

# Intelligent Business

## In praise of television: Worksheet

### A Before reading the text

#### A1 Questionnaire: How do you watch television?

- 1) How do you receive television programmes? (Choose as many as relevant)
  - a) Directly, through a traditional analogue television aerial.
  - b) Through an analogue television aerial and a digital set-top box.
  - c) Through a satellite dish and a satellite decoder.
  - d) Through a cable link to my house.
  - e) Through my internet connection.
  - f) I never watch television.
- 2) Which TV channels can/do you watch?
  - a) I can only watch national television channels.
  - b) I can choose between national TV channels and many smaller commercial channels.
  - c) I'm happy to watch the national TV channels.
  - d) I prefer TV channels which broadcast programmes related to my special interests.  
(e.g. Sports, Gardening, History, Nature, Cooking)
- 3) How are the television programmes paid for?
  - a) There are regular advertisements between television programmes.
  - b) Each programme is 'sponsored' by a different advertiser.
  - c) I pay a subscription for the TV channels which I watch regularly (e.g. live sports channels).
  - d) I pay a 'pay-per-view' fee for the special programmes I want to watch.
  - e) I pay an annual subscription to the broadcaster, so there are no advertisements and the programmes are free.
  - f) I pay an annual subscription to the broadcaster, but there are also advertisements.
- 4) When do you watch television programmes?
  - a) I watch 'live' programmes following the timetable decided by the broadcaster.
  - b) I often record 'live' programmes on my video recorder, so I can watch them later, at a time which is convenient for me.
  - c) I often record 'live' programmes on my video recorder, so I can keep them and watch them again and again.
  - d) I hire DVD recordings of movies and television programmes for one or two days from a DVD hire shop.
  - e) I often buy movies and television programmes on commercial DVDs, so I can keep them forever.
  - f) I download television programmes from internet websites so I can watch them at a time which is convenient for me.
- 5) How do you watch television programmes?
  - a) I usually watch television programmes together with all my family.
  - b) We have multiple televisions, so different members of my family watch different programmes on different screens.



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## B Comprehension

**B1** Read the first two paragraphs of the text. Mark the statements [T] true or [F] false.

- 1) The recorded music industry is finding it difficult to operate in the internet age. T/F
- 2) Television broadcasts are getting smaller numbers of viewers. T/F
- 3) The income from advertising was badly affected by the recession. T/F
- 4) Free-to-air broadcasters had to cut their programme budgets because of reduced revenues from advertising. T/F
- 5) Cable and satellite broadcasters were less badly affected by advertising cuts. T/F
- 6) More and more viewers are now paying subscriptions for pay-TV. T/F
- 7) Our report suggests that most viewers prefer free-to-air broadcasts. T/F
- 8) When viewers experience the greater choice offered by multichannel TV, they are willing to pay more money for even greater choice. T/F

**B2** Read the 3<sup>rd</sup> and 4<sup>th</sup> paragraphs of the text. Mark the statements [T] true or [F] false.

- 1) Most people plan their evening entertainment from the Pay-TV, DVD, personal recordings, internet downloads and free-to-air broadcasts. T/F
- 2) Most people are too lazy to plan their evening entertainment from the Pay-TV, DVD, personal recordings, internet downloads and free-to-air broadcasts. T/F
- 3) Even though most people have video recorders and other ways to access TV programme libraries, 80% of their TV viewing time is spent watching live broadcasts. T/F
- 4) Internet advertising is more powerful because it can be targeted at the individual customer's personal interests revealed by their previous downloads. T/F
- 5) Music libraries such as iTunes, have reduced sales of CD albums because people can download the individual tracks they like, rather than buying the whole album. T/F
- 6) The internet threatens to break up the TV industry in the same way. T/F

**B3** Read the 5<sup>th</sup> and 6<sup>th</sup> paragraphs of the text. Mark the statements [T] true or [F] false.

- 1) At first, the TV broadcasters tried to stop internet distribution of TV programmes by saying that piracy of TV programmes was illegal. T/F
- 2) Hulu is a website like iTunes, where viewers can pay and download programmes from ABC, Fox and NBC. T/F
- 3) Fortunately, these websites gain enough income from advertising and downloads. T/F
- 4) Unfortunately this income is not sufficient, so TV is changing its plans. T/F
- 5) Subscription-video services are now being developed. T/F
- 6) If you subscribe to a pay-TV service, you can watch it on any device. T/F
- 7) You will have to pay for some shows on Hulu, but most will be free. T/F
- 8) Businesses need to adapt to changes in the technology available to customers. T/F



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B4 Read the last 3 paragraphs of the text. Mark the statements [T] true or [F] false.

- 1) Digital video recorders allowed viewers to record programmes for later viewing and also allowed them to fast-forward through the advertising breaks. T/F
- 2) Satellite and cable broadcasters added digital recorders into their set-top boxes. T/F
- 3) New set-top boxes will register the programmes which have been selected and deliver targeted advertising to the viewer. T/F
- 4) Pay-TV subscriptions are often sold instead of broadband access. T/F
- 5) Next Issue Media has been set up by magazine publishers to sell their content through digital devices. T/F
- 6) The TV business is a good example to other media industries. T/F

## C Vocabulary

Look carefully at the words in italics. Choose a), b) or c) to complete the sentences.

- 1) If you **yelp**, you make a noise which shows you are ...
  - a) happy.
  - b) in love.
  - c) frightened.
- 2) If you are **cowed** by a development, you feel ...
  - a) intimidated.
  - b) amused.
  - c) milked.
- 3) If something **wobbles**, it ...
  - a) shakes but does not fall down.
  - b) shakes and cracks into pieces.
  - c) shakes and falls down.
- 4) If a business is **inherently** uneconomic, it is uneconomic because of ...
  - a) current circumstances.
  - b) its fundamental structure.
  - c) past mistakes.
- 5) If a medicine **mitigates** the effects of an injury, it ...
  - a) makes it less painful.
  - b) repairs the damage.
  - c) prevents future injuries.
- 6) If an activity is **illicit**, it is ...
  - a) likely to be very profitable.
  - b) against the law.
  - c) done in private, not in public.



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- 7) If a service is **hidden behind a paywall**, it is ...
  - a) not available to anyone.
  - b) available for a fee.
  - c) available for free.
- 8) An activity which is **disruptive** ...
  - a) promotes normal activity.
  - b) speeds up normal activity.
  - c) disturbs normal activity.
- 9) If two or more services are **bundled**, ...
  - a) they are sold as a single package.
  - b) they are sold as individual items.
  - c) they are sold before a specific date.
- 10) If you travel on a **perilous** journey, you expect ...
  - a) to arrive at your destination quickly.
  - b) to encounter difficulties.
  - c) to arrive at your destination safely.

## D Discussion

John Reith, the founder of the BBC said that the job of a broadcaster was to INFORM, EDUCATE and ENTERTAIN. Entertainment was in third place.

Do you think you are well-served by the broadcasters whose programmes come into your home? What would you change? Give your reasons.



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# Intelligent Business

In praise of television

## The great survivor

**TV has coped well with technological change. Other media can learn from it**

Apr 29th 2010 | From *The Economist* print edition

NEWSPAPERS are dying; the music industry is still yelping about iTunes; book publishers think they are next. Yet one bit of old media seems to be doing rather well. In the final quarter of 2009 the average American spent almost 37 hours a week watching television. Earlier this year 116m of them saw the Super Bowl—a record for a single programme. Far from being cowed by new media, TV is colonising it. Shows like "American Idol" and "Britain's Got Talent" draw huge audiences partly because people are constantly messaging and tweeting about them, and discussing them on Facebook.

Advertising wobbled during the recession, shaking the free-to-air broadcasters that depend on it. But cable and satellite TV breezed through. Pay-television subscriptions grew by more than 2m in America last year. The explosive growth of cable and satellite TV in India explains how that country has gone from two channels in the early 1990s to more than 600 today. Pay-TV bosses scarcely acknowledge the existence of viewers who do not subscribe to multichannel TV, talking only of people who have "yet to choose" a provider. This is not merely bluster. As our special report this week explains, once people start paying for greater television choice, they rarely stop.

## The advantages of indolence

It helps that TV is an inherently lazy form of entertainment. The much-repeated prediction that people will cancel their pay-TV subscriptions and piece together an evening's worth of entertainment from free broadcasts and the internet "assumes that people are willing to work three times harder to get the same thing", observes Mike Fries of Liberty Global, a cable giant. Laziness also mitigates the threat from piracy. Although many programmes



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are no more than three or four mouse clicks away, that still sounds too much like work for most of us. And television-watching is a more sociable activity than it may appear. People like to watch programmes when everybody else is watching them. Give them devices that allow them to record and play back programmes easily, and they will still watch live TV at least four-fifths of the time.

Yet these natural advantages alone are not enough to ensure television's survival. The internet threatens TV just as much as it does other media businesses, and for similar reasons. It competes for advertising, offering firms a more measurable and precise way of reaching consumers. Technology also threatens to fracture television into individual programmes, just as it has ruinously broken music albums into individual tracks. TV has endured because it has responded better to such threats than other media businesses.

One of the lessons from TV is to accept change and get ahead of it. Broadcasters' initial response to the appearance of programmes online was similar to the music industry's reaction to file-sharing: call in the lawyers. But television firms soon banded together to develop alternatives to piracy. Websites like Hulu, a joint venture of the American broadcasters ABC, Fox and NBC, have drawn eyeballs away from illicit sources. Gradually it has become clear that these websites pose a threat to the TV business in themselves, and that they are not bringing in as much advertising money as might be expected (which is similar to the problem faced by the newspaper business). So television is changing tack again.

With impressive speed, TV firms are now building online subscription-video services. The trendiest model is authentication: prove that you subscribe to pay-television and you can watch all the channels that you have paid for on any device. Such "TV Everywhere" services are beginning to appear in America and Canada. It is likely that Hulu will become a "freemium" service—mostly free, but with some shows hidden behind a paywall. The move from an ad-supported model to a mixture of subscriptions and advertising is tricky, but logical. It shows that it is not enough to embrace technological change. Businesses must also work out how to build digital offerings that do not cause their analogue ones to collapse.

Television has domesticated other disruptive technologies. Ten years ago digital video recorders like TiVo promised to transform the way people watched TV. The devices made it easy to record

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programmes and play them back, zooming through ads. The TV networks responded by running advertisements that work at high speed. Cable and satellite companies built cheap digital video recorders into set-top boxes and charged viewers extra for them. In effect, money flowed back to the television business. In Britain those boxes will soon be deployed to deliver targeted advertising, enabling the living-room television to compete with the internet.

Other outfits are learning from TV. Record labels sound terribly innovative when they talk about bundling music together with broadband subscriptions. Yet this model comes from television. For the past few years ESPN, a sports giant, has been showing games on its website. The cost is buried in monthly broadband bills. Hulu-style joint ventures are all the rage in media, too. Magazine publishers have set up Next Issue Media, which is trying to shape the evolution of digital devices to suit their needs. The Digital Entertainment Content Ecosystem aims to do the same for films.

That box might appear to be sitting in the corner of the living room, not doing much. In fact, it is constantly evolving. If there is one media business with a chance of completing the perilous journey to the digital future looking as healthy as it did when it set off, it is television.

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## Teacher's Notes and Key

Although the vocabulary in this article is generally quite simple, the writing structure is quite complex. Teachers should expect students to find comprehension of the text quite challenging. Section B will be helpful in decoding the meaning.

A Open answers

B1 1T, 2F, 3T, 4T, 5T, 6T, 7F, 8T

B2 1F, 2T, 3T, 4T, 5T, 6T

B3 1T, 2T, 3F, 4T, 5T, 6T, 7T, 8T

B4 1T, 2T, 3T, 4F, 5T, 6T

C 1c, 2a, 3a, 4b, 5a, 6b, 7b, 8c, 9a, 10b

D Open answers



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