

How to understand the changes and challenges within the television industry in Finland.

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<p>Abstract:</p> <p>This study is concentrating on aspects in the Finnish media industry with a focus on the business side and practical insights in contemporary television and content production systems. The aim was to figure out how to understand the changes and challenges that the domestic television industry faces today. The study is looking at three important themes: 1) Independent companies and the owner structure in Finland. 2) Television formats and its connection to the production industry 3) Contemporary web production at the public broadcaster YLE and a new viewer-user centric approach. The study is based on interviews with professional in the industry and collected secondary data which was then analyzed using a conceptual framework that distinguishes between (1) creation and adaption of formats, (2) local and global production of formats, (3) independent production companies and broadcasting companies, and (4) cultural value and business value. There are significant trends and shifts on the Finnish television market that influences the whole system and the future of Finnish production. It is driven by new technology and a viewer-user centric approach. TV-formats have become an integrated part of the industry and it has a firm grip on future development and broadcasting. Intellectual property rights is at the forefront of the format trade. The independent companies are being glocalized by the ‘super-indies’. Acquiring new skills are essential to survive in the global format industry. YLE’s positioning on the Finnish television market is important for the industry to be overlooked.</p>	
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1 INTRODUCTION

Television as we know it today is not a single linear broadcast on a TV screen in the living room. It has moved on to several platforms and has taken many shapes and forms. It is transformed, co-created and remixed on YouTube. It is a social reality-TV experience with designated hashtags for the web. As a manager, producer or even a writer working within the television industry it has become a necessity to grasp what the challenges and changes are within this fast changing industry. What once was a local affair for a single broadcaster on a local market in only one country have exploded into a diversified multimedia industry and global market. A market that once consisted of ready-made shows like Dallas, that was sold as a off the rack package, is today a complex industry with a multitude of channels and networks, video-on-demand services, TV-formats like Idols and intellectual property rights that are constantly changing hands. The global market today is fragmented in so many ways but at the same time controlled and owned by a few big players. It is a billion dollar industry with unlimited opportunities of expansion due to new technology, media convergence and the consumers becoming prosumers effect. All this is important to take in to consideration when working with the medium. Much of the work and strategies done at the Finnish state owned public broadcaster company YLE these recent years has been a direct response to these changes and challenges within the industry as a whole. In the years that I worked at YLE I saw the rise of the web as a new and important channel for content. Today the web is an integrated part of the production system. Also this was a time when TV-formats like Big Brother came along as a cost effective innovative way to produce television programs. Viewer shares became increasingly more important and the tension between the commercial players and YLE became obvious. New forms of producing content and the development of contemporary strategies regarding distribution and production lead to brand new work descriptions for the professionals all over the media industry not only at YLE. Large parts of the previous inhouse production moved outhouse to independent companies. Finland thus followed the same pattern of development of the television industry as in most other Western countries. (see e.g. Moran 2006; Jensen 2007, Chalaby 2012). Researcher Mats Nylund has expressed this as a chain of cause and effect: Digitization with a lot of new technological development that lead to a Multi-channel System with cable channels, pay TV and VOD services. With this abundance of television offering

and content it was a clear case of Audience Fragmentation and accordingly constant Smaller Budgets for television productions as a natural next step lead to Cost Efficiency by making television formats, used as a formula described in a Format Bible to adapt and recreate and sell in as many different countries as possible (Nylund, 2013). The format industry has shaped the Finnish television market in a very profound way.

1.1 Research and Methodology

This study is something that I started when I still was employed at YLE and continued doing when working as a research assistant at Arcada University of Applied Sciences in the fall of 2013. At YLE I was stationed at the children's department making relevant content for the web, television and radio, and dedicated to find new ways to communicate with the intended audience. At Arcada I did research about format production and the independent market in Finland.

1.2 Aim of study

This study is concentrating on aspects in the Finnish media industry with a focus on the business side and practical insights in contemporary television and content production systems. The aim is to figure out how to understand the changes and challenges that the television industry faces today. What kinds of factors are relevant and important to know? Is there a way to single out certain traits and trends that can be considered to have a large impact on television production? In an attempt to answer these questions this study is looking at three important themes: 1) Independent companies and the own-er structure in Finland. 2) Television formats and its connection to the production industry. 3) Contemporary web production at the public broadcaster YLE and its new user centric approach. YLE's positioning on the Finnish television market is too important to be overlooked. Hajbo is not a TV-format in the sense that it follows the process described in Albert Moran's text about formats (2006). Nor is it a typical pitched-planned-broadcasted television production, but an effort to make something new in the form of a webcast. This project alone entails enough new information on YLE and changes taking place at the public broadcaster. This makes it a valid theme for this study to explore.

1.3 Literature and previous research

The study is relying on input from earlier research at Arcada University of Applied Sciences by Mats Nylund and Peter Mildén about formats and the independent market in Finland (Nylund & Mildén, 2012). Mildén and Nylund research is important and concentrates on the contemporary strategies amongst the Finnish independent production companies in an era of fragmentation and digitalization. Mats Nylund also develops this further into the sphere of leadership in recent articles on media management. (Nylund, 2013a). On the subject on television format other prominent researchers in the field of media have already made several contributions that have influenced this study's three themes (see e.g. Moran and Malbon 2006; Haven 2006; Oren and Shahaf 2012; Jensen, 2007; Jensen 2013, Chalaby 2012). The study also presents collected secondary data about the Finnish television market, regarding ownership structure and viewers shares in Finland. This data is used to verify and/or contradict the result from the interviews. The data was collected during my research at Arcada.

1.4 Qualitative data and interviews

Interviewing is a form for collecting qualitative data from people in an attempt to understand the social context and the inner meanings of the respondents. It is part of the social constructive theories. (see Brennan 2013, p.28)

The interviews give us a valuable insight to how and why the professionals are conducting themselves in a certain way regarding their profession. Interviews are one way to build an understanding to what is actually influencing and changing this industry. The interviews were done in semi-structured conversations with eight professionals involved at different key positions the independent market (SATU, Media City) and at the major broadcasting companies (YLE, MTV, Nelonen). They were conducted outside the offices if possible or by phone and have been recorded and then transcribed. The interviews were then analyzed and interpreted and compared to the framework created by researcher Mats Nylund.

The purpose with the interviewed independent producers and professionals was to gather information on the contemporary independent market in Finland regarding formats and production. This is a fast changing industry so it was important to find out as much

as possible about recent years development and the current status connected to the two themes involving TV formats, ownership, and production companies. The professionals were chosen because of their current position and recent years experiences. The interviewed persons were asked to shed light on earlier developments concerning formats and the format market and also to state the current situation. Since the public broadcaster YLE is a major player on the market it was important to find professionals at YLE with similar experiences regarding formats and independent production. YLE is competing for the same markets shares as the commercial broadcasters and because of this YLE is transforming their businesses. Creating new TV formats are one way, another is a new user centric approach. YLE professionals involved in the web project Hajbo was interviewed to find out what kind of decisions were made to get the new website Hajbo of the ground and started and to find answers about the third theme that is explored in this study.

2 DESCRIPTION OF FRAMEWORK

In the text **Television Format as a Transnational Production Model**, Mats Nylund presents a model for understanding “*television formats, and how they change the television industry and consequently our lives*” (Nylund, 2014). For this purpose he has developed a conceptual framework. The framework describes four key dimensions in format production. 1) creation and adaption, 2) local (national) and global production, 3) independent production companies and broadcasters, 4) cultural value and business value (see Table 1). This conceptual framework is built on previous research done about independent companies and formats at Arcada University of Applied Sciences (Nylund & Mildén, 2012) (Nylund, 2014b) There where interviews made with 44 professionals all over the television industry in Finland and also collected secondary data. The main focus is production systems and the different professional’s experience of working with TV-formats in this industry and the relations between them. The framework offers a systematical and theoretical approach for understanding television formats and the global format industry. It singles out traits like, “*creative autonomy and restraints in format production, the influence of the market size, changing relations between, on one hand, independent production companies and broadcasters, and, on the other hand, global and national industry operators*” (Nylund, 2014b).

Table 1. A conceptual framework for analyzing television formats. (Source, Nylund 2014b)

Creation	Adaption
Local	Global
Independent production companies	Broadcasting companies
Cultural value	Business value

At a quick glance the framework first suggests that there is tension built in between the opposite dimensions. Especially if some sort of meaning, value and simplified assumptions are made about the framework.

- Creation versus Adaption: original ideas need more creativity than adaptations.
- Local versus Global: the small local companies versus the big global companies.

- Independent production companies versus Broadcasting companies: a case of dependence, supplier's versus buyers.
- Cultural value versus Business value: cultural value is considered more basic than business value. Business value is more tangible.

But when it comes to the meaning of relations in a framework like this it is important to look broader and try to see the whole picture. The Creation-Adaption dimension takes in to consideration that there is a clear and obvious difference between creating an original idea for television from scratch than to adapt it. This is especially evident when talking about TV-formats. Formats have become a business in their own right with the written down recipe for success in what is known as the Format Bible (Moran, 2006). When adapting an idea for another market you not only have a manual for how to produce the idea at hand but also detailed manuscripts, logos, music, catchphrases etcetera. The Format Bible can also give tips on how to market the format. It is a shortcut to a finished product without the agony, risk taking and uncertainty that comes with launching a new product. Looking at relevant statistics' confirms the notion that TV-formats have become increasingly more popular (see Table 2). So it seems that in economic terms an adaption becomes a very valuable sales argument between independent production companies and broadcasters. Broadcasters are looking to sell TRPs (Target Rating Points) to advertisers especially if they are a commercial broadcaster like MTV3. And independent companies need to produce to stay afloat. The suppliers (the 'indies') are then relying on the orders of the buyers (broadcasters and channels) that are in their turn relying on incomes from advertising time.

“Independent television production companies produce television programs for customers, who are almost always broadcasters” (Nylund and Mildén 2012).

In this scenario the risk avoidance becomes a strong motivation for choosing adaptations instead of developing original ideas. This brings us to the Business and Cultural value dimension. Business value may or may not precede cultural value. It depends on whom we are speaking to. Is it the manager or the viewer or the professional? Nylund distinguishes between the two in traditional terms of “use value” and “exchange value”. (Nylund, 2014a). The latter is the driving force of the format trade. The exchange of intellectual property rights is central to the global format industry. When the Dutch production company Endemol created Big Brother and managed to cash in on the concept in several other territories they succeeded to go from a small company to being one of

the major players (aka super-indies) all over the world (Chalaby, 2012). This success story for Endemol is of course a result of good business management but also a high concentration of cultural value in form of “use value” for the viewer. Cultural value is not always very tangible like business value that can be easily measured. Nylund (2014a) argues that when it comes to distinguish cultural value regarding TV-formats then it is important to separate the production from the reception. With the high viewer ratings that Big Brother got it we can make the assumption that user value is absolutely relevant to a formats success. Cultural value = user value in form of a social buzz and media coverage creates in the end business value via the TRPs. But cultural value can also exist in the production for the actual professionals working with the project in form of creativity or acquired know-how. In the Local - Global dimension we find the importance of local independent companies trying to survive on a local and also global market. TV-formats are by nature a transnational business that has transformed the television industry in more ways than one. It is also the domestication of the global format into a local version “*in order to be qualified and experienced as familiar enough by the audience*” (Nylund, 2014b). Big global independent companies (super-indies) like FremantleMedia have merged and bought local subsidiaries in several countries. And now they compete with the few local production companies left on the market. In every single step of the economic value chain that the global companies can control they will make more money. This is the super-indies strong incentive to expand into different markets and territories via horizontal and vertical integration (Sánchez-Taberner, 2006), (Moran, 2006)). As Nylund states this could be an issue for national policymakers. And there is also there the aspect of global versus local identity and representation where formats certainly are glocalized products. They are a form of a broadcasted hamburger from McDonalds, the same all over the world but yet slightly different. Certain formats like Reality TV are cheap to produce and because of this they will outperform other programs like for instance domestic drama productions (see Table 3). As we can see the result will be that diversity in programming can become scarce (Waisboard, 2004). This should also be of concern for the policymakers. Nylund’s framework has defined the important key dimensions regarding television production and TV-formats. It is well suited to analyze the very nature of the TV-format, the market and the industry. The different key dimensions clearly overlap each other and give a more complex

picture of the relationships between the dimensions than from a first quick glance. This will become more evident in the next chapter.

3 THE INDIES AND THE FORMAT IN A COMPLEX RELATION

This chapter is based on my analysis of the interviews made about the independent companies and their relations to TV-formats. Based on this analysis I try to identify and explain key features and challenges in the Finnish format industry regarding the two themes 1) Independent companies and the owner structure in Finland 2) Television formats and its connection to the production industry. My analysis is guided by the framework described in chapter 2.

3.1 Adaption and Creation

Formats play a dominant role in Finnish television today. They can be divided into three categories: 1) Finnish adaptations of international formats 2) Formats created by Finnish producers mainly for the domestic market, 3) International formats that are shown on Finnish television as ready-made imports.

” ... if you look at the old ones [shows] in the 70-80-90s you find a lot of old formats, but back in those days people went to England or America and checked into a hotel and watched television and then made programs out of them, just like we today go to the MIP-market in Cannes to see people. The business has in that way changed, formats have become a significant business and because of that it is easier to buy a refined idea than to copy it.” (Paavolainen, 2013)

Adapted formats have always existed. The major difference is as Paavolainen explains it, that a whole new market has evolved and made it simpler to produce them. Speaking from his experience as a Head of Formats at MTV3, adapted formats make up a large part of the television programs on Finnish television at least on primetime. In 2012 six out of the ten most popular television programs were of foreign origin (see Table 2). The most popular one, Comedy Combat, was Finnish and what these seven have in common is they are all TV-formats.

Table 2. Top-10 recurring programs in Finland 2012. Sources: Finnpanel 2013 and media companies.

	Program - Channel	Format	Finnish Creator/ Adaptor	Origin	Genre
1	Comedy Combat – MTV3	Yes	Yellow Film and TV	Finland	Comedy Show
2	Dancing with the Stars	Yes	Zodiak Finland	UK	Celebrity Competition

	-MTV3				
3	Presidential election – YLE 1	No	YLE	Finland	Current Affairs
4	The Farmer Wants a Wife –MTV3	Yes	FremantleMedia Finland	UK	Matchmaking Reality
5	Roba - MTV3	No	Yellow Film and TV	Finland	Drama
6	Secret Lives – MTV3	Yes	FremantleMedia Finland	Australia	Soap
7	Idols – MTV3	Yes	FremantleMedia Finland	UK	Talent Competition
8	The Best Singers in Finland -Nelonen	Yes	Zodiak Finland	Netherlands	Music-based Reality
9	YLE News – YLE 1	No	YLE	Finland	News
10	The Voice of Finland - Nelonen	Yes	Banijay Group/Solar Television	Netherlands	Talent Competition

Not all adapted formats are immediately recognized by the audience as a “remake” of a foreign version. The popular format *Iholla* (international name, *Connected*) is an Israeli format, *Tarttu Mikkin* (*Grab a Mike*) is a Danish format, *Vain Elämä* (*The Best Singers in..*) is from the Netherlands and even the super popular *Salatut elämät* (*Secret Lives*) is originally an variation of an idea all the way from Australia via neighboring country Sweden. Formats are indeed a global transnational business. This has implications for the Finnish industry which shall be explored in the Local-Global dimension.

1) Adaptions are recreated formats in several different territories at the same time. Popular examples are *Idols* and *A Farmer Wants a Wife*. They are straight forward adaptions that come with a Format Bible. The adaption itself emerges from cultural differences, budget constraints and other considerations in each country, and can sometimes result in “spin-offs” that make it back out on the global market. One example of

this is the show KIDSing (FremantleMedia Finland, 2013). Paavolainen explains the difference between an adaption and an original idea:

“The domestic idea it is just a sketch of a house of what it might look like. On the other hand when we are buying a format we get a house that already has been built and we can go and have a look. We get the drawings and all the constructional specifications to how and with what we shall build the house. This is the difference. “(Paavolainen 2103)

So an adaption might seem easier to realize than an original idea but they are not that different from created formats, they only include a different set of skills and acquired know-how. The localization can be just as creative and demanding due to national and cultural boundaries. Ilkka Saari, Head of Procurement and Special Rights at YLE, who works with creating formats and co-producing them with independent companies and acknowledges the fact that it can be hard:

“Nothing is easy. Not to develop. Not to localize. And in Finland we have especially good skills for localizing [formats] in the Finnish independent companies” (Saari 2013)

Saari also reveals that the people employed at his department are specialized and chosen because of their different strengths and capabilities in this field. So the right set of skills seems to be important to the industry and in adapting or creating a TV-format..

2) Finnish formats; the original ideas are created mainly for the domestic market with an intent or potential to sell abroad or sometimes not at all. This depends on cultural and language barriers or acquired know-how in distribution and formatting. Here we find the recent Comedy Combat, The Night Patrol, Shopaholics, Rockstar Home Invasion that have been formatted (Nordic World, 2013). And then there is the Madventures series that introduces a new special kind of formatting where an international English spoken version of the Finnish program is made to sell abroad. Madventures is not a TV-format with a Format Bible discussed in this text but it is regarded within the industry as a popular successful Finnish program that is succeeding on the global market and sometime referred to as a format because of its style and how it is produced.

3) Ready-made versions are what they sound like. The original version of for example Idols created in the US, and then also the Swedish adapted version and possibly the UK version. All of them broadcasted with subtitles in Finnish. In this category there is an abundance of programs filling up the TV-channels.

The new set of skills needed for creation and/or adaption of formats becomes evident in the interviews. In recent years the Finnish professionals have acquired these skills main-

ly through adaption of foreign formats and now use them to create new TV-formats. The skills can also be attached to the dimension of business value and cultural value.

3.2 Business value and Cultural value

When it comes to global TV-formats Finland is definitely foremost a country that adapts. Not many Finnish original TV-formats have yet made it on the international market. There are some that have been sold abroad but no major hits have emerged so far. Finnish locally produced and created formats also are a big part of the independent companies' production. Stiina Laakso, executive manager at SATU, who was part of the introduction of the soap format *Secret Lives* to Finland and producer at FremantleMedia back in the 1990s, has seen the changes in the market up-close.

“The market has grown quite a lot but many companies are now owned by big foreign companies. That means that the format comes from abroad. And especially the commercial channels don't take risk by buying something developed in Finland. (Laakso 2013)

This is of great concern for the industry since volume in producing original ideas is important for further growth and development.

“If you create your own formats, that gives you the opportunity to get foreign revenues, and that gives you new opportunities and creates growth for the Finnish indie market. (Laakso, 2013)

So not only does then adaptations create job opportunities for the Finnish professionals but they also create a constantly growing market. There seems to be a difference in the attached business value regarding a creation or adaption. It involves risk management. Two of the shows in Table 2 were created by the successful local Finnish independent production company Yellow Film and TV. The company comes in second place after the global FremantleMedia Finland in 2012 years list of turnovers and revenues by SATU, The Association of independent producers in Finland (2013) (see Table 3). The television industry in Finland does not have the same kind of financial support as the film industry has. Laakso (2013) calls it a “raw business” where the decisions are made by the “accountants” at the channels.

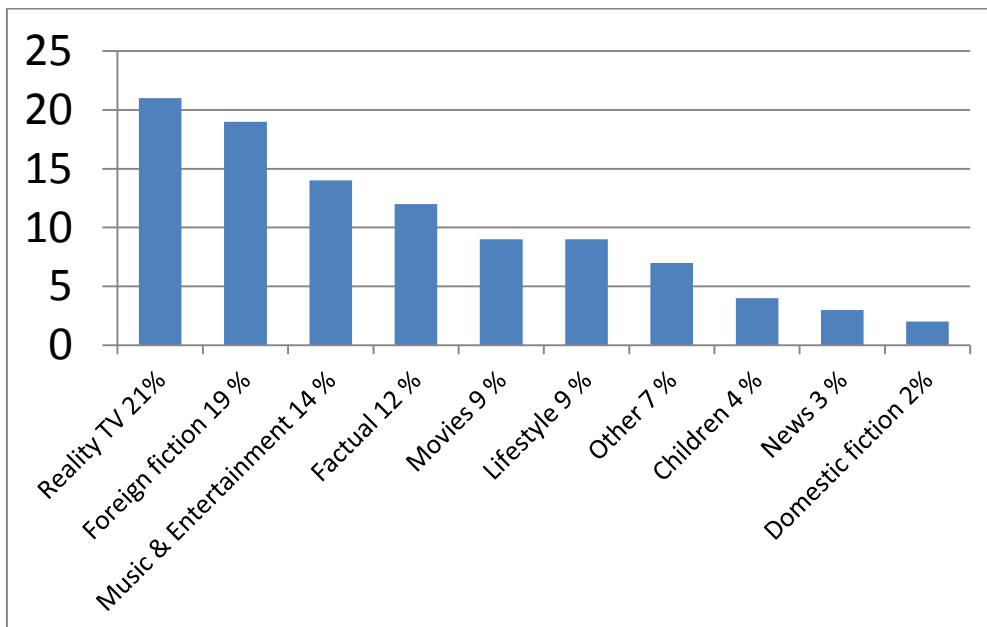
“Finnish programs are doing very well if you look at the ratings. But they cost ten times as much as a European or American series so even if it has a million viewers, there will be a lot of elderly people that has no value for the advertisers. Maybe only 300.000 people are valuable enough to pay for. That you can get with *House* or something. It is the accountants that make the decisions.” (Laakso, 2013)

The business value and the cultural value are clearly linked to each other through the TRPs. Culture value as in user value for the viewer becomes business value based on the ratings. Paavolainen reaffirms the previous statement by Laakso and makes an assumption on what kind of shows that then get produced.

“The price for a TV advertisement is not that big, that means that already from the beginning shows are made pretty cheap. This also means that the production companies will not be able to do the big national entertainment shows that usually becomes formats, and because of this when they make the original ideas it is usually small factual or lifestyle programs.” (Paavolainen 2013)

It is becomes obvious why the Finnish industry in recent years have created so many reality and lifestyle formats, and it shows in the supply on television. Of the average Finnish television supply in 2012 as much as 21 % were the so called Reality TV and 19 % were foreign fiction (see Table 3). Looking at the origins of these 39 % were North-American and 35 % domestic, 19 % European and 5 % Nordic (Juntunen, Koskiniemi 2013). Reality TV is also known under titles like Big Brother and Survivor. It is a form of TV-formats that sometimes is referred to as “cheap and fascinating” within the industry. Factual and lifestyle are the two other genres that are considered to be relatively inexpensive to produce. So much in fact that whole channels like LIV and JIM have been niched around them.

Table 3. Television supply in Finland 2012 per genre . Source: Juntunen, L. & Koskenniemi, A., 2013



Cultural differences in user value also exist in the aspect of seeing Finnish local talents perform in Idols and such formats. The strong local attachment is very special because of the Finnish language that is a very small language. There is a long history of Finnish programs outperforming foreign ones. Even though a form of outgoing anglo-americanization is especially strong in TV-formats like game-shows and talent-shows Finns are not always comfortable with showings off their talent. So a Finnish version of Idols will never be exactly like an American or Swedish version. It will be a Finnish Idols. The audience very often perceive it as a Finnish format especially if it is a smaller Reality TV format like Iholla (Connected). There is a large need for locally produced formats in the Finnish language and with local celebrities. So how to succeed as a format producer is then about having the right skill to know what kind of content will work on the Finnish market or not, a sort of cultural value in the form of skills of the professionals. Laakso gives a valuable advice to newcomers in the business;

”To all new people graduating that wants to start a production company I have told them to take a job in the big companies first and after that build your own. Because it is much easier to sell to them [bigger companies], as they sell to the channels and abroad. It’s a shortcut and you learn a lot. Someone has said that *Salatut elämät* (Secret Lives) and Fremantle is the biggest school for television professionals and still is. And I think it is true. Because there is the volume and you have to make decisions all the time.” (Laakso 2013)

It is under these circumstances that the Finnish independent companies then tries to create, develop and sell their own original ideas by what is learnt from making the adapted format. At the center of the business-cultural dimension is also the new skills and how to make the most out of them. This is something that is seen as very valuable. Not only personal skills as a writer or a producer, but also management skills for choosing the right production companies for an adaptation or for broadcasters when taking a risk to invest in an original new idea. Anders Wik at MediaCity in Vaasa stresses the importance of having the right knowledge and the right contacts to succeed especially if you are a small company. This is important for managers.

”One has to go out [abroad] with the ideas to check them with others that have the competency in other areas and above all on the business side, to find out if your idea is timed right or if you have to change or develop it somehow to get it to work.” (Wik, 2013)

Management has become crucially more important as the format industry have grown. Risk management is a part of that. Risks are minimized by being certain about something. Certainty is sold in form of the Format Bible which attracts advertisers to the channel because it is a proven and tested format and subsequently is thought to mini-

mize the risks. The creation-adaption dimension introduces the economics aspects that are central to the business and cultural value. Every time an original format is created the learning curve is steep and risky. Not so much with the adapted version. The biggest difference between creating a format for the Finnish market or for the international market is the missing Format Bible and the intent to sell it forward. According to Paavolainen Finnish production companies are getting better at formatting all the time.

“It has turned for the better. When I started doing this there was maybe one or two knowledgeable firms that dared to venture abroad, and at this moment I can truly say that all the important production companies today have formats in distribution. No Finnish format has yet made it and been the first big success, but I can say that they all there on the market gambling, and that is of course a positive development.” (Paavolainen, 2013).

Still there is a question about why apparently a successful Finnish format like Comedy Combat not have made it on the global market. The answer might be that it is too Finnish or that it is not produced by a big global company.

3.3 Local and Global

In every step of the economic value chain that the global companies can control they will make more money. This is the dominant aspect when looking at the Local-Global dimension. Money making comes from owning a format, producing a format, licensing a format, finding new formats to develop and licensing them in other territories

Table 4. Turnover 2012, the numbers does not separate television production from movie making or tell us how much TV-formats or any sort of production alone is a part of each company's revenue. Source: SATU 2013

TV (movie) –production	Turnover and other revenue - Euro	Result - Euro
FremantleMedia Finland Oy	18,68 mil	1,37 mil
Yellow Film & TV Group	16,52 mil	0,55 mil
Metronome Film and Television Oy	10,74 mil	-0,29 mil
Moskito Television Group	9,09 mil	0,08 mil
Zodiak Finland Oy	7,55 mil	0,29 mil

Table 4 tells us that there is a strong tendency in foreign origin-ownership regarding independent companies. Making a profit is the super-indies strong incentive to expand into different markets and territories via horizontal and vertical integration. Vertical integration is about keeping control of all the stages of the production and distribution with the purpose of raising profits. All of the money made by the middlemen can be contained within the company if they own the rights to the production, the format, and also the rights to distribute and licence it in a foreign market. Today there seem to be only one big successful domestic independent company Yellow Film & TV that wants to go for vertical integration. The interviewees referred to it as the only remaining Finnish company. If then a super-indie like FreemantleMedia which already has vertical integration also own a foreign company like FremantleMedia Finland Oy that will adapt the format they will earn those profits as well. This is called horizontal integration. That is a growth strategy concentrated on scale economics, synergies and specialization (Sánchez-Taberner, 2006). It gives the rights-owner the possibility to decide who will produce the format in Finland for example. Paavolainen is negotiating with these big internationals the rights to produce their formats. He says that this development have made it harder for him to freely choose the right kind of independent company with the right expertise.

They [format owners] could overprice it, and they may have the wrong production company for that particular format. We know how to recognize a great format idea, and we know how to connect the idea with the perfect indie company. But now the end result can be a mismatch and a lot of confusion. I would not say that we are on their mercy, but we do have less freedom of choice than before. (Paavolainen, 2013)

And this development is a problem. Not only because of the profits from the intellectual property rights and productions that slip away from Finland but also because of the need of volume in original ideas to be able to grow and succeed. Several of the professionals expressed deep concerns about the fact that no new ideas are developed anymore by the super-indies. But there are some positive things as well.

“At the same time as you have an idea in Helsinki it can be spinning in London headquarters the following week and there it could be developed for the next market. A big central organization has money and a pilot could be done in London for 100.000€. But is it then a Finnish idea, that’s the question. Not really.” (Paavolainen, 2013)

Since the four biggest independent companies in Finland have already been integrated into production divisions of the transnational’s Paavolainen questions the idea that there exists any independent Finnish productions companies anymore since such a high grade

of produced programmes are owned by the big internationals and a great deal of the future formats created in Finland will belong to them since they are already integrated. It is a relevant question. And it comes back to the statement about the need for volume to be able to grow. On a positive note there is the flow of know-how and skills between companies, branches and the exchange of ideas not only between employees but also on the global market in the format trade fairs like MIPCOM. This kind of networking is a good thing when it comes to understand the trade and trends but it also works in a way that it streamlines the information about what kind of programs should be done or will succeed.

“The growing homogenization of the professional sensibilities among television executives worldwide, embedded in Hollywood’s worldview, is an important aspect of “the new international division of cultural labor” (Miller et al. 2001) that needs to be studied.” (Waisboard, 2004)

So not only is there too few Finnish original ideas produced for the format market, and not to many Finnish owned companies left and no apparent influx of new money to the Finnish ‘indies. And all the programs have a very similar look and feel. The local-global dimension raises issues about media pluralism and intellectual property rights. Common issues that are discussed in media politics and important for the domestic industry. (SATU, n.d.)

3.4 Independent companies and Broadcasters

The market in Finland is built around a traditional financial relationship between buyers and suppliers. But in this case broadcasters/channels also finances and facilitates a large part of the television productions. They can even be the instigator of a format. So the lines can get blurred. In return for the funding broadcasters would like to have a share of the profits from an eventual future sale. (Paavolainen, Wiklund, 2013) But that is not a primary object.

“We buy a big share of Finnish television programs that are original ideas. It is up to the producing company if they make it into a format and if they then distribute it abroad as such. When they bring it to us as an idea we are the ones that first makes it and funds it, and at that point it doesn’t interest us if it going to be a format or not...” (Paavolainen, 2013)

MTV3 is the broadcaster that buys the most locally produced content at the moment from the independent companies. Paavolainen says that they had seven new formats introduced in 2013 apart from just as many old ones. “That’s even much for us”

(Paavolainen, 2013). He also points out that MTV3 have approximately as many original ideas as formats. Compared to the revenues on the global format trade, the sums that are spent on the Finnish market are "small change", according to Ilka Saari (2013). Saari also points out the difference between the public broadcaster and the others.

"We would like to develop formats together with the 'indies', that are Finnish formats, this is part of the financial responsibility of YLEs financing model. We have risk chancing capabilities, and formats are just that, the capability to take a risk. Developing formats demands money and resources, and because of this the commercial division that lives in the quarterly economy are forced to make fast earnings, so there is no room for long experiments whether if a program works or not. That program vanishes quickly from the schedule." (Saari, 2013),

The professionals in the commercial branch also points out that it is a competitive business

"The local content that was bought in 2012 amounted to about 2250 hours...It has never been bought so much programming hours by indies before. And it works. The competition between the channels results in that they put all their available money in local content, because this is what they can compete with." (Wiklund 2013)

According to Marcus Wiklund, Senior Vice President, Corporate Relations at Sanoma Entertainment, the media company Sanoma would rather by only distribution and showing rights for a TV-show and not finance its production at all. But at the same time he raises the important question of how the independent companies then will finance them. In other words there seems to be no other clear option for the independent companies to finance productions except from the broadcasters/channels. Wiklund thinks that this model has made the independent companies idle in their efforts to realize and finance their own original products in other ways. Of the €107 millions in turnover 2012: MTV3 bought for about €35 mil, Nelonen a little less than €20 mil and YLE about €10 mil and YLE is estimated €20 mil for 2013 (Laakso 2013).

And now when YLE has got good financing they have promised that they will buy original Finnish programs, pretty many, so it will get better the next few years...10 million euro more per year, that means a lot." (Laakso, 2013)

Both Laakso and Paavolainen talks a lot about the need for volume in programming to have an impressive catalogue to sell on the global format market. But without the necessary risk taking from the financiers there is no possibility for future growth.

"The big shiny floors or crystal shows are the ones that are seen the most at the format market, and they are hard to create because we lack the funding in Finland." (Paavolainen, 2013)

“There are not enough projects and formats that go all the way to screening. MTV3 maybe buys two drama series per year. One of them might have potential but the other one might be very ‘Finnish’ and have no potential. That means one project a year and you can’t build a catalogue on that.” (Laakso 2013)

So when referring to volume it is not only size and scale that matters but also the amount of original ideas developed and produced. Lifestyle programs that fill up a whole channel like LIV are extremely cheap to produce because they are financed by “product placement” and make up a lot of the production companies revenues. They are like the Reality TV formats easy and economical to produce but not always easy to make into a TV-format to sell because “*the world is full of them already.*” (Laakso 2013). Business value then seems to appear first and cultural value second when it comes to what kind of shows will be produced. And sometimes the cultural differences between countries plays a big part in what the broadcasters chooses to do or not.

“Sweden for an example is one of those countries that are like the others with these gameshows. Like Minute to win, it that was an original idea sold to NBC in the USA. We on the other hand don’t have that game show-culture when it doesn’t attract the Finnish audience and the advertisers are not very interested. This is another reason why I think the ‘indies’ have a hard time to go abroad when their formats are mainly factual and lifestyle.” (Paavolainen 2013)

The smaller independent production companies rely heavily on what the broadcasters are willing to finance and tries to accommodate their own goals and possibilities trough making cheaper and smaller productions, like reality and lifestyle. The super-indies on the other hand have a firm control over the intellectual property rights and usually have one more successful TV-formats in their catalogue. This gives them more bargain power over the broadcasters.

3.4.1 Intellectual Property Rights

“The public wants to pay for good services. Now that YLE has their financing in place they should not be able to demand exclusive rights. The producers should have the right to resell their product to Netflix. It is for the benefit of YLE and for the ‘indies’ advantage if more money emerge.” Laakso 2013

Both Laakso and Wiklund argues that the trade with intellectual property rights (IPRs) is a way to financing new original ideas. This does not only apply to the TV-formats but all kinds of produced media content. Wiklund says that Sanoma only finance or buy programmes that has all rights included for all kinds of digital platforms and channels for Finland. If the independent company does not ‘own’ all the IPRs then Sanoma will not buy it. They are concerned with the fact that the Kopiosto Copyright Socitey and

Actors Associations is hindering the independent companies possibilities to get more revenues with a new proposal about collectively controlling the IPRs. On the other hand individual professionals in the industry are concerned with loosing future revenues to the independent companies if a format becomes a success. So clearly the IPRs has business value to all parties involved. The IPRs has to be owned by the indie company to be able to resell it on the global market. The company also needs the specific know-how in distribution, marketing, selling and formatting for the global market. Usually every company has some form of knowledge in this for the domestic market but the same rules in Finland may not apply abroad. There is a difference in scale here between smaller 'indies' and the bigger ones that has all their knowledge inhouse within the super-indie structure like Zodiac Rights. The super-indies have distribution channels to go through when to sell an idea this is both good and bad. Other professional companies in the business uses distribution agents like Nordic World to distribute and sell original ideas on the global market. Nordic World represents several independent companies within the Nordic countries. As a agent Nordic World have the specialisation and know-how for this. (Wik, 2013) . But owning the IPRs does not always help. A 'bigger' company with more resources can easily manoeuvre so that a similar idea will not have an impact on the market.

“Often when someone brings something new to the market, instantly a few copycats emerge. And sometimes the copies can be better than the original...the most successful one might be the one with the most money and best launching, and the biggest firm will win over the smaller one” (Paavolainen, 2013)

One successful original idea that becomes a format could drastically change a whole company's turnover and future. We have seen it happen before when Endemol came up with Big Brother and when Strix Television made Survivor (Moran, 2006) (Chalaby, 2011). But then the independent company must have control over the IPRs. One way is to become member of the international association FRAPA, Format Recognition and Protection Association. FRAPAs main object is to protect the IPRs connected to TV-Formats. Only four Finnish companies are found in the members list (Frapa, 2014).

3.5 YLE as an important player

The public broadcaster YLE has always had a central role in the development and in upholding the independent companies regarding content production. (Nylund & Mildén, 2012). The public broadcaster companies positioning on the Nordic market is quite strong all over the region. It has to do with the long tradition with these companies existence and they are seen to be a little more refined and belonging to the highbrow area of media culture. Before when the competition of the viewer shares were not so fierce YLE could rely only on its reputation and the licensing fees. But in recent years when financial hard times hit, then YLE too changed their policy towards a more viewer centric customer approach. Even YLE is nowadays competing for the attention of certain age groups (YLE, 2014a). TV-formats are one strategy they have chosen to do it with. Ilkka Saari means that there is not a big difference between YLE and the other broadcasters since they are on the same market.

“Traditionally formats are seen as commercialized and not appropriate for public broadcasting. I am of a different opinion and so is YLE and my department. Formats are just proof of that a concept is tested in a territory or area and as every ambitious project it is always a risk. And in this business, to which we belong, it is a very expensive one. And even though we are funded by public money we belong to the logics of this business” (Saari 2013)

YLE is not at the moment the biggest player when it comes to buying or creating formats. But it is the only company that can afford to take risks when it comes to developing original ideas thanks to the public financing. At the department of requisitions there is a small group of people working directly with the independent companies to develop and produce originals ideas. This department’s only goal is to develop with the independent production companies or buy concepts from them that might become TV-formats in the end.

“We have and we must have the stamina to develop Finnish concepts in our Labs, and then finally option and buy them and fill the sky with them. Not all are meant to become formats but that does not make them into a less worth concept.” (Saari 2013)

Creating own formats is important since YLE as a public broadcaster have certain values that need to be implemented within the format. Not all formats presented at MIPCOM for instance are appropriate for YLE

“YLEs take on this is that the major part of the formats does not fit our values. They are too negative and to commercialized, so they don’t apply with our ethics. Then there are formats that are a match

and do not present any ethical problems, regardless of whether it is entertainment, infotainment or factual formats and them we are interested in” (Saari, 2013)

So therefore Yle is applying the same sort of business value as the commercial broadcasters but they also assign to the formats a cultural value in the form of ethics. The commercial broadcasters and independent companies have their own built in networks for exchanging material and ideas and so has YLE with the Nordic cooperation in the Nordvision. YLE has always relied on Nordvision to find new content. Before it was more about trading ready-made shows. Nowadays it is about sparring the program development in the public broadcaster network of the Nordic Countries. (Nordvision, 2013) It is about sharing ideas and know-how between the countries. Learn how to develop a successful format. The big difference between the approach of the public broadcaster and a commercial one is that not much is regarded as a trade secret. Where an independent company have to keep the knowledge in the workforce and original ideas a secret to safeguard future earnings, the public broadcaster has more pressure to be open in these matters because of the public funding according to Mikael Skog whom has been working for Nordvision. (Skog, 2013). The interviewees continuously made remarks about the important role that YLE plays on the market for the independent companies.

4 A WEB PROJECT AT YLE

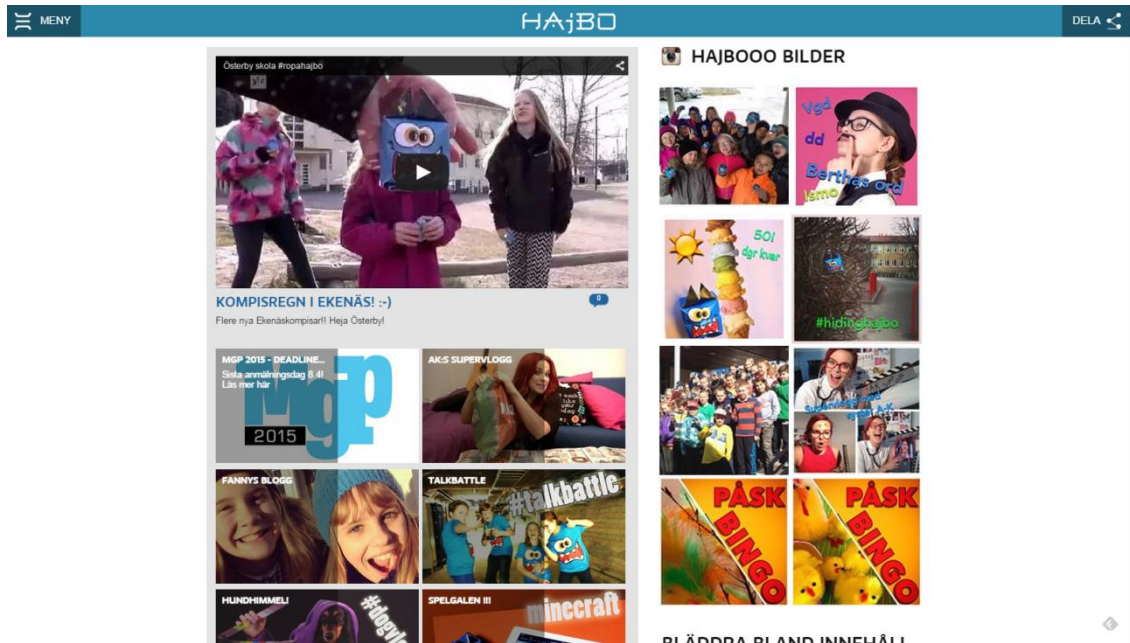


Figure 1. Screenshot of Habjo website. <http://svenska.yle.fi/hajbo/> Accessed in 2015.

Working with television programmes it is always a challenge to make relevant content and to find a way to communicate with the audience. At YLE there has in recent years been a strong wish to reach out to the viewers. These days YLE sees the audience as a relevant participator not only as a receiver. Big trends within the media industry today is co-creation and crowd sourcing also referred to as user generated content and these days these trends are a natural part of YLEs strategy when making content (YLE, 2014a). Clearly cultural value is at the heart of this development. But also YLE has been given tighter budgets and demands to slim the production to be able to meet the new demands of digitalization. YLE is a well structured big factory when it comes to producing radio and television. It goes back to old traditions and the fact that radio broadcasts has been produced since the late 1920 and TV since the late 1950 (Lyytinen, et al., 1996). YLE has its own inhouse production departments and is often employing freelancers and independent companies as well. Web producing at YLE got underway in the late 1990 and it is only in the recent ten years or so that YLE have started to make websites in a more structured way with dedicated inhouse web departments. Before it was not so organized and there was no consensus trough out the company on what kind

of look of feel the web sites should have or what kind CMS should be used. It was more or less a “we make it up as we go” kind of a thing. Today YLE is considered to have three publishing platforms; the Radio, the TV and the Web. And there is more collaboration and consensus over all genres and mediums. The digitalization and trends in the media consumption through mobile and digital channels have had a great impact on YLEs offerings to the audience. YLE has accordingly adapted to the changes by introducing new services like Yle Arenaa, Elävä Arkisto and so on (Yle, 2014b). Even more recently YLE have introduced mobile services and applications for different kind of tablets. For example, younger children can now play games with Peka-BUU (Stolzenberg, 2013) and watch television programmes in a safe environment with YLE Lapset Arenaa (YLE, 2014c). YLE wants to compete for the same viewer shares as the commercial channels. Viewer shares are considered to be of business value even for a public broadcaster.

4.1 The development of the project

The Swedish YLE department for children’s programming have had several websites for older children; X-tra, Idrottsbiten, Utmanad. These were separate television shows with specific websites. There were efforts to build web-portals for all of the TV shows intended for the 8-12 year olds. Both Bumerang and Zon5 were mainly filled with mostly textual information on the upcoming different broadcasts and sometimes extra information, an odd competition, some photos and occasionally a video clip. There has been a lot of experience from making the very popular website buu.yle.fi, a concept of games and fun video clips, created for the younger children 3-8 year (Yle, 2014d). The BUU-website is very closely connected to the TV-show BUU-klubben (Swedish Yle, 2014) that has fixed timeslots seven days a week and been running for over fifteen years. Based on the previous understanding to create websites for the younger and the older children a new idea and concept was developed and then pitched in April 2012. The website Hajbo was planned to capture the interest of the 8-12 years old and to get them to watch the content, to participate and to contribute. It was intended to serve on several platforms including mobiles. Broadcasting was planned to be web-first and web-only for some specific content.

“We have never put in so little technical resources on a site like this before. We have been focusing on the content and not built any special solution. This was because that we did not want to spend a lot of resources and then fail.” (Webdeveloper, 2014)

What had happened with the development of the project after the pitch in April 2012? The answers revealed that a lot of decisions had been made that had altered the initial concept of the web project. The previous project leader had left the project before the production had started and new staff had been contracted at a much later stage. From the arrival of a new project leader/reporter the new group decided to start all over with a clean slate. They concentrated on finding out what actual resources they had to build the website and what kind of content they could offer. The group in the initial stage consisted of three persons; a web developer, a department manager and a project leader/reporter. This group had several brainstorming meetings with an extended group of other professionals at YLE before productions started and a second reporter was contracted. It is obvious that the content producing group was very small. There were two reporters employed at the time of the interviews working with content development and production. There were also freelancers hired, for shorter periods and they were supervised by the other two. The content was produced in Vaasa and in Helsinki. The two reporters had delegated certain responsibilities to each other depending on knowledge and interest. They both worked with multimedia challenges, they filmed, wrote manuscripts, edited, developed new ideas, and maintained the produced content on several different platforms. This kind of multimedia work is standard at many media workplaces today. It is clear that focus on solving different technical problems and uploading the same material on several platforms was a time consuming element.

“If we would have different resources maybe then we as reporters could concentrate more on developing new ideas and the website. But as it is we can get caught in trying to edit something for hours or trying to upload it on several different platforms. It is not an optimal situation but this is the reality of working in television and producing for the web.” (Reporter, 2014)

Hajbo is clearly a project with influences from agile and lean management. The web developer had a much larger role in this project than in other ones of a similar kind. The team worked with both agile and scrum methods. The development was more influenced by pure web production than linear television production and broadcasting.

“ Many have sad that Hajbo have been the most fun work for years because it has been more creative and no ideas have been killed, so to speak” (Webdeveloper, 2014)

New skills for “how to work” was demanded for this project and a lot of creativity was at the core of the development. Not having worked with agile-scrum management methods created challenges for the television staff and the experiences were both good and bad. On a positive note it gave them possibilities to react instantly to the audience’s response.

“We work really spontaneously, if we get idea then we can do it and test it on the audience to see what kind of response it gets. It is a whole different ball game. (Reporter, 2014)

If there was something the audiences liked, then reporters could do more of that and skip the not so popular content. This kind of flexible production methods introduced some tension with the bureaucracy and existing systems built within YLE supporting regular television production. The downside of working like this is that the YLE bureaucracy demands fixed budgets, appropriate manpower, scheduled broadcasts and fixed lengths for television. A systematical approach does not always support more flexible working, creativity or new ways to produce and broadcast.

“Nobody thought about what it actually means to produce a lot of content for the web only. YLE has always had the responsibility to archive everything that has been recorded and broadcasted. But what do we do with twohundred and fifty Hajbo videos and no system or no one to archive them. Small things like that. The system works excellent for linear broadcasted television and radio but does not support anything that doesn’t fit in the system.” (Reporter, 2014)

An independent company might have had it easier to work like this outside the bureaucracy of YLE. Being an inhouse production can sometimes hinder the creativity as well as promote it.

4.2 Relevant content for relevant audiences

In the short time that the website has been up and running it has slowly grown as a brand. The personnel decided to use an origami figure called Hajbo to represent the website. The figure has been a great success in connecting with the children. The development group thought it important to have a figure and to let the audience themselves build the brand. A few videos were created on how to fold a Hajbo yourself and what to do with it.

“Hajbo is a undefined character with an actual physical form. The audience can assign to the character whatever traits they like. They like it when Hajbo communicates with them. “ (Webdeveloper, 2014)

User value is at the centre of this approach, as in many lean management theories.

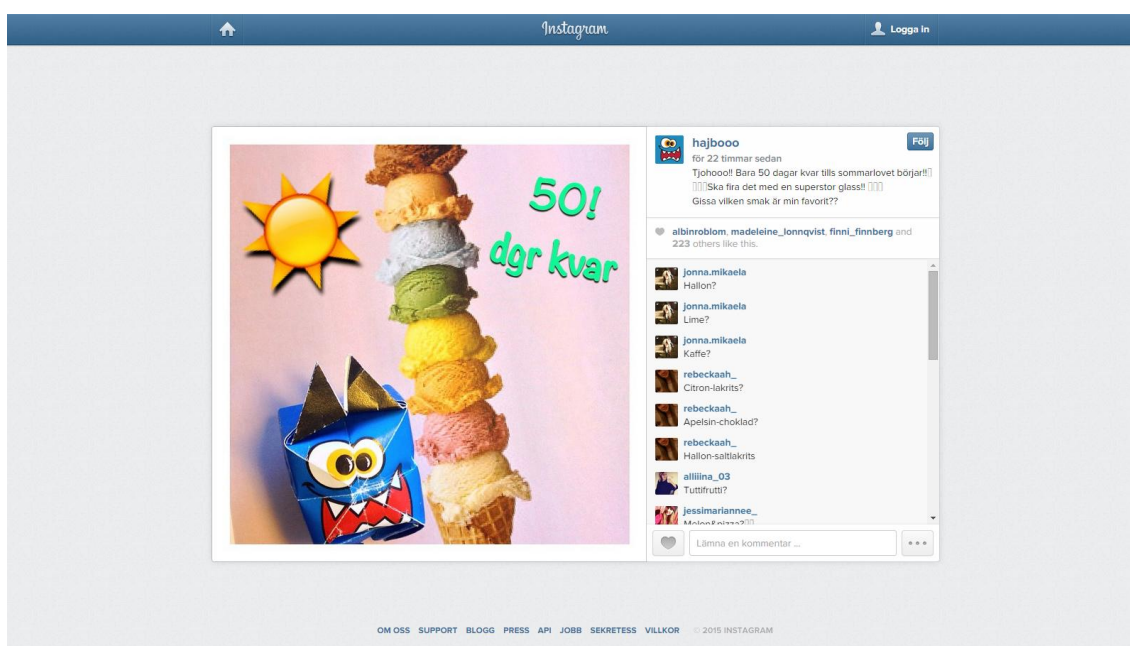


Figure 2. Screenshot from the Instagram account. <https://instagram.com/hajbooo/> Accessed 2015.

No specific YLE slogan or YLE marketing was used. Instead the reporters went to the schools filming and making fun videos of #Rapbattles with the teachers to create a buzz around the project and test a “word by mouth principle” on the social network platforms like YouTube and Instagram. The interviews reveal that the development group thought it was important for the audience to feel that all content was produced by Hajbo and/or themselves and not by YLE, which is another brand with another meaning for another more mature audience. Still Hajbo is an YLE production and is found on the usual company platforms as well. But the communication and interaction with the viewers takes place elsewhere.

The initial idea for the website was much depending on content created on the website by the children. It became very clear in the first few months of testing and talking with the audience that the website could never rely on getting this kind of influx. Instead resources were focused on creating relevant and interesting content for the audience.

“We decided to put idea of user generated content on hold for a while. We knew from previous effort that we could not push the audience into creating content for us. We could not rely on having a website built only on that. Instead we took the approach that if they wanted to they could. And this has proven to be more effective. Now they contact us if they have an idea and we create it together if possible.” (Reporter, 2014)

Even though the initial idea about user-generated content was discarded the Hajbo character did help to activate the audience and make contact with the Hajbo-staff mainly via social media channels. So to some extent active viewers that folded a lot of Hajbo figures and distributed them within their own networks did take part through some sort of co-creation to create a buzz and spread the word. Also a lot of suggestions and ideas were shared via these channels. The Hajbo website and the brand is still growing. A lot of focus is still generated on listening to the audience and creating new relevant content. The group is pleased with what they have accomplished with such limited resources.

“We had a website up and running less than one and a half month after the first meeting. It was maybe not the most perfect website, but it was a minimum viable product and worked to get the word out. This made it possible for us to gather an audience on that platform ready for the launch of the finished website later on.” (Webdeveloper, 2014)

4.3 New times demand new tools

The website Hajbo is promoting and sharing imported programs and already existing domestic successes like the MGP and Utmanad (aka The Challenge). These programs have the same target group. The Hajbo personnel use social media to spread the content. Instant pictures on Instagram and the chat-app Kik (kik.com) designed for mobile phones are used. Hajbo has a Twitter account as well but it is more or less inactive because it is the wrong crowd that hangs out on Twitter. Social media channels are used accordingly to where the audience is found. In the beginning they instantly opened a YouTube account to share Hajbo produced videos like the #Rapbattles and the short drama series Fanny. Working at the same department was the Utmanad-personnel who used Utmanads Facebook account to spread the word about Hajbo. But the Hajbo-group did not open a Facebook account just for Hajbo because the audience already deemed it to be old-fashioned and not cool enough. Instead Instagram and the constant use of hashtags proved to be useful. The Hajbo-personnel follows diligently the statistics on how these different channels are used. The decisions regarding produced inhouse content comes from interacting with the audience and what they have commented on, ‘liked’ or ‘shared’ in their own networks on social media. Hajbo’s future existence is relying on showing to management relevant web and viewer statistics on how popular it is. In this it helps if the group has created an actual buzz within the target group on the social media channels.

“I think that we should take into consideration that we could attract far more viewers on the web than by a TV broadcast for less money. Viewers that actively have chosen our content by their own free will and not by default because someone else was watching it on a TV screen. This is about quality not quantity. These viewers are far more valuable. “ (Webdeveloper, 2014)

At the same time the content must be well done, attractive and represent the values of YLE. The Hajbo website has had new approach than the previous ones at Swedish Yle. It seems that the ongoing approach has been a successful one.

“We are working as we were the future. Hundred percent web. So this feels totally right regarding our viewers and the content. The only bump in the road is the working processes that not yet are in place. “ (Reporter, 2014)

5 CONCLUSIONS

This study has been concentrating on aspects in the Finnish media industry with a focus on the businesses and practical insights in television production itself. I have been taking a closer look at the website Hajbo at YLE, I also looked at the independent companies and ownership structure within the Finnish market, and the significance of formats. Some key findings have emerged. The TV-format has clearly changed the television industry in Finland. The interviewed professionals stated that TV-formats are here to stay. It is more a question on how to deal with the constant influx of adaptations versus the creation of new ideas. Creativity is important for creating new original ideas but the learning curve is steep and risky. Volume and risk taking are crucial for the independent companies, but they are depending on the willingness of the channels and broadcasters to be able to develop new skills and ideas unless they are part of a global media conglomerate. YLE as a public broadcaster has more readiness and opportunities to take chances with different projects. Is there a future for Finnish original ideas? I would argue that there is, at least within the small micro-companies doing smaller productions in the genres of reality, factual and lifestyle. But like some have pointed out if someone is aiming for the big hit like Big Brother then one might want to consider joining a global company.

The global vertical and horizontal integration has fundamentally changed the Finnish television market. Super-indies are always searching for new ideas and products. One way to achieve that is to integrate local companies as subsidiaries through mergers or consolidation and get hold of their catalogue and creativity. The big ones get even bigger and leaves very little room for the small local independent companies left to maneuver in. YLE can step in as a challenger and develop the local formats with local companies. What is considered local and Finnish is then a matter of opinion.

We also have to acknowledge the fact that the development of a new form of professionalism and skills has emerged in recent years. Acquiring new skills are at the center of everything regarding the television industry. Without it there is no new products, no growing market. Skills in creating TV-format is a commodity that you can trade and sell. Whether it is about containing the profits of IPRs within a production company, or about how to sell your product to the market, or about how to make a successful

format. It all boils down to the new skills. And if the business skills for global marketing and IPRs are essential for a manager at an independent company then for the creator it is essential to grasp what the trends and recent development in different kinds of content is on the global market. This is what the buyers and audiences are expecting to receive on the local market as well. The lines between what is local and global have been erased. We live in a glocalized world also in the television sphere. The same sort of skills are needed for creating content at YLE since they openly are competing on the same market.

The commercialization of television thanks to innovative technology and through new platforms have given the viewers as consumers a new significance because of the audience fragmentation. In Finland this has been crucial to the introduction of the TV-format on the Finnish market. Risk management is at the core of the format industry and it drives the industry. Risk management is something even the public broadcaster thinks is a good idea even though YLE is not competing for the actual TRPs. The new technology also drives a web-first and web-consuming development. Management and creators do not only have to take one channel into consideration but a multitude of channels as well as social media strategies to communicate with the audience. The audience is no longer a silent bystander but an active participating part in the process of changing and creating the media content and the industry itself. For a commercial broadcaster this puts new demands on who has the viewing rights for different platforms. User value creates business value and influences the decisions made at the channels. YLE is able to create and explore new ways and channels to interact with the audience without large consideration to IPRs. This has created tension between the commercial players and the public broadcaster.

The web project Hajbo tries to put the viewer in the center of the creation, and to some extent they have succeeded. Building a concept around the target group is something you would expect from a commercial channel wanting to sell TRPs but YLE is competing for the attention of the same viewers as any other channel. Media is consumer driven maybe more so today than ever before. This development in television and other kinds of media is actually a very user-centric one. The viewer cannot be overlooked since media is a product made with the intent to be received and consumed. In the case that some similar development of a viewer framework should be considered it could be the Consuming – Prosuming dimensions. Are we viewers or users or maybe both? Con-

sumers are already actively producing their own relevant content on YouTube and becoming stars in their own right. Will this make the television broadcasters redundant? The importance of YouTube and the viewer behavior are starting points for new web projects like Hajbo, and shorter stories on video-on-demand services like SVT Flow (SVT, 2014). Will YouTube take over the world once and for all? Also Linear – Non Linear consuming is an important factor, the binge watching on video-on-demand services like Netflix for instance have had an impact in changing the practices on how to produce and distribute television series. Hajbo releases several episodes at one time to fulfill these binge watching tendencies and to create a buzz. YLE have already started to publish popular HBO series like Game of Thrones (Yle, 2014) on their video-on-demand service YLE Arenaa before the actual broadcast on TV. This is a direct response to the video-on-demand services. The viewer is and always have been important to the broadcasters but even more so with the still accelerating audience fragmentation. We are constantly looking for new ways to keep their attention.

In any case understanding the changes and the challenges within the TV industry is a work in progress, because this is an evolving creative industry in constant change and seemingly without any end.

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