Clusters

your best chance of success

CHALLENGE

SOLUTION

RESULT

chellomulticanal

GROWING VIEWING SHARE WITH SMART INSIGHT

"Despite the turbulent market, the Chello Multicanal portfolio is more competitive than ever before."

Eduardo Zulueta
Managing Director, Chello Multicanal

IN BRIEF

- In a turbulent market, Chello Multicanal needed to increase TV viewing share and strengthen its position

- In 2010, Clusters delivered a comprehensive segmentation of TV viewers, with a refresh each year thereafter

- The detailed intelligence is used to optimise Chello Multicanal's programming and scheduling, and inform marketing strategy

- Chello Multicanal has benefited from improved effectiveness and visibility

- In 2013, Chello Multicanal outperformed competitors, and maintained a stable TV portfolio share

CHALLENGE

Chello Multicanal is a Spanish pay television company, owned by Chellomedia (AMC Networks), operating 18 channels across Spain and Portugal ranging from movies, documentary and lifestyle, to cooking and children's entertainment.

In an increasingly challenging and competitive Spanish pay TV market, where economic pressures have driven down subscriber numbers, Chello Multicanal needed to reaffirm its position in the marketplace and strengthen viewing share.

Raquel López, research manager, Chello Multicanal explains, *"Having a big portfolio of channels, we needed to significantly distinguish each brand from one another, whilst at the same time being sure to minimise cannibalisation between channels. Our goal was insight that we could proactively action and use to create stronger brands in a highly competitive market."*

AMC NETWORKS

⊗ SOLUTION

In 2010, Clusters carried out a detailed segmentation of Spanish TV viewers for the Chello Multicanal research team. Every year since, Clusters undertakes a refresh of the segmentation to monitor for changes.

The segmentation process is based on three months viewing data from a large national viewing panel. Based on these highly detailed data, Clusters uses its proprietary segmentation software to segment TV viewers based on the way they consume TV: the channels, genres and shows they watch, when they watch, and how much and how often they watch.

Chris Cowan, managing director of Clusters commented, *"By undertaking such a detailed segmentation of TV viewers, we get a uniquely complete view of TV audiences. We provide Chello Multicanal with a set of distinct, clearly-defined audiences or segments based on specific viewing habits."*

Clusters' segment definition for Chello Multicanal has remained consistent for the past four years. Providing such a consistent framework of audience segments and TV show genres allows Chello Multicanal to identify key trends year on year,

and to better align each channel in each timeslot to a priority audience. Consequently, Chello Multicanal have been able to maximise viewing share growth at the expense of their competitors, and of course minimise cannibalisation between their own 18 channels. One key finding, for example, is that since 2010 certain specific audiences are consistently watching more films, factual entertainment, and lifestyle programmes, a finding that would be lost if only using demographics to define audiences.

Raquel López commented, *"The insight provided to us by Clusters is highly valuable for a number of our key brands - in particular, documentary channel Odisea that operates in a hugely competitive environment, and our new lifestyle channel, Decasa. We use the insight from the segmentation to optimise our scheduling, to make informed decisions about which programmes to buy for which channels, as well as to inform marketing strategy for our strongest brands. Working with Clusters has been a highly rewarding experience thanks to their rigour and excellent attention to detail."*
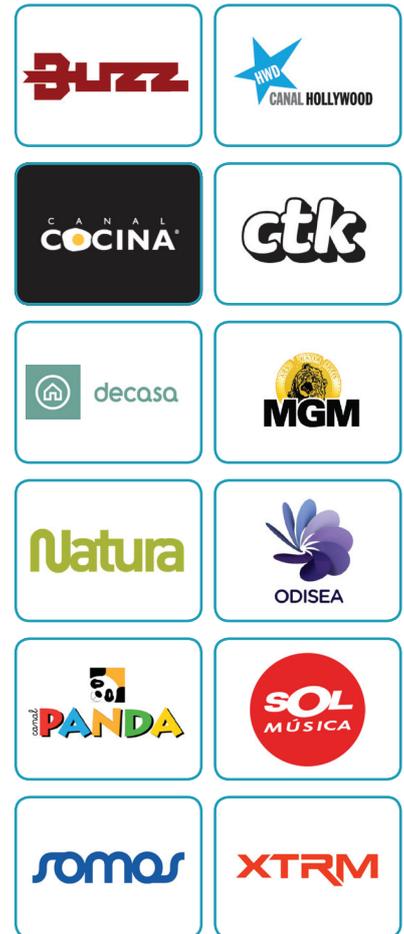
⊚ RESULTS

Chello Multicanal continue to work with Clusters year on year, using the annual segmentation to grow viewing share thanks to a precise, astute and data-driven understanding of the TV audience and their viewing habits.

Eduardo Zulueta, managing director, Chello Multicanal, explained, *"Thanks to the insight provided by Clusters, the Chello Multicanal portfolio is more competitive than ever before. Our programming and marketing teams now have a crystal clear*

understanding of our viewers, giving them a renewed focus to their work and greater results."

Eduardo Zulueta added, *"At first I was doubtful about the segmentation but now we talk about and use the segments every day. They have been a key part of growing our 18 channel portfolio share by 10% in the past year despite competitor launches, and a crowded and very difficult market."*

"Working with Clusters has been a highly rewarding experience thanks to their rigour and excellent attention to detail."

Raquel López
Research Manager, Chello Multicanal

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