a KPI tool, is only a part of the three main components of the successful solution. Other components are the best practices described above, and the actions improvement methods, where adapting the lean development methods will help to improve the internal processes. I suggested to use action research approach and lean development methods Kaizen and PDCA, where the main idea is continuous development with repeating of Plan-Do-Check-Act cycle. Those methods might be employed by people at different levels of an organization. Leaders may use it to improve and check in on standard work procedures, teams can use a Kaizen events to make changes, and managers might use it in improving of any process of workflow at the workplace.

## 5.2 Proposal Validation and Feedback

In order to validate my scope of the goals and measures of the Scorecard, which I have adapted for the Media Broadcasting companies, I asked for a feedback from media companies representatives on how the tool serves the analysis of how to reach the young population or any other target group or segments in the future. The evaluation team consisted of Sales and Marketing Manager, Head of Research and Development and Insights Manager, and I received the individual feedbacks from each of them.

I shared my draft of the Scorecard with my evaluators and went through the idea of my research, its objective and the findings I got. The overall feedback was positive, I was told that the topic is currently discussible a lot on different levels and forums of the companies and in the industry, as young population grows and is becoming the large consumption group, but Media Broadcasting companies don't reach them enough. My evaluators appreciated that the tool is transferable and can be reused as a template in reaching other target groups and desired segments of the audience, as for example it could be also applicable for sport fans or other specific genre admirers. The view of the goals and measures of the four different perspectives on the same A4 paper format was highly valued, as, from the words of my evaluators, it gives the quick overview of the situation from very important sights of finances, customer perception, internal processes and innovation, and still feels clear and easy to understand.

From Financial Perspective of my Scorecard, the attention was put for the definition of the income as an "advertisement income", but in real business the Media Broadcasters don't rely only on the advertisement anymore as there are the other forms of the revenue, like the paid subscription of the video content services, pay-per-view video watching



rights (online streaming of the boxing match, music celebrity concert, etc.), or the sponsorships in TV programs and events. I fully agree with the comment and I gladly updated this omission in my Scorecard.

Customer Perspective was the most discussed section of the Scorecard. The main arguments touched the two topics: the speed of the content delivering and the technology aspect. I predefined in the Scorecard, that the speed is important in the distributing the content, thinking of news and how the content should be distributed as soon as possible, but my evaluators had another opinion. The speed, in their opinion, is a part of the relevancy, information in the news is relevant for consumers, when it is distributed fast; any deeper done analysis might be relevant in years without being distributed right when the action or accident happened; so, the speed of delivering any content should come as a measure from the relevancy. Interesting point and I agreed that relevancy is a king in the content production and distribution, and it dictates when, where and how to publish it. The second point, embraced the technology aspect of how the customer sees and experiences the content on its device or platform of choice. If application on mobile doesn't work, or it is impossible to find the needed content on the website, or shared link to the content on social media is broken, then customers are not interested why, and the chance that they will leave the service for a long time, if not forever, and it is a big issue for the media companies even with the most interesting and exclusive content. I totally agree, that the end point at the customers' side should be one of the main KPI for the companies.

The Internal Business Perspective felt right with my evaluators, but they suggested to take the Learning -part from the Innovation Perspective, as the learning should become the way of working inside the company and all its internal processes. The Innovation Perspective section was missing a measure for the innovative content, as my evaluators highlighted that continuous development and modernization of the content production and distribution plays a huge role in being interesting, attractive and in demand as for today as for tomorrow. Both comments were noticed in correction of my Scorecard.

## The Feedback on the DRAFT of the Balanced Scorecard

Financial Perspective		Customer Perspective	
GOALS	MEASURES	GOALS	MEASURES
Survive	Cash flow	Relevant content	Be present in relevant topics, <b>fast phenomena reaction</b>
Succeed	Quarterly <b>advertisement</b> income growth by media channels	<b>Speed</b>	<b>Fast news delivery</b>
Prosper	<b>Advertisement</b> income / <b>revenue</b> growth faster than market growth	<b>Technology</b>	<b>Accessible content on IT platforms &amp; devices</b>
	Relevant commercial partnerships for target group	Social media presence	<b>Fast-Rapid</b> reaction on trending topics <b>and news</b>
		Cultural responsibility	Credibility, everyone gets value from services
Internal Business Perspective		Innovation <b>and Learning</b> Perspective	
GOALS	MEASURES	GOALS	MEASURES
Production excellence	Provide relevant and high-quality products and services	Modern IT solutions	Create technological conditions for a modern media house
Research & Analytics	Data based decision-making Balanced product portfolio	Security	Transparency and protection of personal information
Employees care	Be great place to work	Best personalisation	Relevant recommendations Search performance
	<b>*** Learning is a part of the internal processes</b>	User Experience	Continuous UI and UX development <b>Innovative content</b>

### 5.3 Final Proposal and the Scorecard

The final proposal for the adopted KPI tool for analysing success of the young population reach for Media Broadcasters is presented below. It includes the validation corrections and updates from the feedback of the media representatives, and I have introduced it relying on the best practices review and findings from my researches. There are three the main components in this study, which helped me to come up with the relevant KPIs: the lean development methods (should be adapted in the internal processes), the best practices (represent the factors associated with the effective reach of young population), and the Scorecard is the tool (to follow how successful the reach of the young population is). The tool can be used as a common tool for reaching other target groups and segments as well, and it has four main perspectives for goals and measures to follow: Financial, Customer, Internal Business and Innovation.

In Financial Perspective of the Balanced Scorecard there are defined three main goals: Survive, Succeed and Prosper. The measure of cash flow will ensure the operational work brings money to the company and things are being done for the proper reason, when for i.e. evaluating what kind of content or marketing company should invest in. Succeed goal's measure would be quarterly income growth by media channels, as healthy business should develop and upscale it's profits and by following which channels perform well. Prosper should be backed by two measures. One is the revenue growth faster than market growth, which shows that company is taking the leading position on the market, and the second, relevant commercial partnerships for target groups in order to keep the related product placements for the audience. It is hard to find the right balance between being profitable (larger amount of advertisement and paid product placements) and attractive (ads and other monetization tricks don't annoy the audience) at the same time, but there should be always an ambition to find that balance.

Customer Perspective includes such goals as Relevant content, Technology, Social media presence and Cultural responsibility. The main idea for the media house is to offer relevant content, fresh news, interesting articles, timely TV programs, etc., so the main measure there is to be present in the relevant topics through its channels. Different type of content requires different timing and it is preferably to react fast on happenings in Finland and in the world, so the measure of how fast news are delivered, or the fast phenomena reaction is suitable here as well. Technology implementation has to be seamless, as there is a very high dependency on customer experience from the IT solutions of the company. Content should be accessible from devices, platforms and

applications, which are used by the customers. Social media is a very big platform which connects people, and presence there is essential for the big media house; the fast reaction on trending topics and content sharing are the measure for the Social media presence. Media Broadcasters reach a big amount of people and are influencers for a lot of them. This entails a Cultural responsibility, that people get the most positive value from services and content. The credibility gained a very big buzz, as the problems with 'fake news' spreading through the social media and search engines shakes the trustworthiness of the news source, and there becomes the responsibility for what the Media Broadcaster shows, tells and interprets on its channels.

Internal Business Perspective includes Production excellence, Research and Analysis, and Employee care goals. The media company can ensure the production excellence by improving internal processes and continuous learning. Nowadays Research and Analytics became more valuable in the analysing the consumer behaviour and content performance. Data helps to do more accurate and business wise decisions and have more balanced product portfolio. There are lots of insights which help to know exactly what performs well and what should be left behind. In an era of digitalization and shifting workflows, employees care became a necessary attribute for the modern companies. By being a great place to work the company has more chances to attract the best workforce from the job market and keep motivated the current personnel.

Innovation Perspective plays a big role in the fast-developing industry of the media entertainment business. I defined four main goals to measure: Modern IT technology, Security, Best personalization and User Experience. The media usage is more and more shifting towards digital IT solutions, so the media house should innovate its IT solutions to attract the consumers to the company's content. The measurement of creation of technological conditions for a modern media house will support the modern IT solutions goal. Digitalization brings uncertainty for customers what happens with their personal data when they register at different services, is it secured, what the service is doing with their data, etc. that's why it is important for Media Broadcasters to be transparent about the data of the customers and protect it with the latest technologies and encryption methods. Users appreciate the personalization, and excellently executed search tool's performance and the relevant recommendations for the customer will bring the usage increase, prolong the usage time and work as a retention and new users acquisition. Overall user experience concludes the whole service perception and content consuming, so the main measure for user satisfaction would be using innovations and applying continuous user interface and user experience development and nonstop content innovations.

### The Balanced Scorecard for Reaching Young Population by Media Broadcasters

<b>Financial Perspective</b>		<b>Customer Perspective</b>	
GOALS	MEASURES	GOALS	MEASURES
Survive	Cash flow	Relevant content	Be present in relevant topics, fast phenomena reaction
Succeed	Quarterly income growth by media channels	Technology	Accessible content on IT platforms & devices
Prosper	Income / Revenue growth faster than market growth	Social media presence	Rapid reaction on trending topics and news
	Relevant commercial partnerships for target group	Cultural responsibility	Credibility, everyone gets value from services
<b>Internal Business Perspective</b>		<b>Innovation Perspective</b>	
GOALS	MEASURES	GOALS	MEASURES
Production excellence	Provide relevant and high-quality products and services	Modern IT solutions	Create technological conditions for a modern media house
Research & Analytics	Data based decision-making Balanced product portfolio	Security	Transparency and protection of personal information
Employees care	Be great place to work	Best personalisation	Relevant recommendations Search performance
		User Experience	Continuous UI and UX development Innovative content

## 6 Conclusion

The objective of my thesis is to identify the factors associated with the successful reach of young population by Media Broadcasters and combine the findings into a clear and comprehensive KPI analysing tool. I did a research of the current state in the media companies, the media consumption trends of the young population and came up with the relevant KPIs on how to analyse the reach of the millennials. From the very beginning I planned that the solution's KPIs relevancy would be backed up by the three main parts: 1) what were the best ways to offer content and services to the young population by reviewing the best practices in the industry from different countries; 2) how to improve the internal processes and actions by offering the suitable development methods; and 3) how to understand that the change is positive and company is moving to the right direction by finding the right tool and adjusting its KPIs for the needs of the Media Broadcasting company. The output of this thesis is an adopted from findings KPI tool on how to follow up if the company reaches the right KPIs while approaching the young population.

Due to this research, there was formed an analysis of the modern media channels' usage trends by the young population. Millennials appreciate the relevant content, quality and independency from the time and place, ability to watch on mobile, they are ready to pay for the quality content, and the media usage is shifting to the digital streaming. They like the uniqueness and being a part of the happening, and social media is a part of the channels to reach them. Young people value the individual recommendations in video consumption but are sceptic about sharing their personal information with the third party. Young people find the linear Television outdated and not flexible, but they are open for the new interactions with it. Intense global competition requires that Media Broadcasting companies make continual improvements to their existing strategies, content, programming, offers and processes as well, and have the ability to introduce entirely new products with expanded capabilities.

In order to be flexible, the current internal processes and actions of the company have to become adjustable and agile as well. Lean development methods help to put attention on the decision-making authorities and the ability on individuals and small teams to take the responsibility, since the best practices show this to be faster and more efficient than hierarchical flow of control in the company. In any size of the Media Broadcasting company, the lean development methods and processes can help in applying the small changes into a big development safely, by checking what works better and implementing it step by step.

Without analysing the results and actions impact, there is a risk to go wrong direction and notice that too late, that's why I chose to find a solution tool with clear and relevant KPIs on how to analyse the reach of the target group as an outcome of my thesis. The Scorecard was suggested by a Media Broadcasting company, as they had a positive experience with it in tracking a top management performance, and it fits perfectly my goal of tool to be brief and cover wide range of different KPIs in a scope. Scorecard is a way to clarify, simplify, and focus the attention on a short list of the critical indicators of current and future performance regarding how to increase the reach of the target group. Media Broadcasters need to concentrate on the critical internal operations that enable the company to satisfy its viewers, readers, visitors and customers' needs. The Scorecard puts strategy and vision at the centre, it establishes goals and assumes that people will adopt behaviours and take actions, which are necessary to arrive at those goals.

For me personally, this research helped to understand not only the current situation in the media industry and the media consumption trends by young population, but also to understand how to build a reusable workflow patterns and tools in order to apply them for different business needs. I can transfer my knowledge to other fields of my work and save the time and efforts in following the current situation and planning the strategy for the future. This research and solution proposal building helped me to grow as a professional and the whole process taught me that the right time and structure management helps to administrate the situation and be effective. I learned that by doing the current state analysis, looking for the existing knowledge, choosing and combining the best parts of it, I can find the working solution for any of my business problem in the future.

I would like to finish with the words of Kaplan & Norton (1992), who developed the Scorecard tool I have used for my solution: A company's ability to innovate, improve, and learn ties directly to the company's value. That is, only through the ability to launch new products, create more value for customers, and improve operating efficiencies continually can a company penetrate new markets and increase revenues and margins — in short, grow and thereby increase shareholder value.

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