

STATE OF THE MEDIA:  
U.S. DIGITAL CONSUMER REPORT

*Q3-Q4 2011*



# DIGITAL REVOLUTION

## THE LAST 10 YEARS

132.2 MILLION  
AMERICANS HAD  
INTERNET ACCESS



DVD OVERTAKES  
VHS AS PREDOMINANT  
HOME VIDEO FORMAT

DVD represented 2/3 of all units sold



6.6 BILLION MINUTES SPENT ON  
MEMBER COMMUNITY SITES  
(NOW KNOWN AS SOCIAL NETWORKS/BLOGS)

Top Member Community was MSN Spaces  
(2 million unique U.S. visitors)



3.2% OF MOBILE SUBSCRIBERS  
OWNED A SMARTPHONE

DEBUT OF BLU-RAY

Discs offer increased storage capacity,  
high definition video and audio



NEARLY 30 MILLION  
AMERICANS ACCESSED  
THE MOBILE WEB



Americans averaged 1 hour, 50  
minutes watching video online  
11 million Americans watched  
video on their mobile phones



SOCIAL NETWORKS/BLOGS BECOME  
TOP ONLINE DESTINATION

Accounted for 9.2% of Internet time.  
Passed former top category, Email.



NUMBER OF LAPTOPS SURPASSES DESKTOPS WITHIN TV HOMES

42% OF TABLET OWNERS USE THEM DAILY WHILE WATCHING TV

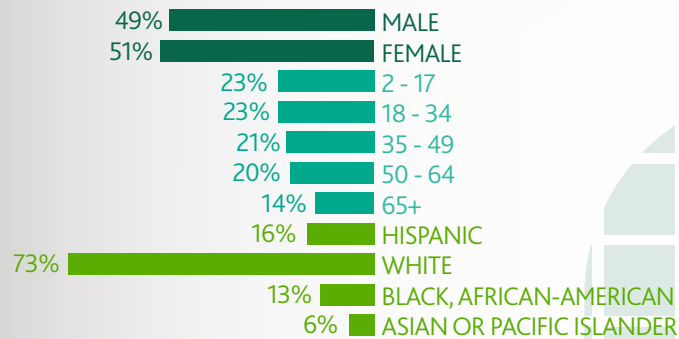
64% OF MOBILE PHONE TIME IS SPENT ON APPS

81 BILLION MINUTES SPENT ON SOCIAL NETWORKS/BLOGS

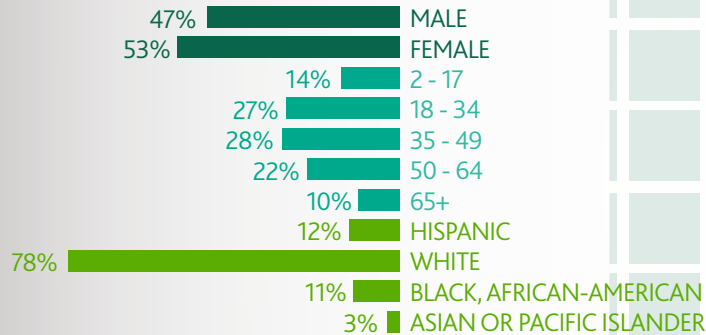
274 MILLION AMERICANS HAVE INTERNET ACCESS  
MORE THAN DOUBLE THE NUMBER WITH INTERNET ACCESS IN 2000

# AN IN-DEPTH LOOK AT THE U.S. DIGITAL CONSUMER

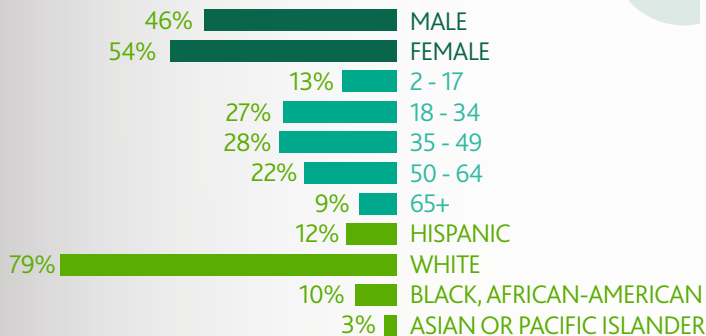
## TV VIEWERS



## ONLINE VIDEO VIEWERS



## SOCIAL NETWORK/BLOG VISITORS



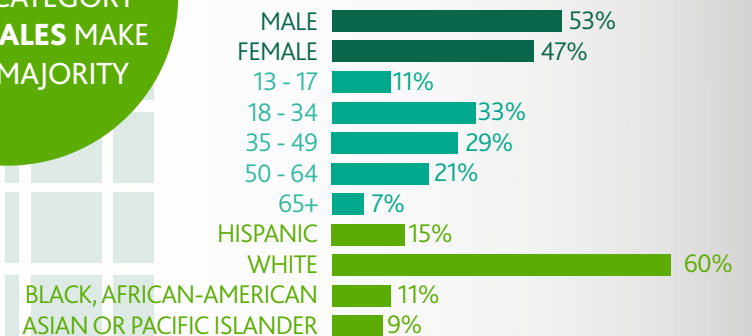
### Audience Composition %

Read as: Forty-nine percent of U.S. TV viewers are male

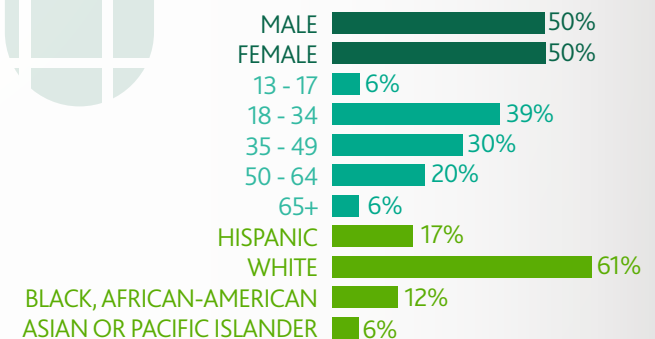
Source: Nielsen

TABLETS ARE THE ONLY  
DIGITAL CATEGORY  
WHERE **MALES** MAKE  
UP THE MAJORITY

## TABLET OWNERS



## SMARTPHONE OWNERS

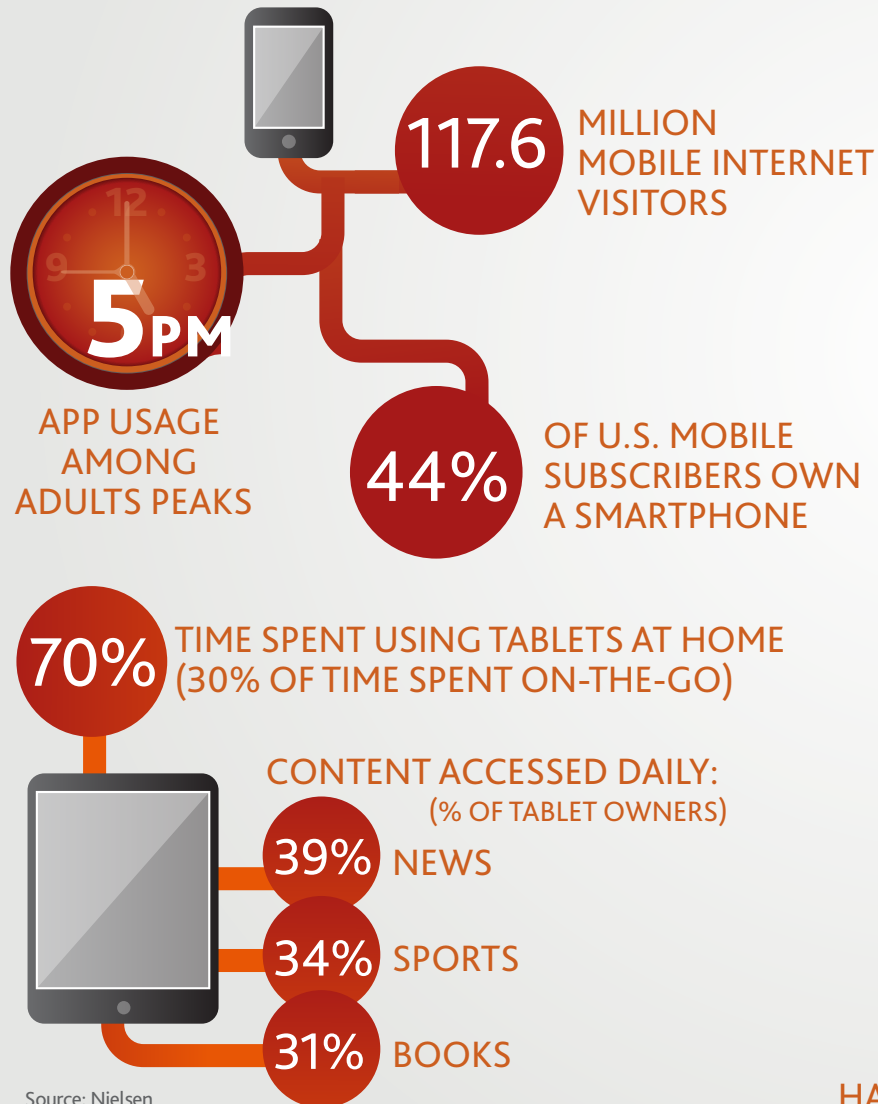


### Audience Composition %

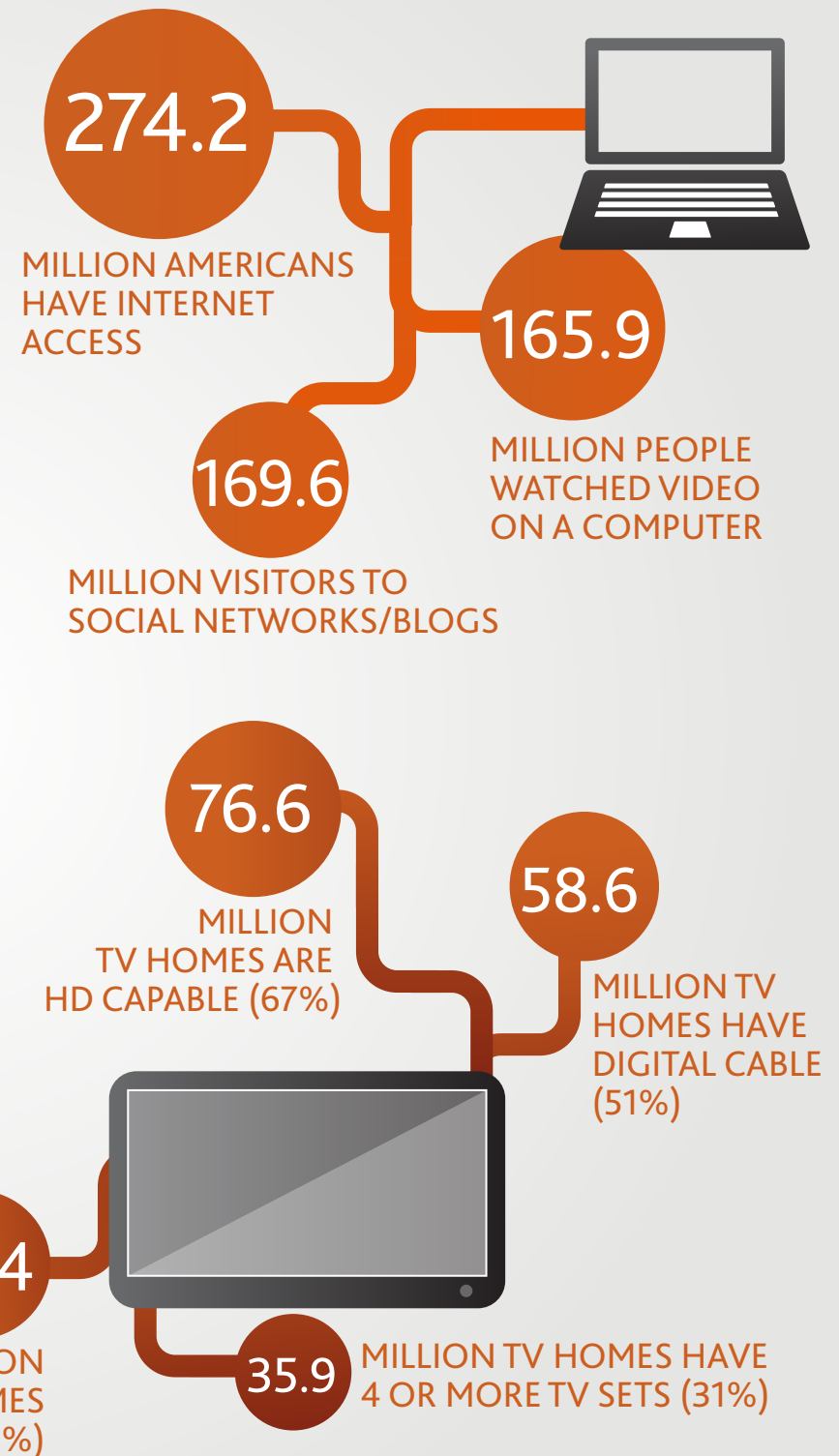
Read as: Fifty-three percent of U.S. tablet owners are male

# PLATFORMS FOR DIGITAL ACCESS

Consumers have more choices than ever for accessing their digital content. As more devices become increasingly connected, the ability to access the same pictures, videos or music files across multiple devices has become a valuable feature.



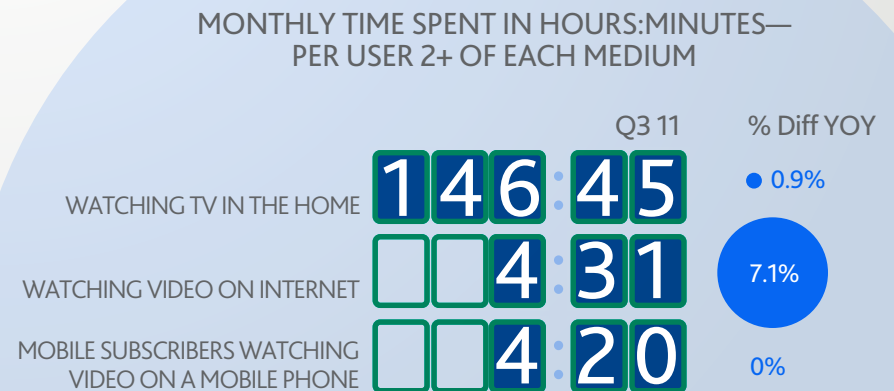
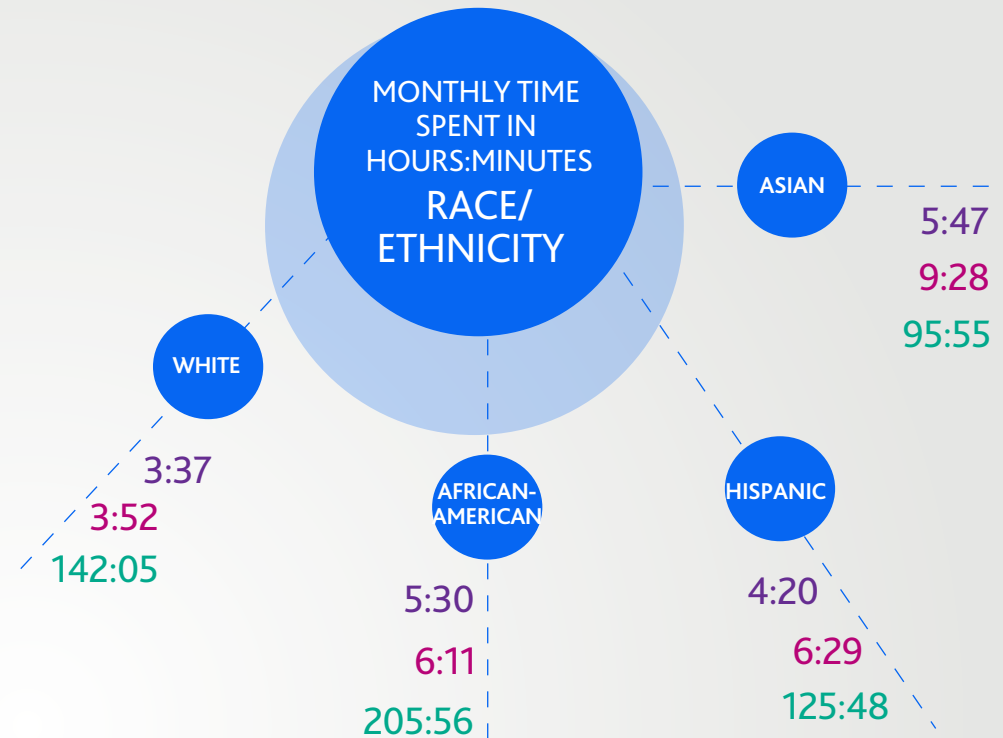
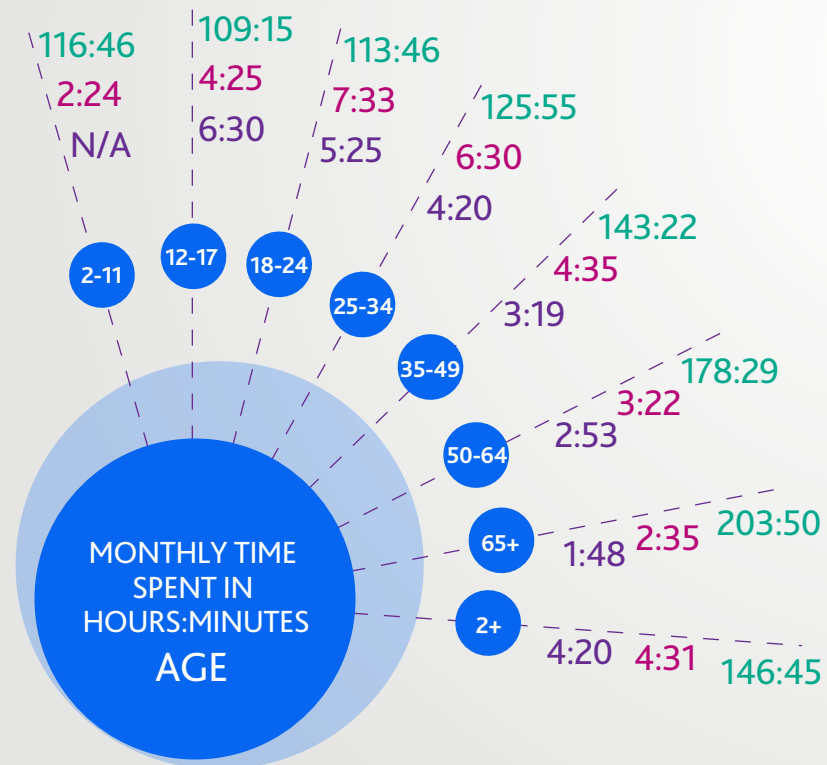
Source: Nielsen



# CROSS-PLATFORM VIDEO ENGAGEMENT

With an array of online video content to choose from, consumers increased their monthly online video time in 3Q 2011 by 7 percent from the same period last year.

- Watching Traditional TV
- Watching Video on Internet
- Mobile Subscribers Watching Video on a Mobile Phone



# DIGITAL DIVERSITY

A look at digital across four distinct groups of U.S. consumers in October 2011



ASIAN  
FEMALES 12-17

35.4 million total video streams

29% downloaded games on their mobile phone

62% visited Facebook

57% accessed their mobile phone's Web browser

Spent 106.9 million minutes watching video online



HISPANIC  
MALES 18-34

13.6 million total video streams

Spent 2.2 billion minutes watching video online

69% own a smartphone

63% more likely than average to visit Myspace.com

46% download apps on their mobile phone

The YBF—Social Network with the highest concentration of this demo

Reed Between the Lines (BET)—Top Primetime Cable Program

812 million total video streams

Spent 2.4 billion minutes watching video online

Top Gaming App by Total Minutes: Words with Friends (211.8 million minutes)



AFRICAN-  
AMERICAN  
FEMALES 25-54

20% accessed their mobile phone's Web browser

Spent 3.2 billion minutes watching video online

34% more likely than average to visit LinkedIn

NCIS (CBS)—Top Primetime Broadcast Program

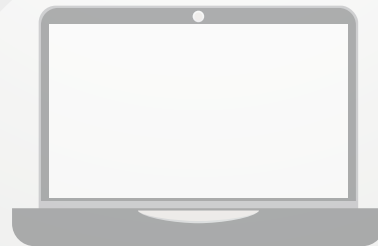
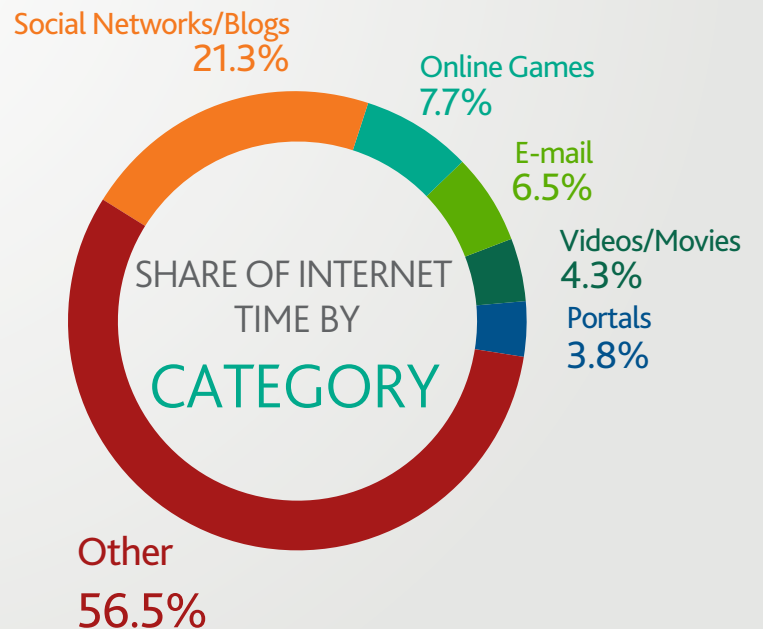
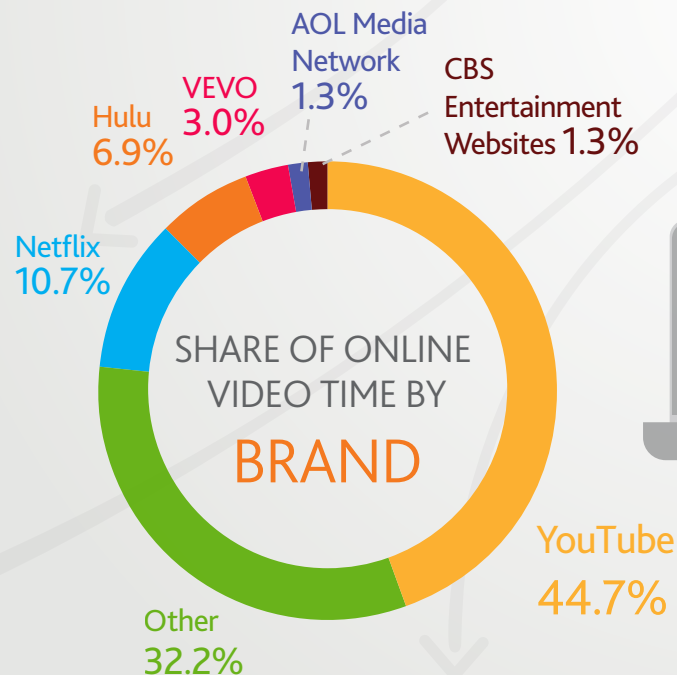
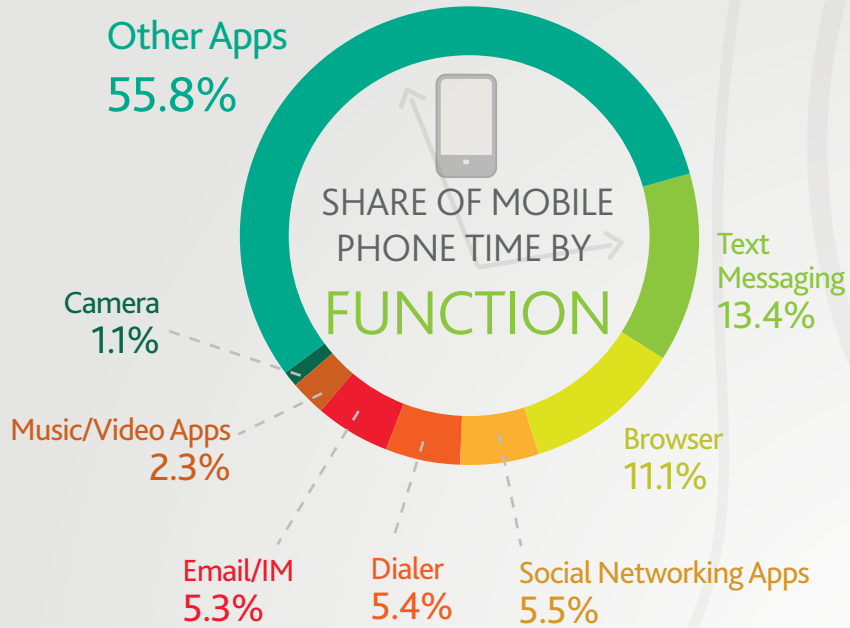
164.2 million total video streams



WHITE  
MALES 55+

# A BREAKDOWN OF DIGITAL TIME BY DEVICE

During October 2011, YouTube was the top destination for online video content, accounting for nearly half (45%) of Americans' total streaming time, while Social Networks/Blogs garnered the most Internet time overall. The majority of mobile phone time was consumed by app usage with Social Networking apps accounting for the nearly 6 percent of mobile time.





# 1 SCREEN, 2 SCREENS, BIG SCREENS, SMALL SCREENS

More and more, consumers are multi-tasking across their various screens. Fifty-seven percent of smartphone and tablet owners checked email while watching a TV program—their top activity—and 44 percent visited a social networking site. Advertisers wondering if consumers might miss their message should note that 19 percent of smartphone and tablet owners searched for product information and 16 percent looked up coupons or deals while the television was on.

## TOP WEBSITES VISITED WHILE WATCHING TV

- |                  |                                |
|------------------|--------------------------------|
| 1. Facebook      | 6. Craigslist                  |
| 2. YouTube       | 7. eBay                        |
| 3. Zynga         | 8. Electronic Arts (EA) Online |
| 4. Google Search | 9. MSN/WindowsLive/Bing        |
| 5. Yahoo! Mail   | 10. Yahoo! Homepage            |

Source: Nielsen

## WHAT ARE TABLET AND SMARTPHONE OWNERS DOING WHILE WATCHING TV?



57%

CHECKED EMAIL

44%

SURFED FOR UNRELATED INFO

44%

VISITED SOCIAL NETWORKING SITE

DURING  
PROGRAM



59%

CHECKED EMAIL

44%

SURFED FOR UNRELATED INFO

44%

VISITED SOCIAL NETWORKING SITE

DURING  
COMMERCIAL



45%

USED A DOWNLOADED APPLICATION



34%

CHECKED SPORT SCORES



29%

LOOKED UP INFORMATION RELATED TO THE TV PROGRAM I WAS WATCHING



19%

LOOKED UP PRODUCT INFORMATION FOR AN AD I SAW



16%

LOOKED UP COUPONS OR DEALS RELATED TO AN ADVERTISEMENT I SAW ON TV





# SOCIAL NETWORKING BY DEVICE

While nearly all social media users (97%) access social networking sites from their computers, NM Incite, a Nielsen McKinsey company, found that females are more likely than men to read social media content from their eReaders and men are more likely than women to access their social content from an Internet-enabled TV or gaming console.

## METHODS USED TO ACCESS SOCIAL NETWORKING BY GENDER



34.4%

0.8%

3.4%

96.4%

2.9%

3.6%

0.8%

1.1%

Mobile Phone

eReader

iPad

Computer

Internet-enabled TV

Gaming Console

Handheld Music Player

Other



38.5%

2.3%

3.1%

96.8%

1.2%

2.3%

1.5%

0.8%

## METHODS USED TO ACCESS SOCIAL NETWORKING BY AGE

18-34

35-54

55+

Mobile Phone

58.8%

36.3%

12.6%

eReader

2.9%

1.4%

0.6%

iPad

4.5%

2.9%

2.4%

Computer

95.7%

97.0%

97.0%

Internet-enabled TV

3.9%

1.2%

1.0%

Gaming Console

5.3%

2.9%

0.2%

Handheld Music  
Player

2.4%

1.1%

n/a

Other

1.0%

0.7%

1.3

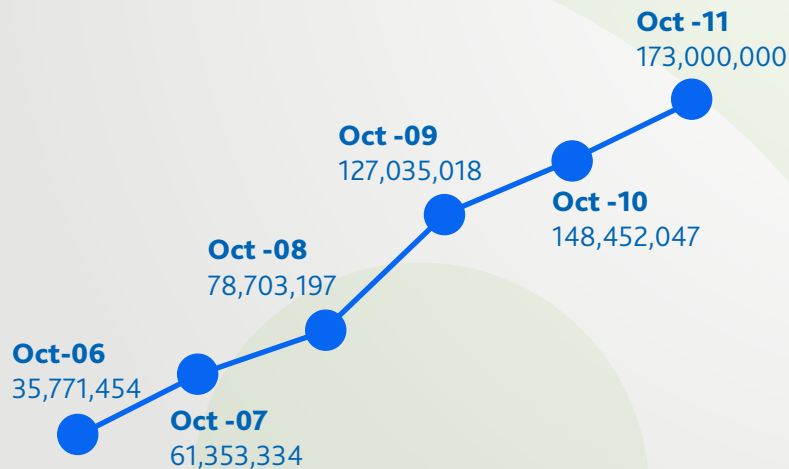
# TO THINK IT IS TO BLOG IT

By the end of 2011, NM Incite, a Nielsen/McKinsey company, tracked over 181 million blogs around the world, up from 36 million in 2006. Three of the top ten social networks in the U.S. during October were true blogs ([Blogger](#), [WordPress.com](#), [Tumblr](#)), with a combined 80 million unique visitors. Among the top social networks, Tumblr has shown the strongest growth in visitors, more than doubling its audience from last year.

## Emerging Social Network: Pinterest

- 4.5 million unique U.S. visitors during Oct 2011 – 37 times its size at the beginning of 2011
- Consumers ages 25-34 – most likely out of all age groups to view pages on Pinterest
- 92 percent of Pinterest's audience also visited a Mass Merchandiser site during Oct 2011

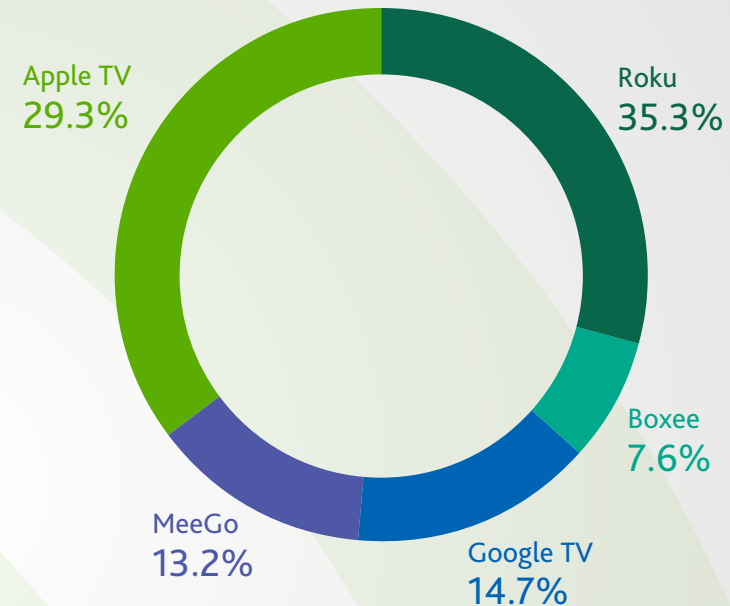
## NUMBER OF BLOGS TRACKED BY NM INCITE



Source: Nielsen and NM Incite

## SHARE OF SOCIAL MEDIA BUZZ AMONG SELECT OVER-THE-TOP VIDEO DEVICES (3Q 2011)

READ AS: During 3Q 2011, Apple TV accounted for 29.3 percent of buzz mentions among the select group of over-the-top devices



## TOP 10 U.S. SOCIAL NETWORKS/BLOGS BY UNIQUE AUDIENCE (Oct 2011, Home & Work Computers)



# MARKETING TO THE DIGITAL CONSUMER

## WHEN VIEWING ADS ON THEIR DEVICE:

### TABLET OWNERS

### SMARTPHONE OWNERS

Clicked on ad to view the full ad or product offering

**24%**

**11%**

Made a purchase through their computer

**23%**

**20%**

Searched for more info about the business

**21%**

**11%**

Used or requested a coupon through the ad

**13%**

**7%**

## AMONG MOBILE CONNECTED DEVICE OWNERS:

**33%** find ads that offer custom information based on their location useful

**26%** are more likely to look at ads if they have an interesting video

**20%** enjoy ads that have interactive features

## TRUST IN ADVERTISING AMONG ONLINE CONSUMERS

% Who Trust

**52%**

**BRANDED WEBSITES**  
FEMALE 52%  
MALE 51%

**46%**

**ADS ON TV**  
FEMALE 45%  
MALE 47%

**36%**

**TV PROGRAM PRODUCT PLACEMENTS**  
FEMALE 35%  
MALE 37%

**36%**  
**ADS SERVED IN SEARCH ENGINE RESULTS**

FEMALE 39%  
MALE 34%

**32%**  
**ONLINE VIDEO ADS**  
FEMALE 34%  
MALE 30%

**32%**  
**ADS ON SOCIAL NETWORKS**  
FEMALE 36%  
MALE 28%

**29%**  
**ONLINE BANNER ADS**  
FEMALE 34%  
MALE 24%

**27%**  
**DISPLAY ADS (VIDEO OR BANNER) ON MOBILE DEVICES**  
FEMALE 31%  
MALE 23%

**26%**  
**TEXT (SMS) ADS ON MOBILE PHONES**  
FEMALE 29%  
MALE 22%

## MOBILE SHOPPING ACTIVITIES IN THE PAST 30 DAYS

(% OF MOBILE SHOPPERS)

Comparing prices online while shopping in a store	38%
Browsing products through websites or apps	38%
Reading online reviews of products	32%
Searching for/using online coupons	24%
Purchasing products	22%
Scanning a barcode for price/product information	22%
Using location-based services to find a retail location	18%
Placing a bid through an online auction	15%
Purchasing tickets to events	12%
Purchasing music or video content	10%
Paying for goods or services at point of sale	9%

Source: Nielsen

**27%** of male and **22%** of female online consumers would use their mobile phones to make payments in restaurants or shops if they could

## THE INCREASING POWER OF MOBILE COMMERCE

Mobile is transforming into a powerful commerce tool, facilitating consumer transactions and access to real-time information and deals. Twenty-nine percent of smartphone owners use their phone for shopping-related activities and more than half of mobile users are repeat visitors to daily deal sites. The Groupon app is the 10th most popular app on the iOS platform and ranks 22nd on Android devices.

### UNIQUE AUDIENCE FOR DAILY DEAL APPS (OCT 2011)



in millions

● Android  
● iOS

Groupon



Visits per person: 11



Visits per person: 6

LivingSocial



Visits per person: 7

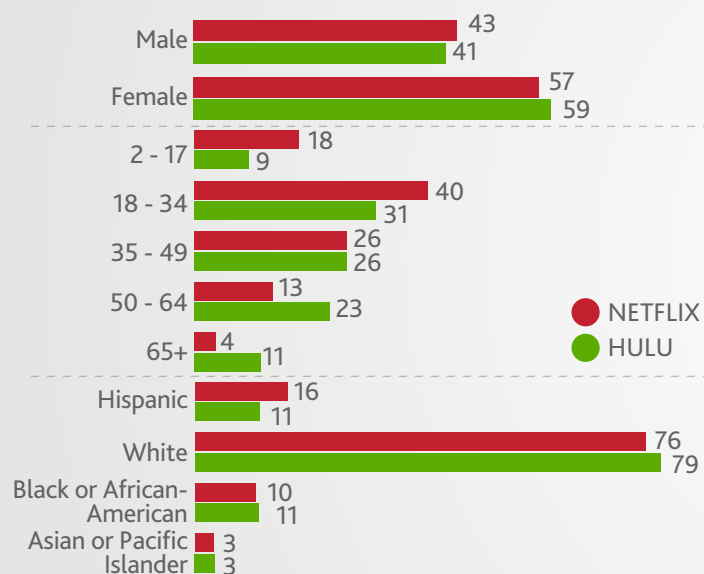


Visits per person: 4

# THE IN-HOME STREAMING EXPERIENCE

The home entertainment landscape is becoming increasingly complex as consumers are presented with a greater variety of ways to consume content, especially with the addition of digital streaming and movie downloads via the Internet.

## AUDIENCE COMPOSITION % FROM HOME COMPUTERS



## PAID TO DOWNLOAD A MOVIE OR TV SHOW FROM THE INTERNET (% OF CONSUMERS)



Source: Nielsen

# 33%

OF CONSUMERS STREAMED A MOVIE OR TV SHOW FROM THE INTERNET THROUGH A SUBSCRIPTION SERVICE LIKE NETFLIX OR HULU PLUS

**FEMALES** ACCOUNT FOR **64%** OF TOTAL TIME SPENT WATCHING VIDEO CONTENT ON NETFLIX AND HULU

**HISPANICS** ARE MUCH MORE LIKELY TO WATCH VIDEO ON **NETFLIX** THAN ON HULU

**ASIANS** STREAM MORE VIDEOS ON **HULU** THAN ON NETFLIX

**HULU** VIEWERS ARE MORE LIKELY TO HAVE A **BACHELOR'S OR POST-GRAD DEGREE** THAN NETFLIX VIEWERS

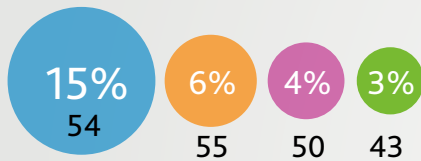
**MORE THAN A THIRD** OF HULU'S AUDIENCE IS OVER THE AGE OF 50

# Online Consumers Who Watch Video On Device Daily

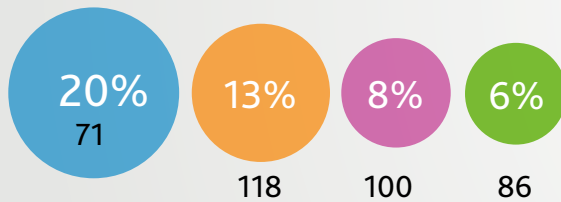
- Mobile Phone
- Handheld Multimedia Device
- Tablet Device
- In-Home Video Game System
- INDEX V. GLOBAL AVERAGE

Index reads as: During 3Q 2011, online consumers in Asia Pacific were 46 percent more likely than the average global consumer to watch video on their mobile phone daily.

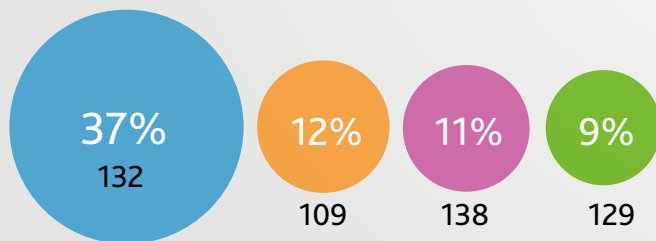
## EUROPE



## NORTH AMERICA

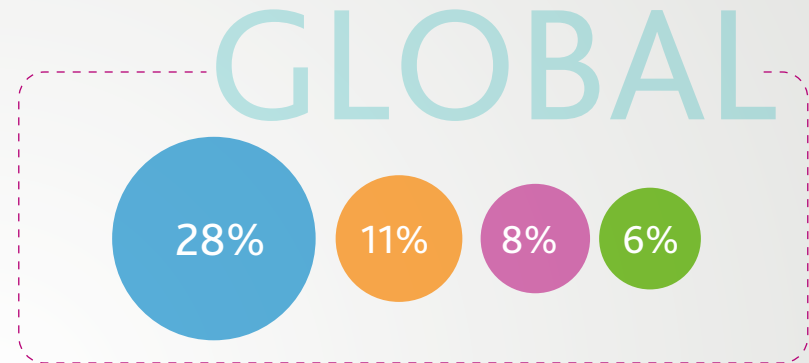


## MIDDLE EAST, AFRICA, PAKISTAN

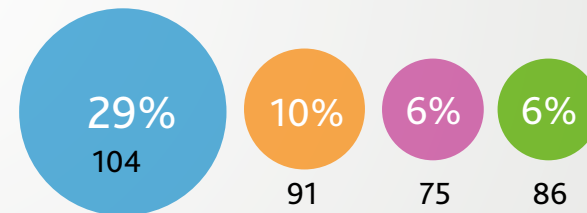


# DAILY VIDEO VIEWING AROUND THE WORLD

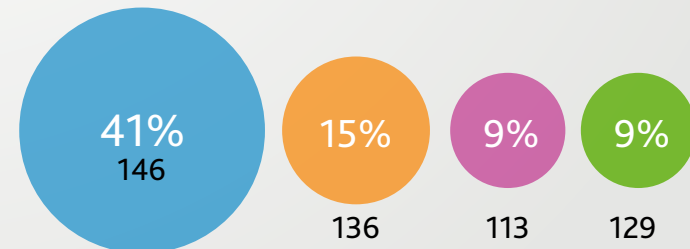
Nielsen's survey of more than 25,000 online respondents from 56 countries around the world reveals consumers' multi-screen video habits.



## LATIN AMERICA



## ASIA PACIFIC





# THE GLOBAL ONLINE PERSPECTIVE

TOP 10 WEB BRANDS BY UNIQUE AUDIENCE (Oct 2011, Home & Work Computers)



## SWITZERLAND

- 2 Facebook
- 3 YouTube
- 4 MSN/WindowsLive/Bing
- 5 Microsoft
- 6 Bluewin
- 7 Wikipedia
- 8 Apple
- 9 Local.ch
- 10 search.ch



## US

- 2 Facebook
- 3 Yahoo!
- 4 MSN/WindowsLive/Bing
- 5 YouTube
- 6 Microsoft
- 7 AOL Media Network
- 8 Wikipedia
- 9 Apple
- 10 Ask Search Network



## GERMANY

- 2 Facebook
- 3 YouTube
- 4 eBay
- 5 Microsoft
- 6 Amazon
- 7 MSN/WindowsLive/Bing
- 8 Wikipedia
- 9 T-Online
- 10 Web.de

## BRAZIL

- 2 MSN/WindowsLive/Bing
- 3 Facebook
- 4 UOL
- 5 YouTube
- 6 Microsoft
- 7 Terra
- 8 Globo.com
- 9 Orkut
- 10 Yahoo!

YOUTUBE is a top ten online destination in all of the countries



## AUSTRALIA

- 2 Facebook
- 3 NineMSN/MSN
- 4 YouTube
- 5 Microsoft
- 6 Yahoo!7
- 7 Wikipedia
- 8 Apple
- 9 eBay
- 10 Blogger



## JAPAN

- 2 Google
- 3 FC2
- 4 YouTube
- 5 Rakuten
- 6 Wikipedia
- 7 Microsoft
- 8 goo
- 9 Ameba
- 10 Amazon



## ITALY

- 2 Facebook
- 3 YouTube
- 4 MSN/WindowsLive/Bing
- 5 Virgilio
- 6 Libero
- 7 Microsoft
- 8 Yahoo!
- 9 Wikipedia
- 10 Blogger

FACEBOOK is among the top three sites in every country except Japan (the country's top two social networking sites, FC2 and Ameba, are among the top 10 most-visited overall)



## FRANCE

- 2 Facebook
- 3 MSN/WindowsLive/Bing
- 4 Microsoft
- 5 YouTube
- 6 Orange
- 7 Wikipedia
- 8 Free
- 9 PagesJaunes
- 10 Yahoo!



## UK

- 2 Facebook
- 3 MSN/WindowsLive/Bing
- 4 BBC
- 5 YouTube
- 6 Yahoo!
- 7 Amazon
- 8 eBay
- 9 Microsoft
- 10 Wikipedia



## SPAIN

- 2 MSN/WindowsLive/Bing
- 3 Facebook
- 4 YouTube
- 5 Microsoft
- 6 Blogger
- 7 Yahoo!
- 8 Wikipedia
- 9 El Mundo.es
- 10 WordPress.com

GOOGLE is the top Web brand in each country except Japan



# SOURCES

- 2 • 2000: NetView (Home & Work), Jan 2000  
• 2002: VideoScan, 2002  
• 2005: NetView (Home & Work), Oct 2005  
• 2006: Mobile Insights, 3Q 2006  
• 2007: Mobile Insights, Jan 2007  
• 2008: VideoCensus (Home & Work), Jan 2008  
Mobile Media Marketplace, 3Q 2008  
• 2009: NetView (Home & Work), May 2009  
"The Switch from Analog to Digital TV," Nov 2009  
• 2011: NetView (Total), Oct 2011  
Smartphone Analytics, Oct 2011  
Mobile Connected Device Report, 3Q 2011  
NPOWER (NPM Sample), Aug 2011
- 3 • TV Viewers: National UEs and MarketBreaks 2012  
• Online Video Viewers: VideoCensus (Total), Oct 2011  
• Social Network/Blog Visitors: NetView (Total), Oct 2011  
• Tablet Owners: Mobile Insights, 3Q 2011  
• Smartphone Owners: Mobile Insights, 3Q 2011
- 4 Mobile  
• Mobile Internet Visitors: Mobile Insights, 3Q 2011  
• Smartphone Penetration: Mobile Insights, Oct 2011  
• Peak App Usage: Smartphone Analytics (Android), Oct 2011  
Internet  
• Internet Access and Social Network/Blog Visitors: NetView (Total), Oct 2011  
• Video Viewers: VideoCensus (Total), Oct 2011  
TV  
• National Media Related UEs, Nov 2011
- 5 • Cross-Platform Report 3Q 2011. Click [here](#) to download the complete report for more detailed footnotes.
- 6 • Online Video Streams and Total Minutes: VideoCensus (Total), Oct 2011  
• Social Networking: NetView (Total), Oct 2011  
• TV Programs: NPOWER, Oct 2011, Live+SD. Excludes Breakouts, specials, Sports, programs less than 5 minutes in duration and programs with less than three telecasts
- 7 • Mobile Phone: Smartphone Analytics, Oct 2011  
• Online Video: VideoCensus (Total), Oct 2011  
• Internet: NetView (Total), Oct 2011
- 8 • Activities while watching TV: Mobile Connected Device Report, 3Q 2011  
• Top sites visited while watching TV: NPOWER (Cross-Platform Homes), Oct 2011
- 9 • NM Incite, State of Social Media Survey, April 2011
- 10 • Top U.S. Social Networks/Blogs and Pinterest: NetView (Home & Work), Oct 2011  
• Blog trend: NM Incite, Oct 2006-2011  
• Over-the-Top device buzz: NM Incite, 3Q 2011
- 11 • Trust in Advertising: Nielsen Global Survey, 3Q 2011  
• Among smartphone, tablet and connected mobile device owners: Mobile Connected Device Report, 3Q 2011
- 12 • Mobile Shopping Activities: Mobile Insights, Oct 2011  
• Daily Deal Apps: Smartphone Analytics, Oct 2011  
• Mobile Payments (red circle): Nielsen Global Survey, 3Q 2011 (U.S.)
- 13 • Netflix/Hulu: VideoCensus (Home), Oct 2011  
• Downloading and streaming behaviors: New Media Tracking, Jan 2012
- 14 • Nielsen Global Survey, 3Q 2011
- 15 • NetView (Home & Work), Oct 2011