

MEASURING OUR MEDIA PERFORMANCE

	INFORMATION / APPROVAL CBC/Radio-Canada Performance Measurement Framework 2016-2017 Targets for KPI (Key Performance Indicators) and STIP (Short-Term Incentive Plan)
TO:	Board of Directors
FROM:	Hubert T. Lacroix, President and CEO, and SET
PURPOSE:	Share information on 2015-2016 Performance through KPI and STIP and Establish 2016-2017 Targets for KPI and STIP for Approval
DATE:	June 21-22, 2016



Public – KPI

Internal - STIP

MEDIA

RADIO (SHARE %)
CONVENTIONAL TV (SHARE %)
SPECIALTY TV (SHARE %)
LOCAL RADIO (SHARE %)
LOCAL TV (AVERAGE AUDIENCE)
DIGITAL OFFER (REACH U.V.)
REVENUE (\$)

LOCAL DIGITAL OFFER (REACH U.V.)
SPECIALTY TV (SUBSCRIBERS)

CORPORATION

INDIVIDUAL

REPORTING

Disclosed in Financial Reports, including Annual Report, and Corporate Plan



Corporation | Results and Targets

CORPORATION

Metrics			Public - KPI	Internal - STIP									
Definition	KPI	STIP		2015-2016 Results and Tresholds				2016-2017 Targets and Tresholds					
				Perf.	>	Result	<	Perf.	>	Target	<		

Management Commentary

Notes



Radio-Canada | Results 2015-2016

RADIO-CANADA

In 2015–2016, all of Radio-Canada’s media indicators met or exceeded targets, except ICI RDI subscriber numbers and self-generated revenue.

Radio-Canada’s **radio** services recorded outstanding results (+ 0.6 point) in fall 2015, for **ICI Première** in particular (+1.1 points), for the network and regional markets outside the Greater Montreal Area. **ICI Musique** also obtained good results (= target) especially in the view that successive cutbacks have hurt on-air output (hosting of shows) in 2015-16. It is worth noting that measurement challenges to Radio-Canada’s francophone audiences incite to interpreting with caution the total result for **regional morning shows** (+ 1.8 points).

ICI Radio-Canada Télé finished the year in line with its target (+0.2 point), thanks to a combination of dedicated programming investments and major promotional efforts. The industry experienced an overall decline in conventional television viewership and advertising revenue in all markets. In terms of ratings, ICI Radio-Canada Télé nonetheless fared better in 2015–2016 in the French-speaking market.

Specialty channels, meanwhile, posted viewership results that were right on target – a very satisfactory “bill of health” given the respective mandates they were assigned by management:

Reach results of **Radio-Canada’s digital offering** (multiplatform metric i.e. including both desktop and mobile) speak to the interest of users for proposed contents as well as the growing impact of mobility. The **regional reach** result falls **in the lower end** (- 46 000 u.v.) of the metric’s sensitivity margin, in line with the target. The key to this result lies in the fact that the metric for the regional digital offering was expressed for the last time as a desktop only measurement (home and office) and that the regional contribution to the fall 2015 federal election coverage was counted in the group’s overall metric. The impact of implementing the 2015–2016 regional mobile strategy shall be in 2016-2017, thanks to multiplatform metrics.

Lastly, in 2015–2016, **self-generated revenue results for** Radio-Canada continued to acutely feel the effects of a softer conventional television advertising market. Nevertheless, French Services succeeded in generating a **positive budgetary margin**,



Radio-Canada | Targets 2016-2017

RADIO-CANADA



Management Commentary

RADIO-CANADA



Radio-Canada | Results and Targets

Metrics	Public - KPI			Internal - STIP									
	Definition	KPI	STIP	2015-16	2015-16	2015-2016		2016-2017					
				Targets	Results	Results and Thresholds		Targets and Thresholds					
						Perf.	>	Result	<	Perf.	>	Target	<
Radio													
All-day audience share (%) ⁽¹⁾				16.4%	17.5%								
ICI Radio-Canada Première				4.8%	4.3%								
ICI Musique				21.2%	21.8%								
Total	✓												
TV													
ICI Radio-Canada Télé primetime audience share (%) ⁽²⁾		✓		19.7%	19.9%								
All-day audience share (%) ⁽³⁾				2.9%	3.1%								
ICI RDI				1.4%	1.2%								
ICI ARTV				0.4%	0.4%								
ICI EXPLORA				4.7%	4.7%								
Total	✓												
Regional													
ICI Radio-Canada Première 6-9 am morning shows audience share (%) ⁽⁴⁾													
Weighted average	✓			18.1%	19.9%								
ICI Radio-Canada Télé 6-6:30 pm newscasts average minute audience ('000) ⁽⁵⁾		✓		310	319								
ICI Radio-Canada.ca regional offering's reach, monthly average unique visitors ('000) ⁽⁶⁾		✓		758	712							1,400	
Digital													
Radio-Canada digital offering's reach, monthly average unique visitors (million) ⁽⁷⁾		✓		2.8	3.0							3.4	
Finance													
Revenue, per Public KPI (\$ million) ⁽⁸⁾		✓		227.1	216.0							201.4	
As of March 31													
		✗											
		✗											

RADIO-CANADA



CBC | Results 2015-2016

Fiscal 2015-2016 was a very successful year for the CBC. English Services delivered expected cost and headcount reductions meeting all expenditure targets on cost control, Alongside managing the challenges associated with such restructuring initiatives, English Services delivered strong performance

These are discussed in detail below.

On **CBC Television**, our prime time audience share ended the regular season slightly below target (-0.4 points)

This reflects the weaker performance of some new shows, particularly in the fall season. The success of the Toronto Blue Jays during the fall baseball playoffs pulled many viewers to their specialty channel broadcasts. **CBC News Network's** audience share performed very well throughout the year, exceeding target (+0.3 points). Performance was particularly bolstered by disproportionately high viewership in September, October and November 2015 when non-recurring events such as the federal election campaign and the Paris terrorist attacks drove incremental share.

CBC Radio One and CBC Radio 2 combined posted a 2015 fall diary share of 18.5%, exceeding target and setting a fall record high. Radio One not only increased its share, but also its usage (hours of listening) in an environment when overall English-language usage declined. Radio 2 experienced another successful year with the second highest fall share (only fall 2014 was higher) since the programming changes introduced in the late 2000's.

On the digital side, **CBC.ca's** number of monthly average unique visitors exceeded both its target (+11%) and the prior year results (+17%), driven by recent usability and presentation enhancements to the platform, as well the new digital-first local strategy implemented part-way through the year.

For our local performance indicators, the **local radio** share during the morning show period increasing almost one rating point year over year (+0.9 points). Similar to the network performance, this share result was achieved while increasing usage (+3%) despite of the overall decline in English-language radio consumption.

Local TV A significant factor in performance was the decision made by CBC as part of Strategy 2020 to redirect resources from local television to digital priorities. This conscious shift to a digital-first strategy resulted in **Local digital** performance (not a metric for STIP purposes) to exceed expectations (+1%).

Revenue for the year exceeded target in part driven by one-time events such as CBC's coverage of and host broadcaster activities for the Toronto 2015 Pan Am and Parapan Am Games.

Subscriber levels to our **specialty television channels** ended the year slightly below target, with both CBC News Network and *documentary* subscribers declining slightly year over year In particular, specialty channels are affected by a cord cutting trend evident in the industry as a whole.

The digital-first strategy resulted in **Local digital** performance exceeding expectations (+1%) with the emphasis on local content throughout the day and specific events such as provincial elections (e.g. Alberta, Newfoundland & Labrador).



CBC | Targets 2016-2017



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Management Commentary

2016-17 Target Overview

CBC



CBC | Results and Targets

Metrics		Public - KPI			Internal - STIP								
Definition	KPI	STIP	2015-16	2015-16	2016-17	2015-2016		2016-2017					
			Targets	Results	Targets	Results and Thresholds		Targets and Thresholds					
						Perf.	>	Result	<	Perf.	>	Target	<
Radio													
All-day audience share (%) ⁽¹⁾			14.3%	14.7%	14.8%								
CBC Radio One			3.2%	3.8%	3.9%								
CBC Radio 2													
Total	✓		17.5%	18.5%	18.7%								
TV													
CBC Television primetime audience share (%) ⁽²⁾	✓		6.2%	5.8%	6.0%								
CBC News Network all-day audience share (%) ⁽³⁾	✓		1.4%	1.7%	1.5%								
Regional													
CBC Radio One 6-8:30 am morning shows audience share (%) ⁽⁴⁾	✓		19.6%	20.4%	20.4%								
CBC Television 6-6:30 pm newscasts average minute audience ('000) ⁽⁵⁾	✓		360	345	345								
CBC.ca regional pages' reach, monthly average unique visitors ('000) ⁽⁶⁾	✓		4,240	4,300	6,100								
Digital													
CBC.ca's reach, monthly average unique visitors (million) ⁽⁷⁾	✓		11.2	12.4	14.1								
Finance													
Revenue, per Public KPI (\$ million) ⁽⁸⁾ As of March 31	✓		245.7	260.2	210.6								
		✗											
		✗											



Notes

RADIO-CANADA

- (1) Source: Numeris (diary), Fall survey, Mon.-Sun., 5-1 am, Franco. 12+. Results for Francophone radio stations in markets served by a Radio-Canada base station.
- (2) Source: Numeris, Portable People Meter (PPM), Regular season, Mon.-Sun., 7-11 pm, Franco. Qc 2+.
- (3) Source: Numeris, Portable People Meter (PPM), April-March, Mon.-Sun., 2-2 am, Franco. Qc 2+.
- (4) Source: Numeris (diary), Fall survey, Mon.-Fri., 6-9 am, Franco. 12+. Results for all Francophones in markets served by a Radio-Canada base station.
- (5) Source: Numeris, Portable People Meter (PPM), Regular season, Mon.-Fri., 6-6:30 pm, Franco. Qc 2+.
- (6) Source: comScore Media Metrix, April-March, Multiplatform measure (desktop and mobile devices), 2+. In 2015-2016, this metric used the desktop measure only. Starting in 2016-2017, it will become a multiplatform measure (desktop and mobile devices).
- (7) Source: comScore Media Metrix, April-March, Multiplatform measure (desktop and mobile devices), 2+. Radio-Canada digital offering: ICI Radio-Canada.ca, ICI Tou.tv, ICI Musique.ca, RCinet.ca, ICI ARTV.ca, ICI EXPLORAtv.ca.
- (8) Include advertising revenue, subscription revenue and other revenue (e.g., content distribution).

CBC

- (1) Source: Numeris (diary), Fall survey, Mon.-Sun., 5-1 am, Total English language listening, 12+.
- (2) Source: Numeris, Portable People Meter (PPM), Regular season, Mon.-Fri. and Sun. (excludes Sat.), 7-11 pm, Total English language television, 2+.
- (3) Source: Numeris, Portable People Meter (PPM), April-March, Mon.-Sun., 2-2 am, Total English language television, 2+.
- (4) Source: Numeris (diary), Fall Survey, Mon.-Fri., 6-8:30 am, Total English language listening, 12+.
- (5) Source: Numeris, Portable People Meter (PPM), Regular season, Mon.-Fri., 6-6:30 pm: first half hour (for 60 minutes shows) or entire program (for 30 minutes shows), Total English language television, 2+.
- (6) Source: comScore Media Metrix, April-March, Multiplatform measure (desktop and mobile devices), 2+. In 2015-2016, this metric used the desktop measure only. Starting in 2016-2017, it will become a multiplatform measure (desktop and mobile devices).
- (7) Source: comScore Media Metrix, April-March, Multiplatform measure (desktop and mobile devices), 2+.
- (8) Include advertising revenue, subscription revenue and other revenue (e.g., content distribution) from English Services and the *documentary* channel BUT exclude Rogers VIK accounting transactions.