THE FUTURE OF TELEVISION
IS PERSONALIZED

ANALYSIS OF THE INTERNET STREAMING PLATFORM

NRK ON DEMAND

A PUBLIC BROADCAST STUDY

IDA ELISABETH SØRLIE

SUPERVISOR: INGEBORG ASTRID KLEPPE

MASTER OF SCIENCE THESIS FALL 2014

INSTITUTE OF STRATEGY, MARKETING & BRAND MANAGEMENT

NORWEGIAN SCHOOL OF ECONOMICS

ABSTRACT

Portraying a public broadcasters' digital challenge, the thesis presents an analysis of the new reality, which is disrupting the world of media, entertainment and news. Targeting the dilemmas of the Norwegian Broadcasting Corporation, NRK, it seeks to offer alternatives for maximizing their public service mandate through their On Demand platform. Discussing its strengths and weaknesses, this thesis presents a proposal for the next strategic step of public service broadcasters: transforming their business model and offering personalized experiences while retaining their identity as public service broadcasters. Considering the competitive climate and technological media development, personalized accounts are the next frontier online. Digital accessibility and content strategies are essential to compete in a global market. The target is innovators and early adopters in Norway, represented by millennials (born 1981-1996). Today, the group´s low engagement rate with the brand and its content is the premier issue plaguing the organisation. The thesis answers how public broadcasters, as former dominant market players, can develop in a new dynamic environment and compete in the video streaming services. For public broadcasters engaging with Millennials is key to re-establish positive relationships - it links with their future survival. Scoring high on perceived quality and trust, focus on creating and capturing value through consumer experiences appears the best way to maximize value. Reviewing both resource based view and an external analysis, the emergent media patterns of consumer behaviour is best traced through the experiential view. NRK primary strength is their extensive content library, and their weakness is that they are not leveraging this resource. Learning from digital winners elsewhere, NRK must curate content to add context and improve semantic networks with tags. Content ought be classified in intuitive, fresher categories that are relevant to the consumer. By asking for individual preferences, NRK will be able to offer tailored experiences digital natives are used to having online. Content sharing, state of "flow" and other elements of gamification are also key drivers of consumption. In the age of digital abundance and fragmentation, consumers search costs must be alleviated – either by Meta-data or by play. In this sector, personalization and advertising avoidance are becoming bigger differentiators than price. Introducing strategies to energize the platform, NRK should also spend trust capital to leverage the brand and certain type of content. The thesis is a testimony to the personalization of media content and the expansion, and future of Television.

PREFACE

To ensure lasting motivation and an amplified learning experience, the author made sure to choose a topic with high personal and social relevance. My generation, the Millennials, have closely followed the rapid shifts in technology and participated in the disruptive movement. We have swiftly adopted new media and methods of communication offered to us. Video streaming has become our favourite channel for entertainment and news. The actuality aside, the study's prime object is to understand what constitutes a competitive edge in the content market. This sector is highly complex, and fast changes make advantages outdated rapidly. Still, content creation, content access and media consumption will always have great significance. Whether cultural, aesthetic, newsworthy or historical in nature, media content deeply influences our being. Storytelling is the most unifying and enthralling concept ever made. In any form it presents itself, content will always be in demand, and good storytelling will always be a differentiator.

In addition to meeting the academic demands, my purpose for writing this thesis is to encourage varied consumption of digital content among Millennials. Explicitly, promoting content with educational value. Video with volume, replay and pause is a superior teacher, as well as being a more democratic medium (Salman Khan, The Khan Academy). Imagining the possibilities for minorities immobilized or otherwise challenged groups, as well as youth benefiting from this type of free and easy access to the world of content. Television was called the best and cheapest babysitter of all time. Streaming will eclipse the linear experience of TV, with more choice and tailoring options. Still, the matching of content with individual or niche interests is not fully understood. Choices require guidance and context in order to be informed and meaningful. In addition, some tension between digital and human behaviour arrests value maximization. A penchant for convenience and mood drive the latter, whereas system and cataloguing drive the former. Broadcasters seem to be unaware of how big the leap is from television to interactive digital platforms. Firms that succeed in bridging this gap will unlock individual content value, and attract new users and experiences.

The belief behind the study is that individuals engage in self-realisation through varied video consumption. As international and commercial content is compelling and widely available, it

ensnares us in time-consuming or wasteful practices. A public broadcaster´s mission must be to shift the attention from "the mother of some dragons" (Game of Thrones, HBO) or "Orange is the New Black" (Netflix) to explore the less obvious, but quality content available elsewhere.

NRK has digitalized an enormous content library, but not yet unlocked its value, with a few exceptions. When offering less commercial content, the art of packaging, tailoring and story-telling becomes even more important. Content curation is as important as content creation; relevance and context are the keys to unlocking success. Popular content and hits will always be a facet of our society, but digital variation diminishes its power. Learning to leverage other and older content will facilate this development. Herein lies the window of opportunity for a public broadcaster.

Instead of shying away from their public mandate and educational role, NRK should embrace it and find new ways to exploit it in the digital world. Millennials are nothing if not pragmatic and family oriented. Instead of competing for youth with hip, crowd-pleasing programs, public broadcaster should draw inspiration from informational platforms like TED. NRK On Demand should be a source of daily instruction, inspiration and exploration with a seamless and intuitive interface. Luckily, the organization has top editorial resources, but should invest more in tech.

In our society, consumers have come to expect tailored solutions and experiences. Business models are no exception; here the Internet has been an important disruptive force. Increasing political and market tensions point to a revision of the current funding model. My thesis, unfortunately in 2D, presents a scenario where NRK can kill two birds with one stone. Personalization and content curation is the future of television – make the model reflect it.

I would like to extend my gratitude to NRK, and all parties involved in this process. You are rewarded with references. Ingeborg Kleppe, I have valued your feedback in inspired, though chaotic moments. On a personal note, I would like to thank my mother for expanding my horizons, glorifying hard work and changing my mind about IT.

Bergen, 22 december 2014   Ida Elisabeth Sørlie

TABLE OF CONTENTS

1.INTRODUCTION

This paper illustrates the competitive conditions in the media market, focusing on the future of public service broadcasting, exemplified by NRK. Amidst rapid digital change in recent years, it examines the emergence and popularity of streaming, or video on demand (VOD). The term streaming means megabits over broadband, referring to the delivery method rather than the medium itself. Video on demand is an interactive TV technology that allows consumers to view programming in real time or select items later to stream at leisure. Requesting video featured on web platforms has irrevocably become a daily pastime of youth.

The main focus of the thesis is content, and its role as differentiator in media consumption and competition. Content are ideas, information and experiences providing value to end-users in specific contexts. In this age of abundance, transparency and accessibility, strategies to stay attractive online are challenging to formulate and implement. Piracy, globalization, and a competitive arena with novel players puts pressure the role and relevance of public broadcasters. This thesis identifies factors and appraises concepts in the new ecosystem of media. Adding value to the service requires new strategies for content management in which the main variables are **content creation**, **content variation** and **content curation**. To realise the potential of content management, interface and access are key elements. In the case of public broadcast, the business model must match the digital lives.

Crowned by experts as the medium of the future, Internet TV is becoming consumers' favoured choice for both information and entertainment. The case is the online platform of the Norwegian Public Broadcasting Corporation; hereafter NRK On Demand. The first objective is to identify strengths and weaknesses of the web offering to best navigate the new media landscape. The second objective is to highlight ways to attract users by improving the online experience, and simultaneously strengthening the brand and consumer base. The purpose is to present relevant models and approaches for the service delivery and service content. Content is still king, but not necessarily new content – it has to be content that is relevant and accessible in new contexts.

1.1 Justifying Research

The initial motivation behind the subject choice is to offer a perspective on an industry and connecting sectors experiencing rapid change in real time. The immergence of new media have shifted consumption and transformed business. Even if the study phenomenon is just a few years old, this research rests on fundamental concepts only transferred to an innovative medium, not the medium itself. The actuality presents a challenge theoretically, however market change and disruption is anything but new. The contemporary aspect aside, there are a myriad of factors justifying a paper on this subject.

First, an untangling the factors promotes a cross-disciplinary understanding. Technology, IT and innovation provoke strategy and new behaviour, introduces products, alters brands and service dynamics. This direct impact, however, is seldom credited in scientific economic papers, but merely acknowledged as a contributing factor or used as a starting off point. The disconnect between technology and business concepts leave future managers unprepared. Furthermore, the paper is a cross-disciplinary study under the umbrella of strategy. To adequately address the case issue, the author borrows elements of consumer behaviour, branding, marketing, product design, innovation theory and organizational behaviour. Dissecting a complex sector in upheaval is a challenge, especially because decisive aspects are harder to evaluate. In high uncertainty, media firms must uncover valuable strategic considerations on segment, model and content. Fluctuating conditions blur conceptions of latitude and often conceal central aspects of a business needing attention or follow through. The market chaos is definitely blinding.

Recognizing a lack of master research using economic disciplines to address media ventures, the study is an attempt to explore a previously uncharted territory. Illustrating a value redistribution phenomenon happening in real time, variables are not fully based on digital sensibilities. The thesis rather explores content opportunities provided by the medium. New media behaviours and strategies make for a unique and unprecedented subject study. Research on cultural offerings is also uncommon. Meanwhile the topic of business models are classic, yet they are exuberantly transformed by the Internet. Existing firms need to rejuvenate, discard or expand their model to address the rapid cycles of change.

Modelling value capture can even be a differentiator in itself. As the music business is in the latter stages of disruption, the video and media industry are currently going through painful adjustments. Secure market positions are a thing of the past, and firms seek information on how to innovate and adjust products to better serve new media consumers. In a market transformation, strategy is the tool to make relevant trajectory suppositions. As the writing is already on the wall, the question of action is rather one of timing and scope rather than validation of circumstance. With the convergence of old and new media, online models are assuring a firm´s relevance and thereby, its future. While the paper addresses the technological innovations accelerating the medium´s adoption, the disruptive effect on linear media serves as a backdrop rather than a mode of enquiry. Media research will always be relevant, as content and medium mirrors the actions and aspirations of society.

As the competitive environment saturates with technological advances, consumer behaviour is an increasing concern. Studies of digital natives or those born into a digital world will only increase in priority. Millennials, and adults under thirty-five have higher or different expectations and consumption patterns than former generations. Ryder (1960) introduced the notion of cohort and different expectation patterns. As early adopters and diffusers of the medium, Millennials are the holy grail of web research. Nonetheless, a Millennials' study by BCG (2012), showed that shared beliefs and attitudes did not make them homogeneous; six distinct segments and personalities were identified. Only those players understanding disparate consumer response, content and connecting the dots with new medium will stay attractive. Competitive power will be determined by how well players tailor the consumer experience from start to finish. This only increases in importance with the amount of piracy and illegal activity in the content sector.

As the digital convergence threatens the cable industry and stream confronts linear TV, the shift in consumer behaviour points to an individualization of content consumption. Descriptive statistics of Norwegian streaming and media behaviour can be found in Appendix 1. Norwegians consume 7.5 hours of media every day, and Internet consumption is steadily increasing. With Peer-to-peer systems declining, streaming is favoured for its temporary storing of data. That said, despite cord cutting in early adopters and innovators, linear television is still relevant for the majority. Then again, streaming and new media offers shorter clips and stories besides long content. The mediums

flexible nature makes it easy to consume when suited and in between other activities. According to Rothenberg of IAB, online video consumption increases exponentially worldwide. Online sites such as YouTube are responsible for propelling video snacking and a unique way of communicating: sharing and creating video content. Content marketing and YouTube strategies are all the rage, because they are effective drivers of growth and brand loyalty. Indeed, video streaming is well on its way to change education and university degrees, eventually disrupting the traditional teaching model in the same way it is now disrupting media and entertainment. As of today, streaming serves as a complement to other media. Even if consumption patterns in all likelihood will adjust in favour of stream - it has been established that no medium dies, see Appendix 2. Each medium evidently satisfies a particular need or response. As more mediums arrive on the scene, media consumption only grows in magnitude. Social media is a driver in itself as well as amplifying other mediums.

That said, IP is the world´s only truly global medium. Web 2.0 has emancipated the consumer and given high bargaining power to the individual. However, Netflix and foreign platforms are the most dominating players in the sector. An illustration of the competitive environment can be found in Appendix 3. This international domination credits research on national platforms. Also, the ease of citizen media promotes democratic consumption favouring choice and niches, discarding authoritative mediums. Established and public institutions face diversity, as do their content. Naturally, their plight is transferred onto their digital platforms. Analysing competing players, the author has contrasted content, business models, methods of distribution and interface. Competition comes in many forms, not only from other VODs, but also from other Internet pursuits. As public broadcasting is found in the nexus of news and entertainment, it envelops at least two content sectors. This means that their competitive environment is broader as well as harder.

As content access goes from being limited to open, consumer media control goes from being passive to highly involved. Illustration of "Drivers of change for the long-term future state of the TV industry" in Appendix 4. Multiple portable screens and Smart TVs show that the viewing experience has evolved from being a shared pursuit to a personalized affair. Upholding the notion of convenience above all, time autonomy is soaking every bone of media, transforming both content and content delivery. Youth and young adults, especially, subscribe to this "anything,

anytime, anywhere" paradigm in a massive way (Appendix 5). As the amount of free content increases, owning content is considered less attractive. However, with piracy and low quality, the shift towards renting content has been a great success. Business models selling access to content like Spotify and Netflix seem to be a winning formula. Then again, as Comoyo View, a Telenor VOD company experienced the hard way; legal content is not attractive if consumers cannot find the content they want. In its short tenure on the competitive arena, Comoyo´s efforts did not aggregate enough content to remain attractive. Focusing on newer releases, acquiring content form distributors was too expensive. Further, the delay of content rights and superior Internet connectivity in places like Scandinavia invite stealing behaviour from flourishing illegal content sites. That said, like Netflix has experienced, consumers are more than willing to pay for content if there is a good service providing it.

Further, as access models opens for an increase in browsable content - size and consumption variety increases as well. As Toffler announced in Powershift (1990), the arrival of niches and customized production is upon us. With the success of extensive online libraries, business models build on quantity seems to fit the fragmentation of consumers. Building on Amazonian and iTunes economies, research has found niches and Long Tails to explain the advantage of businesses "selling less of more" (Chris Anderson, 2006). Maybe the bottleneck free design of online content is cultivating a less hit-driven society than before. This opens up interesting questions, as well as opportunities for content providers.

The shift in consumption patterns, however, is reliant upon consumers finding that content.
"If content is king, then context is God", implored marketing genius Gary Vaynerchuk. Recommendation systems are inviting exploration and inspiring variety, although faulty or current ones may have the opposite effect. Amazonian preferences can put consumers in loops they ultimately never get out of. Nevertheless, algorithms are aiding hyper-segmentation and monetizing tribes. Systems, categories and other providers of context are essential guides on the information highway. The ultimate goal of content providers must be pairing the right consumer with the right content. As Negroponte designed in Being Digital (1995), personalized content is a now a reality. Following the customized revolution, nurturing personal relationships seems more important than segments to model and define future business strategies.

1. PROBLEM FORMULATION

2.1 Competitive War on Content

Today, the battle of video content is played out on many arenas. Online there are a multitude of business models – commercial, free, illegal, subscription or ad-based, in addition to public content providers. Some of them have evolved from various origins, some as TV broadcasters, others from tech or entertainment companies. A compelling, though not new problematic is how public broadcasters adjust to the changing environment and alternative offers from novel players. With increased competition and globalization, it is not surprising that viewing numbers decline on public platforms. In Norway, NRK used to be a broadcast monopoly, but twenty years after their first competitor, TV2, entered the market, the competition is now on a global scale and played out on a digital arena. Furthermore, public broadcasters are highly dependent upon political and financial support. Debate and critique around the current business model, has fostered uncertainty and invited a revision of a public broadcaster's role and scope in the new media reality (Appendix 6: Aftenposten, Critique).

In addition, Millennials are not complying with traditional or old media. To reach this particular cohort, content providers must apply with digital consumer trends to remain attractive. Youth and young adults born from 1981 to 1996 have experienced the convergence culture up close. Indeed, they have been eager participants driving the digital process (Jenkins, 2006). Having set the conditions for the convergence, older media companies must now distribute content across various multimedia channels rather than one single linear platform. Obviously, the dynamic tension between old and new media will subside for some time. This is exemplified by the highly mixed and varied content solutions offered by different providers today. As Chakravorti (2003) states, innovations and markets have always made for an awkward match.

2.2 Digital Expectations of the Millennial Cohort

As Millennials increasingly discard linear TV for online activities, their standards and expectations of new media are exceeding former generations' expectations. Their media literacy is very

sophisticated, expanding in parallel with the growth and pace of the sector development. Strategies of public content providers entails understanding all cohorts and generations of a society. However, Millennials are the key segment in the digital realm. As frequent innovators and early adopters, this cohort's interests and behaviour are what crucial to remain competitive in the future. Their media consumption underlines how vital investment in VODs and complementing Internet activities are. Even though public broadcasters' digital efforts are increasing, resources online development is still marginal when comparing to TV and radio (Appendix 7). Of course, content creation is the most resource exhausting activity and is traditionally made with linear media, then transferred. Digital video creation is not common at this time. However, the Norwegian public broadcaster has an impressive array of channels, platforms and programs – both digital and linear (Appendix 8). This means numerous potential entryways to the VOD. However, adoption and use of the platform is average – and public numbers are not strong for the millennial cohort.

One of the reasons are that Millennials are tempted by new content on a myriad of digital platforms every day. New dynamic offerings are only increasing in scope and variety – at least on the global arena. Competition is fierce and new players are entering from untraditional venues. Content creation has become highly democratic. Far from being loyal, youth seek out alternative good content fast, and easy. Accustomed to picking and choosing, variation is favoured and guaranteed by the unlimited shelf life of the Web. This means that behaviour and content hits are less clear-cut to estimate than ever. One reason is intersecting sub-cultures and tribes. There are no longer firm boundaries for what constitutes youth content; it can literally be anything. However, there are some binding criteria to watch for; first, there´s the gaming phenomenon, second there is the YouTube factor. The ad-based VOD has the same monthly reach compared to the biggest linear channels in Norway. This is further evidence to what consumers and especially Millennials expect of video content providers.

2.3 The Public Service Broadcaster and Video On Demand

Presently, public broadcasters' offer streaming and content catch up on online platforms. Nonetheless, the contemporary development online reveal that Video On Demand is not the only feature expected of content providers. Content co-creation, social media, blogs and curation are

the new stage setting of web offerings. Intense competition, together with low switching costs, make consumers abandon less attractive platforms fast. Children, on the other hand, are very loyal to the Norwegian public broadcaster because of their new digital "superplayer". The numbers couldn´t be higher, especially for tablet use – a testament to future viewing behaviour and how to correctly match content solutions to a cohort. However, digital progress from a linear native is made sparingly and gradually. Naturally, the media transition happens at a slower pace with former dominant players of old media – and faster with new content players pushing clean digital agendas.

Even though public broadcasters have more agendas and areas of focus than other content providers do, they naturally have a larger pool of different institutional resources. The scope and specificity of the mandate require a vast and varied content production, which is why the talent and areas of expertise are considerable and varied as well. In addition, public broadcasters have adjusted to shifts in competition before. Nevertheless, this market situation entails a big leap. The new competitive situation is not only intense; it is highly complex and fragmented. However, at this point in time, growth strategies for public content providers have not been depleted. In the case of NRK, the broadcaster has a stellar reputation and strong content creation overall, translating into a very strong public profile (Appendix 9). The brand name, for instance, is one of the strongest Norwegian brands; not only comparative to other media, but to other national brands. In fact, the public broadcasters' content is shared significantly often on social media, echoing high trust and reputation. However, tabloid providers like VG have mediocre reputations; still, the latter retain the number one spot in streaming and video content.

Success in the VOD sector has unveiled the real value and appeal of certain content, as well as different style of curation. With the Internet, content providers have not only mushroomed and differentiated, but the prevalence of piracy has negated growth for original content owners. The Head of Content at Netflix Ted Sarandos says "if you want to know what people want, look at what they are stealing". Naturally, illegal activity is perpetrated by a malfunctioning and slow distribution system. Nevertheless, these circumstances have propelled further chaos in the market place. Ultimately, putting additional pressure on legitimate competitors and their content offerings. That said, content providers with accessible business models are highly competitive; consumers would evidently rather pay for a good service than steal content from illegal sources.

Besides unlimited access and competitors with new business models, content is the biggest driver of consumption in the streaming market. The biggest assumption taken when it comes to public broadcasters and youth is that their content is not compatible with the segment. The nature of their mandate is naturally challenging, but it is not necessarily an unwelcome constraint. However, with a digital offering and viable streaming platform, it is hard to pinpoint defining factors other than content. Yet, as marketing of other service and product offerings show, style and presentation does affect consumption. Opening an analysis of VOD platform, there are separate, but connecting factors contributing to a digital content performance. In the case of public broadcasters, a VOD is not a stand-alone service. Public media corporations has many entities, touch points, channels and departments creating value. In abstract, all different entities are interconnected in the value chain, as well as separate content value providers in their own right. The VOD offering is dependent upon many resources from the entire public broadcaster as well as a multitude of factors, including public perception and overall brand experience.

The current market reality has transformed the competitive situation of the public broadcaster. Now, the former dominant institution competes not only on content, but on different platforms of content with very different and highly international players. The media transition has made the competition on digital Video On Demand platforms especially hard, particularly for a public broadcaster. However, the consumption patterns of Millennials to other segments lays claim that VOD platforms are the future of video distribution. This suggests that efforts on VOD platforms by public broadcasters are highly warranted, but the question remaining is:

How can a former dominant public broadcaster develop in a new dynamic digital environment and compete on the Video On Demand market?

3. LITERATURE REVIEW

3.1 Strategic Views

There are floods of theories and articles in various scientific fields where this case has applicability. However, there are several gaps in the literature forcing a creative path forward. The empirical study has mixed theoretical roots to uncover, considering its foundation, layering and problem evaluation. This literature review will connect and link the phenomenon to theory. The selection breadth and cross-disciplinary nature underlines the merit and complexity of the subject. The review is structured by level of justification, from macro to micro, then moving to problem solution and appropriate scientific research. First, strategic views and accompanying literature must to be assessed. Phenomenon's are weighed differently through several frameworks. These can deconstruct a reality to very different ends, in turn implying diverse proposals. Initially, the literature review seeks the best perspective to look at the issue, thus using the right context to solve it. As the historic occurrence of streaming is short-lived and developments are recent, there are limits to the scope of scientific articles on the subject.

3.2 Literature Gap

Although the new media reality has gathered ample studies and interest, scientific research on streaming is naturally very slight. Economic research regarding Video On Demand has yet not seen the light of day. Furthermore, scientific papers on public broadcast are mainly political and do seldom include strategic perspectives. The purpose of the literature is rather to justify the role and scope of public broadcasters as well as discussing whether the concept can endure heightened commercial competition. Public broadcasters' function and future are examined at length in Jakubowikcz (1999, 2010), Van Cuilenburg & McQuail (2003), Sarikakis (2004), Ariño & Ahlert (2004), Harrison & Wessels (2005), Nissen et al. (2006), Michalis (2007, 2010), Moe (2008a), Van de Walle (2008) and Soroka et al (2012). Papers on media journalism do provide insight, but no clarity into the study phenomenon. The reason is that streaming and video on demand have been developed by the commercial market and not initiated by public broadcasters. Discarding a large extent of the literature, notable mentions with positive outlooks on public broadcasters are papers by Trine Syvertsen (1992, 1999, 2003), and Candel´s (2008). The paper "Adapting Public Service to the Multiplatform Scenario" is one of the few strategically viable works with suggestions on how to tackle the new media reality. Moreover classical economic papers on broadcast or media are rather unhelpful, as they more often than not are based on advertising

models; notably Kind, Nilssen & Sørgard (2007, 2009). However, Foros, Kind & Østbye (2006) offers genuine insight into the media landscape. Their paper describes how public monopoly offers more diversity and variation of content than free competition. Even if it is somewhat clashing with fundamentals of economic theory, it is a suitable introduction for the literature review.

All the same, research on media is rather scattered, and focuses on either journalism, politics or social value. New media research concentrates on social interaction, co-production and online communities (Kozinets 2010). Besides similar ideas to Transitioned Media (2010) and Jenkins´s (2006) insight into convergence culture, the literature is rather more descriptive than strategic. Instead of reviewing media literature, strategic literature is more able to unearth universal concepts of the phenomenon. To balance out the use of largely unproven modern theories, the review will trace recognized and thoroughly assessed frameworks. Consecutively, this means turning to classic literature to weigh views and abstractions. Later, some theories on information technology will be included, as will theories on brand management and consumer behaviour. For the most part, however, the theoretical foundation divulges theories on strategic management.

3.3 Theoretical foundation

The most prominent, though contrasting theories of strategy are attributed to Porter and Barney. The latter is bringing forth an internal, resource-based view, the former relaying ways to counter external forces around the firm. In his seminal work, identifying competitive advantage, Porter (1985) states an organisation can achieve this by lowering costs or differentiating. As this study is not about cost leadership, its focus would rather be about differentiation: making a product or service more attractive to a particular market. The recipe to outperform the competition is either having a superior market position, and/or possessing certain skills or other resources. In Porter´s view, strategic management is about creating and sustaining competitive advantage. His five forces model (1979) simplifies industries and assumes a static market structure. This framework is suitable to illustrate a macroeconomic view of the new media reality. With the complexity and media fragmentation, the model is only suitable as a starting point. It is not a framework providing direct solutions to the issue, but effective at analysing pressures of an industry.

3.3.1 The Dynamic Industry Through Porter's Five Forces

Threat of Entry

Bargaining power of Suppliers

Intensity of Rivalry within Video On Demand & Industry Of Content Online

Bargaining Power of Buyers

Threat of Substitute Products and Content Services
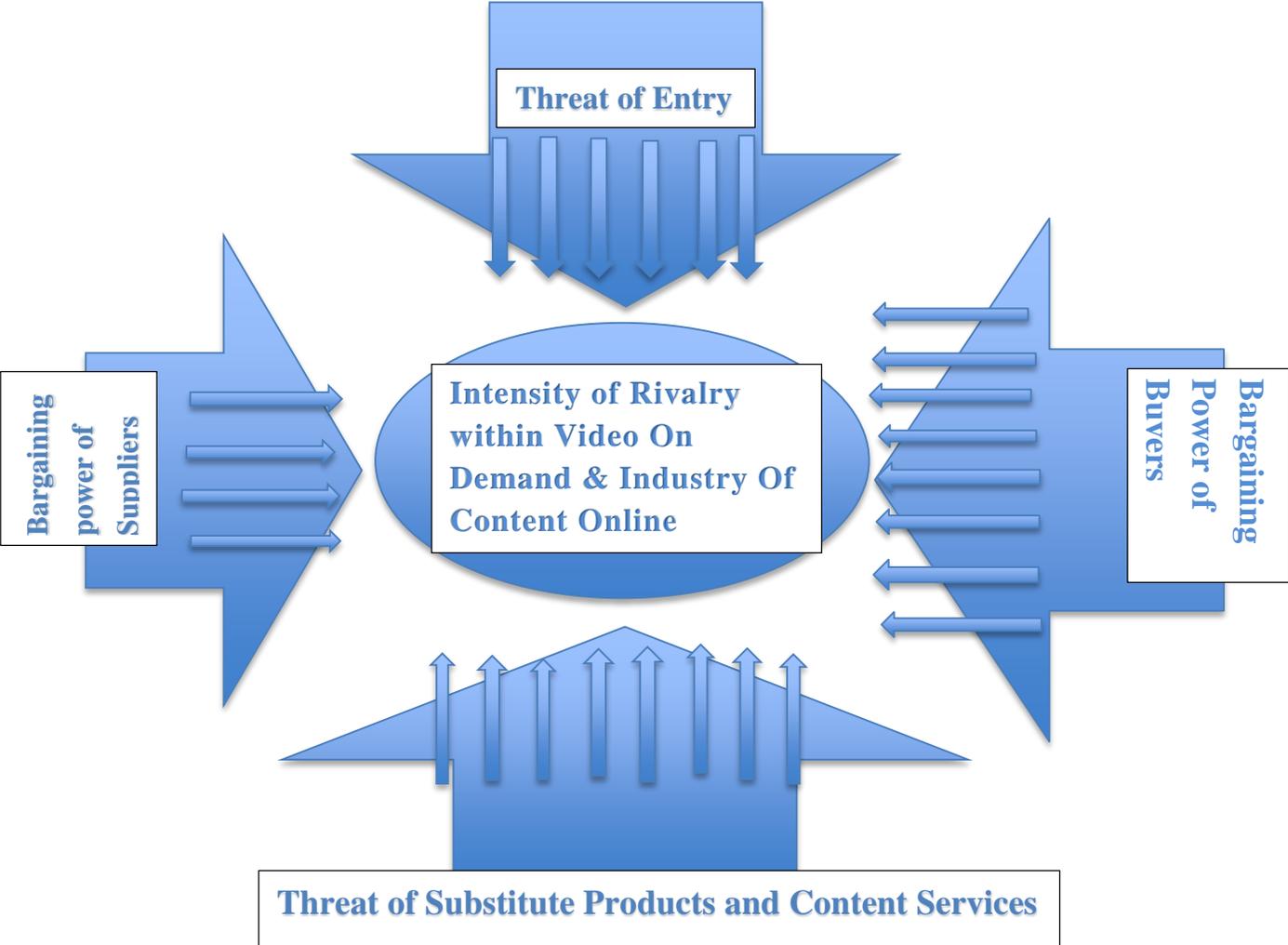
Deconstructing the Video On Demand environment, the chaotic state of the market is palpable. The threat of new entry is high because of the low transaction costs of the Internet. Economies of scale or access to distribution channels are not very relevant barriers anymore (Evans, 2013). However, a shortening of distribution windows could mitigate content piracy. Furthermore, the changing media conditions have made consumer created content prevalent and accessible. The levelling of the playing field have made capital requirements to enter the market very low. Next, the ease of content creation has lessened the experience curve as an insurmountable barrier. Professionals ran old media, but now amateurs can create good quality content. Nevertheless, professional content is still setting the bar. In addition to being very expensive, it is hard to get

content rights to certain content, especially if it is new. Product differentiation on the other hand, is very high – differences in brands and differences in products or services are common. Altogether, threat of entry is high and alternatives are mushrooming because of Web.2.0. However, product and service differentiations are prevalent, including variations of business models.

The product differentiations are rooted in the nature of suppliers. Some content is expensive and tied up in studio deals or windowing issues, other content is created by the players themselves, either by broadcast, brands or citizen media. The extent to which a supplier is powerful is based on how independent the company is with regards to content creation. Suppliers are growing less powerful because content creation is more democratic. That said certain popular content do increase the bargaining power of some suppliers. Then again, online piracy has deflated much of the leverage professional producers have. In addition, the windowing of content through distribution channels will gradually become more compact. The bargaining power of buyers, on the other hand, the public and consumers, are at its highest ever.

The intense market competition and fragmented online content is delivering a world of choices. In addition, the threat of substitutes is very high. Of course there is linear TV, digital channels and to a lesser extent cinema, DVDs and Blu-ray or other rental activities. The main substitutes, however, are other online activities like gaming and browsing. Any online activity constitutes content consumption and therefore is either a substitute or complement to the phenomenon. To sum up, industry growth in the Video On Demand market is quick, dynamic and competitors are numerous and of different origin, nature, size and power. The bargaining power of consumers is especially strong, as are the threat of substitutes. Jockeying for position entails product, service and/or business model differentiation. The rivalry in the industry is intense and plays out on many different platforms online, but also on linear media.

3.3.2 Resources and Value-Creation

Barney (1991) on his side speaks of value-creating strategies. Those value-creating strategies not implemented by other players at that moment in time, succeeds. In the case of VOD, it could be an accessible content library, with varied content products and an intuitive guiding interface.

Barney presents a series of qualities the resources need to hold to enjoy a competitive advantage over other players. Barney (1991) names The VRIN criteria valuable, rare, inimitable, non-substitutable. Apparently, the unique combination differentiates the successful firms from the unsuccessful ones, and is an inside out process of strategy formulation (Appendix 12). Each player in the Video On Demand market has criteria that truly differentiates them from others; being special content or other service features. However, RBV has been subjected to considerable criticism by Priem & Butler (2001), suggesting that it is difficult to find resources satisfying the set criteria, and that it is problematic to recreate the resource.

In this phenomenon, content resources can be valuable, but not necessarily rare, inimitable or non-substitutable. The criteria might help define strengths and weaknesses, but it is a difficult framework to help create or reproduce resources giving competitive advantage. Eisenhart (2000), names RVB as an influential competitive framework, a concept supported by Prahalad and Hamel (1990), Schumpeter (1934), Teece, Pisano and Shuen (1997). Naturally, when conceptualizing sustainable competitive advantage as bundles of resources, the argument lies in the heterogeneous distribution of resource across firms persisting over time (Amit and Showmaker 1993; Mahoney and Pandian 1992, Penrose 1959, Wernerfelt 1984). Content creation is dependent upon many different resources, differing between firms and through time. Broadcasters have different bundles of resources and longer history than tech companies assembling and distributing content online.

Dierickx and Cook (1989) speak about accumulation of critical and strategic asset stocks, highlighting their sustainability and non-tradability. Different content is created through different means. How imitable an asset is depends upon the nature of the process in which it has been accumulated. The key dimension is strategic choices about expenditures (R&D outlays) and the view to acquire resources and skills (brand loyalty, technological expertise). According to the formulation of Reed and Fillipi (1990), it is about manipulating various controlled resources. In content production and creation, this could either be a team of journalists or a new editor. Peteraf (1993) highlights a strong tacit dimension depending on socially complex processes; be it organizational skill or corporate learning. More importantly, Peteraf (1993) underscores the ex ante limits to competition, establishing that prior to a superior resource position, there first must be limited competition for that position. This explains that the first subscription On Demand

companies that arrived on the scene are big for a reason – mainly because they arrived first. As an important cornerstone for RBV, it leans on the theory of first-mover advantages, Lieberman & Montgomery (1988). Primary sources of first-mover advantages are technological leadership, preemption of assets and buyer switching costs. For example, technological leadership is derived from "a learning or experience curve where costs fall with cumulative output" or success in patent or R&D races. As several digital content companies started in tech and they are therefore more qualified than linear content creators are, whether they be broadcasters or distributors transitioning into new media.

The initial critiques of RBV have pointed to the neglect of the firm´s environment and its over-emphasis on uniqueness of resources and strategies. Rapid changes in the media industry could be seen as driving content change in itself. Defendants say studies fail to prove the relationship between firm performance and the industry: their resource base does determine positioning within the latter. However, competitive outcomes are highly dependent on competitive activities, and the importance of bargaining, is never mentioned explicitly in RBV. Clarifying, the principles of costly-to-imitate and costly-to-substitute more correctly means "at which cost". Many content creators could imitate and substitute competitors content, but the question is at what cost. Scandinavian dramas are made with higher and higher budgets, but they could never reach the scale of a Hollywood production. Kraaijenbrink et al (2007) reviews and classifies the critiques of the resource-based view, pointing out the narrow neo-classical economic rationality of Ricardian rents diminishing its opportunities for progress. The new media expansion would rather suit a more dynamic framework.

3.3.3 Intangible Resources and Capability Lifecycles

Hall (1992), concentrates on the intangible resources of the firm, ranging from patent and licenses to reputation and know-how. Content rights are often troublesome or expensive to acquire and distribute to other regions. Further, networks, organizational culture and reputation of product and company are vital to creating sustainable advantage. World news producers must have journalistic credibility to compete in media. Dosi, Teece and Winter (1990) address the issue of degree of relatedness among a firm´s products, the "coherence" in business activities between a firms core

competencies and coherence among its parts. A news broadcaster would normally have a harder time producing dramas than a political debate. Product variety provides a good measure of an operation´s flexibility, which along with quality, cost and speed of delivery is a key operational capability (Da Silveira and Cagliano, 2006; Devaraj, Hollingworth and Schroeder, 2004; Hayes, Pisano, Upton, and Weelwright, 2005; Slack, Chambers and Johnson, 2005). Following this argument, the variety of content a public broadcaster has indicates their degree of flexibility. Companies often seek ways to increase the variety of their products, mainly in terms of product lines and product variants (Cottrell and Nault, 2004). In the content sector, variety is produced through difference in concept, theme, format and categories.

Teece & Pisano (1994) underlines the notion of path dependencies – a firm´s opportunity is a function of its current position and the path ahead. This means that the current profile of a broadcaster defines their opportunities and future. Teece, Pisano & Shuen (1994) introduce the notion of dynamic capabilities, focusing on timely responsiveness by management and flexible product innovations in rapid changing environments. How smooth a broadcaster´s digital transition is for example, is due to management readiness and the quality of system innovation. Known as the dynamic capabilities framework, strategic dimensions are seen as managerial and organizational processes. Grant (1991) values capabilities as organizational routines, or complex patterns of coordination between people, and between people and resources. Moving linear media content to digital portals for instance is facilitated by organizational capabilities.

The institutional view extends the organization, a perspective based on social justification and obligation beyond economic optimization (Zukin & DiMaggio,1990). This is a pertinent perspective on how to view public media. Oliver (1997) has integrated this view with RBV. Naming regulatory pressures and strategic alliances, the paper illustrates the porous nature of firm boundaries and industries through social and professional relations. Such as, public service broadcasters have closer ties to government sources than commercial broadcasters have. Institutional capital is tied to resource innovation, inter-firm competence and team sharing, while depletion of capital is stagnant cultures and vested interests in status quo. In the case of media convergence, teams only dedicated to linear TV, might not invest time and resources to develop digital platforms. Firms may have difficulty navigating a changing environment not only because the changes in the environment "negate the value of the organisations assets, but also because a

tightly coupled organization may have difficulty adapting to such changes" Levinthal (1997). This is why medium innovation in organizations should not exist in a department vacuum.

Extending RVB, Peteraf & Bergen (2003) scans the competitive landscape through a market-based and resource-based framework for complex competitive fields. This is a suitable compromise for the new media reality. Helfat & Peteraf (2003), illustrating maturity and the branching out following that stage, introduce the concept of capability lifecycles. Old media is past mature, though not quite left behind: those offering digital platforms are "branching out." Actually, the lifecycle of capabilities may extend beyond that of the firms and industries in which they originated, and beyond the products that they originally applied. This lifecycle of capabilities fits perfectly with broadcasters digitalizing linear TV content or digital rental companies becoming producers of content.

Firms engage in incremental changes during most of their history, yet sporadically undergo relatively rapid and fundamental transformations (Gersick 1991), and development patterns provided in full by Tushman, Newman, Romanelli (1986), Pettigrew (1987) and Romanelli and Tushman (1994). Schumpeter (1945), states that "any system designed to be efficient at a point in time will not be efficient over a point in time". Old media is currently converging with new media and emergence of novelty creates a paradigm and tensions for strategy practitioners. Quoting Mintzberg, "the strategists fundamental dilemma is having to reconcile the concurrent but conflicting needs for change and stability. On one hand, the world is always changing – more or less – and so organisations must adapt. On the other hand, most organisations need "a basic stability in order to function efficiently" (Mintzberg 1994:184). This creates tension between commitment and flexibility (Ghemawat & Costa, 1993). Upholding quality of channels or content is harder if there is a need to invest resources in new platforms. That said, the drive behind new paths is not necessarily driven by optimality (Rosenberg 1994: 53). This advocates path creation through experimentation and exploration, rather than errors or faults (March 1991a, Weick,1999). In other words, online platforms should be a ground for organizational experimentation.

3.3.4 Innovation and Value Creation

Schumpeter, launching the debate on competition and innovation, illuminates the dynamics of strategy. Innovation being the key driver of growth and value creation, competition is seen as hindering this process. The idea is that large firms with strong positions provide more stable environments to invest in research. Public Broadcasters are often large institutions, many of whom started out as monopolists. According to Schumpeter, perfect competition is far from the most efficient market structure to promote innovation. A monopolist may be able to earn more by introducing a new product to separate consumers. Both because of willingness to pay and product preferences, according to Greenstein and Ramey (1998). Gilbert (2006) analyses the controversial subject of competition on innovation incentives, both in relation to market structure and R&D expenditure. Literature is consistent with the conclusion that expenditures increase in proportion to business unit size, and no theory or empirical evidence supports competition as a stimulus to innovation. However, the material on innovation and what it really constitutes is hard to determine in the first place, as well its measures on competition.

Schumpeter (1934) distinguishes between five types of innovations: new products, new methods of production, new sources of supply, exploitation of new markets, and new ways to organize business. Most literature so far has focused on the first two types of innovation (e.g., Shan, Walker, and Kogut 1994; Banbury and Mitchell 1995; Eisenhardt and Tabrizi 1995; Schroeder 2006; Katila and Chen 2008; Leiblein and Madsen 2009; Roberts 1999; Adner and Kapoor 2010; Leiponen and Helfat 2010; Zhou and Wu 2010). Video On Demand is a new product and streaming is new method of production. New sources of supply are more democratic and citizen-based. Traditional broadcasters' investments in Video On Demand is an exploitation of a new market and the service possibilities has also launched new business models. Pavitt (1998), however, criticises Schumpeter, favouring Smith´s (1776) insights: competition is not based on technological diversity, but on diversity and experimentation in products and knowledge production. This means a competitive edge in the market is not about the streaming technology per say, but rather about experimentation, service innovation and content creation.

3.3.5 Expansion of the Resource Based View

Following theories of innovation, an integration with or expansion of the Resource Based View seems inevitable. Albeit with a dynamic framework, a concentration on firm-specific assets can be misleading in a global setting. With a theoretical focus on internal strengths and weaknesses and a half SWOT analysis, there are conclusive parts missing. Further, that model has independently received criticism. In a review, Hill & Westbrook (1997) underlines the neglect of weighing and prioritizing factors, as well as propensity for listing and generalization. The most worrying trend is that the subjects did not use outputs within the later stages of the strategy process, thus questioning its entire worth as a strategic framework. However, the concepts are helpful to illustrate a market overview, even if not producing tailored strategies for firms and phenomenon.

Montgomery and Wernerfelt (1988) fronted an integration of RVB, combining a firm-specific and industry analysis. Further, Mahoney & Pandian (1992) threw simultaneous attention with organizational economics in the mix. Even though more concerned with opportunities and threats, Porter (2008) stressed the importance of mutually reinforcing activities in creating and sustaining a competitive advantage with Siggelkow, Apparently, contextuality within activity systems highlights the external fit between the structure and environment of firms. For the competitors of content creation, the nature of content activities mirror the structure and the areas of competition in the environment. According to Siggelkow (2001), internal fit among activities affect the firm´s ability to react to environmental change. For example, the larger the breadth of content and the less related the activities are to produce that variety, the harder it is for a broadcaster to react to change. In the face of benign fit-destroying change, forms with tight fit might react faster than firms with loosely coupled systems. This mean all activities related from content inception to content consumption must be interwoven. Fit-conserving change can be observed if technological change allows rival firms to compete with new systems of activities.

3.3.6 Diffusion and Early Adopters

Innovation has its own freestanding theory, both applicable to external and internal matters, inside and outside the firm. Everett Rogers´(2003) theory of diffusion discusses attributes and elements of innovation, socio-economic structures and communication networks in relation to the stages

and rates of adoption. Applicable to individual and organizational processes, the adoption and use is influenced by the characteristics of the innovation and the adopter (Gatignon, & Robertsonn 1985, Rogers 1995). Perceived attributes influencing the rate are relative advantage, compatibility, complexity, trialability and observability. The diffusion of Video On Demand in society is determined by those platform variables.

The Technology Acceptance Model (TAM) is an information system theory that can give further insight into adoption, founded on the Theory of Reasoned Action (Fishbein & Ajzen, 2011). Including the Theory of Planned Behaviour by Ajzen (1992), TAM2 saw the light of day in Venkatesh & Davis (2000), focusing on variance in usefulness perceptions and variance in usage intentions through social influence processes (image) and cognitive instrumental processes (ease of use). The strongest forces in usage intention are judgements of perceived usefulness, while subjective norm only has a significant effect for mandatory systems, not voluntary ones. As a voluntary activity, the adoption of Video On Demand is propelled by variables of usefulness and ease of use. This underlines the importance of platform design as well as accessible content presentation. Perceptions of usefulness are determined by the value creation online and content relevance.

According to Rogers, successful change and adoption is positively related to the degree of which it is compatible with needs of a consumer or group. Influenced by use of opinion leaders, experimentation and trialability encourages adoption, while increased complexity and difficulty of use slows the rate down. This highlights how important online accessibility is for adoption to grow beyond certain segments. The innovation-decision process and period separates between awareness-knowledge and adoption, forming categories of adopters: innovators, early adopters, early majority, late majority and laggards. In the case of streaming and Video On Demand, Millennials are the early adopters influencing other cohorts. The Bass model of forecasting (1990), presents elements of media messages, interpersonal communication and index of market potential, usually forming an S- shaped curve. Bass suit the conditions of diffusion research tradition which is marketing. How Video On Demand is marketed and packaged is crucial for further diffusion. Fortunately, diffusion via Internet greatly speeds up the rate of adoption.

Rogers (2003) also discusses problems of flow in technology transfers, or the application of information to use. According to Eveland (1986), it is a communication process, and a two way exchange – this is important when it comes to commercialization of technology innovation. The availability of streaming has been a democratic force, but that means monetization of the technology is more complicated. Consequences of innovation diffusion can result in the Innovators dilemma by Christensen (2013); the ability of organizational culture to innovate causes firms to fail, cannibalizes competing technologies. This is the case with Video On Demand and linear offerings; broadcasters develop an alternative offering hurtful to their traditional medium. The theory of disruption formulates the paradox between innovation granting progress, but also removing the foundation of a former successful position in the marketplace. According to Christensen, market progress is separate from technology progress, meaning disruptive technology needs a new market and poses marketing problems, not technological ones. This is why On Demand platforms is a marketing issue. Damanpour & Evan (1984) introduced the organizational lag model, exploring the rate of adoption of innovations and organizational growth or performance. Previous studies favoured technical innovations and neglected administrative innovations, although those are equally essential to growth and effective operations. Innovation of organizational resources are vital to improve adoption of streaming – especially if administration has been linear-based. Combining the two aspects result in a more balanced rate of adoption, and is proven more effective in helping organizations improve their performance.

3.3.7 Micro Level Strategy

Macro-economic factors matter both in theory of the firm and in innovation theory. However, an internal focus might be more helpful as situational and competitive factors can be too chaotic to make sense of. According to Jarzablowski, Balogun and Seidl (2007) academic research has typically remained on the macro level of firms and markets while reducing strategy to a few causally related variables where evidence of human action is contained. In face of practical solutions, it is fact that internal matters are easier to govern or shape. Articles on sustainable advantage can be vague and encourage to change the environment in which it operates. This is why an approach to practice or startegy-as-practice can be helpful view to adopt. Drawing on the activity based view, Johnson et al (2003) express this micro focus as a practice referring both to

the situated doings of the individual human beings (micro) and to the different socially defined practices (macro). With a large contextual view on strategy,"strategizing" refers to "doing of strategy"; that is, a flow of activity through the actions and interactions of multiple actors and the practices that they draw upon, (Jarzabkowski, 2005). Even if activities or consequences are not part of an intended and formally articulated strategy, it is still considered strategic to the extent that it is consequential for the strategic outcomes, directions, survival and competitive advantage of the firm, according to Johnson et al, (2003).

Located within the wider "practice turn" (Orlikowski, 1992; 2000; Orr, 1996; Schatzki et al, 2001), strategy-as-practice is part of a broader concern to humanize management and organization research (Pettigrew et al, 2002; Weick, 1979). Sztompka (1991) brings forth the micro and macro properties of praxis, unfolding what is going on in society and what people are doing. Rather than top management formulating strategy, practice research has focused upon the social, interpretative, linguistic and personal knowledge bases used by middle and operational level employees, and society at large (e.g. Balogun, 2003; 2006; Balogun and Johnson, 2004; 2005; Regner, 2003).

Strategy-as-practice might be too vague to discern between strategic decisions and tactical ones. Harder to manoeuvre, categories of strategic choices include policies and values, assets, and governance structures of assets. Tactical choices, on the other hand, are relatively easy to change, including prices increases, advertising intensities, R&D intensities, minor modifications to products, and so on. Quite rightly, tactical choices affect value creation and value capture of other firms with which it interacts, as well as their own value creation. Referring to this as tactical interaction, it is the way organizations affect each other by acting within the bounds set by their business models. Strategy in this instance refers to the choice of business model through which the firm competes in the marketplace. Tactics, in this frame, refers to the residual choices open to a firm by virtue of the employed business model. Video On Demand competitors will be better of concentrating on business models and tactics on value creation, rather than solving rivalry through a macro-perspective.

3.4 Research Theory and Business Model

After having covered the theoretical foundation, the scope narrows to research theory. Innovation of the firm not only regards organizational processes and technology systems, it is equally relevant to apply to business models. According to Teece (2010), business models are deeply connected to business strategy, innovation management and economic theory. Designing value creation, and capture mechanisms, the essence of a business mode is about enticing consumers to pay, crystallizing consumer needs. Value capture in the VOD industry, for example, could be related to either content offers or platform service features. The origin trace back to Peter Drucker (1954), defining "a good business model" as the one that provides answers to who the customer is and what the customer values. This is yet to be determined in a developing VOD market. In addition, one must address the economic logic behind how the value is delivered at appropriate cost. From a mere analysis of competitive environments and applied game theory, the field of strategy has developed substantially. Globalization drivers, deregulation, and technological change are profoundly changing the competitive game. As Thomas & D´Aveni (2004) explains, the dynamic environment has resulted in hyper-competition. In turn, hyper-competition reflects problems in market structure.

To take advantage of these structural changes, one must compete "differently" and innovate their business models. This definitely applies to public broadcasters, who are operating with linear models. According to Shafer, Smith & Linder (2005), the intuitive view of the concept of the business model is defined by strategic choices made by a network of organization to configure value creation and value capture. Business model refers to the core logic of the firm, the way it operates and how it creates value for stakeholders. With public broadcasters offering VOD there is an alternative value being created, implying a need for a new business model. Furthermore, as Teece (2010) describes, it is about segmenting the market and creating a value proposition for each segment. This underlines the importance of designing the VOD service or broadcasting offers to match different segment criteria. Implementing capturing mechanisms follows, with "isolating mechanisms" to hinder and block imitation from competitors as well as disintermediation by consumers and suppliers.

Casadesus-Masanell & Ricart (2007), describes competing through business models, illustrating criteria such as virtuous cycles strengthening the model, as well as reinforcement choices, related

to strategies of internal consistency (Porter, 1996). Alignment from organization to goal is also crucial, including the robustness or effectiveness over time needed to fend of threats. Advances in information and communication technologies have propelled the need of novel business models, and interest in business model design and innovation rises. "E-businesses" has been deconstructed in Evans & Wurster (1997) and Varian & Shapiro (1999). Precisely, Amit and Zott (2001), states, "a business model depicts the content, structure, and governance of transactions designed so as to create value through the exploitation of business opportunities". Building on their original definition, Zott and Amit (2010) propose activity system such as design elements (content, structure, and governance) describing architecture and design themes (novelty, lock-in, complementarities, and efficiency) that describe the sources of value creation. These variables will be especially important to building successful VOD platforms.

According to Jensen (2001) and his corporate view, value creation and maximization is about the stakeholders of the firm. Revisiting stakeholder theory, it finds fault with the non-specified trade-offs among all competing interests. Which makes it virtually impossible for managers to decide what value maximizing is, and in turn propose a good strategy. His enlightened version is founded upon the economic principle ruling literature: social welfare is maximized when all firms maximize their output valued by consumers. Kraajenbrink´s "A Value Oriented View of Strategy" (2011), addresses a gap in strategic literature, combining value creation, market competition and organizational theory. While Porter (1981,1991) does not deny mechanisms in which firms compete, social (building relationships) and cognitive (ideas and information) aspects are being overlooked. In this way, firms can modify their strategic option space by enlarging their latitude for value creation. Instead of opposing the firm centric and traditional model view of markets, the author weighs firms as more central than ever before. Expanding their role of economic value creation, he draws on (Priem & Butler, 2001; Holcomb et al , 2009; Pies et al 2010), considering other types of value creation which impact society. In truth, value creation cannot exist without the creation of values; "a conception of desirables influencing modes, means and ends of action " (Kluckholm, 1951. 395). Borrowing the definition of Haksever, Chaganti & Cook (2004); "value is the capacity of a good, service, or activity to satisfy a need or provide a benefit to a person or legal entity". Value can be hard to measure if not tangible, however. Barney (1991; 105), illustrates value as exploiters of "opportunities and/or neutralizers of threats in a firm´s

environment". Addressing the inside-out vs outside-in approach, this is rather viewed as a choice made by the firm, not a strategic or theoretical view. Starting outside-in is to choose a value system to serve, whereas inside-out is to choose a way of value creation. In this model, the approaches are combined – with a focus on all competitive actions available in the firm´s repertoire.

According to Von Mises (1949), primary drivers of the economy are people´s dissatisfaction with the status quo combined with an imagined, more satisfactory state of affairs. Firms with new products or making new services available changes consumers notion of what is desirable and important. Remembering Adam Smith (1991/1776), even if something that has value in use, it may have no or little value in exchange, and vice versa. This speaks of the peculiarity of value systems and differences in individuals or groups. Value and values is evaluated and desired differently from consumer to consumer, therefore choices and preferences are not alike. Indeed, the individual has become the central market player, according to Kraaijenbrink. The traditional capitalist or Marxian model are erased along with households introducing the value-oriented model with no separation between production, consumption and circulation. In fact, firms compete on value, but they also engage in normative competition; influencing the standards of evaluation in the market. A value-oriented view of strategy emphasizes that competition is about creating value, in combination with influencing people´s perceptions of that value. This underlines marketing and the knowledge of consumer behaviour as powerful weapons in strategy. To increase value in VOD offerings, marketing and consumer behaviour are vital tools.

As products and services create value, the latter concept is "an application of specialized competences", by Vargo & Lusch (2004). According to Sphorer & Maglio (2008), a service system is an arrangement of resources (including people, technology, information, etc) connected to other systems by value propositions. Other value can become the differentiating factor. The VOD offerings from broadcasters are connected to a larger system, than VOD distributors are. This makes service improvement more challenging to implement, although more varied human capital could give a potential differentiating value to the offering. According to Prahalad & Ramaswamy (2004), personalized experience and interaction is a crucial aspect of value creation, Moving away from a firm-centric approach, it also distances itself from customization that focuses on product feature and not consumers unique desires and preferences. Having the ability to create new values,

co-creation is widely recognized as influencing, evidently when it comes to firm reputation (Rao, 1994) and branding (Willmott, 2010). In addition to social mechanisms, cognitive mechanism also play a large part leveraging value through consumer´s imagination and interpretation. This is especially relevant in creative and information-based industries where it is ideas and information that is valued and bought by consumers. In today´s economy, social and cognitive mechanisms only increase in relevance. And the distinction between these mechanisms, both when it comes to creating value and creating values, starts to disappear (Arvidson, 2010).

Following the study of Zeithaml (1988), value has a variety of meanings held by consumers. The benefit components of value include salient intrinsic and extrinsic attributes as well as perceived quality and other relevant high-level abstractions. A higher-level abstraction, value differs from quality, as it is more individualistic and personal. Price is a quality indicator and other strong extrinsic clues are brand name, or design. When it comes to intrinsic clues, the price-quality relationship is inconclusive. As signalling quality is a top priority, it is important to identify the key intrinsic and extrinsic attribute signals of the product or service. In addition, it is helpful to understand the signals sent by competitors. Furthermore, the nature of quality perceptions are dynamic and changes over time as a result of added information, increased competition and changing expectations. To understand perception of value, nonmonetary costs, such as time and effort must be acknowledged. Products and services that reduce time, effort or search costs can reduced perceived sacrifice and thereby increase perceptions of value. To add value, firms must employ strategies that reduce monetary and or nonmonetary costs decrease perceptions of sacrifice, adding salient intrinsic attributes, high-level abstractions and use extrinsic cues to signal value. Zeithaml (1988), highlights strategies based on consumer value standards and perceptions will channel resources more effectively meeting consumer expectations better than those only based on company standards.

3.4.1 Value Creation through Experience

Holbrook (1999) champions value creation through a consumer centric approach, presenting eight types of consumer value. This framework includes; efficiency, excellence, status, esteem, play, aesthetics, ethics and spirituality. Offering his definition of consumer value as interactive

relativistic preference experience (Hilliard 1950:42). Going further, Prahalad & Ramaswamy (2004) states that value is shifting to experiences. The video content industry is experiential in nature, fitting this type of theory and development. Beyond consumer focus, the next practice in value creation is about dialogue, access, transparency and an understanding of risk benefits. The model of co-creation allows the consumer to co-construct the experience to suit her/his context, as well as personalized experiences and variety. Online value is created through context driven and personalized experiences. According to Addis & Holbrook (2001), there is an explosion of subjectivity in the link between mass customization and experiential consumption.

As Holbrook & Hirschman (1982) marked an experienced based view of economic theory, Pine & Gilmore (1998) illustrated our experience economy. The experiential view is about relationship marketing, playing on feeling, mood and atmosphere. Hultèn et al (2008) unveils sensory strategies and marketing. According to Holbrook and Hirschman (1982), consumption can be utilitarian, hedonic or balanced. Hedonic consumption is often multisensory and these experiences evokes heightened levels of fantasies feelings and fun. This relates to entertainment content. Artistic expressions such as movies, plays, television shows arouse emotional reactions (Holbrook 1980) and are intrinsically valued. Concept of trust and brand perception is therefore also weighing heavily in on the experience. Entertainment institutions like Disney are driven by trust and brand capital. News related content on the other hand is utilitarian. In addition, there is a balanced consumption with high applicability to public broadcasting, where entertainment often includes informational content.

3.4.2 Value Creation through Brand Experience

As Keller & Lehmann (2003) states, brands create value. A public broadcaster's brand is essential to the perceived experience of offerings like VOD. As with other intangible assets, brand equity exhibits qualities required for creating a sustainable competitive advantage. McAllister and Pessemier (1982), surmise that people seek sensory stimulations and that brands realizing such stimulation will be valued. This justifies expenditure on all experiential strategies to develop a strong brand equity. Hirschman & Holbrook (1982) investigates the relationship between concepts of brand loyalty, both purchase and attitudinal with firm-level outcomes such as market share and

relative price. The study tied the roles of brand trust and brand affect to the overall structure of brand equity. This is why design, communication and merchandising strategies are vital to create long-term effects to brand trust, brand affect and brand loyalty. The effects are even more prevalent in hedonic than utilitarian categories. Public Broadcasters issue is that they try to cover both. Furthermore, trust and affect are indirectly related to market share and relative price. The interwoven link between brand trust and brand equity is addressed further in Delgado-Ballester and Munuera-Aleman (2005).

Consumer satisfaction is synonymous with brand satisfaction. Consumer satisfaction of a public broadcaster translates into brand satisfaction. Tse and Wilton (1988) explores models of satisfaction formation and comparison standards. Expected, perceived performance and subjective disconfirmation are vital concepts. Consumer satisfaction and service quality are also concepts that overlap (Iacobucci, Ostrom & Grayson, 1995). It is important to understand consumer trade-offs in service attributes. Iacobucci & Ostrom (1995), investigates service evaluation through relevant characteristics, degree of customization being one. They found that customization is strongly influential to perceived satisfaction, but less crucial to value perception and purchase intention. This means customization directly influences a public broadcasters brand satisfaction; another reason to develop a personalized service of VOD.

3.4.3 The Experiential View and Context Cues

The experiential view is a holistic approach considering both rational and emotional aspects of consumer value (Schmit & Rogers, 2008). The relational experience, in particular with service brands, explains an uncharted territory beyond functional and emotional benefits and attributes. According to Skard & Nysveen (2012) the experiential literature has overseen the conceptual nature of experience, including underlying dimensions, as well as relationships with other brand concepts. Schmitt (1999), (2003) Tynan & McKechnie (2009) and Verhoef et al. (2009) have all addressed managerial and marketing aspects. Pullman & Gross (2004) concentrates on experience design creating emotional connections and brand loyalty. In "Engineering Customer Experiences" Carbone & Haeckel (1994), states experience clues are either performance-based or context-based. Context is about appearance and stimulating senses to make a product appealing. As performance

of Public Broadcasters are of high quality, context clues are the parts missing in the experience. Orchestrating experience through clues and experience architecture will lead to consumer preference, as will purposeful design. Brakus et al (2009) elevated the concept to brand experience. The effect it has on behavioural responses by any stimuli part of the brand design, identity, packaging, communications, and environments. According to Zomerdijk and Voss (2010) context design in customer journeys promotes differentiation and loyalty in service systems. In conclusion, following the experiential view, design principles seem to out weight other considerations to invite demand and build consumer loyalty.

Consumer journeys are filled with choices and decision-making. The experiential view leans heavily on consumer behavior and value choice. Many papers cover the paradox of choice (Schwartz, 2004, Scheibehenne et al, 2010) and the demotivating aspects (Huffman & Khan, 1998, Iyengar & Lepper, 2000). It seems choice set matters for happiness and self-esteem, according to the maximizer study by Schwartz, Ward et al. (2002). Iyengar & Karmenica (2007) illustrates that consumers seek simplicity and shy away from alternatives whose utility is not yet transparant (Karmenica 2006). This is crucial element for content providers with large online libraries or multiple type of offers. As decisions and experiences are seen through perceptual abilities, (Goldstone, 1994) discusses categorization and perceptual discrimination. Categories and semantic concepts are affected by cultural influences (Unsworth, Sears & Pexman, 2005). A seminal paper in marketing is "The mere categorization effect" by Mogiliner (2008); categories increase choosers' perceptions of assortment variety and outcome satisfaction. Yan et al. (2014) answers with the description of an "over-categorization" effect, naming a threshold to desired variety. As content variation increases, categorization of said content will be increasingly important. Moreau, Markman & Lehmann (2001) investigates consumer responses to new products according to categorization flexibility. The effects of congruency between consumers´ internal and retailer´s external organization by Morales et al. (2005) regard shopping goals. Loken, Barsalou & Joiner (2008) deconstructs categorization theory and Loken (2006) explored inference, affect and persuasion in regards to it. Even if those studies are mainly applied to tangible products, a transfer to conceptual realms must be viable – and also to content decisions.

Venkatesh (1999, 2000) explores digital experiences and user perceptions, integrating control, emotion and intrisic motivation. "The visual preference heuristic" by Townsend & Khan (2013) is a testament to the influence of visual vs verbal depiction on assortment processing, perceived variety and choice overload. Literature on information technology and use is extensive; search engine use has been covered by Oulasvirta, Hukkinen (2009). Contextualization of digital objects is crucial when it comes to retrieval tasks and library management according to Mayer & Rauber (2009). Online studies will carry much weight in further deliberations, such as Mathwick & Rigdon (2004) on play and the online experience. Lin, Wu & Tsai (2005) integrated perceived playfulness into the expectation-confimation model for a web portal context. This is an element greatly overlooked in Public Broadcasters VOD, but also other platforms of public service.

Play is defined as a "highly positive experience capable of delivering intrinsic value in the form of escapism and enjoyment", opening for theories on gaming (Squire, 2006). Leaning heavily on the theory of flow (Novak, Hoffman & Yung 2000), the play experience attracts the consumer, in addition to mitigate sensitivities and positively influence attitudes and behaviours. Design of the physical, meaning the presence and absence of stimuli have powerful effects on behaviour (Barker 1968; Hall 1959,1966; Sommers 1969) Ecological design and placement strategies are widely used in marketing, according to the behaviour modification perspective by Nord & Peter (1980). User engagement is strengthened by game design elements, even in non-gaming contexts, improving experiences, Deterding et al (2011). Gamification has been included in a service marketing perspective by Huotari (2012), where the consumer is co-value producer in user experiences. Video game design inspires hedonic experiences, suspense and gamefulness; playing on intrinsic motivation. Design patterns enforcing joyful usability are called "funology", Blythe et al (2004). These elements can enhance VOD and Public Broadcasters offerings online.

4. Research Question Revision

This literature review has explored and covered a lot of ground of management science, innovation, as well as papers on business models and consumer behaviour. Moving from a macro-perspective, the review ended with an experiential view of value creation. Instead of controlling the market environment, tactics to stimulate value creation is deemed more appropriate. Papers not mentioned in the review, is elaborating on and corresponding with theories or views already presented.

The literature review carved out a helpful direction in which to improve the situation of the case study. Folding Porterian approaches or traditional resource manipulation, differentiation efforts through value creation remains the most attractive path forward. The competitive environment is important, but a value-centric view seems more appealing. Woodruff (1997) states that the major source of competitive advantage of our age is an outward orientation towards customers, competing for superior value delivery, not an internal focus on resource improvement. Dynamic capabilities aside, organizational strategies and improvements are secondary in nature. NRK´s latitude is tied to multiple outside interests and there are increasing uncertainty levels. Therefore it seems more beneficial to concentrate on the core product and service. This means investigating proposals of material consequence. Rather than solely pushing branding agendas, NRK is better off with direct improvement solutions. Choosing an experiential view, it coincides best with the nature of their offering and ultimately their brand identity. The literature review has required a revision of or additions to the thesis question:

1. ***Considering the institutional resources of public broadcasters, how can the corporation meet the new video demand online?***

Reviewing theory and phenomenon, the most important strategic resource available to public broadcasters are their existing product portfolio. This is embodied by their large digital content library, offering varied, but past content on demand. Competitors in the video content industry do not necessarily have such extensive historic value.

Second, public broadcasters' editorial training and varied human resources can be utilized to benefit the Video On Demand service. Then again, only if the systems of different platforms and departments are more tightly coupled.

Moreover, the platform could develop and draw more directly from resources, platforms and departments available. As Video On Demand is not a stand-alone service when it comes to broadcasters, their competitive advantage is found through other creative and familiar sources

elsewhere in the corporation. Especially through value creation of content and other innovative schemes, adding value to the offering.

Value capture through the right business model, can enhance the perception of the service alone as well as the entire perception of the broadcaster. Furthermore, brand satisfaction enhances the service experience, adding value to the VOD. The brand experience is the total perception of all brands a public broadcaster possess, be it historic content, channels, platforms, figureheads – any conceptual touch point in contact with the audience. Management of brand assets matter to the development of VOD loyalty.

2. ***Considering the product development of VODs, what are the strategies and designs available to implement in Public Broadcasting offerings?***

The creation of new content is only one focus of product development in public service broadcasting. Content development and presentation naturally follows the experiential view. Considerations of design flow experience and content consumption rests on contextual cues.

Categorization ease content consumption; enforce decision-making and strengthen satisfaction. Semantic networks highlights perceived variety and decreases possibility of choice overload.

Degree of interaction and "playfulness" through gamification elements online can enhance the experience beyond that of a regular VOD. Integration of transmedia and ecological interface design add value to the experience and value proposition.

6. METHODOLOGY

The study is supported by a mixed data collection, assembled by qualitative and quantitative methods. The primary source of data is qualitative data, whereas the secondary is quantitative. Some writers argue that the approaches have such contrasting origins; they cannot be effectively blended (Ritchie & Lewis, 2013). Dichotomy and purist research methods, on the other hand have received ample criticism, only recently by Professor Howard Aldrich. Even though quantitative

data often attracts more prestige and policy relevance because of its status as more tangible evidence (Sandelowski, 1986), qualitative data has a more flexible research design and is a critical source of counter point to the quantitative. Casebeer & Verhoef (1997) argue that both methods are part of a continuum. This research is based on numerical data collected from several reputable sources on the topic but the largest and most ingenious part of the methodology is qualitative in nature. The media as well as the World Wide Web is based on descriptive data in addition to quantifiable data. As the study subject is complex (Clarke & Yaros 1988), with both social, economic and technological aspects, a mixed approach seemed most suitable.

First, generated methods involved "reconstruction" with key informants inside NRK (Bryman, 2001). Several meetings took place in the fall 2014 with heads of new media, distribution, strategy and digital content (methodology details in Appendix 10). The sample was the most relevant inside NRK and had great validity because of employers´ rank and first-degree knowledge. The interviews with the case subjects grew evaluative through the process and the author was a participant and observer. Extensive field notes were taken, retyped and stored digitally. Points on the agenda were Millennials and streaming, competitors, international content and the NRK content library. Besides interviews with decision makes at NRK, the author participated in seminars as an observer. The seminars with and by sector players' were contextual and generative. "Digital Winners" had a highly relevant sample of crucial industry players and its validity was strengthened by the international scope. Its reliability was underlined by a high degree of professionalism and of course, preceding successful seminars.

 NRK employees were present at all seminars reinforcing their validity and relevance, and the Director of NRK held presentations on two occasions. The subjects of the seminars were media convergence, video streaming and innovation. The author also attended a conference on the future role of the public broadcaster at NHH. Recent Norwegian research on media, competition and content were uncovered plus individual contributions from heads of the sector and a panel debate. All professional and governmental players were present, highlighting its validity and relevance. Throughout the process, interviews with separate commercial and scholarly experts provided explanatory insight – for instance the former head of Comoyo (Telenor), a social economics and innovation expert at Nifu Step and a content buyer for Canal Digital. This relevant qualitative data

collection provided the author with a vast network of insight. Nevertheless, qualitative paradigm is based on Kant´s interpretivism (Altheide & Johnson, 1994; Kuzel & Like, 1991; Secker et al, 1995) and constructivism (Guba & Lincoln, 1966). This means that qualitative insight is subjected to multiple truths and realities. To limit interpretivism, field notes were taken in all cases, and transcribed later. In addition, video recordings of the "Digital Winners" seminar are found online. Other qualitative research data are also catalogued in video format, for instance (Peter Hirschberg "The web is more than better TV", TED 2007), (Salman Khan "Let´s use video to reinvent education", TED, 2011), (Sheena Iyengar "How to make choosing easier", TED, 2011), (Philip Evans "How data will transform business, TED, 2013).

The secondary source of data is based on quantitative research done by separate and different entities. Media polling data was gathered from Norwegian research institutes and companies like Statistisk Sentralbyrå (Norsk mediebarometer) and TNS Gallup (Interbuss, Norsk TV-meter panel). They conduct extensive numerical research and statistical analysis of media consumption. In addition, NRK has its internal analytics department, managing numbers on platform viewing, resource distribution and content variation. Furthermore, TNS Gallup performs reputation polls of NRK content and mandate yearly (Profilundersøkelsen). Independent institutions doing research on behaf of other media companies are common. Oslo Economics did research in Lead in effects for NRK ("Bred for å være smal") and SNF did research for TV2 on profit and viewing margins (TV markedet "Private versus offentlige aktører"). Also in 2014, Menon Economics did an analysis of NRK finance models for the department of culture. These are secondary analysis made on the data collected from the entities in question together with data from SSB and TNS Gallup. Providing international context, Nielsen Media Research is a very well known company providing measurements of media interests, trends and consumption. They have a consistently high reliability rate, although certain approaches are not as viable anymore. The reason is the new media environment.

The quantitative analysis of online data grows increasingly complex and hard to evaluate as consumers use multiple screens and share devices. First, research has often wrongly separated mobile and Internet use. Furthermore, Norwegian polls have often neglected to integrate foreign sites in the polls. In 2014, TNS Gallup founded a Norwegian Internet panel with a set sample

population to evaluate real person responses rather than cookies or devices. This current and more precise method, makes it wise to question the validity of former statistical approaches employed, and thereby its results. The quantitative data rather serves as a backdrop and demarcation point, situational description also validates the thesis scope. The qualitative data is more in the foreground in the subsequent analysis for those reasons. Then again, research on Millennials has been studied by mixed methods as well, mostly by commercial sources. Vital contextual data about Millennials behaviour have been sampled from companies with commercial interests. Microsoft, McKinsey and BCG among others, have summarized segment qualities. The scope is mainly international, and often more sophisticated and available than national research. At no point did the author sample a population for a separate consumer research. The degree of transfer is high as Norway is an international and Americanised society.

In addition to statistics and commercial analysis, a field study was conducted to observe interface data and make a comparative analysis of streaming sites. The author conducted this research independently and took field notes. A summary and illustration of some of the descriptive data collected is found in Appendix 13, 14, 15 and 16. The study of the subject platform was observed and trialled over a period of months (august-December 2014). Interface and content changes has occurred independently during the time of observation, but also after the authors findings report meeting at the end of the project with management. The analysis is based on earlier versions, as well as updated of the subject offering. As the research topic is very new, plenty of mixed data was collected from journals and sites online. Documentary analysis of media reports, government papers and publicity material as well as financial accounts have been used to describe and analyse the current situation. As there is no direct scientific literature on the subject, other or similar phenomenon's have been transferred to the new concept. The method is a true mixed approach with multiple different sources.

According to Denzin (1978) and Jick (1979), a mixed research approach is called triangulation, "the combination of methodologies in the study of the same phenomenon". For an organizational case study such as this, first there is the "within" method, involving crosschecking internal consistency. Consistency was soon proven by the different sources of NRK material. However, more recent literature Sale et al (2002) underlines that a mixed approach is not able to cross-

validate, but only serves to complement each other. Organizational performance was studied by interviewing management, then observing behaviour in other external contexts and combined with evaluation of performance records. As NRK is an open, public entity, interviews were given willingly and data sets on polling where given freely without edit. NRK are subjected to many reviews by Meditilsynet and is considered a very reliable institution; therefore their data is as well. Questions and supplementary information was given per mail, the author also providing insight on progress and adapted focus to check validity (Smith & Heshusius, 1986).

A prerequisite for the author and the subjects were that the study be an opportunity for mutual gain. During the course of interviews, management shaped the scope and direction of the study with its answers. Variables were only roughly understood in advance. Problem formulation eventually centred on future organizational issues, not historical analysis. The participant observation is integral to anthropological an ethnographic research because it provides "direct experiential and observational access to the insider´s world of meaning" (Jorgenson, 1989) Interviews were conducted individually but also in pairs while dialogue ensured higher reflection and the drawing of comparisons (Ritchie & Lewis, 2003). The author was a participant in the interviews and interacted with the subjects by providing opinions and beliefs about NRK and competitors. The author went to great lengths to seek the best sampling from a multitude of expert sources. However, the qualitative samples are small – large populations are discarded for purposeful and articulate respondents that can provide important information (Reid, 1996).

According to Denzin & Lincoln (2000), qualitative research is about observation and serves as an interpretive, naturalistic approach to the world. As it is important to study things in their natural settings, precautions were taken as to not influence the material assembled. Primary data collection was based on in-depth, open-ended interviews with key management figures in NRK´s New Media department. Instead of set interview questions or precise agenda, the interviews were more fluid and adaptive in nature. Subsequently, information were unsullied by interruptions or leading questions, rather letting accounts of subjects flow. However, the study subjects were perhaps to interested in the author´s perceptions on certain points. Oftentimes, the subjects would ask direct questions about offerings and methods. As the objective was to find out and evaluate areas of concern for employees and organisation alike, the questions were rather indicators of perceived

problems. The interview style granted truthful accounts illustrating an uncertain situation. Observations revealed areas of distress communicated by separate employees in different interviews.

In addition to internal analysis, the method concentrated on external forces. Simultaneously with the consulting interviews, the pain points were compared with other players' accounts in the contextual data. For qualitative methods such as participant observation, or interviews triangulation can imply "multiple comparison groups". According to Glaser & Strauss (1965) this develops more confidence in the emerging theory. In addition to internal scrutiny, comparison tests the degree of external validity. The sector was studied in-depth, as was certain dominant players. Historic and current development accounts from independent sources, limited bias for the case subject. The seminars uncovered directions, pain points and successes of other participants in the industry. These comparative insights and data sources in the network highlighted the truths and management fears from the case interviews.

According to Diesling (1971) it is important to attain holistic and contextual variables, as subject units do not exist in a vacuum. This is the reason for the use of secondary data. Cronbach (1975) states the convergent approach utilizes the qualitative methods to illuminate "behaviour in context" where situational factors play a prominent role. Triangulation or complementation should not only be used to examine the same phenomenon but also multiple perspectives. In the primary data with the media seminars, tech companies brought a different understanding and perspective of the sector than classic media speakers or social media representatives. The networking and data sampling was both done in formal and informal settings. Seminar information and company speakers are listed in references. Key players provided supplementary data and insight beyond the internal case, as well as expanding perceptions and grounds for future trajectories.

7. Case Description

As several national and international competitors offer on-demand platforms, NRK makes for a special case study for multiple reasons. A frequently visited debate is public versus commercial platforms. TV2 and other commercial entities have recently argued against the size and dominance

of the Norwegian public broadcaster. Whether or not their format can be justified in an increasingly competitive environment, is an ongoing public issue. The yearly media seminar at NHH, November 2014, debated political and economic issues surrounding the role of NRK as well as their surrounding competitors. Most likely, their role is decided by the content, its reception and the institution's continuous relevance.

A long broadcast history modelled on their British counterpart the BBC; NRK has numerous times reinvented their content, and readapted their modus operandi. Relevance and satisfaction is measured in viewing numbers, public opinion and content approval polls (Appendix 9: NRK Profile). 2013 signalled a drop in numbers, while 2014 marked a decrease in funding. Political tension and investigations have resulted in their business model being up for review (Menon Analysis 2014).. As long as licenses are paid through TV sets, the corporation cannot develop a credible position in their new media ventures. NRK´s model might be accepted, but it neither signals an understanding of the times nor the lives of younger generations.

The average age of a NRK viewer has increased five years from 50 to 55 since 2006 – this development is very likely to continue. Norwegian´s aged under forty-four, watch television less and less. Over 65% of the youth´s media consumption is done over the Internet. This results in viewing numbers for the age group sixteen to twenty-four being at an all-time low. NRK has a very good position with adult and older generations, but their positioning among youth remain uncertain. The segment gap is a justification in itself, because the Millenials will be the individuals determining NRK's future. According to BCG, Millennial trends are also critical in real time because they ultimately influence GenX. Although NRK has a strong relationship with the latter, the tensions are mounting in that camp too.

With a broad reaching influence, NRK has value beyond viewing numbers. Supposing socioeconomic value can be measured by high quality content in turn generating social and democratic benefits. These benefits are hard to evaluate, but relevant to consumers and Norwegian society. Bound by public mandate, NRK is responsible to cater to the entire population and its minorities to maximize the collective good. The educational aspect makes for a worthwhile case study. The public constraint and inability to advertise outside its platforms also presents an

intriguing case. Especially since smart marketing nowadays is more about attracting consumers rather than pushing, hence explaining the rise of content marketing.

Producing original content, NRK fulfils one criteria of success, irrevocably holding fifty percent of the content rights. This makes the organization less vulnerable, and more likely to be competitive than other players. However, news content production is extremely costly and swallows a big part of their budget. As NRK and TV2 have experienced, the role of public broadcaster take toil on their popularity and profit margins. The big winner in the loosing battle of viewing polls is TVNorge, as they scoop up the entertainment hungry linear viewers. However, with local and public interests their content caters to small segments, less commercially viable than other programs. The non-profit directive can guaranty quality, but also make reaching consumers a harder task. Their educational role and dictated program breadth can often pose as a constraint.

Under pressure from global unlimited content, the programming is constantly compared to US and UK productions. The global competitive arena and domination of American and English content is surely reason enough to research local content production. Equipped with more talent, resources and a language advantage, the Anglo-commercial invasion is a threat. Still, research has proven that in order to reach out with specialised content, it must have popular content as well ("Bred for å være smal", Oslo Economics 2014). Supported by lead in effect theory, educational or narrow programs are largely viewed if preceded by more commercial or popular shows. This element stretches to online applications as well, introducing opportunities for NRK.

The other half of NRK's content is bought from local production companies like Monster, or large creators like BBC and HBO. This distribution strategy pushes quality of original content, but direct comparisons on their own platforms to professional greats are unlucky. Procuring overseas content angers some, but local production is often ten times more expensive. NRKs productions are more often than not the opposite of commercial, nor is it made for the lowest common denominator. Enforcing a more cultivated and educated view; its content can be less accessible to consumers. However, NRK has produced more commercially viable content of late, competing with the same program format receiving criticism from competitors (Stjernekamp NRK vs Idol TV2). Narrow content combined with breadth and popular shows assuredly present brand identity issues.

Generating strong associations, NRK means a lot to many. The wide, but segmented content mix together with the local/global power balance makes NRK a compelling case study. Half dependent and half self-reliant, it presents an interesting dynamic when it comes to content competition, strategy and resource development.

The reason is that the public broadcaster faces increased and intense competition. All polling data reveals Netflix as NRK On Demand´s strongest competitor, and one of the biggest players in the Norwegian On Demand market. The immense popularity of video streaming has even spurred conflicts on net-distribution front and the fight for net neutrality. The Norwegian telecommunication operator Telenor has vented their frustration, going public with the capacity seized by streaming-activities. Sixty percent of the traffic constitutes video-consumption by the Norwegian public. Netflix content alone stood for twenty percent of the total bandwidth capacity. Even corrugated by the heavy data, this illustrates the importance of the sector and how foreign content is dominating.

Still, the number one streaming site is VG TV, originally a news platform, transforming into a hybrid with news, and scripted programming. Albeit supported by intro and outro-commercials, the experience is somewhat disrupting. The same is now true of YouTube - the number one world favourite streaming site, introduced commercials and professional content creation in 2012. Facebook, commercial for some time, has thrown their video-hat in the ring with auto play by feed scrolling. A successful strategy if they are to compete with the more traditional video content platforms.

The case choice is based on the poignant consumer trend of advertising avoidance. In fact, consumers' blatant dislike of advertising has been a prerequisite for the case analysis. NRK is luckily an advert free zone, and this could potentially be a major draw as platforms become increasingly commercial. A clean site is a huge advantage and welcome trait in this age. Online videos are now being interrupted mid play by commercials and customized to simple variables such as gender and age. Ad-free models like Netflix reflect the popularity of subscription video on demand, or SVOD. Directly engaging with consumers without any advertising support, it has also

proven to be more successful than regular pay-per-view. Even though NRK On Demand is not a traditional SVOD per say, it is limitless and free of charge.

Supported by a paid licence, the service is abided by law and a prerequisite for owning a television set in Norway. As such, NRK On Demand is an additional offering beyond the main product, being televised and radio channels. Still, in a practical sense, NRK is delivering streaming content free of charge to any consumer with Internet access. Feedback suggests that the platform is very well received, as reviews have revealed increasingly positive messages since its launch and development. However, the challenge is to capture consumers that aren´t regular users already, and invite more interaction with current ones.

Stated by law §13b, innovation is a part of NRK´s agenda. The perceived degree of innovation is a crucial foundation to uphold relevance and satisfaction. This thesis is a contribution to the open dialogue on NRK´s mandate, and especially concerning innovation in medium and content. At the "Digital Winners" conference at Telenor Expo in 2014, the CEO underlined the importance of risk taking in content, approving investing in crazy ideas. Of course, NRK does not have the same pressing financial constraints as other players, inviting experimentation. A riveting concept attracting much international attention is slow TV, a format "invented" and championoned by NRK. The successful "Huttigruten Minutt for Minutt", #knitTV, a firelog burning excerice, and recently, a weekend long psalm marathon, are all counter intuitive, but strangely suitable in our faced paced times. The Nordic Noir genre is also having a lasting international impact. Nordic cultural content has inspired a "Scandimania". Jensen & Waade (2014) states that the Danish public broadcaster DR has become a significant international brand as a result.

A captivating area of research is whether public broadcasting offers a higher degree of innovation, both in terms of content and development. Legacy can both be a blessing and a curse. Innovation is hard to implement in large organizations, but is made easier by vast experience and know-how. NRK On Demand is a testament to a visionary and adaptable public broadcaster, but it does not in itself secure future revenue streams. Lead by the New Media department, the organisation is widely known to have handled the shift to the next medium well; still there are elements of concern. Even though NRK is the world´s strongest public broadcaster, the organization is worried about the

future. Their operating model is under threat politically and commercially, opening up hard questions on business models, value creation and value capture.

8. ANALYSIS

8.1 Emergent Themes

Naturally, the Video On Demand phenomenon can be discussed and analysed through several dimensions. To silence the marketplace drama, the literature review favoured an experiential view. This strategic view is most suited to peel back the layers of the video content market. Pralahad & Ramaswamy (2004) states that the experience dimension is the future of competition. This is why it is important to state what constitutes the experience dimension in the VOD environment. Brand experience matter, but mostly on a superior, more abstract level.

Through the data collection and analysis, most importantly through the qualitative interviews and seminars, the author identified emergent themes. Conceptualizing the themes, presenting a working model serving as a superordinate framework. The framework deconstruct success factors in the VOD market as well as the new media landscape. The study of new media, Internet, television and VOD platforms, there are three determinants and areas producing value for the media consumer. Those elements are content creation, content variation and content curation. The concepts are differentiators in their own right, and combining the trifecta result in highly successful ventures. The consumer experience is naturally valued differently across platforms, influenced by many factors, but these criteria remain in common. These three categories and differentiators are all irrevocably linked with the nature and perception of the brand. Interface and design choices are made through the intersection of three deciding factors.

8.1.1 The Sweet Spot of Video On Demand Value & Online Consumption

The content value model is based on emergent themes from data collection and analysis; content creation, content variation and content curation. A more comprehensive version of the model is found in Appendix 11, including the factors of brand and interface.
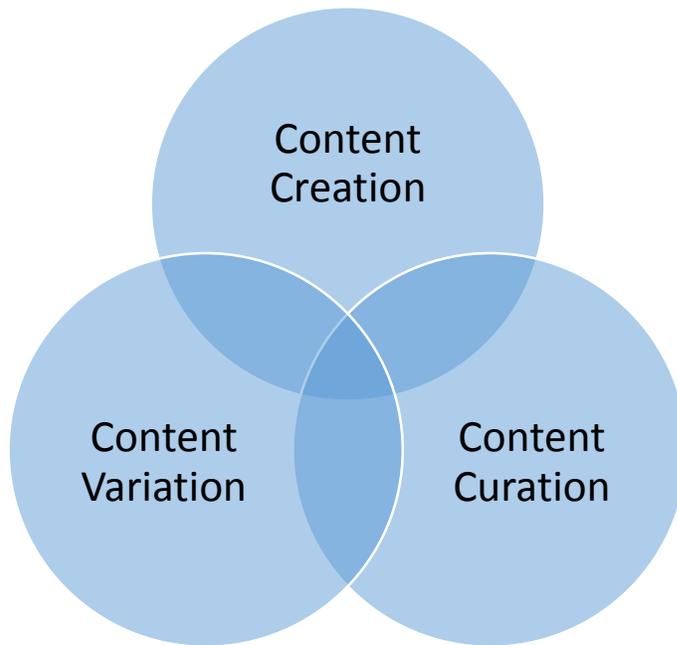
The model determines areas producing value in the sector, both for consumers and businesses. Content creation, content curation and content variation are platform differentiators. The sweet spot and intersecting elements reveal the nature and design of the online platform, speaking to interface. For producers and businesses, content creation is about resources, institutional or financial, that result in creative production. Content creation is determined by the sum of the abilities of the firm, alliances with other firms, as well as the individual constraints a producer might have in their environment. Content creation is influenced by their identity, especially the brand (s) of the corporation or business. Also, content creation can also happen through co-production with audiences, through interaction and "prosuming" initiated by users.

Content variation, speaks to the degree of choice and is directly influenced by content creation. How many content categories and themes there are, speaks the basic nature of the digital library. Content variety is also determined by the fragmentation of consumer preferences online. It speaks to Long Tail tendencies and hyper-individualization, as well as the degree of "glocalization". The mix of content themes and categories as well as the mix of local and international content identify variety. Perception of variety is dependent upon content curation.

Content curation speaks to the presentation of content on the platform, as well as semantic networks lowering search cost. The way content is offered matters to how its value is perceived. Context, categories and placement influence consumer behaviour. The architectural design of content and the interface´s technical design elements are crucial to an enjoyable online experience. Content curation can stimulate consumption and loyalty, as well as influence associations to the brand. The experiential value is made through content creation, content variety and content curation.

The strategic view is also directly warranted because of the service nature, as well as the characteristics and mind set of the Millennial cohort. Going beyond simply a service, video consumption of cultural content and digital behaviour is about experiences. It is not a linear exchange of value, but a co-creation of value between producer and consumer.

8.2 New Medium, New Mind Set, New Strategy

The basic principle of new media and VOD consumption is that consumers, in particular youth, want to select their own content and watch whenever they want. Second, they wish for varied content offerings. Third, they gravitate towards methods and platforms where they find content in an easy, accessible, manner. The new medium craves a new mind set, as well as a new strategy. This is a challenge for public broadcasters with a linear past and present. However, utilizing institutional resources and forging new interface development and design will increase the competitive advantage.

When it comes to curation of platforms, the method is often populist, not serving the fragmentation of media consumption. Naturally, it is a slightly more varied offering than the set TV programming, but the only clear benefit is self-time management. Of course, the ability to choose when to watch video content is a considerable benefit in comparison to linear TV. However, the market trends and development reveals that the service needs to satisfy needs beyond that. Millennials often want the ability to curate their own content, at least the benefits curated offerings have in matching needs. Furthermore, the consumption of varied content only happens when the system or curation encourages it. This means that the presentation of the streaming platform, its

neighbouring sites and sources of content production, all reflect upon the quality and perception of the site. In addition to the separate value of the content, the general assumption is that content and brand reflect upon each other. This is why public broadcasters have to concentrate about brand management, not only content creation. Content, brand, resources and corporation are irrevocably linked, as are all other solutions and services provided.

The foundation laid down by the literature review is that consumers adopt services and products with high perceived customer value. Value is determined by variables such as appreciated intrinsic and extrinsic attributes. Extrinsic value emerges from the networks that provide and use the service, whereas intrinsic attributes refer to the inherent attributes of the service itself (Pedersen et al. 2005). For VODs and online activities, the attributes creating value has been determined as content creation, content variation and content curation. The highest extrinsic and intrinsic value is made in the sweet spot of those attributes. This value attribute has both extrinsic and intrinsic value: namely platform interface and design. According to Pedersen et al (2005), the adoptions of services differ with respect to which service attributes are most important to perceived value. In this instance, the four attributes conceptualize the most important aspects of VOD service value. In addition, there is of course the brand affecting overall value. Service value also includes choice of specific business model, as it affects both intrinsic and extrinsic attributes of the product or service (Nicholls-Nixon & Woo, 2003; Zahra & Nielsen, 2002; Sengupta, 1998; Stuart, 2000). This explains why tension around public broadcasters business models affect the direct value attributes of their streaming platform.

Nysveen & Pedersen (2005) explains intention to use mobile services through four overall influences: motivational influences, attitudinal influences, normative pressure and perceived control. This could easily be transferred to intention to use a streaming service. Motivational influences can be content, whereas attitudinal influences can be brand attitudes to the public broadcaster. Informational programing and the expectations of society to stay and be informed can strengthen normative pressure. Whereas perceived control can be accounted as features of the web interface. This means the better the interface, the higher the perceived control of the user, and higher intension to use the service. Furthermore, Nysveen & Pedersen (2005) also differentiates between goal-directed versus experiential services. Although the basic view of the analysis is

experiential, one should not eliminate the utilitarian concept derived from public broadcasters as the producer of hard news. Nevertheless, as the scope is firmly on Millennials, the service should be determined and treated as experiential. Influences of intention to use are decided by different content factors, brand and interface elements.

Intention to use are influenced by all the VOD choices in the market. VOD choices are made more easily through platform and brand differentiation. Fortunately, public broadcasters have already a strongly differentiated position. First, through their embedded public mandate and second through their television legacy. In addition, the editorial resources and journalistic practices in the organisation are also valuable. The foundation of public broadcasters is ultimately very favourable, mostly because of the high quality content production. Because they have a large mass of digital content available, their content variation is naturally high as well. However, left unassisted their resources and value proposition won´t cut it in the digital landscape. The analysis lays forth elements to include in the value model to implement in their competition for users and Millennials.

As the foundation and prerequisite of content creation is given through mandate, it remains intact as is. Small variations can occur, but the essence of a public broadcaster won´t change. This means that information and education will always trump the basic entertainment portion of the content production. The largest share of a public broadcasters resources and time are used on producing news. Millennials, however, do not follow traditional news productions, not appreciating this large part of their content creation. This points to a much needed review of methods and styles of content creation, particularly when it comes to news. In addition, news content and several types of entertainment are often blended, raising curating issues as well as branding problems.

That said, commercial sensibilities exist at public broadcasters, their entertaining programs serving a purpose beyond the obvious. NRK operates under the tagline "Bred for å være smal" and through this takes advantage of lead in effects. Niche content following broad content retains audiences surprisingly well. This phenomenon is helpful to public broadcasters and their content issues. These findings could also be interesting to apply on a VOD site; especially when it comes to curation and presentation. Also the mere ability to stop, replay, recap and search for content, can encourage exploration of both broad and narrow program content. Public broadcasters have plenty

of resources to offer a highly varied consumption mix, but content creation has limits and constraints. This makes it difficult to attract youth on merit, meaning the surrounding factors of content creation matter even more. The new medium format has more potential for development, and has interactive value beyond the basic Video On Demand offerings. To be competitive in new medium, a new mind set is crucial to understand the nature and style of online consumption. The new strategy is depended upon a transitional process from a product or basic service focus to a complete VOD online experience.

8.3 Transitional Process to a complete Video On Demand Offering

For most of its existence, public broadcast has been synonymous with television. Even though public digital platforms have been present from quite early stages, a transition to a complete VOD offering is a gradual process. From the consumer side, adoption may be slow due to a strong relationship with the former media. There are obviously stronger brand associations centred on television experiences, than online experiences purely based on the assumptions of time. Public broadcasters need to strengthen or create new brand associations. However, forging new patterns of behaviour is the foremost concern. A behaviour modification perspective may be helpful, proposing conditioning tactics and reinforcement schedules to facilitate response. These patterns are dependent upon the characteristics of diffusion theory in addition to brand management. Millennials are aware of the streaming service, but their former consumption experience with the brand has been linear. In addition, their digital home page is not as popular with youth as it is adapted to older segments and interests, as data confirms (NRK source).

As of today, the VOD platform do not have the same status as the broadcast homepage. The latter is a news portal, a goal-directed service, and while the experience service On Demand is under it or mixed with it. Consumers have different motivations and attitudes about these two types of services. In the case of NRK, the streaming platform is a subordinate to the news heavy homepage. First, the homepage does not strike the right tone for an experiential service. The nature of news as utilitarian aside, there are no videos on the homepage strengthening the experiential entry to the VOD either. To form a consistent value proposition, public broadcaster must position their On

Demand service as an individual entity with a clear brand identity. Next, the entry to the platform must be accessible.

Moreover, direct spill-over effects from television is a given, but news portals and radio networks are also important. The VOD brand, not fully formed, is not only under threat from other competitors; broadcasters with multiple channels and offerings compete with themselves. Cannibalism between mediums aside, brand perception, esteem and experiences are all interconnected. According to Zarantonello & Schmitt (2010) a brand experience "spans across all different contexts in which the context of experience has been investigated". This also means press and public debate issues colour brand experience (see "Aftenposten Critique" for the Norwegian Public Broadcaster). Their position with users is therefore influenced by their perceptions of all activities and offerings, in addition to presence and portrayal in public.

Although leadership in the case of NRK has been unifying, gaps between vision, culture and image are inescapable. Aligning the strategic stars (Hatch, Schultz, 2001) in one big umbrella brand like NRK is significant challenge. The employees and organizational identity flavour all activities of the corporation including the content creation, variation and curation in subsequent offerings. However, their vast organization and resource base also opens up synergy and leveraging opportunities. Furthermore, reputation management of corporate persona do matter for stakeholders (Brown et al 2006). The portrayed crisis mode on other media is not doing them any favours. The medicine is to develop new value propositions and leverage new experiences with the brand and their offerings. As a fictitious ad man once said: "If you don´t like what is being said, change the conversation" (Don Draper, AMC "Mad Men").

On Demand is one part of public broadcasters value proposition (Anderson & Narus, 2006) and Millennials are but one of the segments they cater for. According to Park, Jaworski & MacInnis (1986), a well-communicated image should help establish and insulate the brand from competition. However, with news heavy programming, a considerable catalogue, potent legacy and strong established brands, it is difficult to form a special and unique bond with that segment. As to selecting a brand concept to manage, public broadcasters does not fall into one category. Today, NRK is perceived as both functional, symbolic and experiential. Unfortunately, mixed concepts

are hard to manage. That said, an experiential concept based on sensory and cognitive stimulation is most favourable management for On Demand. As the elaboration stage for experiential offerings entails accessories, the case of VOD can be transferred into meaning new content, or rather older content perceived as new. The fortification stage could be the introduction of subordinate categories and interactive aspects adding value. A bundling strategy with other experiential concept offered by the mother brand could also fortify the service.

8.4 Video On Demand and Branding

The VOD platforms have direct attributes and benefits in common with the all other public broadcast value propositions. Although these are separate organizational entities, the multiple channels complementing the corporate brand blend in consumers' minds. If one is to improve the VOD position, one must manage the mother brand and its extensions. According to Aaker & Keller (1990), the by-product of innovation, is a brand extension. As such, public broadcasters should be aware of brand salience and concept consistency. According to Park, Milberg & Lawson (1991), perceived fit and similarity matters for brand extension success. Keller, Sternthal & Tybout (2002), asks to leverage points of parity, and questions strategy´s obsession with differentiation. Points of difference are hard to manage, especially when it comes to brand extensions. When discussing positioning strategies, NRK should build brand awareness and promoting attributes that consumers truly care about. These attributes may well correspond to the model of content creation, content variation and content curation.

Instead of leapfrogging, public broadcasters should not walk away from an established position. This goes especially to their content image, but also their established positions as trusted institutions. In the case of NRK and their exceptionally high trust level, this can lead to favourable brand performance and brand loyalty (Bainbridge,1997; Kamp 1999; Scott, 2000). Then again, this is not a conclusive relationship (Chaudhuri & Holbrook, 2001). However, brand equity is definitely built on brand trust as "the confident expectation of the brand´s reliability and intentions" (Delgado & Alemán, 2005). Trust is the corner stone and the most desirable quality in any relationship, also when it comes to brands. This could especially be said for a news network, but perhaps not so much for an entertainment network. The fact that public broadcasters are both can prove problematic. Even if it is crucial to be viewed as independent and neutral, these aspects

do not weigh heavily when it comes to consumption of entertainment content. This could explain why the brand equity of Millennials is so low, when it simultaneously enjoys high brand trust.

Content-wise public broadcasters like NRK are strong on news, informational programs and documentaries, and less strong on drama and pure entertainment. Public Broadcasters are seen as common platforms for everyone and questions of launching separate VOD service for Millennials is a risky strategy. When the Danish Public Broadcaster DDR tried this strategy, it was a real disaster. First, Millennial research show that youth are adults with far reaching and varied tastes; they do not fit into one segment category. Second, there are risks of diluting the brand; a fabricated repositioning such as this one will have low perceived fit with the umbrella brand and possible negative ramifications. The strong positioning of separate children's platform is supported by a historic and longstanding culture within Public Broadcasting – a Millennial platform is not supported by traditions. By catering too much to one consumer segment, the risks are insincerity and alienation. This could resonate particularly badly with youth, even though they are pragmatic consumers and brand connoisseurs (Appendix 2 "Millennials"). To empower On Demand, NRK must integrate elements and practices from their other brands.

First, the association networks should have strong points of parity with its other services as well as other competitors. Seeking similarity and enforcing established brands can be undervalued in a strategic setting. Points of parity are leveraged with tighter connections between brand extensions. By implementing elements from indiscriminate and highly successful brands like Yr, the public weather forecast platform, NRK could strengthen the On Demand brand. Weather timelapses of nature and cities could connect the two online sites. When weather forecast is poor for instance, promoting On Demand viewing would be suitable. However, only if content matters matched the weather concept, such as nature or environmental sciences. UT, another brand of the public broadcaster also abides to a desired conceptual consistency. A promotion or catch up of a thriller or drama would attract attention, but nonetheless disruptive to the conceptual experience. In turn, reflect badly on the streaming service.

Another example of established brands to implement is radio stations. For NRK, the strongest digital radio service of youth is P3, a stand-alone web platform on its own. As the platform attracts a youthful age group, it would be natural to link to music videos, interviews or documentaries

bringing visitors over to the streaming platform. Public broadcasters have many brands and touch points that can be leveraged to redirect attention to the On Demand platform. This could lead to higher awareness, increased intention to use and faster rates of adoption.

According to Neumeier (2006), successful and sustainable brands are formed through mental conceptions, images that come from experiences. Thus branding is about customer conceptions, emotions and experiences, nothing else. Emotional and aesthetic aspects are becoming more and more important for the experience of a brand. Voices can be personalities of a brand – public broadcaster have many familiar and loved voices heightening the experience. The VOD value model illustrated what criteria was important for a VOD. However, on a superior lever, the brand experience is likewise as important, and this means that conceptual fit is crucial for the overall experience (Appendix 11). In the case of public broadcasters there are blending of experiential and functional elements. NRK's mother site also blends concepts of news and entertainment, which may have damming effects. As with all advertising placements, modality and congruence matter on brand memory and attitude (Russel, 2002). Even though similarity and inter-connectivity throughout brand extensions are vital to improve positioning, points of difference should strengthen associations too.

8.5 Video On Demand and Differentiation

According to Deephouse (1999) there should be a strategic balance between differentiation and similarity. By differentiating, firms reduce competition and by conforming firms demonstrate their legitimity. There are several areas to analyse concepts fit and differentiation. The working content model is vital to frame with this view. Further, differentiation is also made through satisfaction elements in service adoption. Lui & Khalifa (2003) have determined satisfaction elements at different adoption stages of Internet-based services. The diffusion characteristics is not be regarding the streaming technology per say, but the tailoring of perceived attributes to enforce adoption of this service. This means answering what relative advantage, compatibility, complexity, triability and observability is to the VOD user. A relative advantage can be exemplified by the advertising free zone. The digital youth environment is plagued increasingly by ads on favourite sites such as Facebook, YouTube and VG – not to mention illegal streaming sites.

Further, compatibility should be mirrored by other digital winners and platforms often visited by youth. Cha et al (2007) analysed the world´s largest user generated content video system and its popularity distributions. Even if On Demand is not about user generated content, their target consumers are the same. Currently, YouTube is expanding their efforts, trying to establish themselves as a network by paying for content production services to raise their profile and content quality. YouTube with their account based business model retains consumers' content preferences and presents them with video recommendations on next visits. The recommendation systems may fail from time to time, but their efforts do not go unnoticed. The reason is that it forms a dialogue with the person in front of the screen.

Instead of playing a mediational role like Morgan & Hunt (1995) suggested, the relationship between equity and trust is deemed directional. For public broadcasters to leverage its brand trust, it has to promote behaviours and content where this parameter matters. When it comes to educational content, for example, their trust will carry a lot of weight. This is because public broadcasters have a lot of competence based trust (Xie & Peng 2011). Trust and teaching go hand in hand. This is why public broadcasters need to consider using the streaming platform as a "teaching ground". Millnnials learn things online, by Googling and asking "How to…". Creating tutorials is massive, because video is such an attractive medium, and especially for learning purposes. This would align directly with NRK´s mandate and stay true to their educational vision, as well as outperforming commercial interests channels. It could even strengthen identity based trust, the most important variable for customer relationship strength (Xie & Peng 2011). Broadcasters like NRK struggles with its identity, as the mandate states it should be "something for everyone", ending up relaying a very varied identity. This is why, it is difficult for consumers to perceive that the brand and themselves are "standing for the same things". The ways to rectify this problem is discussed at a later date. However, it could be rectified if the platform becomes a positive and neutral ground of education, or a celebrated research ground. Public broadcasters' content library certainly already has plenty of educational juice. Public broadcaster such as NRK is just appropriately intellectual and approachable to make this work. In addition, as a online source it certainly beats Wikipedia or other less trustworthy platforms.

8.6 Video On Demand, Variety and Tribes

As the mere nature of the public broadcaster is a brand differentiator in itself, the points of difference in play are both content creation, curation and variation. After the field research, streaming sites that had high content variation, had more value to offer consumers. The simple reason is that content variety lead to experience variety. According to Pessemier (1979) consumers have a propensity to for seeking variety over time. McAlister (1982) proposes that people consume new products because they are satiated with the attributes of the old products. This way they dynamically balance and maximize utilities obtained from attributes of different "products" satisfying heterogeneous needs, thus increasing demand overall (Baumol and Ide, 1959, Kekre and Srinivasan 1990). Increased product variety increases the chances a consumer will find something to match his or her preferences (Dowell, 2006; Kai-Lung, 2004). This is why content variety is so important in gaining a competitive advantage, and especially when it comes to intangible and conceptual products broadcasters offer.

Today, there are 43699 programs in the NRK digital library. Appendix 13 illustrates how the consumption of thematic variety changes throughout weeks and medium. News streaming is generally low, however 60-65% of the content library is news and sports. NRK is bound by the mandate to produce news as a public broadcaster. However, news programs have been excluded from the main page of the VOD, where the curated content is catch-up content from popular or recent shows. The mother site of news is NRK.no, but here there are no videos. When NRK became digital, streaming was not a common, but now their main site suffers as there are no live images. Appendix 14 illustrates On Demand and very successful, but different streaming sites: Netflix, HuffPostLive and YouTube. The three sites have very different content and curation styles, but the variation offered is plentiful in all cases. The other common feature is that all of them, and indeed most successful online sites on the web, have a log in option. Only then can businesses master to cultivate personal relationships with the consumer. Netflix and YouTube are more customized than HuffPostLive, but the latter has a successfully integrated social interaction on the site.

The social relevance made by the consumer through the online worlds of Facebook, Instagram, Twitch and Pinterest is the very aspect making the platforms successful. The point is not to transform public broadcasters to a social medium, but integrate some well-functioning parts of social media onto their platform(s). Cova, Kozinets, & Shankar (2007), state in "Tribes, Inc.: The new world of tribalism" that "social media has such an immense influence on people because of the human psychology in people's 'need to belong'". Not necessarily belong in the world of humanity, but more precisely belong to close knit consumer tribes. Goisseaux & Moran (2011) underlined the importance of forgetting market segments and consumers, but thinking tribes and humans instead. This means answering to social behaviour characteristics, not segment characteristics. The real flaw in trying to attract Millennials as a segment is that the concept doesn´t really exist anymore, rather there are multiple youth tribes scattered around the Internet cultivating separate interests. The online media is a world of individual exploration. Although some networks are highly social, the act itself is personal: pc´s, mac´s, tablets and mobile phones are very personal items. The only social aspect or indulgence is the voluntary interaction by sharing content with online friends, fans or followers. The Internet is not so much a "Global Village" (Marshall McLuhan) as it is broken into tribes of users clustered around commonalities of interests.

8.7 Behavioural Shift and Personalization

The shift in media habits has spread through innovations in communication technologies and been cemented through disruptive Internet platforms. The new media reality is interwoven with changes in behaviour; streaming has ensured a shift in viewing habits and media consumption. Watching linear TV is a very different experience to VOD, and aspects of consumer behaviour are therefore different as well. The first logical justification is that TV is a public medium whereas VOD is private medium. Streaming, most often than not, is a private experience. The first of many reasons being that it is mostly played on smaller more adaptable screens and interfaces. The screen is often physically closer. The second reason is that with choice comes privacy. Linear broadcasting plays out in the public sphere, whereas VOD plays out in the personal sphere. TV was once looked at as a very intimate experience in content consumption, but now IPTV beats it by a long shot. The allure of private moments maybe enforced by a very demanding, transparent and interconnected world. Motivation behind content consumption often is collectively or culturally enforced, but the

viewing experience itself is an independent exercise. Because public broadcasters like NRK are public institutions with the task of strengthening the public and communal sphere, the latest behavioural shift in media has not been properly addressed

Public broadcasters have keenly accepted the digital revolution and VOD, but not the personalized revolution of media and Internet. Eriksen, The Head of NRK is acutely aware that NRK needs to be present where the consumers are and cater to their time constraints. However, the platform is not catering to differences in taste and interests. Granted, consumers can try to find programs and content they would find useful and informative, but who has time for that in this day and age. The rise of personalized digital content has evolved with the exponentially growing torrent of data available on the Internet. According to Eli Pariser (2011), personal filters have a power allure because consumers are overwhelmed. Negroponte foresaw the need and growth of personal filters already in 1995; content creation by personal, institutional and commercial players is overflowing the network. In "The Filter Bubble" (2011), Pariser states that the age of personalization was marked in 2009 when Google started customizing search results. Googling is not the same experience for everyone; it now varies with algorithms of what is deemed best for that individual consumer. This could potentially be a dangerous edit of reality, but Google´s motivations are clear. The strategic consideration is that the more personally relevant their information offerings are, the more ads they can sell. In turn, the more individuals' purchase the content or product and value is maximized for Google, as well as advertisers and businesses, and hopefully for the consumers too. The biggest VOD rival of all, YouTube, have a good understanding of personalizing viewing experiences. According to Cha et al (2007), personalizing leads to great variability in user behaviour and attention span.

There is no doubt that the formula works; Amazon sells billions of dollars (35% of merchandise) by predicting each customer´s interests. 60% of Netflix content come from personalized guesses, and it can correctly predict content preferences by half a star. Personal filters help Netflix steer their consumers to find the right content in a vast catalogue. The curation characteristics ensuring personal content and variation differs some from platform to platform. In any case, personalization is the core strategy of media greats Yahoo, Google, Facebook, YouTube and Microsoft Live – as well as countless others. Sandberg of Facebook says web sites without customization

will seem quaint and strange to a user. Yahoo´s Tapan Bhat states that the future of the web is personalization: the web is about "me". It is time for public broadcasters to ensure the same and dive into personalization. Beyond overturning public and professional schedules, personalized platforms are not only about convenience and satisfying personal interests or whims. It is about predicting what the consumer will like and enjoy. Eric Schmidt of Google (Instant) says consumers want the search engine to tell them what they should be doing next.

The authoritarian and even public aspect of NRK could benefit from a personalized trans-formation, even if it seems counter intuitive. The argument and thought that Millennials are not interested in community or public affairs, is a lazy interpretation of reality. It only varies as to what and how much content of that nature they can digest. It is no longer possible to follow "the news" as our global world never ceases to produce them (Kirk Citron, 2009). In addition, entertaining choices, social media interruptions and other content makes it difficult to penetrate their sound barrier. Moreover, there are parallel behaviours that accompany streaming or indeed Internet behaviour in general. Second screen activities or checking other sites for information, related or unrelated to the experience can interrupt planned behaviour. As such choices can be discontinued, or re-evaluated immediately, if something else catches the consumers attention. Next, if information is not curated the right way, it is easily discarded and overlooked. This is why is it crucial to get the format right, especially when it comes to less obvious entertaining content.

As public broadcasters cannot readily change the mandate of their content creation, the only way forward is to make the content as relevant to the consumers as possible. The only solution, besides the creation of special content is personalization. In the case of NRK, adult and older segment watch almost anything the public broadcaster offers, whereas youth and young adults are not that gullible. Picking and choosing content from curated sites with personal filters are the new rules of the game. This certainly applies to broadcasting as well. Personalization is already heavily involved when it comes to youth´s consumption of news; Facebook is the primary news source for many. Twitter has also been a tremendous force of good, spreading news content directly from sources on the ground. Tweets from government, parties, broadcasters, brands, news ankers and public figures are constructing very personal feeds of content. Even the New York Times funded a startup News.me to cater their headlines to particular interests and desires. "My Daily News"

was concocted by Negroponte in the nineties at the dawn of digitalization. Content curation through personalization has become a business in itself, enter Zite, Flipboard, Feedly, Storify, iFlow, Trap!t, Scoop.it, Paper.li and many more apps. In Zite, consumers can choose from 40 000 topics, then the algorithms will present personal news content in Business, Entrepreneur, Genetics or other categories like Amazing, Geek, Yoga, Painting or Wildlife. Their tagline is "discover new interests or dive deep into something you know".

This tagline reveals to main types of behaviour and modes consumers are in, especially when it comes to media. Negroponte distinguishes between "The Daily Me" vs "The Daily Us". He illustrates the different consumers modus as metaphoric "Mondays" and "Sundays". On "Monday" consumers are pressed for time, needing sound bites and bullet points from topics they care about. In addition, the consumer choose content from easily available sources or well-known platforms, generally out of habit. This can explain the popularity of VG.no and tabloid content. This choice entails stricter content curation than "Sunday", either by the selection made by the consumer or the platforms visited. On "Sunday", however, consumers have more time and can go in depth on certain topics or even be willing to explore new topics. They might be willing to explore all the sections of information, not only special or relevant topics to them. Sunday´s are more communal in nature. On this note, market researchers state that youth of today are very family-oriented. In fact, family is ranked as the number one interest, ahead of friends or concerts. This reveals Millennials to be more traditional than the previous generation, and the one before that. This can prove to be a sensibility that would favour institutions like public broadcaster and indeed communal "Sundays". However, their deep pragmatism on the other hand, predicts that they will invest time and money where they get most value. The highest online value is represented by a high degree of content creation and variety, but the most crucial element is unlocking that value through personal content curation. That said, businesses must calibrate content curation after the two consumer modes: "my interests" and "exploration".

8.8 Video On Demand and Personal Curation

The modes explained previously are not two distinct states of being; consumers move fluidly between them. The states depend upon time available, time of day, and mood. Sometimes

consumer want lesser or greater degrees of personalization. It would be opportune to have type of volume control, allowing consumers to crank personalization up or down. There should be an option to explore randomly certain areas of interests like in "Stumble Upon", another very popular site and curator. The experience is like a controlled content Russian roulette, and consumers indicates, "thumbs up" or "thumbs down". It is a way to understand exactly desired or pleasing content, but it is basically a game. Leaving matters purely to chance is also an interesting feature – there is a reason for Chat roulette becoming a phenomenon. This way streamers can rate and curate content for public broadcasters, perhaps finding crowd-pleasing gems. However, content must be curated for users to a certain extent, before experiences can be shared and curated in turn by the audience and users. In any case, interaction should be integrated on VOD platforms.

Neil Hunt of Netflix suggested that in the future, there will be "no more channels" — instead, the Internet's on-demand capabilities will help companies like Netflix "build a different channel for everyone". This is the reason why Netlfix is working tirelessly to perfect its personalization technology to the point where the navigation grid will disappear. Their vision is that their recommendation system should be so finely tuned that it shows users "one or two suggestions that perfecty fit what they want to watch now". Their strategic choices are built around the prediction that in 2025 "everyone" will have a smart TV, or in other words personalized video. Public broadcasters should strive to offer personal "channels" with customization: this means investing in sophisticated solutions and resources for the site. Netflix, on the other hand, has always been a tech company at heart, not a entertainment or content company. This is how they regard themselves, and explains a big part of their success. Netflix were never particular strong on content until recently, but variation and curation were good. In addition, the business model fit the concept, behaviour patterns and phenomenon.

If digital progress is anything to go by, public broadcaster like NRK must invest in tech curation above anything else – its content creation teams are already well above par. The new HTML 5 canvas for instance will push the boundaries of content curation, redistributing creative power throughout the net. The competition will only harden when it comes to digital solutions and interfaces; this is why public broadcasters must invest considerably in this field. Personal curation and will provide more value in the long run than one exceptional season of content creation ever

will. Then again, the alliance between the two producers Netflix and NRK launched a fairly unique content creation in "Lillyhammer". A rewarding concept on its own, the alliance between public broadcaster and commercial VOD winner, was a good strategic choice. Netflix became more "glocal" and NRK became more international.

Before Netflix´s own production of content, competitors and indeed consumers wondered at their success – their content material, library and mix was long considered less attractive or indeed of lower quality than the best content out there. However, each show in their very large catalogue had small but devoted audiences. This type of power could be harnessed by a public broadcaster such as NRK as well. Of course, Netflix has internationally appealing content, and a far larger consumer base (over 20 million subscribers). NRK has below two million licensees, and Millennials are but a fraction of that, though On Demand users are not necessarily counted as such. This is why it would be difficult to get real Long Tails with NRK content. It is tricky to determine whether Long Tails increase total demand or just shift it. In theory, one consumes more if it doesn´t cost more to do so. This way NRK´ could orchestrate some Long Tail moments or similar through their large content library, but only if the content is easier to find. The Head of Distribution informed the author that the popularity of content consumed on TV is mirrored by the content consumed online. This isn´t necessarily a sign of success, it rather means that NRK do not leverage their library power. One should think that if consumers saw all the options, they wouldn´t consume the same.

Hits versus niches are especially interesting when it comes to a public broadcaster like NRK whose slogan is "Something for everyone, always". NRK, if anyone, should accommodate for niches and fragmentation online, as it is already a large part of their identity and raison d´être. Today, the public broadcasters streaming experience is a glorified linear TV experience. There is the choice as to when to watch, but not so much what to watch. Relative to other successful sites, and relative to NRK itself, the perceived options are limited. NRK followed the first half of Chris Anderson´s advice, but not the second: "Make everything available, then help me find it." The content curation only shows the tip of NRK´s content iceberg, and the guides to "new" or rather old content are incomplete. Now, On Demand is mainly a site for catch up of recent shows. Besides, the platform and public broadcaster could become so much more if it launched personal accounts. Without it,

it will be hard to delight consumers with the best content mix. And assuredly public broadcasters needs to delight, because satisfaction does not cut it with this saturated market. The liberating part is that the consumers would curate the content themselves, granted if solutions were in place to assure it. This way broadcaster wouldn´t need to agonize so much over which content to promote to get the most views. In any case, they shouldn´t presume to know what Millennials want, because first it varies a lot. Secondly, any form of pandering to youth is a turn of, especially with a public broadcasters´ Auntie image.

In Niche Envy (2008), Turrow, an academic expert on media fragmentation, relates that the goal of digital marketing is to customize content and advertisement to personal preference and history. Even if public broadcasters do not concentrate on those issues, the digital media fragmentation means that in order to connect with users, the content providers must tailor their offering to personal and historic preferences. With personal accounts and personalized content mix, public broadcasters like NRK will ensure more relevance across segments and start to nurture relationships. By letting consumers decide for themselves how to tune their own channel – public broadcasters will invite more exploration and consumption.

The highly personalized music streaming site Spotify manipulates the term radio station to present users with content similar to a preferred or self-made playlist. They also have plenty of other personalized functions and features, a public broadcaster could transfer into a VOD platform. Example in Appendix 16. Of course as recommendation systems are developing, Fleder and Hosanagar (2008) revealed that rec systems often lead similar users toward the same products, causing the aggregate diversity to decrease over time. This is why personal preferences are important to map continuously, as well as updating curation and content showcasing.

As NRK safely bets on and only curates certain popular shows, their perceived content variation suffers. Even if true Long Tails do not materialize, consumers could tailor their own versions of platforms and not depend upon set segment. This would not only strengthen brand concept in the eyes of the consumer; and more importantly the broadcasters identity will be enhanced by their preferences. The nature and experience of the streaming site should mirror a public broadcasters varied content identity, but the elements or niches preferred must chosen by the users. If done

correctly, On Demand could stimulate consumption of more varied content, and not only be a hunting ground for the most popular or new content.

8.9 Video On Demand, Fans and Categorization

Ardissono et al. (2004) was one of the first to investigate personalized digital television. To depress the information overload problem, it illustrated the importance of intelligent user interfaces and individual content recommendations. Design and development of tools informs a selection of preferred choices. Viewer modelling and viewer identification, is based on concepts like presentation and tailoring program processing. Other important aspects are program reasoning with categorization and segments. Then of course there is interaction management. Providers of VODs or any online platform need to evaluate the cognitive load that the system places on the user.

Any curation process, whether online or in real life starts by looking at the categorization of content. In a user interface for public use, categorization mainly follows common determinants known to most. The main categorization of the public broadcaster NRK is a testament to their profiling: content online is classified into "New", "Current" and "Popular". Besides that the terminology confusingly means the same, it reveals NRK´s beliefs of what the streaming site should be. Perhaps a populist strategy is logical when catering for an audience, but NRK does well to remember that online, the consumers are fans. Stephen Nutthal of YouTube illustrated on The Digital Winners Conference that the age of television audience is over. New media is about fans and passion – deciding what, when and where to watch, then sharing their experience. The essence of the public broadcasters' streaming platform today limits this potential for growth and interaction. The reason is that the broadcaster bases content and curation decisions on the belief that there are audiences. This is not correct anymore, the online world of content consumption is about fans and fans within tribes. This is why the curation and categorization must reflect this fact. Examples can be found in Appendix 14 and 15.

Some competitors are better than others at unlocking content value and some are better at variation and curation. Netflix have tried many types of curation to manage their content library. Besides

offering "forgotten" content, Netflix monetizes on the rise and quality improvement of television content. So much so, they have transformed into a content creator and producer. Series invite regular consumption, and larger, more consistent fan-bases. According to Netflix´s Sarandos, series have richer characterisation and denser storylines. The popularity of small screen content and smarter television is an opportunity for a public broadcaster, but it also limits the time window and sharpens quality competition. This is intensified by offering entire season series and episodes at once, encouraging the new media behaviour called binging. This behaviour is consistent with the VOD possibilities, but also the behaviour of fans, not audiences.

To cultivate fans on public broadcasting platforms, curation and categorization must be done right. Even though broadcasters still look at viewing numbers to evaluate success, Video On Demand is about catering to individual consumers with individual tastes. When catering to individual tastes, there is an increased need for relevant information. Negroponte (1995) illustrated this personally relevant information as "digital sisters-in-law". It has come to the point where value of information about information can be greater than the value of the information itself. There is an increased need of meta-data – more precisely, knowledge and information about data. Furthermore, meta-data is of real value if it is combined with expertise about the individual preferences of a consumer. Meta-data has relevant value, if agents are able to model them around the characteristics and preferences of the user. Lack of metadata and poor search engines are ruining online experiences, according to Cha et al (2007). In their study, the long tail is truncated. Any decay in the tail is due to sampling biases and post-filters. Search or recommendation engines typically return or favour a small number of popular items.

This is why the first rule of law of categorization and searchability is to strengthen semantic concepts. According to Trappel (2008) content in context can be indexed, searched, interconnected/related, and geolocated. Fortunately, the nature of digital indexing makes it possible to archive content in multiple and different concepts and categories. This happens through "tagging" of content by contextual or descriptive data. According to Candel (2008), it is really important with hypertextuality: meaning the connection and transition between contents. Fernández et al (2007) describes how personalized television is enhanced by semantic interference. Interconnectivity is vital to strengthen throughout a content rich platform, as is an interconnected

brand extension in a brand portfolio. Besides enhancing availability and an experience of variety, the curator absorbs the research costs of the consumer. In computer sciences, Jiang, Ngo, Yang (2007) have studied the optimal categorization and semantic "Bag-of-features"or keypoints for video retrieval. Ramaswamy (2001) cover categories or choice menus for mass customization. Decisions and consumption is made through categorization. For example when it comes to memory and cognition, Kiefer (2001) speaks of event-related potential during picture and word categorization. It seems that perceptual features are more important for category identification in natural than in artifactual categories.

Content meta-data must be directly descriptive, not merely classified into neat or regular categories. Nurohy & Smith (1982) also speaks of basic level superiority in picture categorization. Words on subordinate levels or superordinate levels are not identified or categorized as quickly. Calling content for what it is and what it represents is more helpful than classifying it on a superordinate level, like "drama" or "history". Ultimately, this means that platforms must not be designed as libraries for retrieval for professionals – it has to be designed to be explored and consumed by fans and users. Content curators do well to remember the danger of ambiguity and synonymy effects in lexical decisions; naming and semantic organization tasks are very important endeavours, according to Hino, Lupker and Pexman (2002).

Reed Hastings, CEO of Netflix, recently announced "We are actively curating our service rather than carrying as many titles as we can." The VOD leader, prioritizes curation and active categorization through personal customization. Netflix has chosen a very visual and very customized look, the latter being curated through the users historic content consumption and feedback (Appendix 13c). Even though customer involvement has no effect on market success, it has a direct effect on operational value, technical quality and innovations speed, according to Carbonell et all (2009). The desire to co-design on VOD platform is present, and the curation of the content provider could result in even more curation from the fans. As categorization and semantic networks are improved, consumers are more likely to find the right content, and in turn more likely to share or rate content amongst friends and tribes. According to Senecal & Nantel (2004), the influence of online product recommendations on consumer online choices are important.

8.10 Video On Demand and Interface Design

Having described the factor successes of content consumption, the sweet spot culminates in interface design. Flavián et al. (2006) and Casaló et al (2008) defines perceived usability, reputation, satisfaction and consumer familiarity as crucial to the website loyalty formation process. Cyr et al (2006) implores the importance of design aesthetics, and how it leads to loyalty in mobile commerce. Hausman & Siekpe (2009) has investigated the effect of web interface features on consumer online purchase intentions. Even though public broadcasters offers experiences, the transferability of the findings are valiant. Persuasive technology is known to shape user behaviour intended by the system designer, Deterding et al (2011). It is important to try and converge interface elements from other popular sites online, such as Pinterest and We Hear It. When it comes to complexity, the site and content should be ordered and presented more to youthful tastes. Searching for content should not be perceived as a sacrifice, but rather a journey of exploration.

Furthermore, the "Visual Preference Heuristic" by Townsend & Khan suggests that consumers prefer visual to verbal depiction of information in a product assortment. Images produces greater perception of variety than text, which is appealing in assortment selection, but can result in choice complexity and overload when choice sets are large and preferences are unknown. Examples of visuals can be found in Appendix 13.That said, many VODs use visual cues or images rather than verbal cues. Netflix for instance is almost entirely visual with minimal verbal connotations.

From the adoption theory of Rogers (2005), triability is a crucial factor contributing to diffusion. This means whether consumers can try things out without fully adopting the service. As access is already in place, the commitment public broadcasters should mitigate is time. This means offering snackable content, short and sweet videos to try out, highly visible on the site. Generally, videos are too long and time consuming – some videos should be promos and easily clickable content. Furthermore, observability is another important factor. In the case of VOD platform, this can include social media and whether it´s easy to share and observe experiences between fans and users. It also can speak to curation, and the way content is presented. Naturally, seamless product

design and intuitive platforms are used more, and has a faster rate of adoption. The design and simplicity of the Mac is its driver of success: Apple invited less tech savvy consumers to become heavy users. Therefore, it is necessary to constantly address usability on the platform. Furthermore, content providers and public broadcasters must investigate gratification elements and the concept of "flow". These are vital aspects in explaining consumer use and intention to revisit the site.

According to Novak & Hoffman (1996) compelling web experiences are induced by the optimal mental state known as "flow". Flow experiences can attract consumer, mitigate price sensitivity and positively influence attitudes and behaviors (Novak, Hoffman, & Yung 2000). This state is irrelevant however when it comes to purchase contexts (Zeithhaml, Parasuraman, & Malhotra 2002). Flow is best reserved for the study of recreational web use. One differentiates between this mode and goal-directed web use Novak et al (2000). Still, there is evidence that the latter also characterizes the online experience as flow (Novak, Hoffman, & Duhacheck 2003). The foundation of the theory was developed by Csikszentmihalyi (1975, 1990), who defined flow as an intrinsically motivated optimal state. The jump from flow to playfulness is short – it can transform online information search into "play". Mathwick & Rigdon (2004) defines it as a "highly positive experience capable of delivering intrinsic value in the form of escapism and enjoyment". Perceived play serves as a link between flow theory and the online consumer attitude formation process. Large content providers with high variation and curation issues, should strive to increase perceived play on their platforms.

8.11 Video On Demand and Gamification

As Cesar (2007) explained in "Social television and user interaction" it is all about contextual information and extending interactive methods. Curation and categorization nailed down, the interactive aspect of the VOD site must be enhanced. Firstly, this means employing elements of gamification. Huotari et Hamari (2012) refers this as "a process of enhancing a service with affordances for gameful experiences in order to support user´s overall value creation". As public broadcaster's challenge is to engage consumers to be fans and Millennials to be loyal, gamification is a great element to integrate on the VOD platform. Reeves & Read (2013) have explored the idea of total engagement through games in a business setting. Gamification and virtual worlds can

change workdays and how business compete. Nike + is an excellent example of successful gamification integration. Measuring goals and the experiences, a public broadcaster could reward content knowledge. The digital content libraries are full of educational content just waiting to be leveraged. One of the ways can be to include games into videos as small quizzes at the end or during play. Gaming and successful learning has been proven in countless studies and experiments.

Studies by Mæhle (NHH), finds that games with purpose change behaviour. Play is a catalyst for engagement, and innovation through games have become all the rage. One element of gamification could be gold stars for watching educational videos or an entire series of some scientific program. Gamification ensures immersion and flow as well as exploration. The fact is that Millennials have gamer sensibilities that need to be catered for. Of course, these sensibilities are inate in nature and as easily induced regardless of age. As video games have been crowned the future of learning by Shaffer et al (2005) and Paul Gee (2003), this phenomenon could be very helpful in increasing engagement on both informational or experiential sites. Gamification might be the ingredient missing from the platform of a public broadcaster. Not only will it differentiate the interface, but it will enhance content, variation and curation on a VOD platform.

9. FINDINGS

As successful broadcasters are morphing into digital libraries, content management becomes increasingly important. Besides a strong brand, the public broadcaster NRK has a large inventory of content and plenty of institutional resources. However, the competition is decided by other factors than just content creation or content variation for that matter. Competitive online platforms are sophisticated search engines, curated by personal preferences and categories. The public broadcaster must "tag", categorize and customize content on their digital platform. This way the public service will be able to increase adoption and exploration of the site. The issue at hand is less about an ability to create value, it is about the ability to capture value. First, the business model must become personal, connected to the person and not the linear television. This means personalized accounts online. Perhaps with time, payment method can be introduced through the VOD platform itself. If not inducing Millennials to pay the licence, it definitely sends a message

of transition and innovation. This will invigorate the brand and welcome the public broadcaster in the new media reality.

Second, and the public broadcaster must find ways to balance utilitarian and experiential concepts, as well as strengthening the position of On Demand within the umbrella brand and interconnect the service with other successful brand extensions, like Yr and Ut and P3.

Third, NRK invest in resources to add meta-data or descriptive words and terms with every content data. This is the only way to repurpose content and extend the life and value of media assets. The largest portion of NRK content and its foremost resource has not been leveraged yet. This means that categories need to be created, but only for consumption purposes, not as correct filing systems. Wording is very important, and subordinate concepts are less useful than previously imagined. Visual presentation of content choice on the platform also matters.

Third, curation is and will continue to be very important as content grows in magnitude on the Web 2.0. The public broadcaster will need to edit and repackage content, old as new. As the platform is directly influenced by linear formats, it is crucial that steps are taken to convert content onto the digital platform. For example, shorter videos attract more consumption online than longer ones. Mainly, NRK must be facilitators and builders of an experience architecture, rather than executors of a service delivery mechanism. By reediting length and reissuing old content, illustrating context is the foremost priority. Capturing digital value is about contextual choices, searchability and tightening connections beyond obvious themes. Concentrating on delivering the next viewing experience, NRK should also be able to send snackable or curated content directly to the user or fan.

Fourth, the shift in viewing behaviour has gone from static to an user controlled interactive system. This invites a different type of experience, thus a different mind set and service strategy than before. Living in an age of "venturesome consumption", consumers that are remarkably quick at integrating new technologies and consumption patterns and behaviour into their lives. The platforms lacking in new media understanding will not be a contender in the battle of the VODs. As orginal linear mediums like NRK go digital, the challenge is to understand the interactive aspect governing consumption.

As content quality and mass increases, the next frontier of online competition will be curation and categorization. Not only suppressing the ramification of choice overload, it is the way to nudge consumers, and if done correctly, in a new direction. The traditional segmentation mind set must be revisited, given the increased fluidity and interchangeability of consumer interests and identities. Today´s society is to a lesser extent split into predictable characters consuming within their socioeconomic bubble. Variety in genre and style is consistent with the post-modern world, consumers fitting into several tribes and communities at the same time. Put differently, the willingness to explore increases when the switching costs are low. Millennials, Baby Boomers and alike are part of this experience culture the public broadcaster must engage.

In other words NRK has to entice consumers through "various playful leisure activities, sensory pleasures, daydreams, aesthetic enjoyment and emotional responses" (Hirschman & Holbrook,1982. p132). Summarizing with Candel (2008) the important factors of adapting public service to a digital platform consists of interactivity, participation or sharing and versatility, namely advanced personalization and customization. Simultaneously ensuring irresistible functionality, content providers such as NRK On Demand will retain a competitive position in the VOD market.

10. CONCLUSION

This thesis has deconstructed value factors and concepts constituting a competitive edge in the VOD environment. In the quest to evaluate core competencies, the findings contribute to answer how a content provider can preserve their status and grow as a strong competitor in a chaotic marketplace. In the case of NRK, evidence suggests that monopoly power gives flexibility and propensity for innovation, but this loose term is not the only ingredient sought after to embody a superior position. In addition to branding issues, the improvement of VOD services need to incorporate other concepts besides content creation. To improve adoption and diffusion of the service, the public broadcaster must direct organizational resources to enhance content variety by content curation. Content curation entails personalization, categorization and tightening of semantic networks. Interface design and gamification elements are presented as opportunities of

value creation. Nevertheless, value capture is deemed a more pressing issue for the public broadcaster than value creation is or have ever been.

Instead of straying from the public broadcaster's core message, it is rather a question of leveraging and repackaging content. By playing on their extensive library, NRK can reedit content length and frame with context. Snackable content is key, as well as use of sensory marketing elements. Redesigning approachable, fun categories will stimulate consumption, and tighter semantic connections delivers the next viewing experience. The effect of customization and categorization will alleviate search costs, as of now hindering the growth, continuous consumption and interactivity on the site. Referring the search costs to the distributor, shortening content and implementing elements of gamification, will answer the woes of NRK and public fragmentation. Fine-tuning conceptual experiences and flow will remedy the shortened attention span of Millennials and strengthen the emotional ties to the brand. This cross-study and the necessity of content individualization.

APPENDIX

Appendix 1 "Norwegian Streaming and Media Behavior"
Sources: TNS Gallup, NRK, VG and Telenor
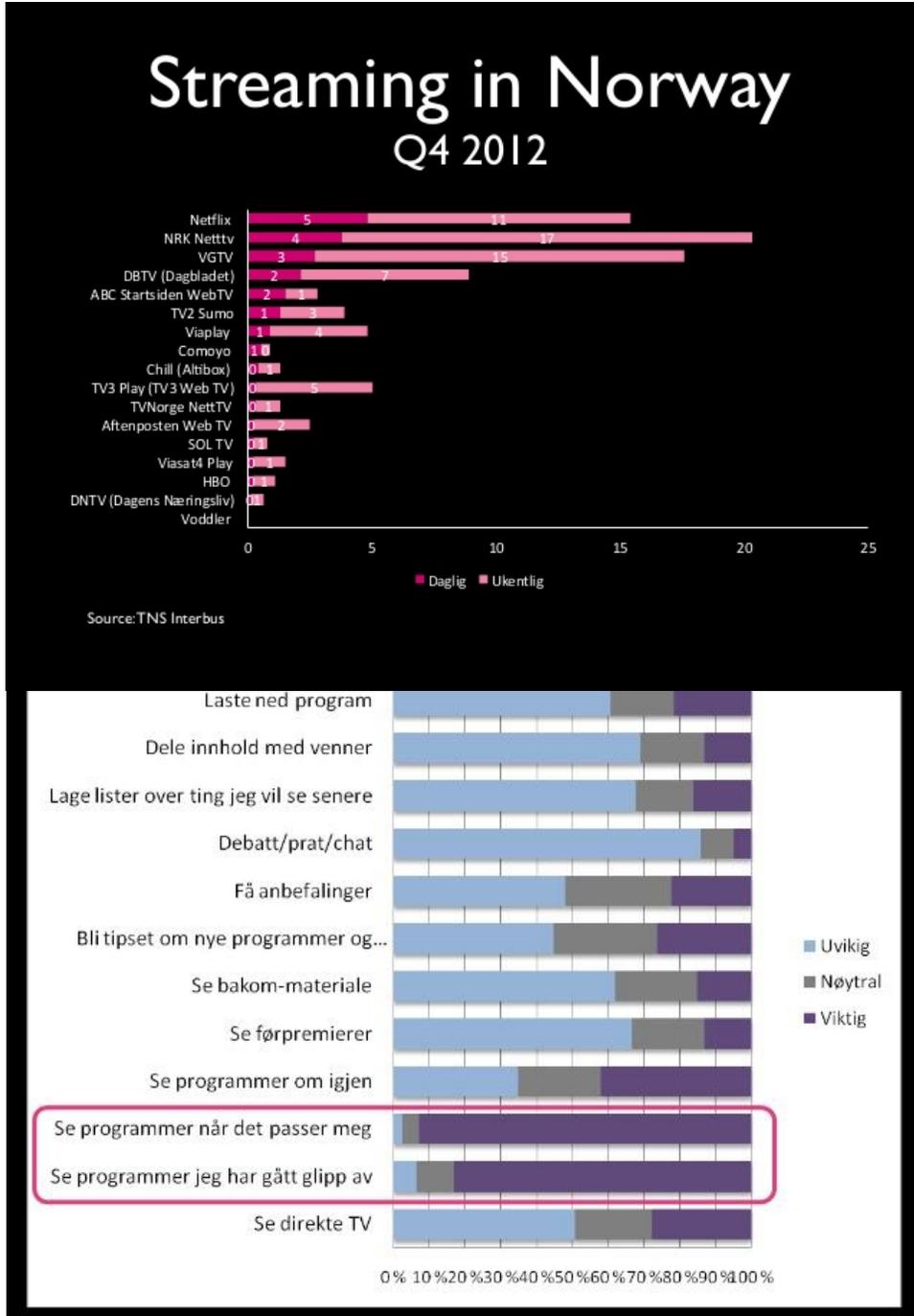
Trafikk i Telenors bredbåndsnett

Netflix 20 %

Google/Youtube 12 %

Øvrig Internettrafikk 40 %

Ulike strømmeplattform er som bl.a. sender TV2 Sumo, NRK, HBO, Viasat 26 %

Twitch (direkte strømming av videospill) 2 %
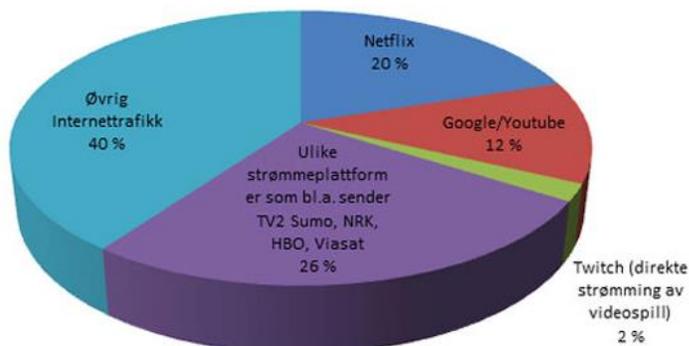
Vi bruker 7,5 timer på medier daglig hver

År	Timer
1998	5,66
1999	5,8
2000	5,96
2001	6,07
2002	6,16
2003	6,17
2004	6,5
2005	6,8
2006	6,88
2007	7,25
2008	7,33
2009	7,51
2010	7,8
2011	7,47

...ovate MMI Mediebarometer

nrk

Konsumet øker

Antall startede strømmer **øker** med 42%

Antall unike brukere **øker** med 15%

577,851

406,766

160,361   184,601

Snitt daglig unike brukere   Snitt daglig startede strømmer

■ uke 24-26 2012   ■ uke 14-26 2013

Kilde: TNS Scores. Tallene viser daglig snitt antall unike brukere og snitt startede strømmer i tidsperiodene, for streamingtjenestene som måles i TNS Scores: VG, NRK, TV2 og Dagbladet

36% ser daglig levende bilder/video via Internett – mot 21% i 2012

	2Q 2014	2Q 2013
Alle	36	21
Menn	42	27
Kvinner	29	15
15-29 år	50	30
30-44 år	43	24
45-60 år	27	16
60 år +	16	7
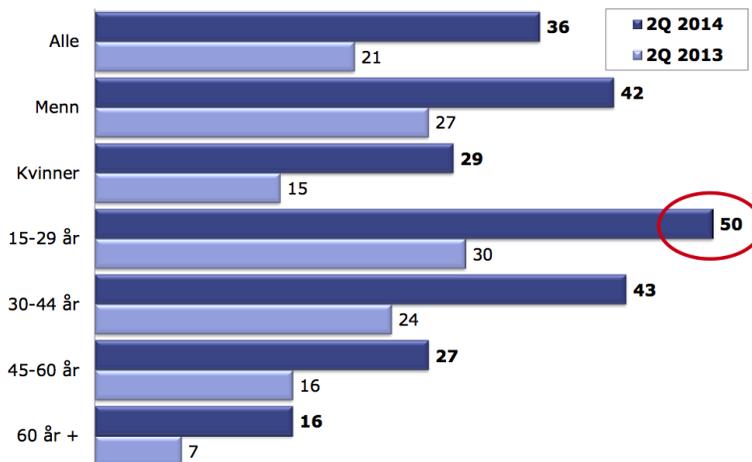
TNS

Kilde: TNS Gallups InterBuss. Blant nettbefolkningen (94%).

KANTAR MEDIA

TV-seing og streaming gjennom døgnet
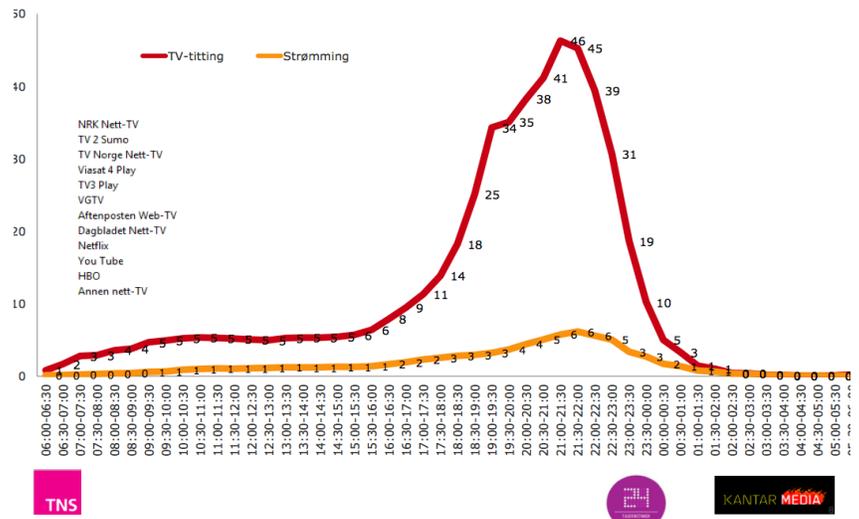
Høyest mobilbruk blant de under 40 år: Over halvparten bruker daglig internett via mobil

- Men det er like stor prosentvis vekst i alle grupper

Daglig bruk av mobilt internett (totalt) to siste år
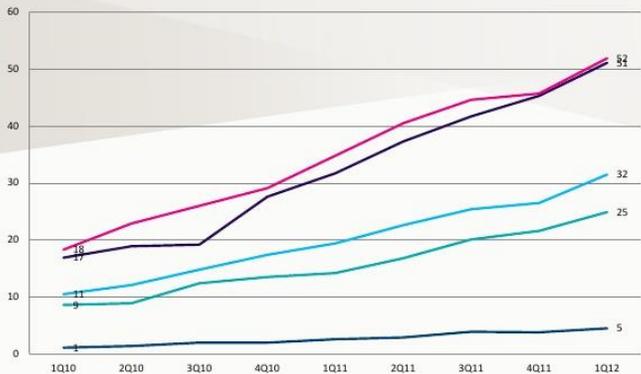
NRK stream total unike brukere
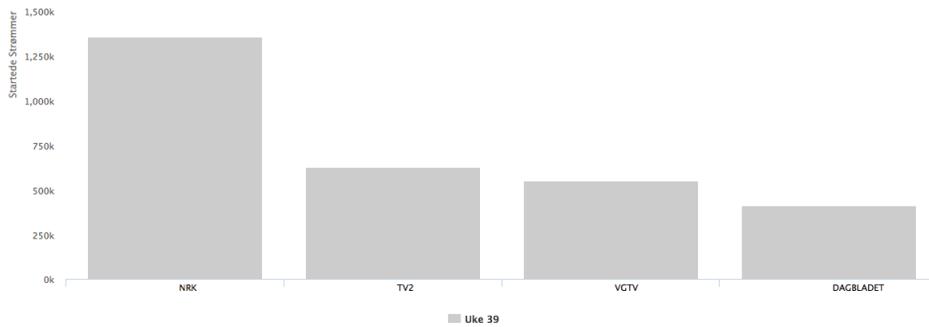
#	Nettsted	Unike Brukere	Startede Strømmer	Seertid per bruker	Seertid akkumulert	Endring
2	NRK	334 997	1 357 796	36.2	12 149 976	↑11.06
3	TV2	255 315	627 375	18.4	4 669 571	↑7.84
1	VGTV	377 177	549 218	4.6	1 735 573	↑1.65
4	DAGBLADET	198 097	411 751	2.2	439 628	0

Appendix 2 " No Medium Dies"

Statistisk Sentralbyrå (2013)

Figur 1. Andel som brukte ulike massemedier en gjennomsnittsdag, alder 9-79 år
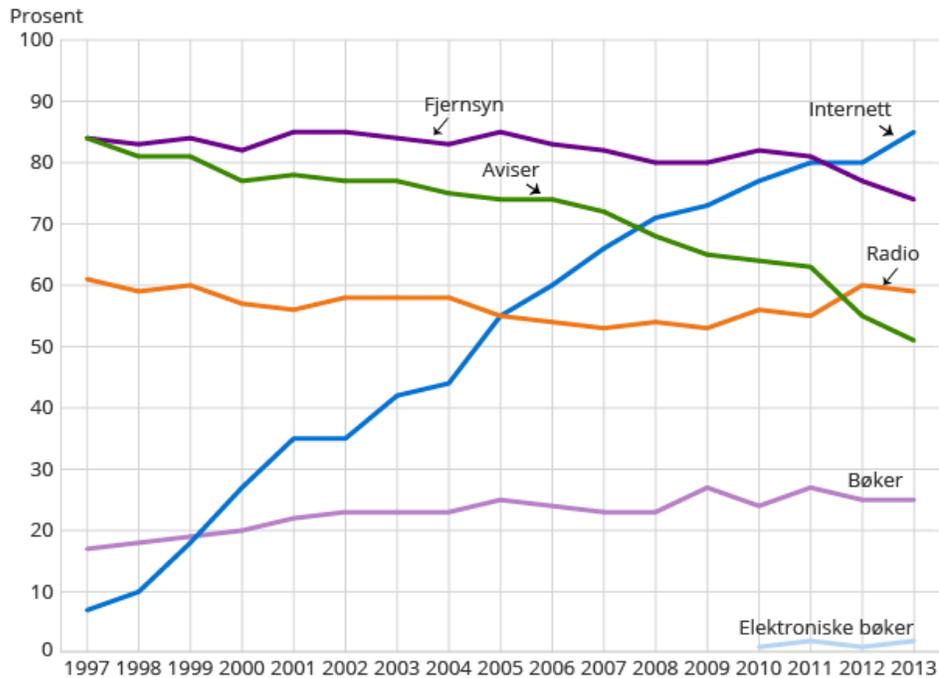
Kilde: Statistisk sentralbyrå.

Appendix 3 "Competitors and Substitutes VOD"

Netflix, YouTube, Apple, Amazon Prime, Samsung,VG TV, Viaplay, TV2 Sumo, DPlay, Hulu, Google, HBO Nordic Yahoo, Microsoft, Verizon, HuffpostLive. PIRACY: Watchseries, Novamov, etc...

Appendix 4 "Drivers of change for the long-term futrure state of the TV industry"

"The End of TV as We Know It" (2006) IBM Business Consulting services

Figure 7. Drivers of change for the long-term future state of the TV industry.

Source: IBM Institute for Business Value.
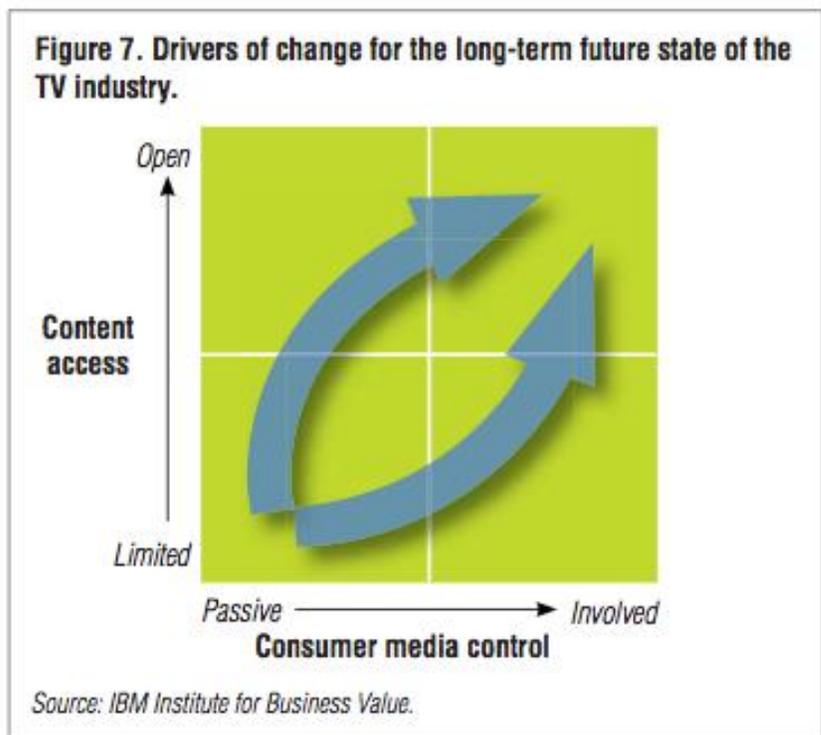
Appendix 5 "MILLENNIALS"

Tid brukt på TV og Internett 2013, fordelt på alder (minutter)
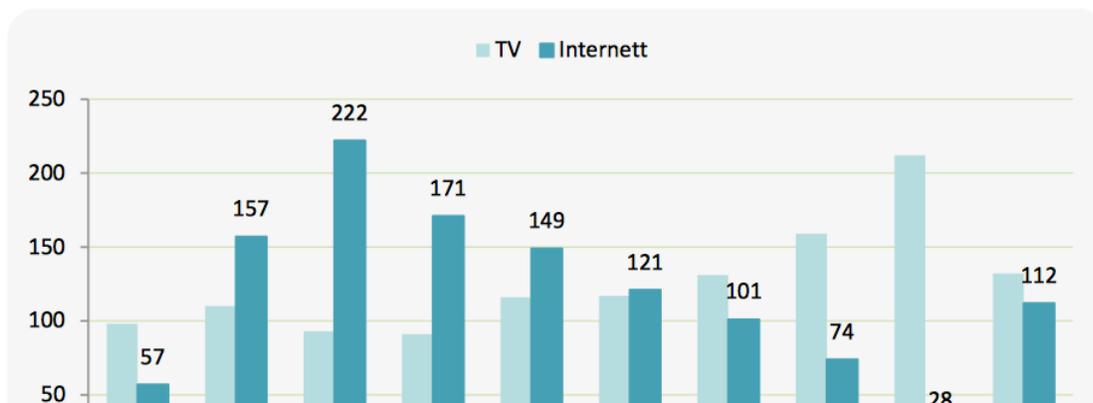
Bruk av leverandører av film- og TV-innhold på nett i aldergruppen 15–29 år, 2. kvartal 2014 (prosent)
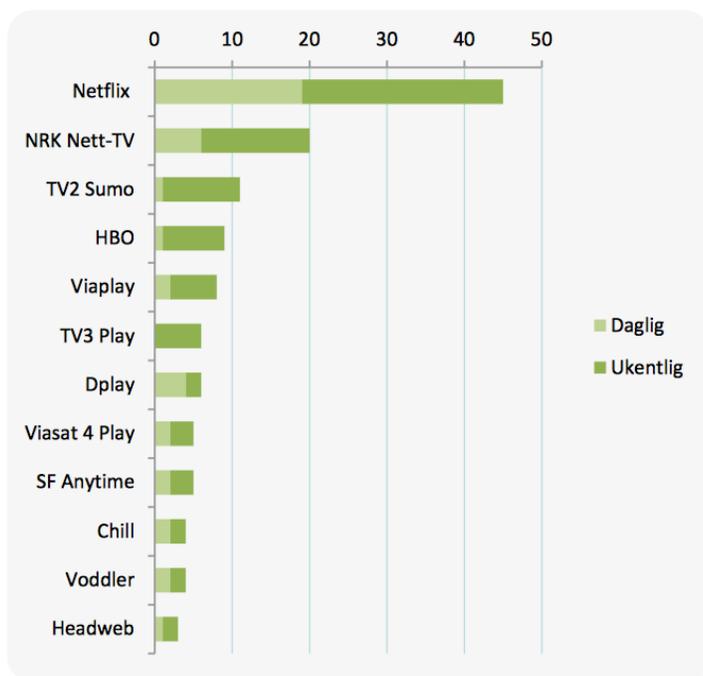
Merk: Andel av befolkning med tilgang til Internett. Daglig og ukentlig utgjør til sammen seerandel per uke.
Kilde: TNS Gallup (Interbuss)

Market Research Resume. Source: Microsoft Advertsising

"Young adults revealed. The lives and motivations of 21st century youth" Beth Uyenco, Microsoft

The Young Adults Revealed study shows that TV as a concept is rapidly evolving. For young adults, TV content is as likely to be pulled from other devices as it is to be consumed via a traditional TV schedule set. In fact, one in seven 18-24 year-olds now watch no live TV at all. To this generation, TV means video, delivered on demand. This

video content is increasingly likely to be consumed online, either as short clips, downloads or streamed full-length content.

Online video is playing a central role in the entertainment schedules of young adults around the world, with 73 per cent watching video clips on a monthly basis and 42 per cent regularly using a PC and internet connection to watch TV. The Young Adults Revealed study reveals the world of online video as a varied media landscape, containing ever-popular short video clips but also streamed full-length TV and film content and, to an increasing extent, commercial messages. Comedy and music dominate, but full-length content is on the rise.
Short video clips remain the most familiar form of online video content to most young adults, with just under three quarters having watched them within the last month. However, streamed TV and film content had also been watched by over half (57 per cent) showing the growing acceptance of the internet and PC as a medium for full-length video.

Comedy (81 per cent) and music (73 per cent) dominate as the most popular categories of short clip. To young adults, the idea of waiting for a schedule to present them with the video content they want is increasingly anachronistic. This generation demands immediately satisfying 'TV' content whenever it suits them. Online video is perfectly positioned to be the format that delivers it.

In a reflection of gaming's move to the web, it now represents a sizable chunk of young adults' online activity. An impressive 60 per cent had played games online in the last month, with 33 per cent playing massively multi-player online role-playing games.

Young adults may be an elusive and sceptical audience at times, but they are also a pragmatic one, happy to advocate the qualities of brands that they see as credible – and even to incorporate them into their own identities. Young adults' responses indicate that they are cautious, pragmatic and occasionally sceptical when it comes to products and marketing. Product information and links are frequently forwarded by 76 per cent of respondents, whilst just under a quarter (24 per cent) regularly upload advertising or product review clips to social networking and video sites.

Pragmatic rather than hedonistic or rebellious, the young adults emerging from the study seem reluctant to leave the security of the family home and keen to create their own stable environment as soon as possible after doing so. They identify family as the single most important thing in their lives, followed by girlfriends and boyfriends. Friends, frequently assumed to be the most important ingredient of a fun-filled young life, only come in third. Spending time with the family was preferred to listening to music as an activity.

Young Adults Revealed is a groundbreaking new study that has torpedoed many of the myths surrounding young adults and uncovered a thoughtful, complex generation concerned above all with their stability and security.
They shun many of the revolutionary ideals of baby boomers, and young people who resemble their grandparents far more closely than they do their parents.

Bruk av leverandører av videoinnhold på nett, 2. kvartal 2014 (prosent)

	Daglig	Ukentlig	Minst hver uke
YouTube	23	34	57
NRK Nett-TV	5	19	24
Netflix	8	16	24
VGTV	5	15	20
DBTV	2	4	6
HBO	0	5	5
Vimeo	1	3	4
Aftenposten WebTV	0	4	4
ABC Startsiden	1	3	4
Viaplay	1	3	4
TV 2 Sumo	0	4	4
Daily Motion	1	2	3
TV3 Play	0	3	3
SOL-TV	2	1	3
Viasat 4 Play	1	1	2
Chill	1	1	2
Voddler	1	1	2
SF Anytime	1	1	2
Dplay	1	1	2
DNtv	0	1	1
Headweb	0	1	1

Merk: Andel av befolkning med tilgang til Internett, 15 år+ (ca. 95 prosent av totalbefolkningen).
Kilde: TNS Gallup (Interbuss)

Appendix 6 "Aftenposten Critique Fall 2014"

Aftenposten 6 november

Kultur. "NRK Lisensen". Jan Gunnar Furuly, Øystein Aldridge.

"Mange opplever det urettferdig at de må betale det samme om de ser på TV eller ikke" "YLE i Finland finansieres med egen skatt for alle over 18 år og landets bedrifter fra 1 januar 2013". "Kulturminister Thorhild Widvey (H) vurderer å droppe lisensordningen".

Quote Hans Jarle Kind (NHH) "Se til Tyskland - husstandordning. Lisensen er en saga blott". "Så mange vinduer at lisensen blir lite hensiktsmessig"."I Norge er 74% fornøyd med lisensavtalen i vår. I Finland 71% med den nye skatten, blandt unge synker graden av tilfredshet drastisk".

Økonomimagasinet Maren Ørstavik. "Gamification" Natalie Mæhle (NHH) "Det spilles på jobb; Google, Microsoft, Deloitte". "Intern motivation og lekevalutta". "Basert på frivillighet, ikke alle trives med samme type spill".

Aftenposten 3 november

Kultur Medier, Øystein Aldridge "Det koster å bli sett på Facebook".

"Facebook er Norges største mediekanal med NRK1 som nr 2". "Likes er hard currency."

Ingeborg Volan, Sosiale Medier (NRK): "Folk kjenner seg igjen i, videoer og bilder - lenker med kort tekst". "Gjette seg til algorittmer hos Facebook" Nettsjef Frank Gander NRK. "VG mest delt på facebook". "Vikitg med tekniske tilpasninger, språk og bilder hva som funker". "NRK nr 2 med likes" ifølge Storyboard.mx til og med 30 oktober 2014.

Aftenposten 12 november

Debatt. Thor Gjermund Eriksen (NRK sjef) "NRK for folk flest"

"Bred for å være smal" ,"Bruker masse penger på utlandske medier." "Globalt digital konkurranse". "Måles med det best som lages til enhver tid". "NRKs rolle til vurdering"

Aftenposten 13 november

"Disse TV-titterne truer lisensen: TV-strømming kan bli NRK lisensens død" Jan Gunnar Furuly.

Konsulent rapport Menon. "Flat tysk avgift 152 NOK per husstand per måned". "Slik løsning kan undergrave uavhengigheten til NRK". Finansieringer om fremtiden" "Departementet bestiller analyse verk"."Aktualitetstjenester på nett: Kristian Tolonen (NRK) aldersgruppen 85 % lineær, 9 prosent strømming. "iPlayer BBC kannibaliserer deres lisens" Kilder ConsumerLab TV & Media Report.

"Lisens styker uavhengigheten" Torstein Hvattum

Aftenposten 15 november

Rett på sak. "Thor Gjermund Eriksen" Ståle Scholtz Nærø.

"Viktigere jobb enn kultur ministeren". "Uavhenig, robust and forutsigbar. Not as fast, increasing lisens payers. Reducing support.

 Medieblikk Torstein Hvattum Skjebneåret for NRK og TV2. Widvey sier NRK trenger en sterk kompetitor.

Aftenposten 19 november

"Slitere med å bli seriemestere" Jan Gunnar Furuly

"Den digitale revolusjonen har skapt et rettighetshelvete for TV2 og NRK og større problemer med å måle hvor mange som ser programmene" "NRK seertall på "Lillyhammer" stuper."

Tolonen (NRK) "Lagt ut alle 8 episoder på nett samtidig""Snaut 56 000 har sett hele serien"

Lasse Gimnes (Medieekspert) "Gjorde rett i å velge Lillyhammer for eksperimentet" "Rubicon lite fornøyd" "NRK har hatt et tøft år"

Peter Wallace (NRK) "Hvordan skal TV innhold overlever i en digital endringstid"

Thorstein Hvattum "Et rotterace for seerne"

"Binge watching er ikke en pervers syssel blant avvikere, det er dagens form for TV-titting på tvers av generasjoner og sosiale lag". "Lisenskanalen må markere seg i kampen med Netflix, HBO Nordic, og andre strømmeplatformer" "Lillyhammer 3 er en gavepakke" "Kravstort kvalitetsbevist publikum skaper uro i mediehusene og i de eksterne produksjonsmiljøene"

Aftenposten 27 november

Kultur Øystein Aldridge "Holder seg unge i et aldrende TV market"

"Gjennomsnittsalder til NRK seeren har steget fra 50 til 55 siden 2004". "Til sammenligning er TVNorge-seeren 42 år".

"Med Humor som våren" Thorstein Hvattum. "TV2 med egen humorkanal". "19 % av befolkningen mellom 15 og 29 år bruker Netflix hver dag. 45% er innom Netflix ukentlig". "Umulig å reverse utviklingen"

Appendix 7 "Resources NRK medium"

Figur 2: Ressurser fordelt etter ulike medier
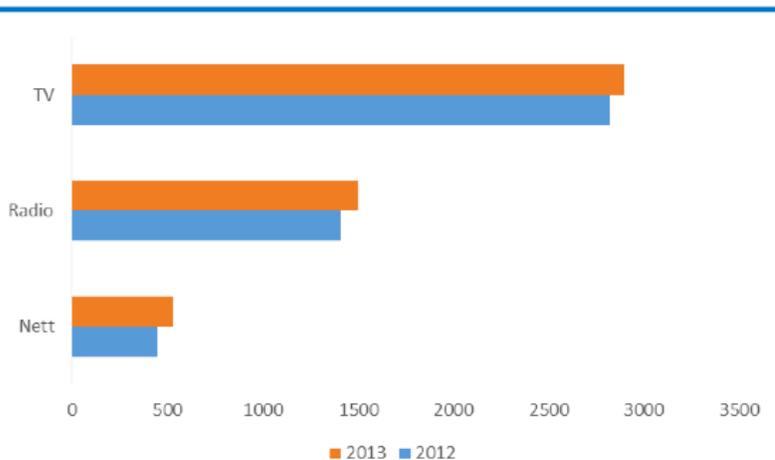
Kilde: NRKs årsregnskap 2013

Appendix 8 "NRK Offerings"
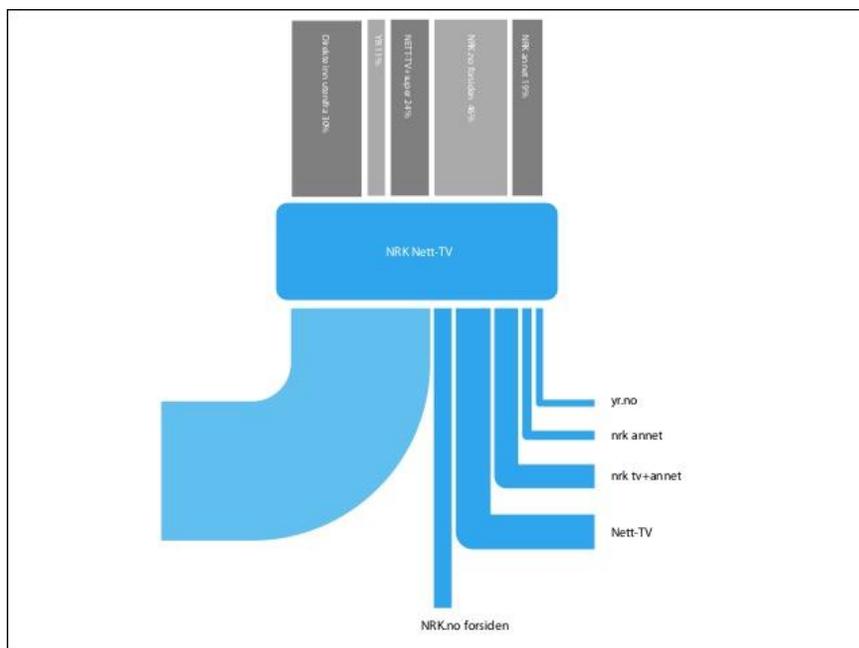
Appendix 9 "Public Opinion & Profile NRK"

Hvilket nettsted har du størst tillit til?

■ 2012 ■ 2013

Nettsted	2012	2013
NRK.no	21	22
VG.no	15	12
Dagbladet.no	3	2
Aftenposten.no	14	15
TV2.no	2	3
Nettavisen.no	1	1
Lokal/regionalavis på...	7	7
Ingen	8	9
Annet nettsted	7	7
Vet ikke/ ubesvart	23	23
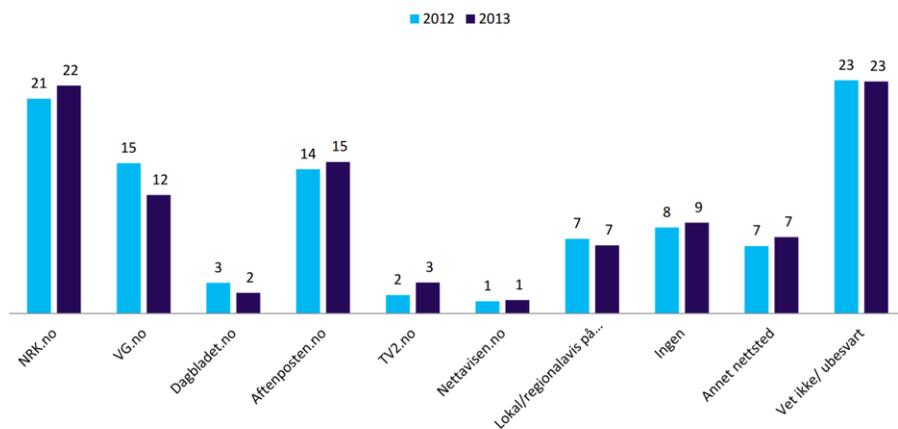
Hvilken TV-kanal har du størst tillit til?

■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013

Kanal	2009	2010	2011	2012	2013
NRK1	67	67	70	65	67
NRK2	2	2	2	2	3
NRK3	0	0	0	0	-
TV2	16	18	15	16	13
TV3	1	1	1	0	1

NRK1 versus TV2

■ NRK1 ■ TV 2

	NRK1	TV 2
Debattprogrammer	64	12
Filmer	12	16
Nyheter	56	28
Sport	53	24
Dokumentarer	42	13
Norske serier	55	18
Utenlandske serier	18	19
Norsk underholdning	48	26
Naturprogram	62	3
Kulturprogram	47	7
Fakta- og informasjonsprogram	50	9
De beste programlederne	47	28
Størst tillit	67	13
Liker best	45	22

Hvilken TV-kanal har de beste ...
Nyhetssendingene

Legend: 2009 2010 2011 2012 2013

NRK1: 58 56 57 53 56
NRK2: 2 2 2 2 2
TV2: 32 31 27 31 28
TV3: - 0 0 0 -
TVNorge: 1 0 0 0 0
TV2 Nyhetskanalen: 7 10 8 8
Andre kanaler: 3 1 2 2 1
Ingen: 1 1 1 1 2
Vet ikke/ubesvart: 2 1 2 2
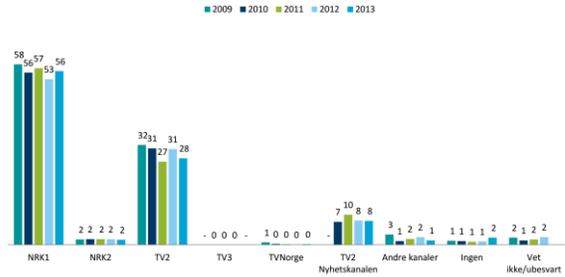
04.03.2014 23 NRKs Profilundersøkelse 2013

NRK

Hvilken TV-kanal har de beste ...
Naturprogrammene

Legend: 2009 2010 2011 2012 2013

NRK1: 55 57 61 52 62
NRK2: 3 3 5 4 4
TV2: 4 3 4 2 3
TV3: 0 0 0 0 0
TVNorge: 1 0 1 1 1
Andre kanaler: 27 22 19 25 19
Ingen: 4 2 4 4 4
Vet ikke/ubesvart: 6 12 7 12 8
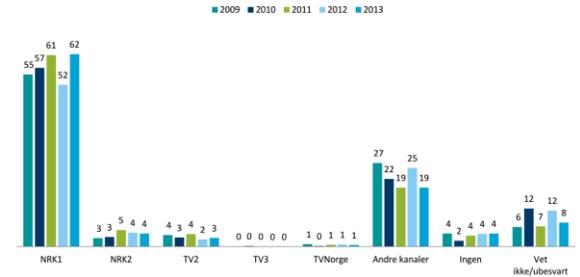
Hvilken TV-kanal har de beste ...
Norske underholdningsprogrammene

Legend: 2009 2010 2011 2012 2013

NRK1: 54 57 55 42 48
NRK2: 2 2 1 1 1
NRK3: 2 1 1 0
TV2: 29 24 25 32 26
TV3: 1 1 2 2 1
TVNorge: 3 3 5 8 12
Andre kanaler: 1 1 0 1 2
Ingen: 3 4 5 4 4
Vet ikke/ubesvart: 7 8 5 9 6
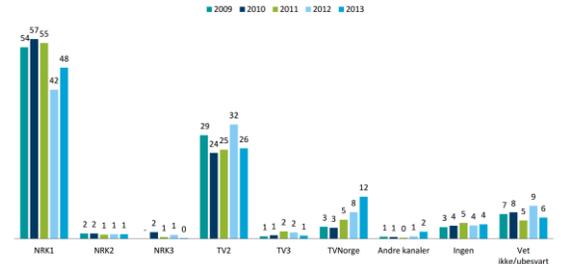
04.03.2014 28 NRKs Profilundersøkelse 2013

NRK

Hvilket nettsted er best på ...
Nyheter

Legend: 2009 2010 2011 2012 2013

NRK.no: 8 8 9 10 11 12
VG.no: 29 30 29 32 28
Dagbladet.no: 8 8 9 8 6
Aftenposten.no: 11 11 13 14 13
TV2.no: 2 3 2 1 3
Nettavisen: 4 4 2 2 2
Lokal/ regionalavis på nett: 5 5 6 7 5
Andre nettsteder: 4 6 4 5 7
Ingen: 9 6 8 7 8
Vet ikke/ubesvart: 20 19 16 14 14
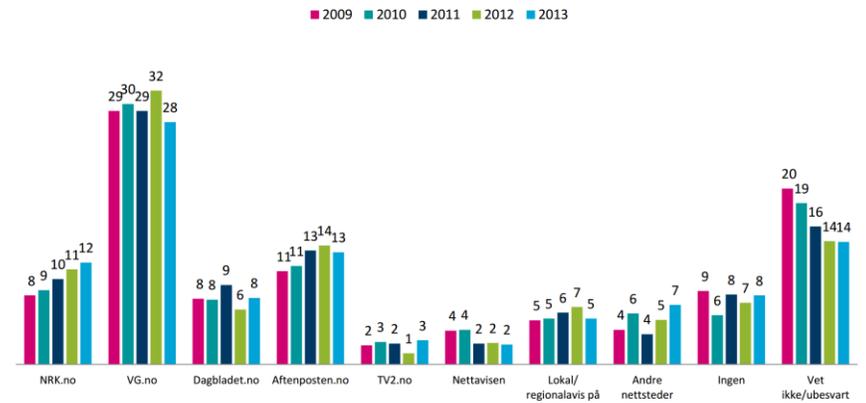
Hvilken TV-kanal har de beste ...
Dokumentarene

Legend: 2009 2010 2011 2012 2013

NRK1: 44 48 47 41 42
NRK2: 13 13 15 16 18
NRK3: 1 1 2 1 1
TV2: 14 14 12 13 13
TV3: 0 1 0 0 0
TVNorge: 5 3 3 2 2
Andre kanaler: 12 11 11 14 11
Ingen: 3 1 3 3 4
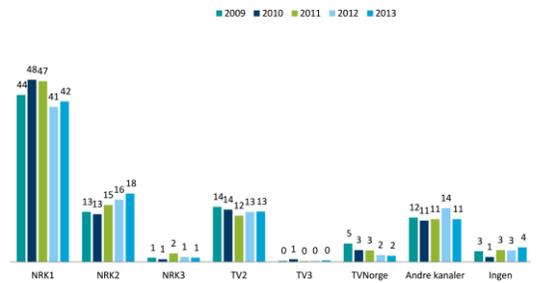
04.03.2014 25 NRKs Profilundersøkelse 2013

Ungdomsprogrammene (15-29 år)

Legend: 2010 2011 2012 2013

NRK1: 9 7 4 4
NRK2: 2 1
NRK3: 10 13 13 6
TV2: 20 16 16 9
TV3: 10 10 11 7
TVNorge: 19 17 16 23
Viasat4: 7 5 8
FEM: 2 4 1
Max: 1 2 3 2
TV2 Zebra: 2 1 2
TV2 Bliss: - 1 0 2
Andre kanaler: 5 3 4
Ingen: 1 4 4
Vet ikke/ubesvart: 20 15 19 30
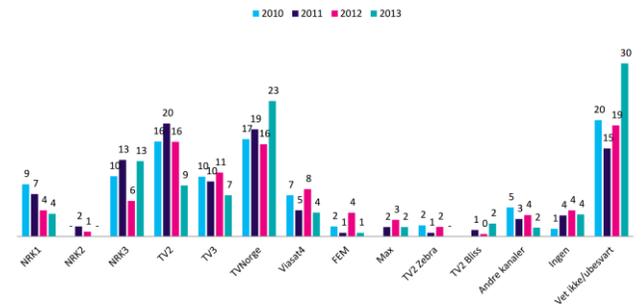
04.03.2014 32 NRKs Profilundersøkelse 2013

NRK

Appendix 10 Methodology

Primary Data

| Qualitative	Head of New Media	Head of Digital Content	Head of Digital Distribution	Director NRK	Head of Strategy
NRK Interview Themes Participant Fieldnotes	2 hours Content Competitions Social Media Youth	1 Hour Content Innovation Categorization Youth	1 Hour Content Competitors Interface Suppliers	15 min Business Model Personalization	1 hour Content Categorization Youth
	YouTube Head	Head of Tinius	Head of IAB	Director NRK	Head of Content TV2
"Digital Winners 40 min each (sample of seminar) Observer role Themes Fieldnotes	Content Creation Sharing Fans	Media Growth Multiplatform Innovation	Measuring digital consumption Metrics that matter	Content Innovation New Media	Context Content Interface

Secondary Data

Statistics	Relevance	Validity	Reliable?

Medietilsynet	Review of the Public Broadcaster NRK Variables of quality and variation. Uncovers patterns in VOD consumption and signals NRK´s reliability to consumers and public.	Annually, 2013. Important analysis confirming the public broadcaster´s fulfilment of mandate	Statly owned, perhaps some favouring of public instution Reliable source National og governmental.
TNS Gallup	Media Consumption Norway Mobile content consumption Web TV Status Norsk Internettpanel Streaming Data TNS Scores Profilundersøkelsen NRK	Periodically, 2013. Favoured choice of sector players for statistical input	Official collector of data for media houses Independent, with market interests Commercial Norwegian company Reliable and reputable. Growing from National to more international scope

Statistisk Sentralbyrå	Media consumption survey. An overview of national consumption patterns	Yearly, 2013 Most trusted statistical entity	Public Statistics. Very Reliable. Only National scope
NRK Analyse	TV consumption Content Variation Streaming Consumption. Detailed case data on consumption.	Periodically, 2013 Continued analysis, direct raw data	Internal Statistics NRK Statly owned, only one focus. Reliable, methods in place though quite simple.
Nielsen Media Research	Mobile consumption youth Internet use. Describing Priorities in consumption	Periodical Sweeps 2013 Historical polling long precedent	Reliable Audience measurement, though International

Oslo Economics	Study of Lead in Effects. Report: ”Bred for å være smal”. How NRK can use popular content to stimmulate consumption of narrow content	November 2014 Assigment from NRK, mix of NRK data and TNS Gallup data analysis. No furhter ties or interests.	Dependent on other sources, though deemed reliable. Firm is reputable, efficient and knowledgeable about media and highly trained statisticians.

| Mixed Data "Millenials"	Relevance	Validity	Reliable?
BCG	"Risk of Steriotyping" Analysis of segmental fragmentation	April 2012. Quite recent. US research transferability to Norwegian market is average.	Recent research, Reliability is high, reputable firm, with professional stakes be correct and clear
Microsoft	"Young adults revealed. The lives and motivations of 21st century youth" Descriptive data on segment, behind the choices and consumption patterns	2006, quite dated research in these circumstances. Good insight into the older Millennials.	Global research, a litte dated. Very reputable firm, clear commercial interests, but this type of research has no reason to have bias.
McKinsey Global iConsumer Research	"The young and the Digital: A glimpse into Future Market evolution" A testament to the sector and Millennials consumption.	January 2012. Global research has a quite good transferability. However, there are some varieties in Norwegian and global consumption. The global picture is valid because of the global sector.	Global research (15 countries) scope of 100 000 young consumers. Very reliable firm, known for its cutting edge consultancies and analysis.
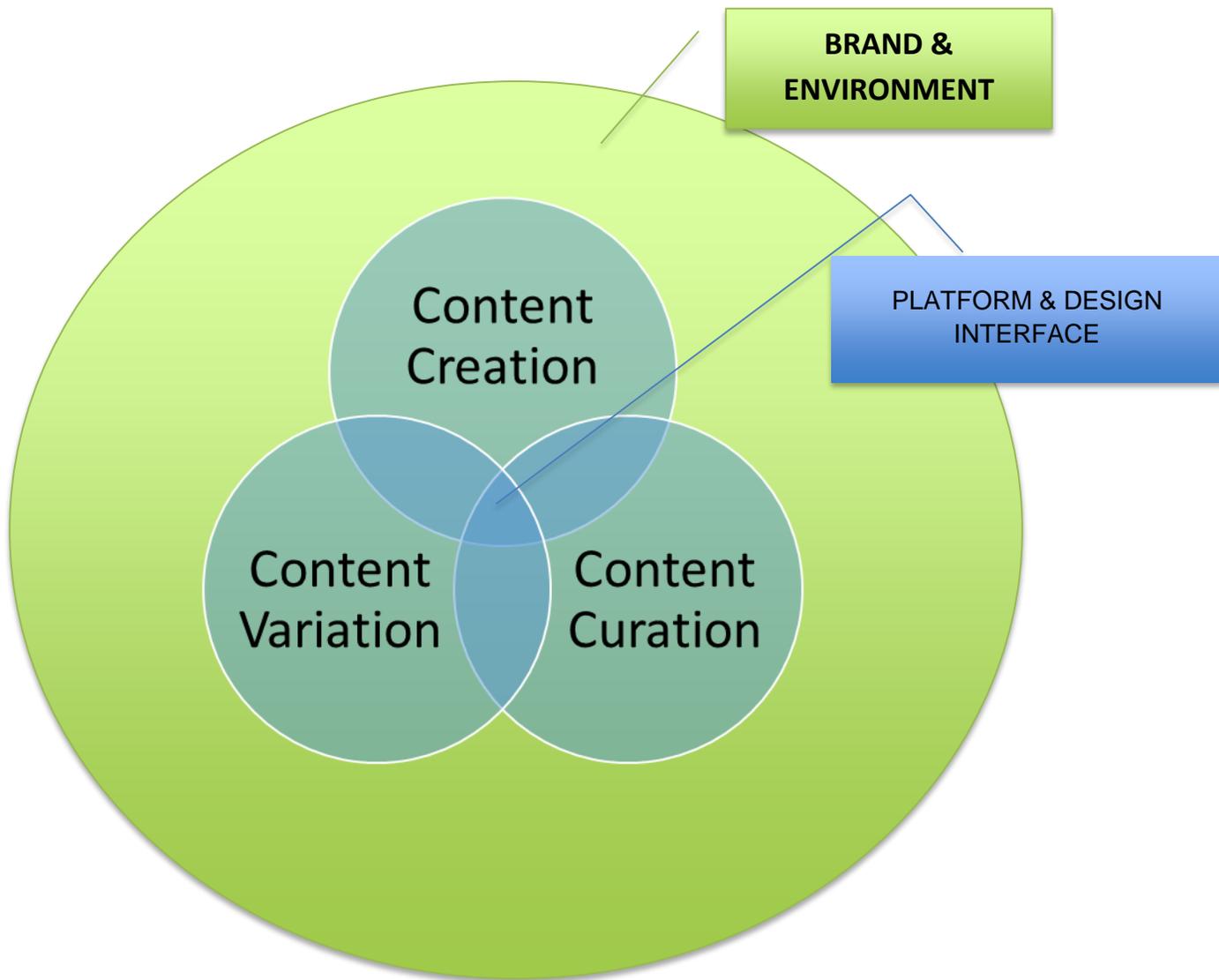
Appendix 11 Sweet spot of Value Creation and Consumption Online

MODEL THROUGH THE EXPERIENTIAL VIEW BASED ON EMERGENT THEMES.

Appendix 11 "Inside out approach"

Grant (1991)

A Resource-Based Approach to Strategy Analysis: A Practical framework

4. Select a strategy which best exploits the firm's resources and capabilities relative to external opportunities

3. Appraise the rent generating potential of resources and capabilities in terms of
   a) their potential for sustainable CA
   b) the appropriability of their returns

2. Identify the firm's capabilities: What can the firm do more effectively than its rivals? Identify the resources inputs to each capability, and the complexity of each capability

1. Identify and classify the firm's resources. Appraise strengths and weaknesses relative to competitors. Identify opportunities for better utilization of resources

Strategy

Competitive Advantage

Capabilities

Resources

5. Identify resource gaps which need to be filled.

Invest in replenishing, augmenting and upgrading the firm's resource base

## Appendix 12 "Thematic Content Variation in Consumption"
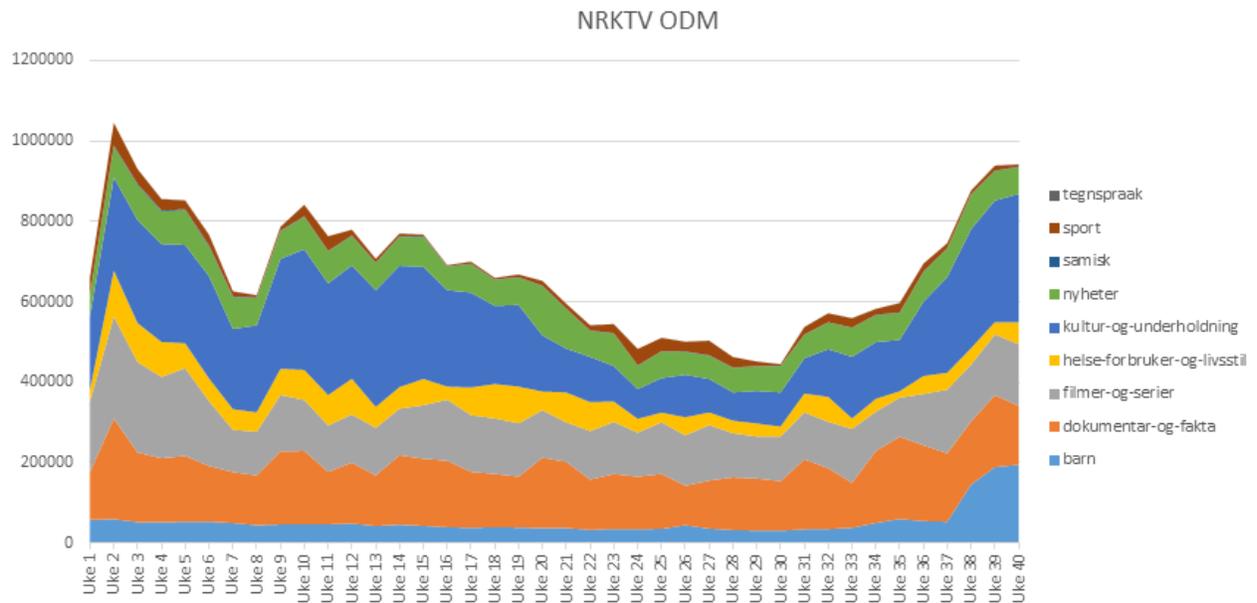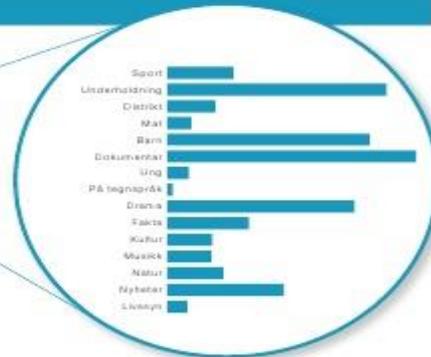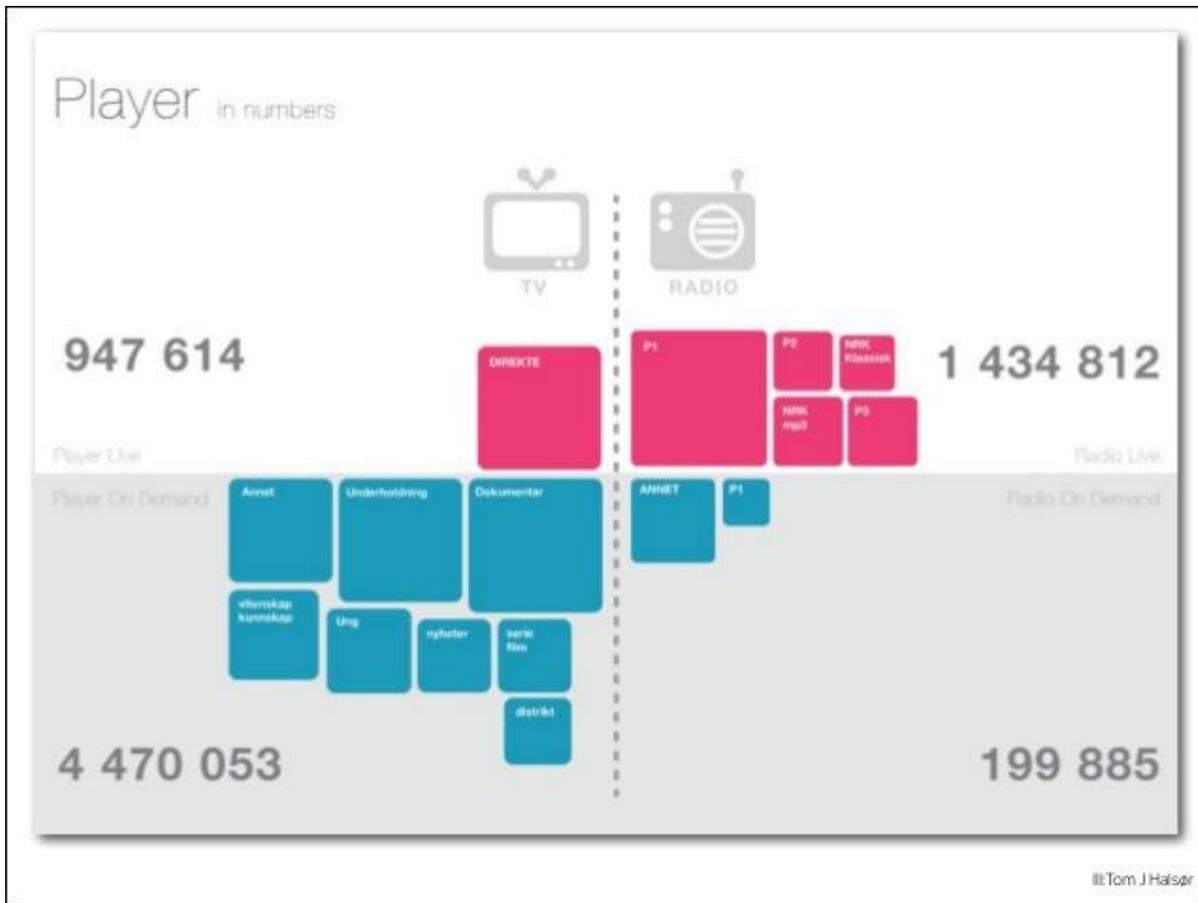
Appendix 13 "Netflix, YouTube, HuffpostLive & NRK On Demand"

a) NRK On demand Catch up Content, Experiencial rather than functional. Showcasing seven programs periodically across the top screen. "Youthful" themes curated: "Blir man fullere av å drikke med sugerør". The content windows are named after the program. Dates are provided rather than content or contextual information. "TV Direkte" the Live feature is on a separate page. Sharing is possible with a Facebook logo (F) and Twitter

(t), but no social interaction on the site.
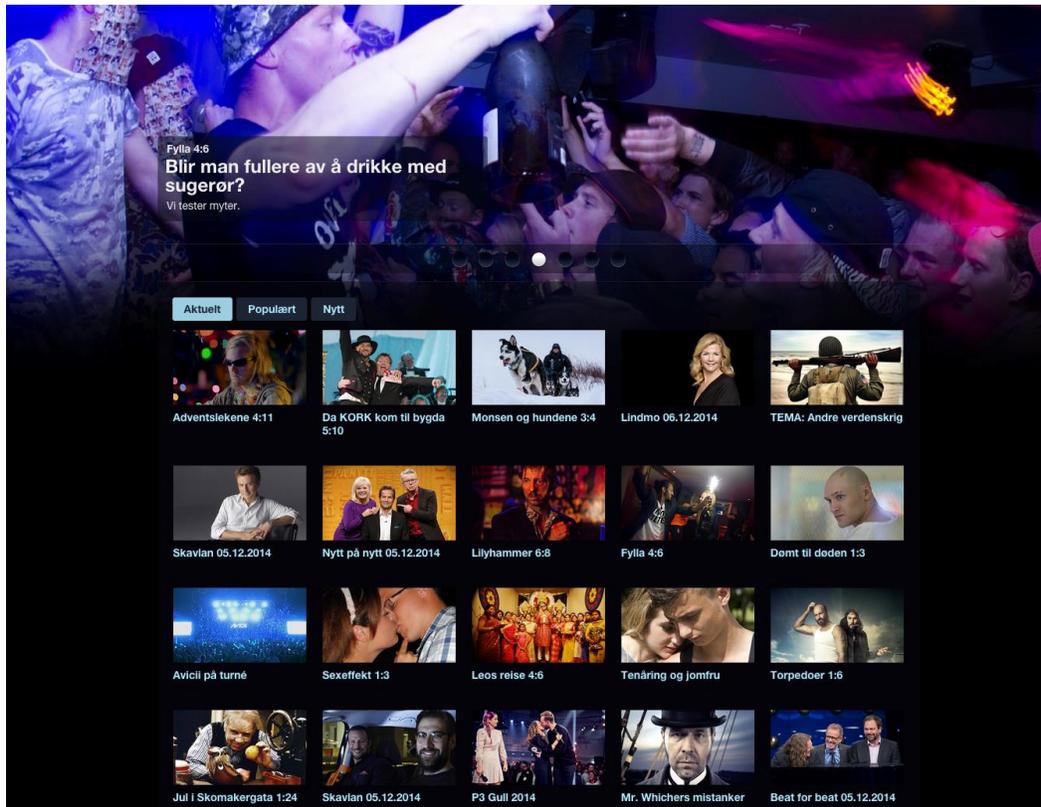
b) HuffPost Live: Video start playing immidiatly in upper left corner. Social commenting on the right side, even "Be a guest on the show". Log in – feature. "Sign up for our daily newsletter and get the best of HuffPost Live straight to your Inbox". Top horizontal scroll showing upcoming Live programs. Windows of content are separated into "OnThe Couch", "Latest on WorldBrief" and "Healthy Living", "Best of HuffPost Live", "Hot on Politics". Explanatory Tag lines: "Why Surprises Make Us Feel So Good", "Gabriel Union & D-Wade Are Adorable". As you go in to explore other content, the Live video keeps playing in the back, unil you decide on another video.

c) **Netflix:** Log in with personal account. Extremely large page of image content with no explanations, curated by past content choices "Topp choices for Ida". And others content choices "Popular on Netflix" and content curated by specific past choices "Because you saw The Intouchables", "More similar to House of Cards". Then horizontal scrolling of more classic ordinary categories like "TV-shows" and "Comedie" inbetween. Large mosaic of content to scroll. Promos on the top page shifting periodically.

Toppvalg for ida

Populært på Netflix

Fordi du så på De urørlige

Fordi du så på Detachment

Mer som ligner House of Cards

Komedie

TV-serier

På grunn av din interesse for...

Fordi du så på The Lincoln Lawyer

d) YouTube: Log in with personal account. Subscription feature, YouTube channels. Images and windows with textual information separated by "Recommended" generated by past content views. "Watch it again" recently watched videos to get back to past "experience tour". "Popular right now-Norway" is also a category with a local context.
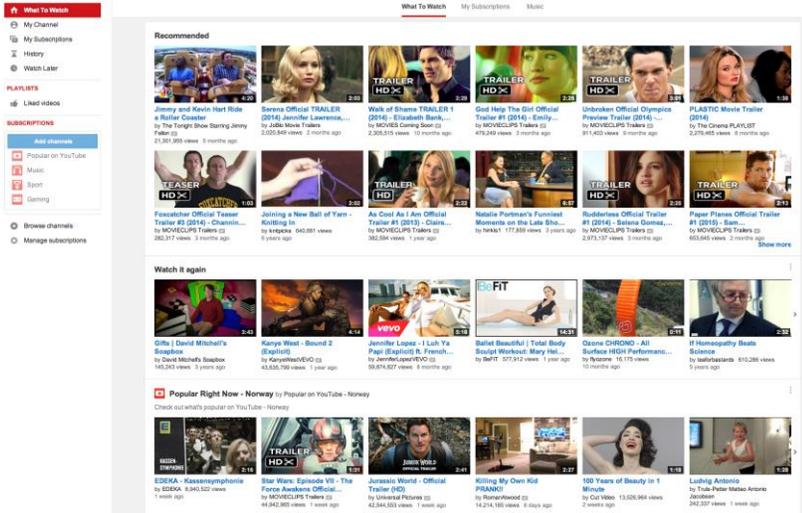
YouTube has plenty of educational channels youth subscribe to:

| Video Producer	Report Rank	Subscribers	Sub Rank	24 Hour Sub +/-	7 Day Sub +/-	Videos	Views
CrashCourse	1	2,478,930	303	3,244	16,503	306	161.3 M
SciShow	2	2,283,536	339	1,539	6,573	592	230.8 M
SmarterEveryDay	3	2,228,706	351	1,354	3,864	208	146.3 M
Veritasium	4	2,014,339	400	2,634	13,562	169	114.9 M
Khan Academy	5	1,972,398	408	1,150	4,125	4.4K	490 M
TEDx Talks	6	1,809,061	463	3,336	14,882	48.8K	386.6 M
FitnessBlender	7	1,597,338	535	1,997	10,481	619	187.9 M
Quirkology	8	1,586,766	541	1,241	3,670	63	235.9 M
CGP Grey	9	1,521,825	560	593	1,339	81	127.2 M
Super Simple Songs	10	1,412,854	606	3,196	15,725	108	1.88 B
KidsTV123	11	1,304,724	677	984	3,932	164	1.63 B
LittleBabyBum	12	1,179,651	766	14,444	66,245	117	899.7 M
laicgreen	13	1,177,626	769	1,066	5,207	179	95.6 M
Jamie Oliver	14	1,164,457	788	2,095	8,163	850	75.7 M
Busy Beavers	15	1,159,554	795	2,468	13,217	367	904.1 M

CrashCourse, SciShow, SmarterEveryDay, and Veritaserum have over 2 million subscribers each. The most popular video channels are music and gaming. PewDiePie has as many subscribers as YouTube News.

One Hundred Most Subscribed Channel Rankings List by Subscribers

| Video Producer	Sub Rank	Subscribers	24 Hour Sub +/-	7 Day Sub +/-	Videos	Views
Music	1	87,955,365	10,846	-84,689	0	0
Gaming	2	78,572,795	-1,584	-132,405	0	0
Sports	3	77,250,640	-2,585	-137,871	0	0
YouTube News	4	33,973,354	-1,925	-75,458	0	0
PewDiePie	5	32,622,945	27,274	63,200	2.1K	6.98 B
Popular on YouTube	6	28,945,023	2,518	-50,065	0	0

Appendix 14 "Content Curation"

a) Spotify curation: Regular music categories are classical, pop, rock, R&B, latino and hip hop. Decades, Party, Groove, Chill and Romance are provdiding more context. Kids is a ordinary separate segment. The most interesting context segments however are Mood, Focus, Travel, Dinner, Workout, and Sleep. These are activity based modes. Similar contexts should be transferred to NRK and made as categories.
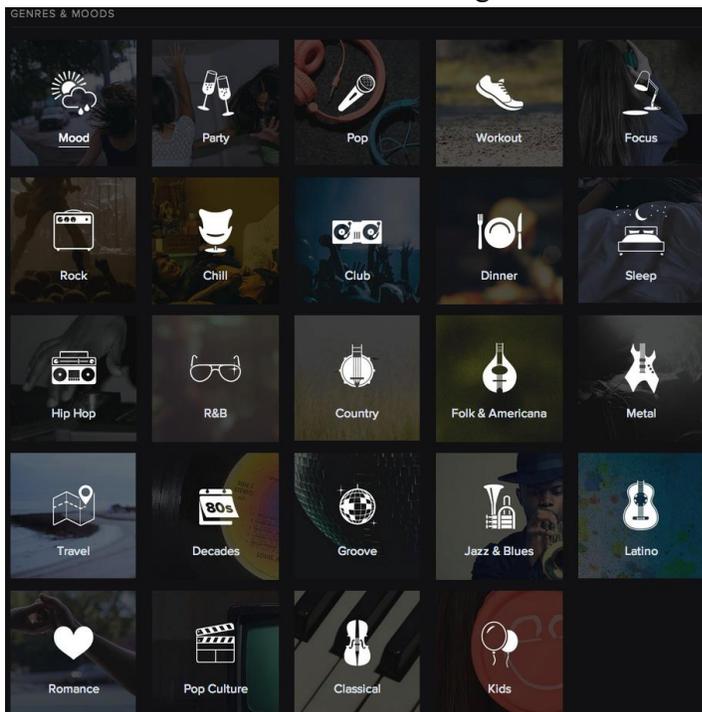
More improtantly, Spotify users make their own categories with their playlists – defining and curating content and context themselves. To personalise content without effort, playlist can be used to generate a personal radio station. Content played by friends and followees scroll on the right, instantly playing if you click it.
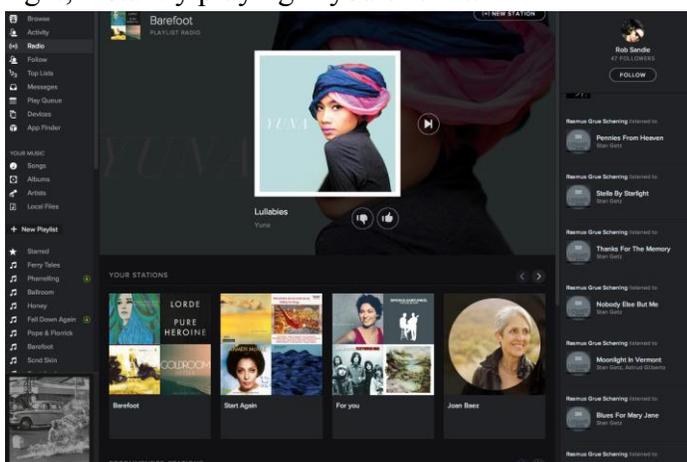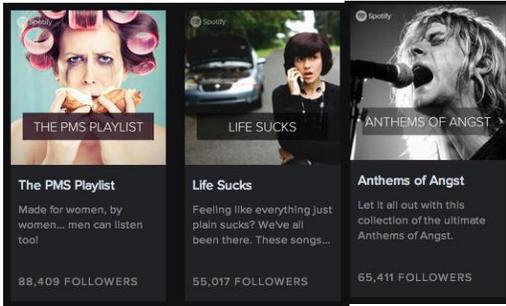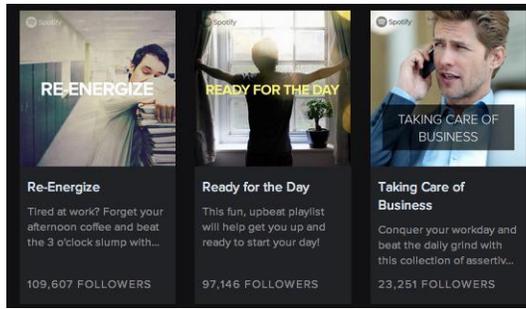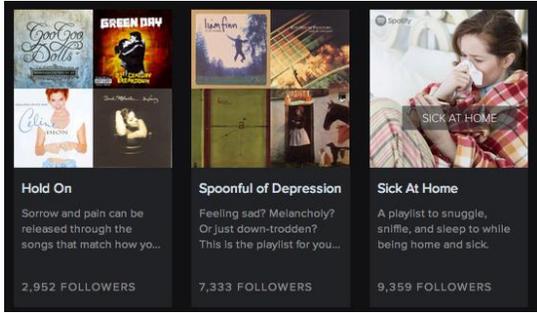
Spotify also offers readymade playlists curated by Mood; categorized into Melacholic, Angry, Happy, Psyched, Misc, Relaxed. Which says something about the mental state of youth and what type of support and customization they crave. Context is provided by a myriad of different playlist, named like: "Re-energize", "Taking Care of Business", "Sick at home", "The PMS Playlist", "Life Sucks", "Hold On".

b) Pinterest curation: Inspiration boards of content are made by the consumer and not necessarily curated by pure categories
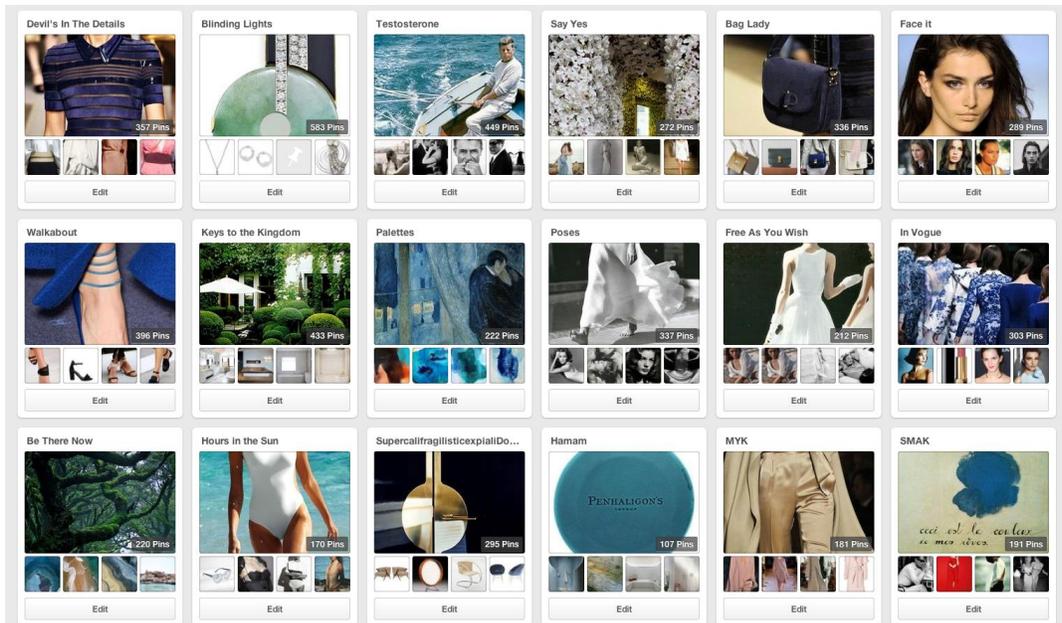
Many categories of Pinterest: "Animals", "Food and drink", "Outdoors", "Education" etc

|	
Home Feed	History
Popular	Holidays & Events
Everything	Home Decor
Gifts	Humor
Videos	Illustrations & Posters
Place Boards	Kids
Animals	Men's Fashion
Architecture	Outdoors
Art	Photography
Cars & Motorcycles	Products
Celebrities	Quotes
Design	Science & Nature
DIY & Crafts	Sports
Education	Tattoos
Film, Music & Books	Technology
Food & Drink	Travel
Gardening	Weddings
Geek	Women's Fashion
Hair & Beauty	Other
Health & Fitness	

c) **Buzzfeed curation** by Feeds: LOL OMG WIN FAIL WTF CUTE TRASHY Trending are not made by
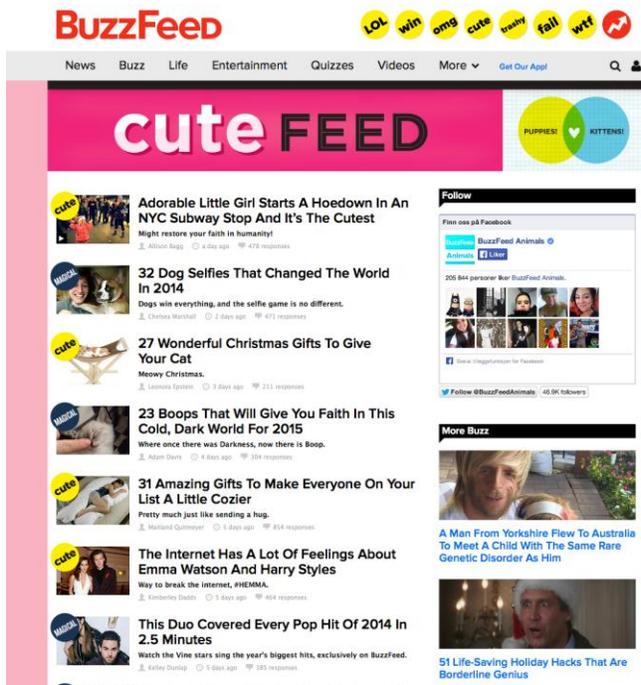
Appendix 15 "Categories and Search"
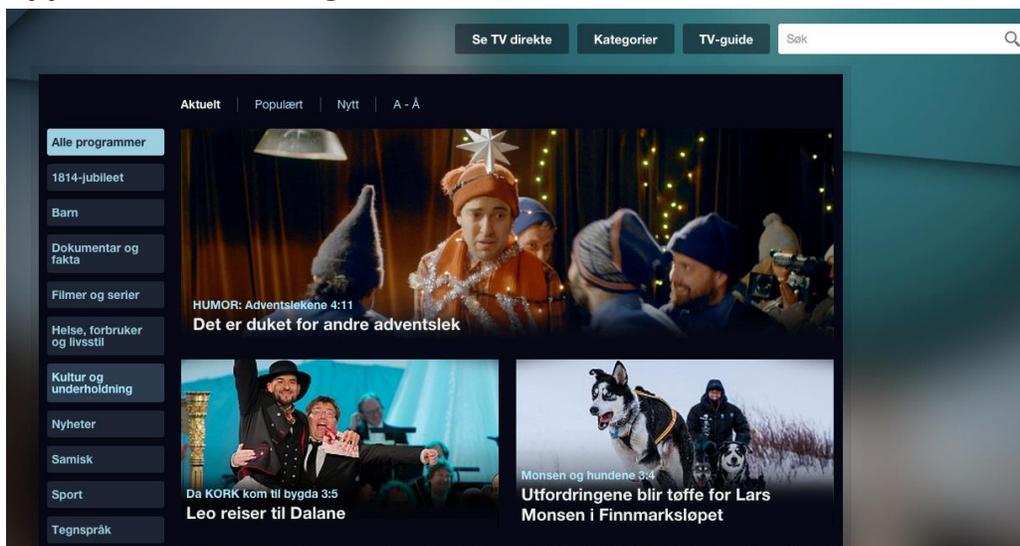
a) **NRK categories**: Obvious thematic categorization: "Barn", "Nytheter","Sport" "Kultur og Underholdning", "Dokumentar og fakta", "Filmer og serier". Evidence of the public mandate is present in "1884-Jubileet", "Tegnespråk" and "Samisk". The most curious segmentation is "Helse, forbruker og livsstil".
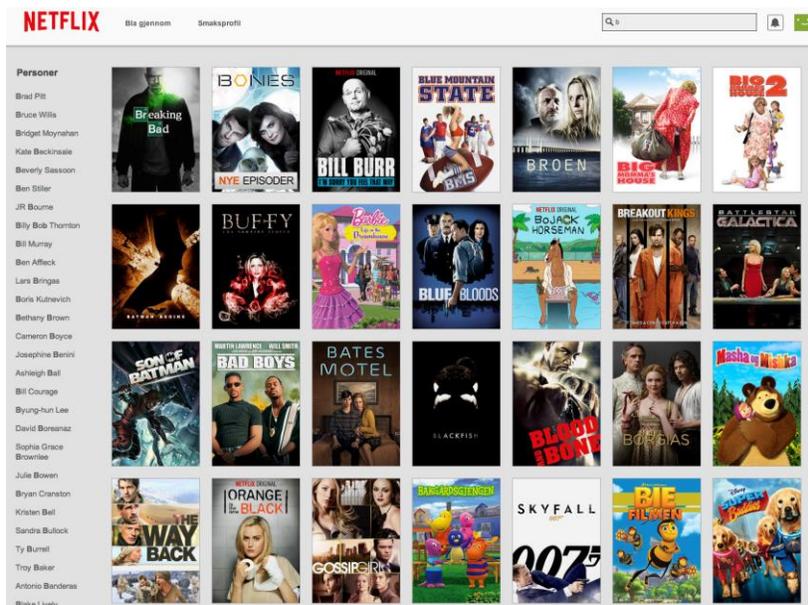
b) **Netflix´s search** engine is interactive as you type in letters. Example for "b" – actors/producers on the left and content with "b" in the title in images. Even if you don´t find what you look for, the search give the impression of fruitfulness and excess.

c) NRK search also has an interactive feature with "b" programs coming up, but no persons. Categories by alphabet A-Å, with text and program names: "Briller", "Barbara" is less colourful.

NRK news category has one big window, with clickable text segments below "1.Åpning Lørdagsrevyen", "2.Lundestad om Nobel". Text descriptions of the program, with no information. Monthly and seasonal categories, no context beyond timelines.
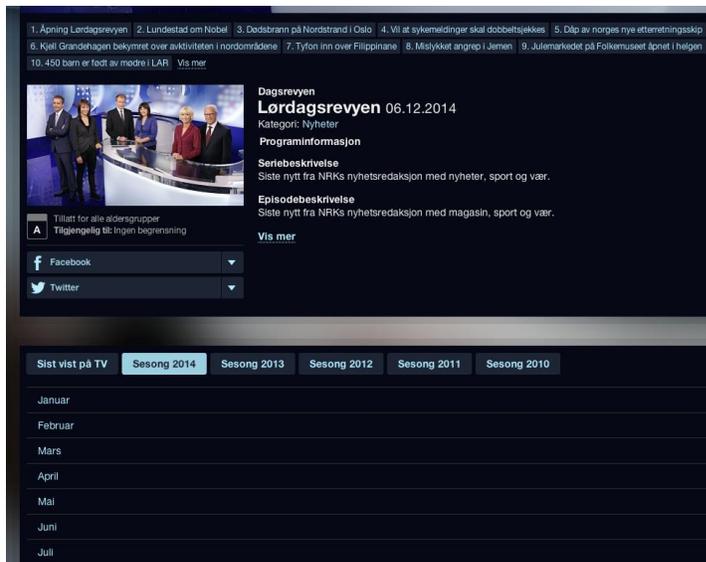
Appendix 16 "Personalized Account"

Spotify, Inc . 2014

Ditt musikkår 2014

Med hjelp fra Spotify kan du skape ditt personlige Year In Music 2014 julekort som lett kan deles i sosiale medier. Funksjonen hjelper deg å vise frem dine mest spilte låter, favorittartister og spillelister som tilsammen utgjør din musikksignatur for 2014. Du kan også se hvor mange minutter musikk du hørte på i 2014, hvilken sjanger du hørte mest på og hvilken dag i uken du hører mest på musikk.

SE DITT MUSIKKÅR 2014!

REFERENCES

LITERATURE

Academic Papers

Aaker, D. A., & Keller, K. L. (1990). Consumer evaluations of brand extensions.*The Journal of Marketing*, 27-41.

Addis, M., & Holbrook, M. B. (2001). On the conceptual link between mass customisation and experiential consumption: an explosion of subjectivity.*Journal of Consumer Behaviour*, *1*(1), 50-66.

Ajzen, I. (1991). The theory of planned behavior. *Organizational behavior and human decision processes*, *50*(2), 179-211.

Ajzen, I., & Fishbein, M. (1977). Attitude-behavior relations: A theoretical analysis and review of empirical research. *Psychological bulletin*, *84*(5), 888.

Anderson, J. C., Narus, J. A., & Van Rossum, W. (2006). Customer value propositions in business markets. *Harvard business review*, *84*(3), 90.

Ardissono, L., Kobsa, A., & Maybury, M. T. (2004). Personalized digital television. *Human-computer interaction series*, *6*.

Barney, J. (1991). Firm resources and sustained competitive advantage.*Journal of management*, *17*(1), 99-120.

Bitner, M. J., Brown, S. W., & Meuter, M. L. (2000). Technology infusion in service encounters. Journal of the Academy of marketing Science, 28(1), 138-149.

Bloch, P. H. (1995). Seeking the ideal form: product design and consumer response. *The Journal of Marketing*, 16-29.

Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand experience: what is it? How is it measured? Does it affect loyalty?. Journal of marketing, 73(3), 52-68.

Brown, T. J., Dacin, P. A., Pratt, M. G., & Whetten, D. A. (2006). Identity, intended image,

construed image, and reputation: an interdisciplinary framework and suggested terminology. *Journal of the Academy of Marketing Science*, *34*(2), 99-106.

Carbone, L. P., & Haeckel, S. H. (1994). Engineering customer experiences. Marketing Management, 3(3), 8-19.

Casadesus-Masanell, Ramon, and Joan Enric Ricart. "From strategy to business models and onto tactics." *Long range planning* 43.2 (2010): 195-215.

Casaló, L., Flavián, C., & Guinalíu, M. (2008). The role of perceived usability, reputation, satisfaction and consumer familiarity on the website loyalty formation process. *Computers in Human Behavior*, *24*(2), 325-345.

Casadesus-Masanell, R., & Ricart, J. E. (2007). Competing through business models. *Handbook of Research on Competitive Strategy*.

Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty. *Journal of marketing*, *65*(2), 81-93.

Cha, M., Kwak, H., Rodriguez, P., Ahn, Y. Y., & Moon, S. (2007, October). I tube, you tube, everybody tubes: analyzing the world's largest user generated content video system. In *Proceedings of the 7th ACM SIGCOMM conference on Internet measurement* (pp. 1-14). ACM.

Cyr, D., Head, M., & Ivanov, A. (2006). Design aesthetics leading to m-loyalty in mobile commerce. *Information & Management*, *43*(8), 950-963.

Damanpour, F., & Evan, W. M. (1984). Organizational innovation and performance: the problem of" organizational lag". *Administrative science quarterly*, 392-409.

Deephouse, D. L. (1999). To be different, or to be the same? It'sa question (and theory) of strategic balance. *Strategic management journal*, *20*(2), 147-166.

Delgado-Ballester, E., & Munuera-Alemán, J. L. (2005). Does brand trust matter to brand equity?. *Journal of product & brand management*, *14*(3), 187-196.

Deterding, S., Sicart, M., Nacke, L., O'Hara, K., & Dixon, D. (2011, May). Gamification. using game-design elements in non-gaming contexts. In *CHI'11 Extended Abstracts on Human Factors in Computing Systems* (pp. 2425-2428). ACM.

Dierickx, I., & Cool, K. (1989). Asset stock accumulation and sustainability of competitive advantage. *Management science*, *35*(12), 1504-1511.

Flavián, C., Guinalíu, M., & Gurrea, R. (2006). The role played by perceived usability, satisfaction and consumer trust on website loyalty. *Information & Management*, *43*(1), 1-14.

Fernandez, Y. B., Arias, J. J. P., Solla, A. G., Cabrer, M. R., Nores, M. L., Duque, J. G., ... & MUŃOZ, J. B. (2007). AVATAR: enhancing the personalized television by semantic inference. *International Journal of Pattern Recognition and Artificial Intelligence*, *21*(02), 397-421.

Foros, Ø., Kind, H. J., & Østbye, H. (2006). Norwegian radio broadcasting: from public monopoly to competitive homogeneity?.

Foss, N. J., & Knudsen, T. (2003). The resource- based tangle: towards a sustainable explanation of competitive advantage. *Managerial and Decision Economics*, *24*(4), 291-307.

Garud, R., & Karnøe, P. (2001). Path creation as a process of mindful deviation.*Path dependence and creation*, *138*.

Giesler, M. (2008). Conflict and compromise: drama in marketplace evolution.*Journal of Consumer Research*, *34*(6), 739-753.

Ghemawat, P., & Ricart Costa, J. E. (1993). The organizational tension between static and dynamic efficiency. *Strategic Management Journal*, *14*(S2), 59-73.

Gilbert, R. (2006). Looking for Mr. Schumpeter: Where are we in the competition-innovation debate?. In *Innovation Policy and the Economy, Volume 6* (pp. 159-215). The MIT Press.

Gossieaux, F., & Moran, E. (2010). Marketing in a Hyper-Social World–The Tribalization of Business Study and Characteristics of Successful Online Communities. *Journal of Advertising Research*, *50*(3), 232-239.

Goldstone, R. L. (1994). Influences of categorization on perceptual discrimination. *Journal of Experimental Psychology: General*, *123*(2), 178.

Hall, R. (1992). The strategic analysis of intangible resources. *Strategic management journal*, *13*(2), 135-144.

Hatch, M. J., & Schultz, M. (2001). Are the strategic stars aligned for your corporate brand?. *Harvard business review*, *79*(2), 128-34.

Hausman, A. V., & Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions. *Journal of Business Research*, *62*(1), 5-13.

Hazlett, Thomas W. "Private monopoly and the public interest: an economic analysis of the cable television franchise." *University of Pennsylvania Law Review* (1986): 1335-1409.

Helfat, C. E., & Peteraf, M. A. (2003). The dynamic resource- based view: Capability lifecycles. *Strategic management journal*, *24*(10), 997-1010.

Hill, T., & Westbrook, R. (1997). SWOT analysis: it's time for a product recall.*Long range planning*, *30*(1), 46-52.

Hino, Y., Lupker, S. J., & Pexman, P. M. (2002). Ambiguity and synonymy effects in lexical decision, naming, and semantic categorization tasks: interactions between orthography, phonology, and semantics. *Journal of Experimental Psychology: Learning, Memory, and Cognition*, *28*(4), 686.

Holbrook, M. B. (Ed.). (1999). *Consumer value: a framework for analysis and research*. Psychology Press.

Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: consumer fantasies, feelings, and fun. *Journal of consumer research*, 132-140.

Iyengar, S. S., & Lepper, M. R. (2000). When choice is demotivating: Can one desire too much of a good thing?. *Journal of personality and social psychology*,*79*(6), 995.

Iyengar, S. S., & Kamenica, E. (2006). Choice overload and simplicity seeking.*University of Chicago Graduate School of Business Working Paper*, *87*.

Jarzabkowski, P., Balogun, J., & Seidl, D. (2007). Strategizing: The challenges of a practice perspective. *Human relations*, *60*(1), 5-27.

Jiang, Y. G., Ngo, C. W., & Yang, J. (2007, July). Towards optimal bag-of-features for object categorization and semantic video retrieval. In *Proceedings of the 6th ACM international conference on Image and video retrieval* (pp. 494-501). ACM.

Jick, T. D. (1979). Mixing qualitative and quantitative methods: Triangulation in action. *Administrative science quarterly*, 602-611.

Keller, K. L., & Lehmann, D. R. (2003). How do brands create value?. *Marketing Management*, *12*(3), 26-31.

Keller, K. L., Sternthal, B., & Tybout, A. (2002). Three questions you need to ask about your brand. *Harvard business review*, *80*(9), 80-89.

Kind, H. J., Nilssen, T., & S⌀rgard, L. (2007). Competition for Viewers and Advertisers in a TV Oligopoly. *Journal of Media Economics*, *20*(3), 211-233.

Koufaris, M. (2002). Applying the technology acceptance model and flow theory to online consumer behavior. *Information systems research*, *13*(2), 205-223

Kraaijenbrink, J., Spender, J. C., & Groen, A. J. (2010). The resource-based view: a review and assessment of its critiques. *Journal of management*, *36*(1), 349-372.

Kraaijenbrink, J. (2011). A value-oriented view of strategy. Working paper.

Lieberman, M. B., & Montgomery, D. B. (1988). First- mover advantages.*Strategic management journal*, *9*(S1), 41-58.

Lin, C. S., Wu, S., & Tsai, R. J. (2005). Integrating perceived playfulness into expectation-confirmation model for web portal context. *Information & management*, *42*(5), 683-693.

Liu, V., & Khalifa, M. (2003). Determinants of satisfaction at different adoption stages of Internet-based services. *Journal of the association for information systems*, *4*(1), 12.

Loken, B., Barsalou, L. W., & Joiner, C. (2008). Categorization theory and research in consumer psychology. *Handbook of consumer psychology*, 133-65.

Mahoney, J. T., & Pandian, J. R. (1992). The resource- based view within the conversation of strategic management. *Strategic management journal*, *13*(5), 363-380.

Mathwick, C., & Rigdon, E. (2004). Play, flow, and the online search experience. *Journal of Consumer Research*, *31*(2), 324-332.

Mayer, R., & Rauber, A. (2009, June). Establishing context of digital objects' creation, content and usage. In *Proc. Int. Workshop on Innovation in Digital Preservation*.

Montoya-Weiss, M. M., Voss, G. B., & Grewal, D. (2003). Determinants of online channel use and overall satisfaction with a relational, multichannel service provider. *Journal of the Academy of Marketing Science*, *31*(4), 448-458.

Moon, J. W., & Kim, Y. G. (2001). Extending the TAM for a World-Wide-Web context.

Information & Management, *38*(4), 217-230.

Moreau, C. P., Markman, A. B., & Lehmann, D. R. (2001). "What is it?" Categorization flexibility and consumers' responses to really new products.*Journal of Consumer Research*, *27*(4), 489-498.

Murphy, G. L., & Smith, E. E. (1982). Basic-level superiority in picture categorization. *Journal of verbal learning and verbal behavior*, *21*(1), 1-20.

Nord, W. R., & Peter, J. P. (1980). A behavior modification perspective on marketing. *The Journal of Marketing*, 36-47.

Nysveen, H., Pedersen, P. E., & Thorbjørnsen, H. (2005). Intentions to use mobile services: antecedents and cross-service comparisons. *Journal of the academy of marketing science*, *33*(3), 330-346.

Oliver, C. (1997). Sustainable competitive advantage: Combining institutional and resource-based views. *Strategic management journal*, *18*(9), 697-713.

Ostrom, A., & Iacobucci, D. (1995). Consumer trade-offs and the evaluation of services. *The Journal of Marketing*, 17-28.

Park, C. W., Jaworski, B. J., & MacInnis, D. J. (1986). Strategic brand concept-image management. *The Journal of Marketing*, 135-145.

Park, C. W., Milberg, S., & Lawson, R. (1991). Evaluation of brand extensions: the role of product feature similarity and brand concept consistency. *Journal of consumer research*, 185-193.

Pavitt, K. (1998). Technologies, products and organization in the innovating firm: what Adam Smith tells us and Joseph Schumpeter doesn't. *Industrial and Corporate Change*, *7*(3), 433-452.

Pedersen, P. E. (2005). Adoption of mobile Internet services: An exploratory study of mobile commerce early adopters. *Journal of organizational computing and electronic commerce*, *15*(3), 203-222.

Peteraf, M. A. (1993). The cornerstones of competitive advantage: A resource- based view. *Strategic management journal*, *14*(3), 179-191.

Prahalad, C. K., and Gary Hamel. "The core competence of the corporation."*Boston (MA)* (1990): 235-256.

Prahalad, C. K., & Ramaswamy, V. (2004). Co- creation experiences: The next practice in value creation. *Journal of interactive marketing*, *18*(3), 5-14.

Porter, M. E. (1985). Competitive advantage: creating and sustaining superior performance. *Nova*.

Porter, M. E. (1996). What is strategy?. *Published November*.

Porter, M., & Siggelkow, N. (2008). Contextuality within activity systems and sustainability of competitive advantage. *The Academy of Management Perspectives*, *22*(2), 34-56.

Pullman, M. E., & Gross, M. A. (2004). Ability of experience design elements to elicit emotions and loyalty behaviors. Decision Sciences, 35(3), 551-578.

Ritchie, J., Lewis, J., Nicholls, C. M., & Ormston, R. (Eds.). (2013). *Qualitative research practice: A guide for social science students and researchers*. Sage.

Sale, J. E., Lohfeld, L. H., & Brazil, K. (2002). Revisiting the quantitative-qualitative debate: Implications for mixed-methods research. *Quality and quantity*, *36*(1), 43-53.

Siggelkow, N. (2001). Change in the presence of fit: The rise, the fall, and the renaissance of Liz Claiborne. *Academy of Management Journal*, *44*(4), 838-857.

Simmons, G. (2008). Marketing to postmodern consumers: introducing the internet chameleon. *European Journal of Marketing*, *42*(3/4), 299-310.

Schindler, R. M., & Holbrook, M. B. (2003). Nostalgia for early experience as a determinant of consumer preferences. *Psychology & Marketing*, *20*(4), 275-302.

Soares, M., & Viana, P. (2014). TV recommendation and personalization systems: Integrating broadcast and video on demand services. *Advances in Electrical and Computer Engineering*, *14*(1), 115-120.

Schwartz, B., Ward, A., Monterosso, J., Lyubomirsky, S., White, K., & Lehman, D. R. (2002). Maximizing versus satisficing: happiness is a matter of choice.*Journal of personality and social psychology*, *83*(5), 1178.

Schvaneveldt, R. W., Meyer, D. E., & Becker, C. A. (1976). Lexical ambiguity, semantic context, and visual word recognition. *Journal of Experimental Psychology: Human Perception and Performance*, *2*(2), 243.

Shaffer, D. W., Halverson, R., Squire, K. R., & Gee, J. P. (2005). Video Games and the

Future of Learning. WCER Working Paper No. 2005-4. *Wisconsin Center for Education Research (NJ1)*.

Skard, S., Nysveen, H., & Pedersen, P. E. (2011). Brand and customer experience in service organizations: literature review and brand experience construct validation.

Squire, K. (2006). From content to context: Videogames as designed experience. *Educational researcher*, *35*(8), 19-29.

Tang, D., Stolte, C., & Bosch, R. (2004). Design choices when architecting visualizations†. *Information Visualization*, *3*(2), 65-79.

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management.

Teece, D. J. (2010). Business models, business strategy and innovation. *Long range planning*, *43*(2), 172-194.

Teng, C. I. (2010). Customization, immersion satisfaction, and online gamer loyalty. Computers in Human Behavior, 26(6), 1547-1554.

Townsend, C., & Kahn, B. E. (2014). The "visual preference heuristic": the influence of visual versus verbal depiction on assortment processing, perceived variety, and choice overload. *Journal of Consumer Research*, *40*(5), 993-1015.

Tsai, W., & Ghoshal, S. (1998). Social capital and value creation: The role of intrafirm networks. *Academy of management Journal*, *41*(4), 464-476.

Unsworth, S. J., Sears, C. R., & Pexman, P. M. (2005). Cultural influences on categorization processes. *Journal of Cross-Cultural Psychology*, *36*(6), 662-688.

Venkatesh, V. (1999). Creation of favorable user perceptions: exploring the role of intrinsic motivation. *MIS quarterly*, 239-260.

Venkatesh, V., & Davis, F. D. (2000). A theoretical extension of the technology acceptance model: four longitudinal field studies. *Management science*, *46*(2), 186-204.

Venkatesh, V. (2000). Determinants of perceived ease of use: Integrating control, intrinsic motivation, and emotion into the technology acceptance model.*Information systems research*, *11*(4), 342-365.

Woodruff, R. B. (1997). Customer value: the next source for competitive advantage. *Journal*

of the academy of marketing science, *25*(2), 139-153.

Woodruff, R. B., Cadotte, E. R., & Jenkins, R. L. (1983). Modeling consumer satisfaction processes using experience-based norms. *Journal of marketing research*, 296-304.

Xie, Y., & Peng, S. (2011). How do corporate associations influence customer relationship strength? The effects of different types of trust. *Journal of Strategic Marketing*, *19*(5), 443-454.

Yang, Z., & Peterson, R. T. (2004). Customer perceived value, satisfaction, and loyalty: the role of switching costs. *Psychology & Marketing*, *21*(10), 799-822.

Yu, H., Zheng, D., Zhao, B. Y., & Zheng, W. (2006, April). Understanding user behavior in large-scale video-on-demand systems. In *ACM SIGOPS Operating Systems Review* (Vol. 40, No. 4, pp. 333-344). ACM.

Zeithaml, V. A., Parasuraman, A., & Malhotra, A. (2002). Service quality delivery through web sites: a critical review of extant knowledge. *Journal of the academy of marketing science*, *30*(4), 362-375.

Zhou, T., Li, H., & Liu, Y. (2010). The effect of flow experience on mobile SNS users' loyalty. *Industrial Management & Data Systems*, *110*(6), 930-946.

Zomerdijk, L. G., & Voss, C. A. (2010). Service design for experience-centric services. Journal of Service Research, 13(1), 67-82.

Publications

Anderson, Chris. *The long tail: Why the future of business is selling less of more*. Hachette Digital, Inc., 2006.

Burgess, J., & Green, J. (2013). *YouTube: Online video and participatory culture*. John Wiley & Sons.

Carter, Chris, Stewart R. Clegg, and Martin Kornberger. *A very short, fairly interesting and reasonably cheap book about studying strategy*. Sage, 2008.

Christensen, C. (2013). *The innovator's dilemma: when new technologies cause great firms to fail*. Harvard Business Review Press.

Fishbein, M., & Ajzen, I. (2011). *Predicting and changing behavior: The reasoned action approach*. Taylor & Francis.

Jenkins, H. (2006). *Convergence culture: Where old and new media collide.* NYU press.

Negroponte, Nicholas. *Being digital*. Random House LLC, (1996).

Pariser, E. (2011). *The filter bubble: What the Internet is hiding from you*. Penguin UK.

Prahalad, C. K., & Ramaswamy, V. (2004). The future of competition. *Harvard Business School Press, Boston, MA*.

Reeves, B., & Read, J. L. (2013). *Total Engagement: How Games and Virtual Worlds Are Changing the Way People Work and Businesses Compete*. Harvard Business Press.

Rogers, E. M. (2003). *Diffusion of Innovations*. Simon and Schuster.

Schwartz, B. (2004). The paradox of choice. New York: Ecco.

Thaler, R. H., & Sunstein, C. R. (2008). *Nudge: Improving decisions about health, wealth, and happiness*. Yale University Press.

Turow, J. (2008). Niche envy: Marketing discrimination in the digital age. *MIT Press Books*, *1*.

Toffler, Alvin. "Power shift: Knowledge, wealth, and violence at the edge of the twenty-first century." *New York & London: Bantam Books* (1990).

Articles

Gimpel, G. (2013). Five Pressing Issues Shaping the Future of TV & Video.

Jensen, P. M., & Waade, A. M. (2014) When Public Service Drama Travels: The Internationalisation of Danish Television Drama.

Scime, E. (2009). The content strategist as digital curator. *Weblog posted to*.

QUALITATIVE RESEARCH

INTERVIEWS

Josephine Simonsen 02.07.14 Former Head of Comoyo
Trond Hovland 05.09.14 NxtMedia
Aris Kaloudis 01.10.14 Nifu Step

NRK Digital, New Media , Strategy
Nicolai Flesjø 17.09.14
Redaksjonssjef On demand Marienlyst NRK

Claire Arneberg 17.09.14
On Demand Content Marienlyst NRK

Bjarne Myklebust 08.10.14
NRK Marienlyst
Distribution Strategy. Control meeting

Thor Gjermund Eriksen 12.11.14 NHH Conference

Findings Meeting NRK Marienlyst
Nicolai Flesjø & Anniken Næss 21.11.14

SEMINARS

”The Future of TV” New Media Network   17.09.2014
”Competence building community who aggregate global insights and knowledge of the evolution
of the media industry” Alf Lande

Colin Dixon Chief Analyst Founder nScreenMedia
Understanding media delivery in a multi-screen world. Silicon Valley

The future of media and telco
/ innovate or die

Sindre Østgård	—	CEO	—	Tinius
Mo Gawdat	—	VP, Business Innovation	—	Google [X]
Rolv-Erik Spilling	—	CEO	—	Telenor Digital
Are Stokstad	—	CEO	—	Amedia
Thor Gjermund Eriksen	—	Director General	—	NRK
Steffen Kragh	—	CEO	—	Egmont

STARTUP 1: Xeneta
STARTUP 2: YAY images
STARTUP 3: Fundedbyme
....

Break
Stretch & networking — (Level 3)
....

Advertising & analytics

Are Traasdahl	—	CEO & Founder	—	Tapad
Robert Sandie	—	CEO & Co-Founder	—	VidIQ
Randall Rothenberg	—	CEO	—	IAB
....

Lunch – Munch & mingle — (Level 3)
....

Advertising & analytics

Pernille Aalund	—	Head of Innovation	—	Aller
Martin Ott	—	Managing Director N. Europe	—	Facebook

STARTUP 4: Outracks
STARTUP 5: Shape
STARTUP 6: Vaulted
....

Break
Stretch & networking — (Level 3)

Beat them or join them
/ Strategies and counter-
strategies in online video
and rich media

The digital tomorrow

Torgeir Waterhouse	—	Dir. Internet & New Media	—	IKT-Norge
Torleif Ahlsand	—	General Partner	—	Northzone
Vinnie Lauria	—	Managing Patner	—	Golden Gate Ventures
Fredrik Cassel	—	General Partner	—	Creandum
Saemin Ahn	—	Managing Partner	—	Rakuten Ventures
....

Lunch – Munch & mingle — (Level 3)
....

Internet of things
& wearable tech

Per Simonsen	—	CEO	—	Telenor Connexion
Christian von Koenigsegg	—	Founder	—	Koenigsegg
David Holecek	—	Dir. Connected Prod. and Serv.	—	Volvo Car Group
....

Commerce & currency

Lasse Birk Olesen	—	Chief Product Officer	—	Coinify
Ingjerd Blekeli Spiten	—	EVP eBusiness	—	DNB
....

Break
Stretch & networking
....

Going global

Jon Fredrik Baksaas	—	President & CEO	—	Telenor Group
Anne Worsøe	—	Director	—	Innovation Norway
Lars Boilesen	—	CEO	—	Opera
Jørn Lyseggen	—	CEO & Founder	—	Meltwater Group
Jostein Svendsen	—	CEO & Co-Founder	—	Wevideo
....

Closing keynote

Gunnar Stavrum	—	CEO	—	Nettavisen
....

"Digital Winners" Telenor Expo
Fornebu   22-23.10.2014
Leading speakers on digital media, linear tv, videostreaming, innovation, telecom.

"Digital Winners" Seminar illustration & Video Recording

http://www.slideshare.net/digitalwinners/digital-winners-2014-thor-gjermund-eriksen-nrk?qid=daf3f4c8-4094-4fd0-8306-5b194128e01c&v=default&b=&from_search=5

http://www.slideshare.net/digitalwinners/sindre-ostgard?qid=daf3f4c8-4094-4fd0-8306-5b194128e01c&v=qf1&b=&from_search=19

http://tv.digitalwinners.no/digital-winners-2014-highlights

"Beat them or Join them", Strategies and Counter strategies in the online Video and rich media.

http://tv.digitalwinners.no/stephen-nuttall-youtube

http://tv.digitalwinners.no/rikard-steiber-mtgxviaplay
29 october 2014 Rikard Steiber Modern Times Group/Viaplay
http://tv.digitalwinners.no/thor-gjermund-eriksen-nrk

http://tv.digitalwinners.no/trond-kvernstrom-tv2
29 october 2014 TV2 Trond Kvernstrøm

http://tv.digitalwinners.no/sindre-ostgard-the-future-of-tv
18 november 2013 NRK Head of Digital

http://tv.digitalwinners.no/henriette-saether-engaging-viewers
18 november 2013 Vimond Media As

"Allmenkringkasterens rolle i det nye medielandsskapet" NHH Conference 12.11.2014
Speakers Hans Jarle Kind
Professor Trond Bjørnenak NHH for TV2 Asbjørn Englund Oslo Economics) Christine Meyer (Direktør Konkurransetilsynet) Øystein Foros Professor NHH
Trond Gjermund Eriksen (kringkastningssjef NRK), Alf Hildrum (sjefredaktør TV2) Didrik Munch (konsernsjef Schibsted ASA)
Knut Olav Åmås (Fritt Ord) Paneldebatt Andreas Wiese (Dagbladet)

INTERNET LINKS

http://www.ted.com/talks/peter_hirshberg_on_tv_and_the_web
Peter Hirshberg: The web is more than "better TV" Filmed December 2007

http://www.slate.com/blogs/moneybox/2014/10/15/hbo_online_only_network_says_you_can_get_it_online_without_paying_for_cable.html?wpsrc=fol_fb
OCT. 15 2014 11:57 AM Jordan Weissmann

http://www.huffingtonpost.com/2014/10/15/hbo-streaming-service-go-web-2015_n_5989866.html
The Huffington Post, Timothy Stenovec Posted: 10/15/2014 10:57 am Updated: 10/15/2014 3:59 pm

http://www.wired.com/2014/10/apple-amazon-problem-people-dont-want-buy-stuff-anymore/
Wired Magazine, Marcus Wholsen 10.27.14 6:30 AM http://www.wired.com/2014/10/apple-amazon-problem-people-dont-want-buy-stuff-anymore/

http://gizmodo.com/with-standalone-hbo-how-much-will-it-cost-to-cut-the-c-1646653151
Gizmodo,
http://www.slate.com/blogs/moneybox/2014/10/15/netflix_earnings_the_company_says_price_hikes_crushed_its_subscriber_growth.html?wpsrc=fol_FB
OCT. 15 2014 6:46 PM Jordan Weissmann

http://www.slate.com/articles/business/moneybox/2014/10/amazon_isn_t_the_problem_with_capitalism_it_s_the_solution_to_our_economic.html?wpsrc=fol_fb
OCT. 15 2014 2:42 PM Reihan Salam

http://www.convinceandconvert.com/social-media-case-studies/13-nuggets-of-greatness-from-the-thank-you-economy/
Jay Bayer Accessed 26 october 2014

https://civic.mit.edu/blog/mstem/the-battle-for-youtubes-soul-commercialization-vs-the-creative-web
Matt Stempeck May 5, 2012 - 2:38pm

http://www.emarketer.com/Article/How-Digital-Behavior-Differs-Among-Millennials-Gen-Xers-Boomers/1009748
March 21, 2013

http://marketingexperience.org/schulich-spotlight-on-research-2014/
Marketing Experience, October 1, 2014 Marcus Geisler

http://www.nytimes.com/2014/09/01/business/media/amazons-bet-on-content-in-a-hub-for-gamers.html?_r=0
New York Times, 01.09.2014

http://www.newyorker.com/magazine/2014/10/20/content-discontents
The Financial page James Surowiecki October 20 2014

http://gigaom.com/2013/05/29/online-video-will-be-more-popular-than-facebook-and-twitter-by-2017/
Gigaom, 29.05.2013

http://adage.com/article/guest-columnists/marketers-losing-money-misreading-millennials/241407/
Bonnie Fuller. Published on May 13, 2013

https://medium.com/@PresidentObama/my-plan-for-a-free-and-open-internet-c45e2f4ab1e4
Barrack Obama, Medium. November 10 2014

http://www.dn.no/etterBors/2014/10/03/1233/NRK/dette-frykter-nrksjefen-vil-skje
Dagens Næringsliv 03.10.2014

http://www.dn.no/nyheter/2014/10/03/1432/NRK/tv-2-nrk-er-overfinansiert
Dagens Næringsliv 03.10.2014

http://www.slideshare.net/ninanord
Nina Nord "If dialogue were understood at NRK"

http://www.elektronikkbransjen.no/Fagbladet/Utgaver/2012-3/MOBIL-TV-FORELOEPIG-UT-2012
Fagbladet 03.2012

http://www.dinside.no/928156/full-tilgang-til-nrks-nett-tv

http://www.nrk.no/informasjon/nrk-pa-omdommetoppen-1.11951862
25.09.2014, kl. 14:14 Marit Fenne

http://www.nrk.no/informasjon/godt-fornoyd-med-nrk-1.11616628
Publisert 20.03.2014, kl. 11:24 Oppdatert 30.06.2014, kl. 10:18 Jon Annar Fordal

http://www.nrk.no/nokkeltall/sa-mange-ser_-surfer-og-horer-1.6520040
Publisert 22.04.2009, kl. 16:50 Oppdatert 26.08.2014, kl. 14:06 Jon Annar Fordal

http://www.ted.com/talks/gary_flake_is_pivot_a_turning_point_for_web_exploration
Pivot 2010

http://www.ted.com/talks/philip_evans_how_data_will_transform_business
TED, Philip Evans, 2013

https://www.bcgperspectives.com/content/articles/consumer_insight_marketing_millennial_consumer/?chapter=4#chapter4

http://www.nielsen.com/us/en/insights/news/2013/binging-is-the-new-viewing-for-over-the-top-streamers.html

https://www-935.ibm.com/services/us/imc/pdf/ge510-6248-end-of-tv-full.pdf
"The End of Television As We Know It" (2006) IBM Consultant Services. IBM Institute for Business Value
The Young and the Digital: A Glimpse into Future Market Evolution

Insights from McKinsey's Global iConsumer Research
http://www.mckinsey.com/~/media/mckinsey/dotcom/client_service/High%20Tech/PDFs/Young_and_Digital.ashx

http://ndla.no/nb/node/84613
Young media use Youth by youth

http://atc.berkeley.edu/201/readings/paul_flexiblecontents.pdf

http://www.tns-gallup.no/sokeresultat?q=nrk

http://www.medienorge.uib.no/files/Eksterne_pub/NRK-finansieringsmodeller-Menon-2014.pdf

11.11 2014 Erland Skogli, Leo Grünfeld, Einar Gotaas og Ida Amble Menon Business Economics

http://medienorge.uib.no/files/publikasjoner/Mediearet-2013-2014-WEB.pdf

http://vidstatsx.com/youtube-top-100-most-subscribed-education-channels

http://newsfeed.time.com/2013/02/15/slow-burn-norway-airs-12-hour-primetime-tv-broadcast-of-burning-fireplace/
Newsfeed, 15.02.2013

http://mediaconventionberlin.com/en/news/slow-tv-succesful-tv-trend-norway

http://www.planetstream.net/market-sectors.html

http://www.businessinsider.com/the-future-of-the-video-streaming-industry-2011-4

http://www.streamingmedia.com/Articles/Editorial/Featured-Articles/The-List-of-the-100-Companies-that-Matter-Most-in-Online-Video-78122.aspx

http://www.streamingmedia.com/Articles/Editorial/Featured-Articles/Educators-Adopt-4K-Video-Now-and-Get-Ahead-of-the-Curve-97991.aspx

http://www.businessinsider.com/netflix-product-officer-neil-hunt-2014-6
The Business Insider 06.2014

http://www.rollingstone.com/tv/news/how-lilyhammer-changed-the-tv-world-20131205#ixzz3E9s0B4FP
Rolling Stone Magazine 05.12.2013

http://www.forbes.com/sites/avaseave/2013/06/06/netflix-to-competitors-be-afraid-be-very-afraid/
Ava Seave Forbes 06.06.2013

http://www.theguardian.com/media/2014/apr/21/netflix-higher-prices-revenue-subscribers-content

http://www.tu.no/it/2014/06/29/kan-vi-kutte-ut-kringkasting-og-kun-stromme-fra-nett
29 june 2014 Odd Richard Valmot

http://www.ibtimes.com/future-tv-netflix-envisions-ad-free-personalized-television-2025-1587243

http://variety.com/2014/digital/news/netflix-youtube-bandwidth-usage-1201179643/
Variety Magazine 2011
http://www.wired.com/2014/05/neil-hunt/
Wired Magazine, Neil Hunt 05.2014

http://www.rollingstone.com/movies/news/the-future-of-movies-will-netflix-become-the-next-big-hollywood-studio-20130705
Rolling Stone Magazine 05.07.2013

http://techcrunch.com/2014/05/19/nielsens-twitter-tv-ratings-now-identify-the-age-and-gender-of-those-tweeting-about-tv-or-just-lurking/
Techcrunch 19.05.2014

http://mashable.com/2011/08/25/tv-mobile-personalization/
Mashable, 25.08.2011

http://www.regjeringen.no/nb/dep/kud/tema/film-og-medier/Kringkasting1.html?id=766848

http://www.comminit.com/ict-4-development/node/290686

http://www.vg.no/rampelys/tv/nrk/hoeyre-varsler-kutt-i-tv-lisensen/a/23308314/
Kristine Hellem Aanstad (VG) 03.10.2014 07:50 - *updated 28.10.2014 10:03*

http://www.abcnyheter.no/penger/okonomi/2014/11/05/211190/vurderer-alternativer-til-dyr-nrk-lisens
 NTB Onsdag 05.11.2014, kl. 06:55 Oppdatert: Onsdag 05.11.2014, kl. 10:36

http://stavrum.nettavisen.no/fjern-nrk-lisensen/
Gunnar Stavrum January 24, 2013
A Netflix Company Analysis Santa Clara Unversity (2010)
http://mgmtclarity.files.wordpress.com/2010/04/capstone_final_report.pdf

http://advertising.microsoft.com/nederland/WWDocs/User/nl-
nl/ResearchLibrary/ResearchReport/Young_Adults_booklet.pdf

http://vidstatsx.com/youtube-top-100-most-subscribed-channels

http://dailycaller.com/2014/04/08/online-video-competitions-tipping-point-just-tipped/
Scott Cleland Chairman NetCompetition 4 August 2014

http://www.medienorge.uib.no/files/Eksterne_pub/NRK_Oslo-Economics_rapport-2014_20.pdf
Oslo economics

http://www.medienorge.uib.no/files/Eksterne_pub/NRK-finansieringsmodeller-Menon-2014.pdf
Menon Business Economics

http://www.wired.com/2014/03/todays-internet-world-hyper-personalized-tribes/
Preetam Kaushik 03.03.14 Wired

http://techcrunch.com/2014/05/19/netflix-neil-hunt-internet-week/
May 19 2014 Antony ha

http://www.wired.com/2014/05/neil-hunt/
Essie LaPowsky Wired 05.19.14

http://www.slideshare.net/larsga/nrkskole?qid=47d91308-b72b-499a-8bad-
3f3b5659f67c&v=qf1&b=&from_search=2
NRK/Skole Lars Marius Garshol Technology developer Bouvet ASA March 03, 2010

http://www.ted.com/talks/thomas_p_campbell_weaving_narratives_in_museum_galleries
Thomas Campbell March 2012 TED. Weaving narratives in museum galleries.

http://www.ted.com/talks/bruno_torturra_got_a_smartphone_start_broadcasting
Bruno Torturra October 2014 TED. Got a smart phone? Start Broadcasting

http://blogs.lse.ac.uk/impactofsocialsciences/2014/11/28/stand-up-and-be-counted-social-science-
qualitative-quantitative-dichotomy/
Howard Aldrich

https://medium.com/@jakeleehaugen/becoming-a-more-thoughtful-user-experience-designer-e3277bd1477

http://www.curata.com/blog/content-curation-tools-the-ultimate-list/
March 28 2014 Curata Content Marketing

http://www.sharelikebuy.com
Marketing and Millennials Conference. More expendable income than any other genereation. Share Like Buy

http://www.adweek.com/news/advertising-branding/what-if-millennials-are-sort-everyone-else-156771
April 4, 2014, 8:09 AM EDTAdvertising & Branding

https://www.bcgperspectives.com/content/articles/consumer_insight_marketing_millennial_consumer/
BCG Debunking steriotypes April 2012 Christine Barton, Jeff Fromm, Chris Egan
http://www.nrk.no/informasjon/se-nrk-der-du-vil-1.11920509

http://www.dn.no/etterBors/2014/10/01/2157/Medier/nrk-fortsetter--tape-andeler

http://www.nrk.no/informasjon/nrk-pa-omdommetoppen-1.11951862

http://www.dn.no/dagensavis/article5204176.ece

http://www.forbes.com/sites/karlmoore/2011/03/28/porter-or-mintzberg-whose-view-of-strategy-is-the-most-relevant-today/
3/28/2011 @ 8:14AM Karl Moore

http://www.wired.com/2014/04/netflix-economics/

http://sloanreview.mit.edu/article/the-new-frontier-of-experience-innovation/

http://www.ssb.no/medie/

http://www.teknofil.no/artikler/nrk-tar-opp-kampen-med-netflix/157659

http://www.bbc.co.uk/editorialguidelines/page/guidelines-editorial-values-charter/
BBC

http://www.nrk.no/informasjon/godt-fornoyd-med-nrk-1.11616628