



Licence to thrill

HKTV has finally made its long-awaited debut online. Arthur Tam goes outside the box and finds out what it means for the future of television in our city

Besides being a hub for the finance, fashion and film industries over the years, Hong Kong also has a proud history in TV. The city's thriving television scene has been an undying source of cultural influence – both locally and internationally. It's nothing short of amazing that a small territory with a market of just seven million people can regularly produce TV shows with budgets similar to those made in the US that have a market of more than 300 million people. Ever since the conception of HK's first free-to-air station, TVB, which launched on November 19, 1967, we've been producing quality programming that not only reaches local viewers but has also, over the years, expanded to audiences in Malaysia, the USA, Australia, Canada, the UK, Thailand, Singapore, Macau and New Zealand. Not bad for a TV station that, for the past 47 years, has been producing original Cantonese (only the third most widely spoken Chinese dialect) shows.

It may be a proud, colourful history but, of late, there's been a considerable amount of public discontent aimed at TVB. Some say it's gone stale and that shows are bland. Others claim it has a monopoly over the industry, despite the existence of stations like PCCW, i-Cable, ATV and RTHK. They say these networks can't compete with TVB. And, to top it all off, TVB has also been criticised for self-censorship, especially in relation to its coverage of the recent heated protests.

"I would say that we are the victims of our own success," says TVB's general manager SK Cheong in relation to the industry's 'points' ratings. A 'point' represents 64,200 viewers, so a 25-point show, for example, has 1.6m viewers. "I wouldn't say that we aren't creative enough. We have set the bar quite high for ourselves and produce shows that we think could surpass 25 points. Before, our bar was set at 15 points. And we do try to experiment with newer shows like *When Heaven Burns*, which young people voted best drama of the year in 2011. However, the show didn't surpass the 25-point benchmark and wasn't viewed as a success by our commercial team. I personally believe we should keep producing this kind of drama but because we set our bar so high there's a tendency to repeat old successes."

Cheong is candid when it comes to his channel's detractors. "Another reason for viewer criticism is because consumers' tastes have broadened," he says. "Hongkongers watch a lot of Korean dramas and US dramas, which they didn't do in the past." It's worth noting that although Cheong has said that the bar has been raised, there were TVB dramas back in the early 2000s that received a whopping average rating of 40 points. "It's true that ratings have

dropped in recent years," he counters. "But this is also due to the fact that people have switched to different devices for viewing. If you add it all up, there is actually an increase in viewership."

WE ARE THE VICTIMS OF OUR OWN SUCCESS

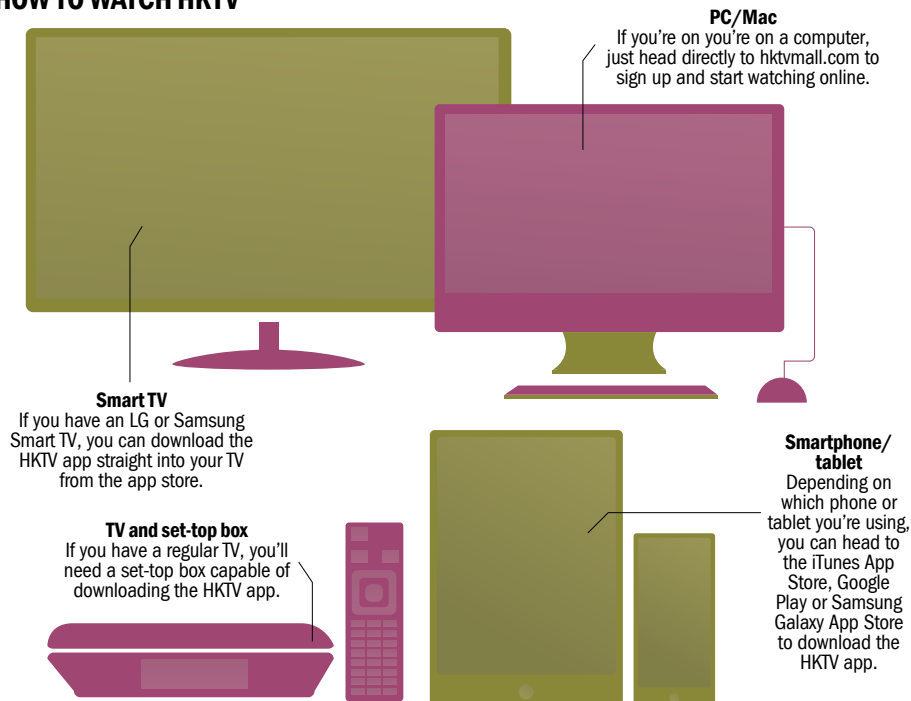
With the stage set and audiences chomping at the bit for different entertainment options, then, it's a perfect time for the grand entrance of HKTV. The new online-only TV channel is perceived as a shining beacon of hope for the next generation of viewers. But it wasn't intended to be online-only. In case you've been living on Mars and have missed the saga, here's a quick recap: back in 2009, HKTV chairman Ricky Wong Wai-kay applied for a free-to-air television licence but it was rejected on October 15, last year, much to his – and the general public's – surprise. PCCW and i-Cable were, however, both granted licences. The judicial review of the decision is scheduled in the next few days but that's irrelevant compared to the fact there's never been a report actually explaining the rejection. Only the Secretary for

Commerce and Economic Development, Greg So Kam-leung, has revealed any sort of answer after he stated that a consultant's report – not released to the public – claimed that Hong Kong couldn't sustain more than four TV stations.

The days that followed last year's rejection saw public outcry. Angry TV viewers called for the government to be transparent about its decision. An estimated 100,000 people amassed outside the Legislative Council in protest on October 20. So, not one to give up, Wong then made a move to acquire China Mobile Hong Kong for \$142 million and just proceeded to forge ahead with his TV network regardless. He decided to make it online-only. And, on November 19 of this year (coincidentally, TVB's anniversary as a business), it finally enjoyed its channel launch party. It has been airing since – and has already found a pretty relevant niche considering the recent climate in Hong Kong. It's overcome its hurdles and succeeded against the powers that be, positioning itself in a glossy coating of hopes and dreams while sporting the feel-good slogan of 'life is all about new beginnings'. Wong announced at the launch party that 'Hong Kong people and HKTV will never give up. We have to look out for our next generation and their livelihood', words that ride on the current situation of political unrest.

"A lot of the young audience might switch to the new online channel," ►

HOW TO WATCH HKTV



Smart TV
If you have an LG or Samsung Smart TV, you can download the HKTV app straight into your TV from the app store.

TV and set-top box
If you have a regular TV, you'll need a set-top box capable of downloading the HKTV app.

PC/Mac
If you're on a computer, just head directly to hktvmall.com to sign up and start watching online.

Smartphone/tablet
Depending on which phone or tablet you're using, you can head to the iTunes App Store, Google Play or Samsung Galaxy App Store to download the HKTV app.

Once downloaded, you'll need to sign up for an account which asks for your email address, age and income. After that, you're ready to start watching

We want HKTV Protestors are outraged outside LegCo on October 20, 2013



says Professor Anthony Fung at CUHK's School of Journalism and Communications. "We just did a study and we found that young audiences – born post-80s – actually spend much less time watching a TV set. In fact, 51 percent of them mentioned that they spent most of their time browsing online and streaming and not much time on traditional television. HKTV is on trend with the habits of the younger generation. The most important thing for HKTV is capital and whether advertising trends would change enough and allocate their budget to online platforms in the long-term, because that's how they can target younger audiences."

HKTV's big pitch is how it's going to change the future of TV in Hong Kong. It's offering audiences the convenience of watching its 22 new dramas on demand. No more waiting for your show to come on – you can watch when, where and however you want. Each episode of its current batch of dramas cost around \$1million to produce. It's estimated that Wong has already invested \$1billion into the company.

At 6am on November 19, HKTV uploaded crime thriller *Borderline* and timely political drama *The Election*, which follows the depiction of a 2022 election for the next Chief Executive. HKTV is hardly subtle about the progressive shows it aims to produce. "I was so surprised that within a few hours we reached 250,000 views," Wong tells us. On top of that, a million people downloaded HKTV on their Smart TVs and mobile devices. "It's very encouraging," says Wong. "The success of HKTV hinges on the hope and happiness that we can bring to the Hong Kong people." Again, this might all seem trite and over the top. But in the current political climate, HKTV is hitting on points of social change, which is likely to resonate with the public.

"If HKTV wasn't denied its licence," says former TVB actor-turned-HKTV actor Ai Wai, "I think there would have been fewer people at Occupy Hong Kong. It wasn't the [entire] government that denied the licence. It was one person and we all know who that is." Ai shifted over to HKTV along with a host of other actors from TVB. "Of course people moved," he says. "Obviously they're getting a better deal. But it's also clear that one of the two companies is just for profit and the other company is for profit but also social responsibility." Ai worked with TVB for 33 years and because of his stringent TVB contract, he claims he wasn't allowed to take on freelance projects or work for other stations. "This is an unfair system," he says. "I've been waiting a long time for a new opportunity. [HKTV] is welcome competition. This will only promote better quality shows from both sides."

As to whether or not TVB is going to release any potentially sensitive shows, Cheong says: "If you're talking about Occupy Hong Kong then obviously we have to be careful. In such a politically charged atmosphere we are walking a very thin line, as thin as a wire. So we'd

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rather not touch on the subject at this moment because there is no way to make the show unbiased. People look at things with conditioned perceptions, never with a neutral mind. I was stopped on the street by a woman from anti-occupy saying she hated TVB because we were in support of the students with our reporting [contrary to Ai's opinion]. We will wait for things to cool down and maybe down the road we can produce shows that touch on this subject. For now TVB will continue to enhance our business model, develop in China and do a good job."

Though netizens have done an amusing job of pitting TVB and HKTV

against each other in satirical posts, perhaps their rivalry is not quite as strong as it might seem on the surface. "Existing channels are probably still going to enjoy a stable viewership because the two terrestrial TV channels – TVB and ATV – don't have a direct competitor," says Fung. HKTV doesn't have a licence and PCCW and i-Cable aren't in the position to be in the game yet. The older generation will still watch TVB and ATV, so I don't foresee competition for at least three years."

But how will it all be commercially sustainable? The advertising budget pie is limited. Roughly 20 percent of all ad budgets are allocated to traditional TV and, without a licence, HKTV is still at a disadvantage – particularly given Hong Kong's small local market. The channel is nowhere near the level of fellow internet on-demand service Netflix, which accumulated major capital through its other services before beginning to produce its own original content. Wong remains optimistic, however. He has 30 advertisers already and projects that he'll have more of in the coming months. He says he's already struck a deal with Malaysian station Astro to distribute HKTV's Cantonese dramas as another source of revenue. And, on top of that, HKTV is also launching an online shopping platform as a way to diversify its business.

No matter how the future of Hong Kong's television industry plays out, the introduction of HKTV has certainly energised the city. This has already become more than just about TV. Both TVB and HKTV may, one day, meet head-to-head. And, we hope, the benefactors will surely be the viewers. ■