# TV Untethered

**Following The Mobile Path
Of TV Content**
July 24, 2013

# Agenda

**Opening Welcome**

| | |
|---|---|
| **Richard Zackon** | CRE Facilitator |
| **Ceril Shagrin** | CRE Chairperson, Univision |

**Presenters**

| | |
|---|---|
| **Joanne Burns** | Co-Chair MCE Committee, 20th TV, Fox |
| **Laura Cowan** | Co-Chair MCE Committee, LIN Media |
| **Chris Neal** | Chadwick Martin Bailey |

**Commentary**

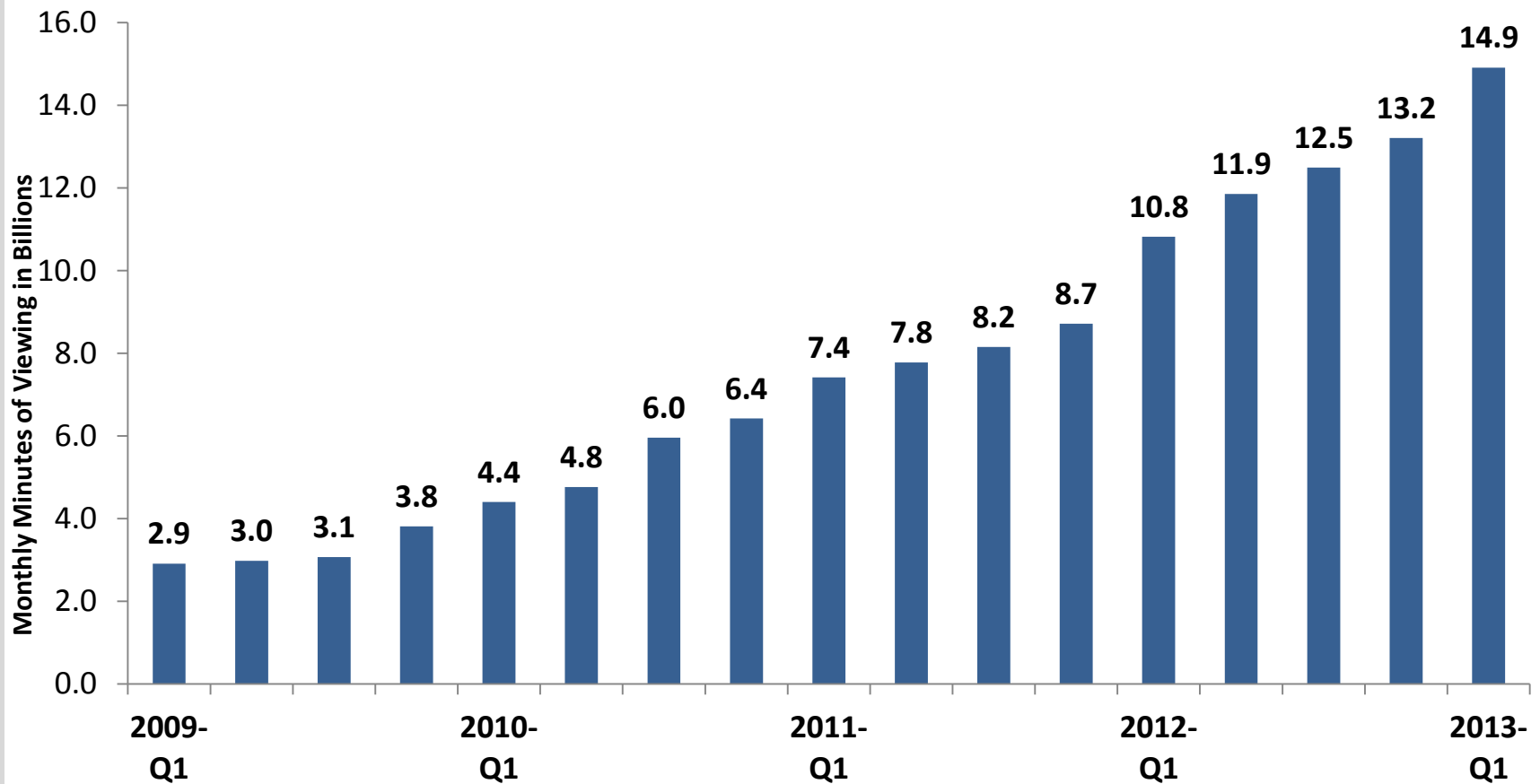| | |
|---|---|
| **Emily Vanides** | CRE Member, MediaVest |
| **Michael Link** | Nielsen |

**Q&A**

# The Council For Research Excellence

- Consists of 35+ senior-level research professionals.

- Represents advertisers, agencies, networks, cable companies, and station groups.

- Seeks to advance the knowledge and practice of methodological research.

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# CRE Member Companies

# Video Usage on Smartphones Increasing



Chart: Monthly Minutes of Viewing in Billions by quarter, 2009-Q1 through 2013-Q1: 2.9, 3.0, 3.1, 3.8, 4.4, 4.8, 6.0, 6.4, 7.4, 7.8, 8.2, 8.7, 10.8, 11.9, 12.5, 13.2, 14.9

Nielsen 2013

# Media Consumption And Engagement Committee Members

**Co-Chairs & Presenters:**

Joanne Burns, 20<sup>th</sup> Television

Laura Cowan, LIN Media

**Members:**

Jordan Breslow, DirecTV

Shari Brill, Consultant

Tim Brooks, Consultant

Chris Edwards, 10 News

Janet Gallent, NBCU

Hadassa Gerber, SNTA

Tanya Giles, Viacom

Sara Grimaldi, ESPN

Greg Iocco, Scripps

Redjeb Shah, Univision

Ceril Shagrin, Univision

Susie Thomas, Palisades

Emily Vanides, MediaVest

Jack Wakshlag, Turner

Richard Zackon, CRE

# Study Objectives

**Gain a Better Understanding of Mobile Video Usage to Provide Insight for Cross Platform Measurement**

- How much time is spent watching TV on mobile devices, and what is the impact on total viewing and TV set viewing?

- What motivates consumers to watch TV on mobile devices?

- What conditions correlate with mobile TV viewing? From what sources are mobile viewers getting programming?

- How can we augment existing measurement methods to capture mobile TV viewing accurately?

# Two-Phased Study Gathered Quantifiable Data And Qualitative Insight

## Quantitative

**Phase 1:**
**Monitor TV viewing on mobile devices**

## Qualitative

**Phase 2:**
**Explore motivations and behaviors of mobile device viewers**

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# Quantitative: Respondent Experience

## Screening Survey

- Online survey identifying respondents and developing profiling information.
- Census-balanced click-throughs at first to size the market accurately.

## Mobile Journaling Diary

- 7 day journaling of TV viewing occasions by device and viewing preferences.
- Based on four time blocks per 24 hour period.
- Fielded January 14th – 27th 2013.
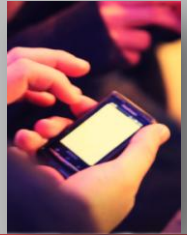
## Attitudinal Survey

- Post journaling, online survey to better understand motivations and behaviors associated with decision making for watching TV programming.
- Additional profiling questions.
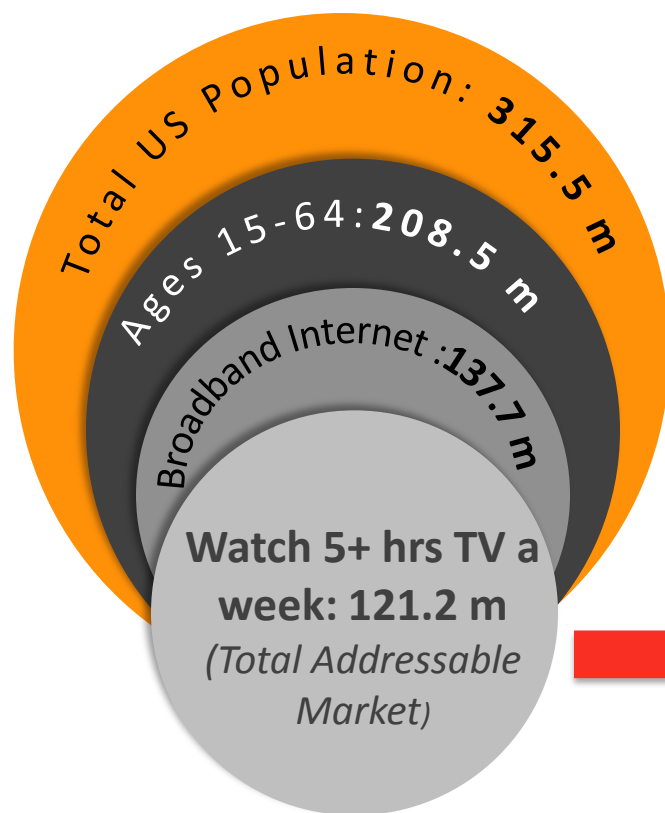
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# Quantitative:
# Who Was Surveyed

| Sample Specs | • Persons 15-64 years old.<br>• Broadband Internet access at home.<br>• Watch 5+ hours of TV per week. | | |
| --- | --- | --- | --- |
| | **Group 1** | **Group 2** | **Group 3** |
| **Group Definitions** | • No mobile devices. | • Own mobile devices.<br>• <u>Do not</u> watch TV on mobile devices. | • Own mobile devices.<br>• <u>Do</u> watch TV on mobile devices. |
| **Sample Size** | • N=1,291 respondents.<br>• N=65,756 viewing occasions. | • N=1,528 respondents.<br>• N=96,925 viewing occasions. | • N=3,067 respondents<br>• N=230,506 viewing occasions. |

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# Qualitative:
# Design Of In-Home Interviews

- 30 in-home discussions lasting 90-120 minutes, during April 2013, 10 each in 3 geographically and ethnically represented cities.

- Interviews were conducted with consumers who regularly watch TV on either a smartphone, a tablet, or both.

# The Mobile Viewing Population



**Of those in addressable market:**

**Total US Population: 315.5 m**

**Ages 15-64: 208.5 m**

**Broadband Internet: 137.7 m**

**Watch 5+ hrs TV a week: 121.2 m**
*(Total Addressable Market)*

**Group 2:**
*Own mobile device*
*No mobile TV*

**Group 3:**
*Mobile TV*
*Viewers*

**Group 1:**
*No smartphones*
*or tablets*

Group 2
57.0 m
47%

Group 3
38.8m
32%
(12% US)
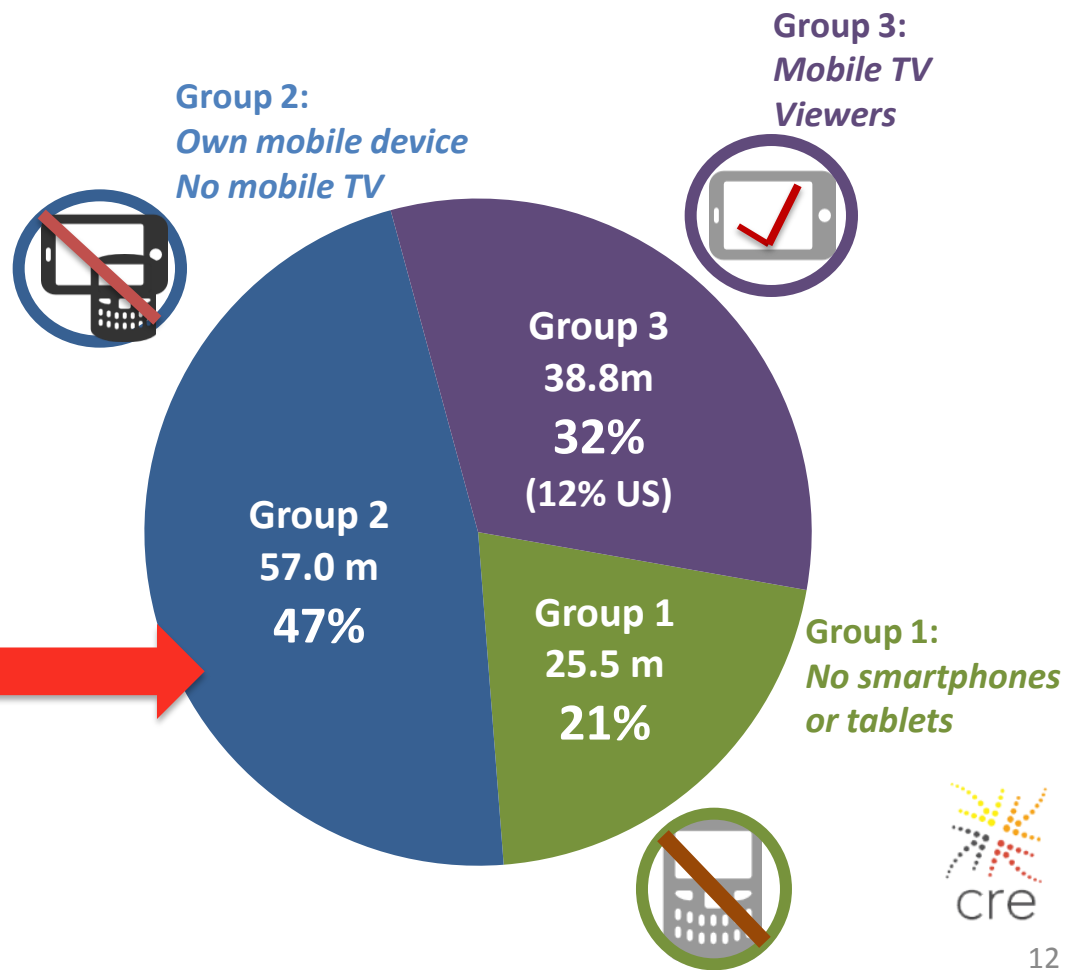
Group 1
25.5 m
21%

# Mobile TV Viewers Profile:
# Younger, Higher Income

| GROUP 1 No Mobile Devices | GROUP 2 No Mobile TV Viewing | GROUP 3 Mobile TV Viewers |
|---|---|---|
| • Tend to be older *(mean age 44).* | • Age falls in between Group 1 & and Group 3 *(mean age 40).* | • Tend to be younger *(mean age 35).* |
| • More likely Caucasian. | • More likely Caucasian. | • Asian-Am, African Am, English dominant Hispanic. |
| • HH income is lower. | • HH income similar to Group 3. | • Higher-income. |
| • More unemployed and retired. | • More employed professionals. | • Professionals with graduate degrees. |
| | | • More likely to be OTT. |

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# Mobile TV Viewers Profile:
# Early Adopters, Opinion Leaders

**Advertiser Desirable**

| | Group 1 No Mobile Devices | Group 2 No Mobile TV Viewing | Group 3 Mobile TV Viewers |
|---|---|---|---|
| **Early Adoption** | • Very few tech savvy early adopters. | • Moderate tech savvy early adopters. | • More tech-savvy early adopters. |
| **TV Viewing** | • More often light TV viewers. | • More of a mix of light, medium and heavy TV viewers. | • More often heavy TV viewers. |
| **Opinion Leader** | • Less likely to be TV show opinion leaders. | • Less likely to be TV show opinion leaders. | • More likely to be TV show opinion leaders and use social media to talk about TV. |

Respondent level data unless noted.

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# Only 2% Of TV Viewing Occasions Happen On Mobile Devices In The Addressable Market

**% Of Total Viewing Occasions Watched On Each Device Among the Total Addressable Market**



89% — TV

8% — Computer

1% — Tablet

1% — Smartphone
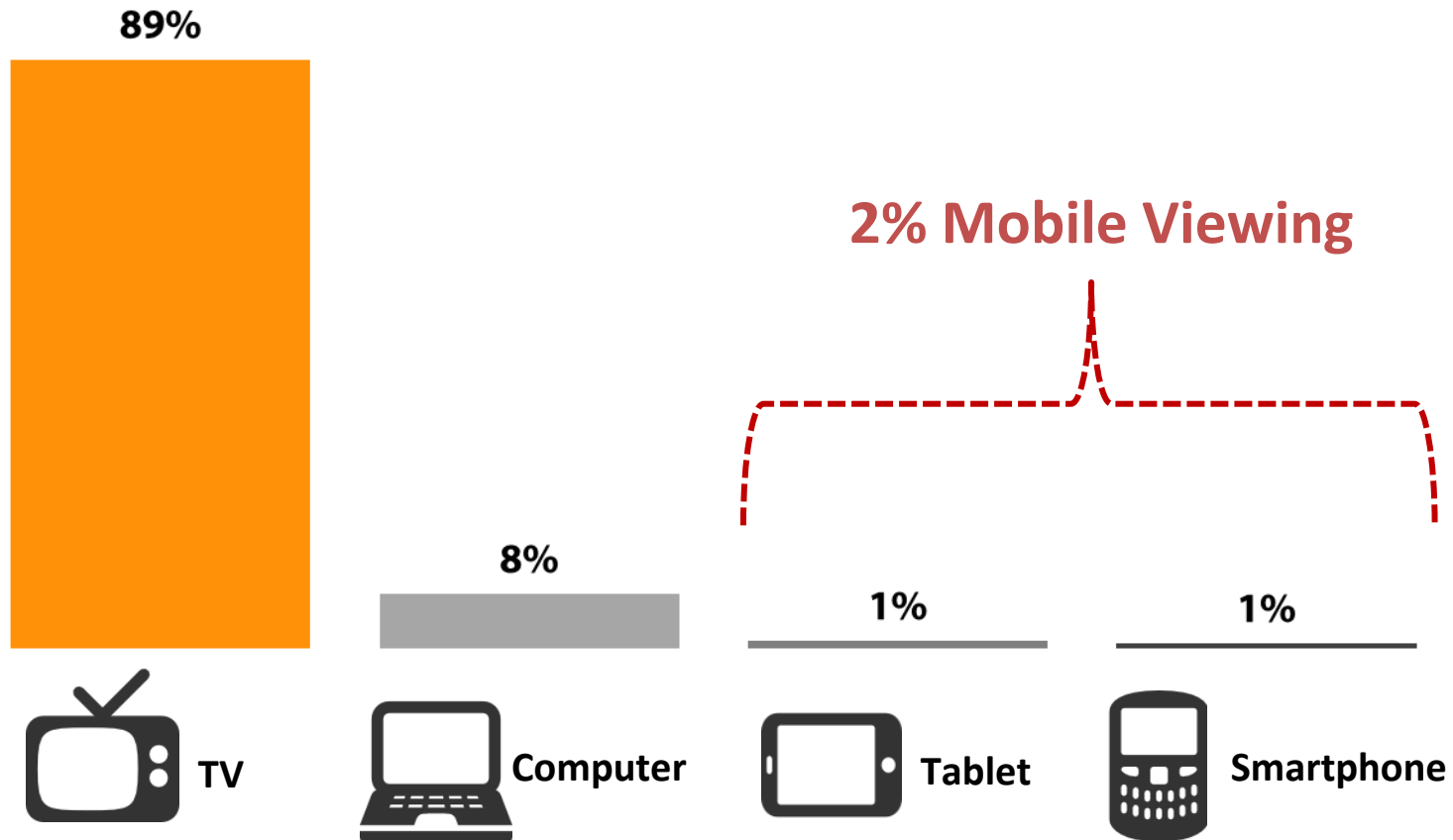
**2% Mobile Viewing**

# Findings Among Mobile TV Viewers: Group 3

# Three Key Characteristics Of Mobile TV Homes

**Substantial amount of viewing is time shifted.**

**Family viewing is highly individualized.**

**Mobile viewing is often used to fill idle time.**

In fact, some younger viewers note keeping up with live TV is "not cool".

Some communal viewing, but most household members have their own favorite shows.

Especially while out of the home in "waiting" situations.

# Viewing On A TV Remains The Dominant Source For Mobile Viewers

**% Of Total TV Viewing Occasions On Each Device Among Mobile Viewers (Group 3)**

89%

**7% Viewing on Mobile**

9%

4%

3%

TV

Computer

Tablet

Smartphone

# TV Viewing Occasions



Base: Total positive viewing occasions. Base: Total positive viewing occasions. JOURNAL Q3: During which time(s) did you watch
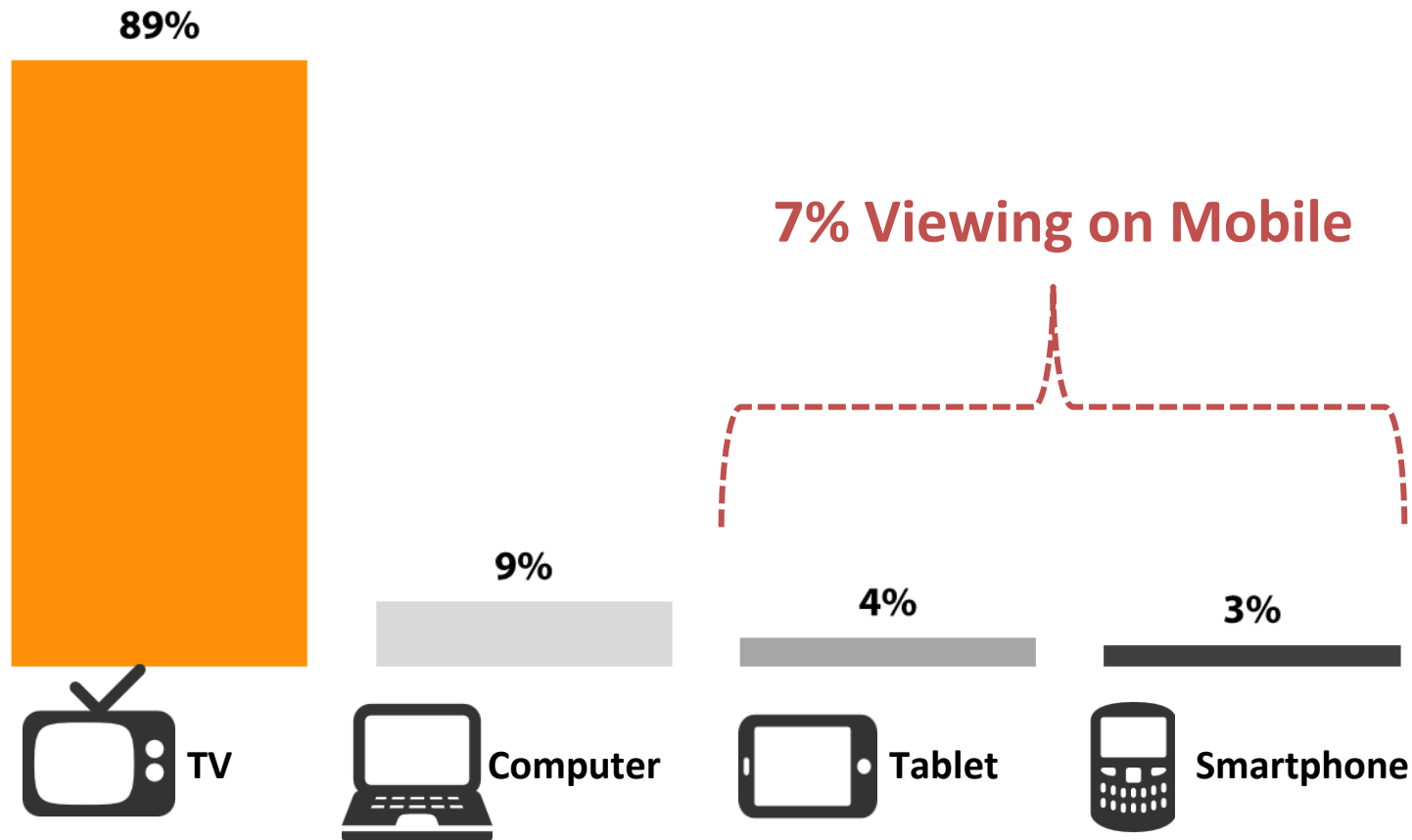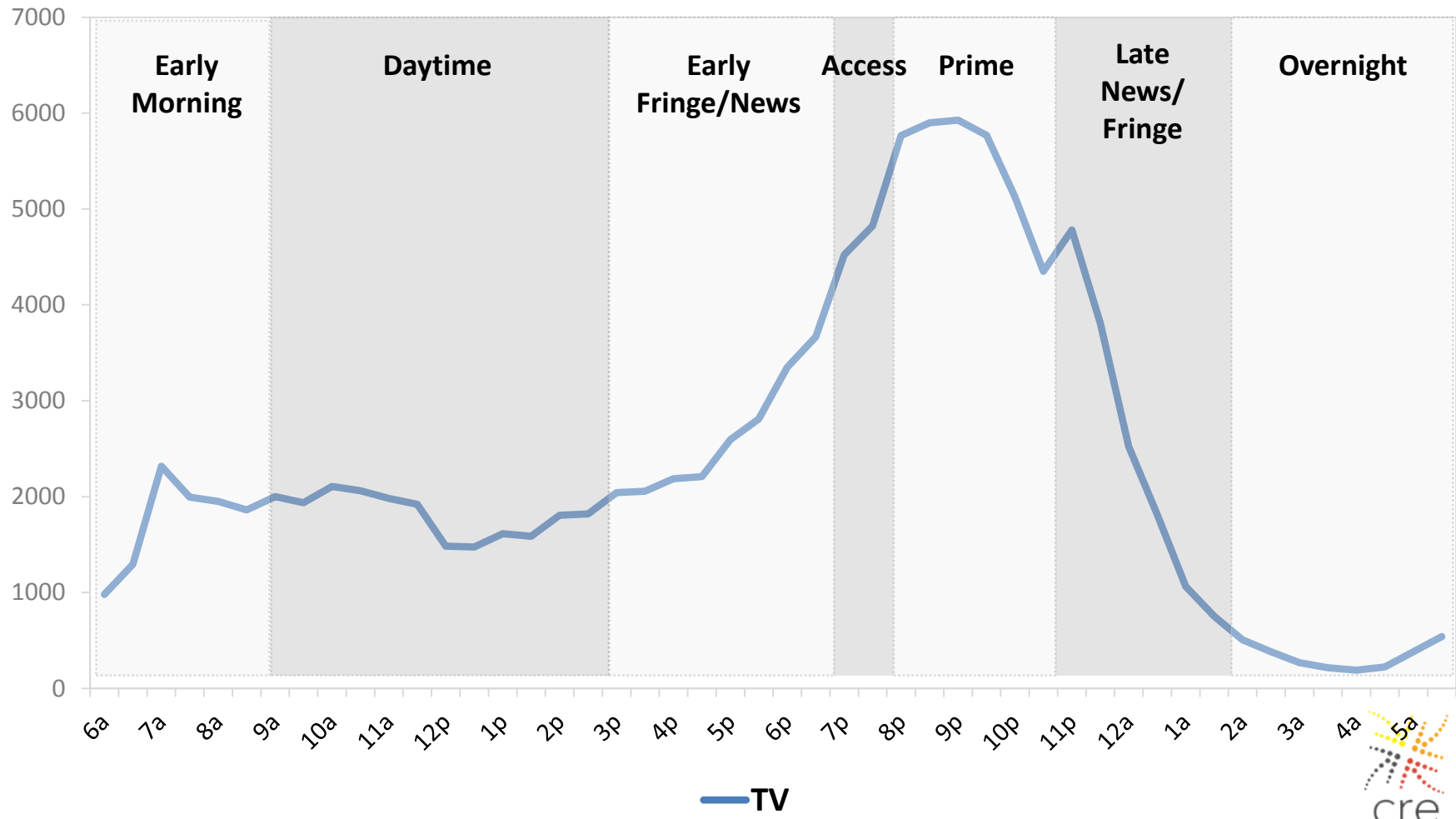
# Index of Viewing Occasions by Daypart: TV & Mobile
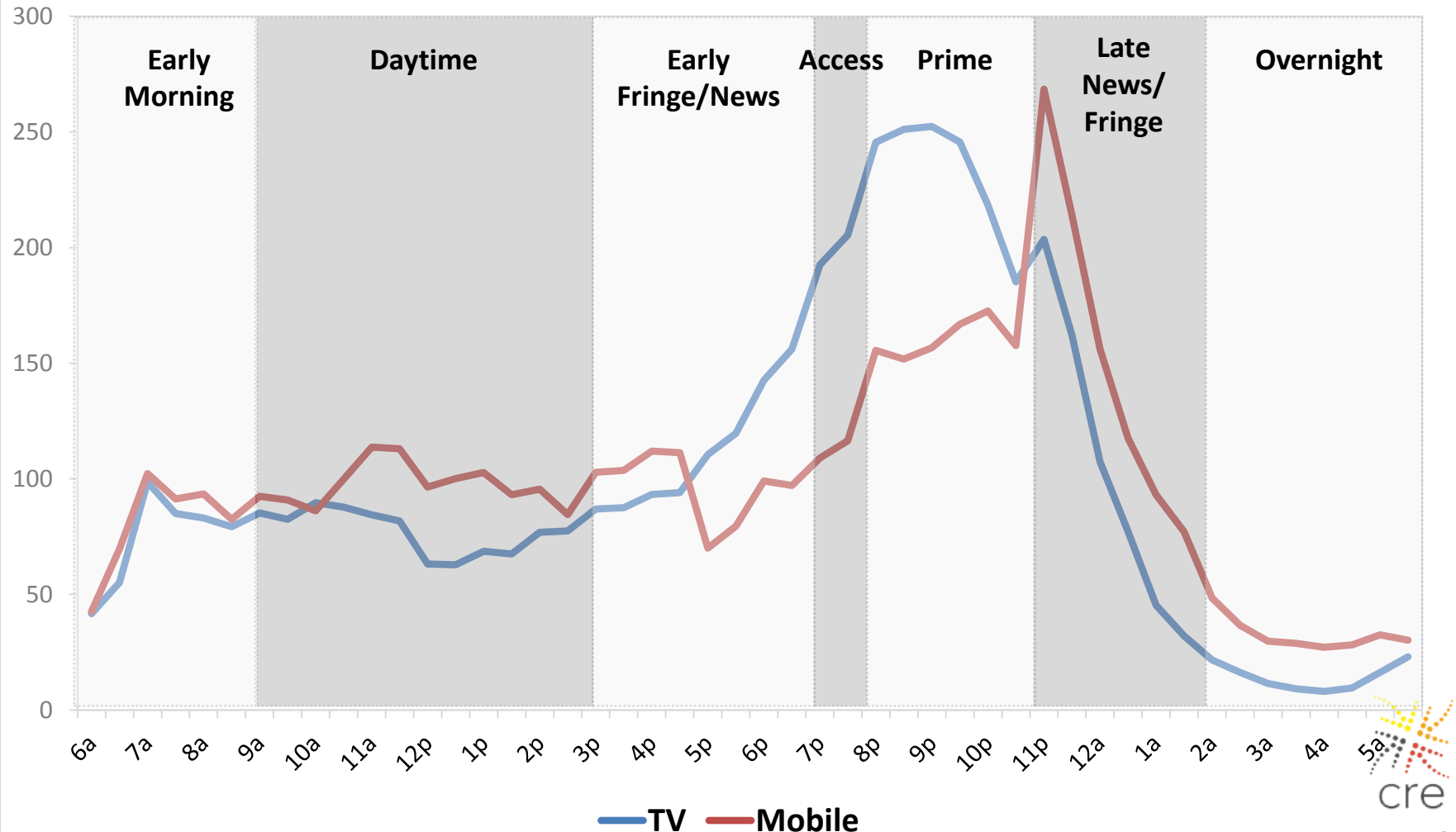


Base: Total positive viewing occasions. Base: Total positive viewing occasions. JOURNAL Q3: During which time(s) did you watch

# Viewing Occasions
# Mobile: Tablet & Smartphone



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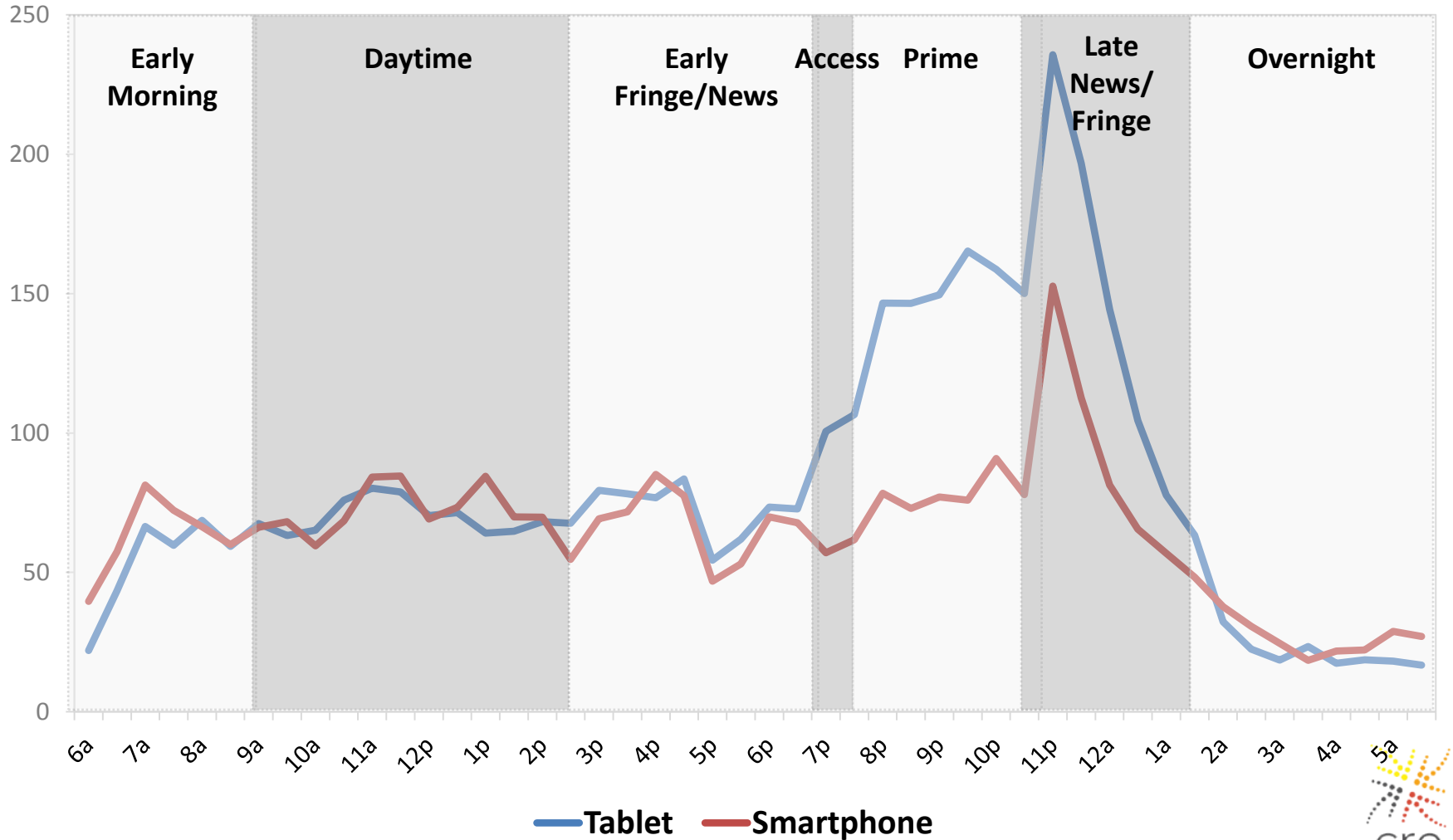
# In-Home Viewing Dominates Platforms; Smartphone Most Common Out Of Home Device

**% Of TV Viewing Occasions**

| | TV | Computer | Tablet | Smartphone |
|---|---|---|---|---|
| In own home | 90% | 82% | 82% | 64% |
| At work / at the office | 5% | 14% | 8% | 23% |
| At another's residence | 6% | 5% | 6% | 9% |
| In transit/commuting | 5% | 2% | 4% | 12% |
| Commercial location | 2% | 1% | 3% | 8% |
| Doctor's/dentist's/waiting | 2% | 2% | 2% | 6% |
| At school | 1% | 1% | 1% | 2% |
| At a hotel | 1% | 1% | 1% | 2% |
| On a plane | 0% | 1% | 1% | 1% |
| At an airport | 0% | 0% | 1% | 2% |
| Other type of travel | 0% | 1% | 1% | 2% |
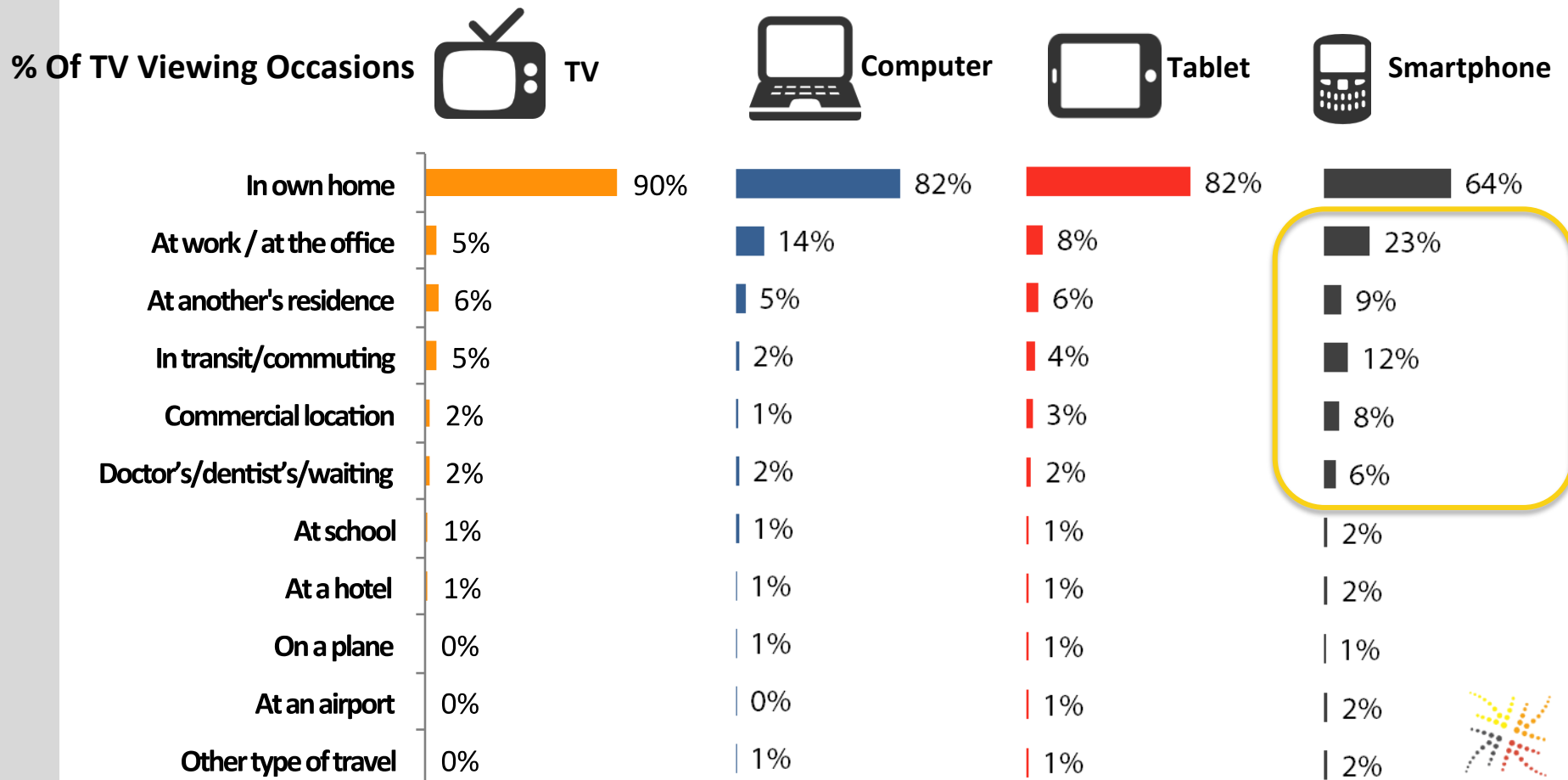
Base: Total positive TV viewing occasions. JOURNAL_Q17: Where did you watch TV on a device other than a traditional TV set during this time? (Select all that apply.)

# Online Services Are The Primary Mobile Viewing Source
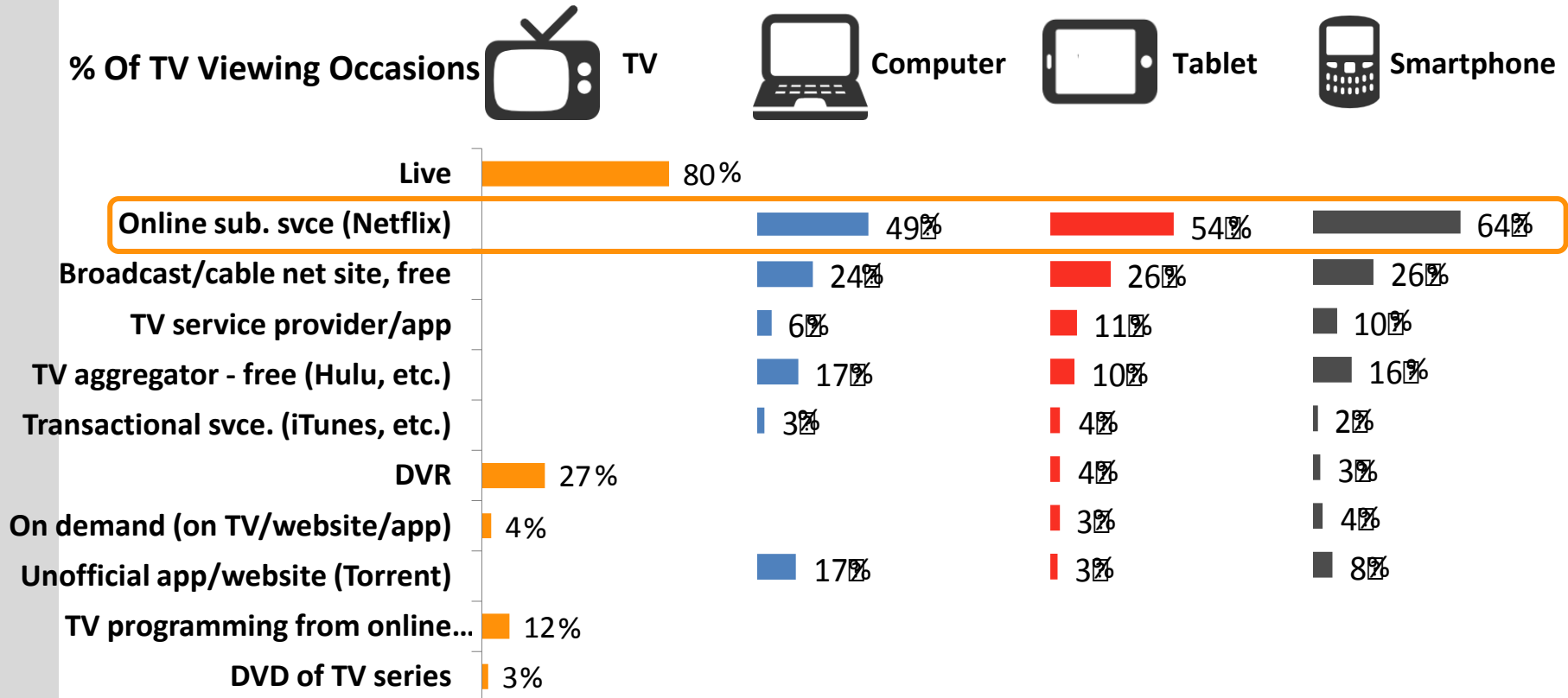


**% Of TV Viewing Occasions** | TV | Computer | Tablet | Smartphone

| Source | TV | Computer | Tablet | Smartphone |
|---|---|---|---|---|
| Live | 80% | | | |
| Online sub. svce (Netflix) | | 49% | 54% | 64% |
| Broadcast/cable net site, free | | 24% | 26% | 26% |
| TV service provider/app | | 6% | 11% | 10% |
| TV aggregator - free (Hulu, etc.) | | 17% | 10% | 16% |
| Transactional svce. (iTunes, etc.) | | 3% | 4% | 2% |
| DVR | 27% | | 4% | 3% |
| On demand (on TV/website/app) | 4% | | 3% | 4% |
| Unofficial app/website (Torrent) | | 17% | 3% | 8% |
| TV programming from online… | 12% | | | |
| DVD of TV series | 3% | | | |

# Key Drivers for Mobile TV Viewing

# Convenience Is The Primary Driver Of Viewing On Mobile

**Why Choose to Watch Program on Device Other Than TV Set**
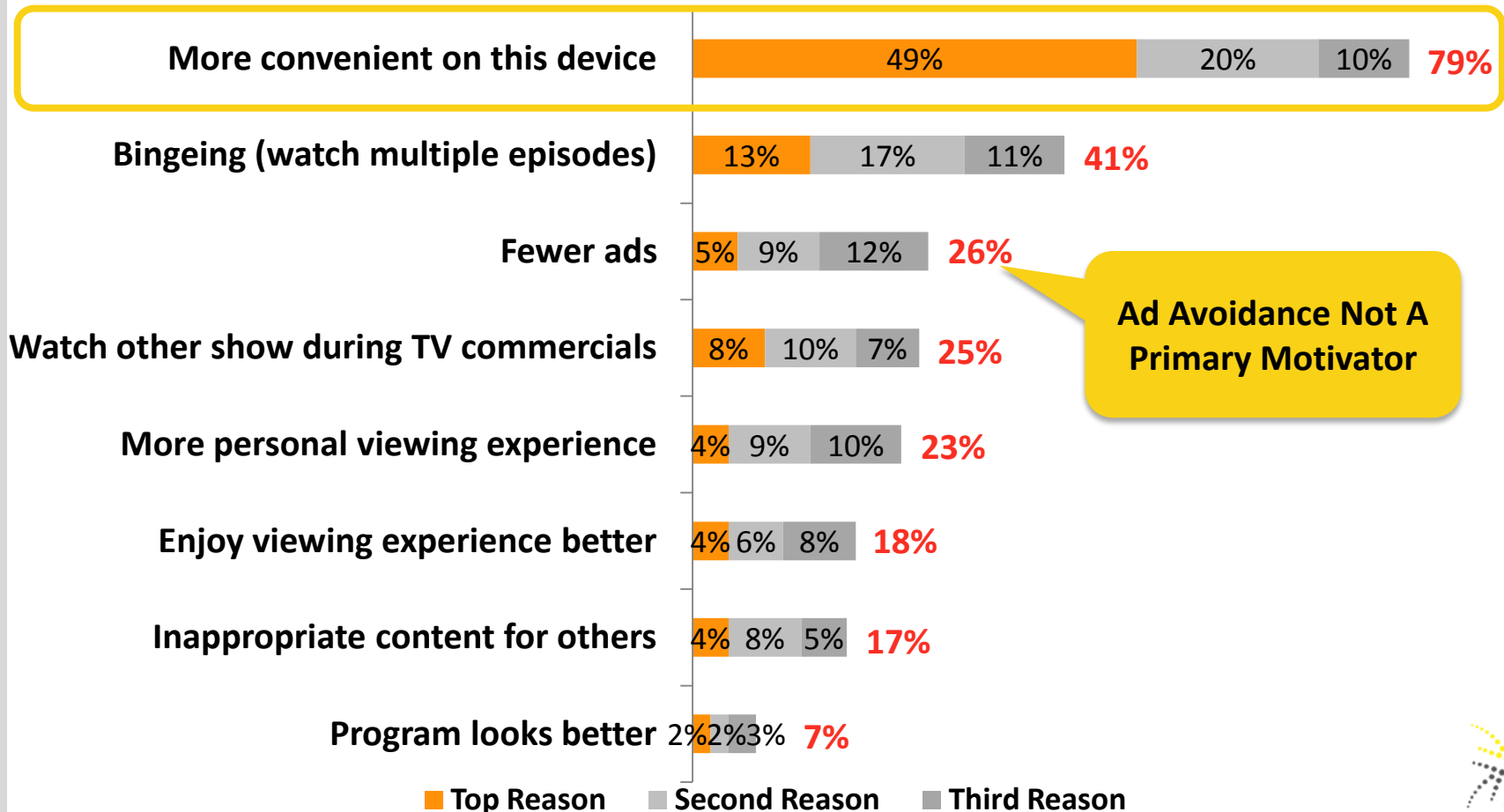
| | Top Reason | Second Reason | Third Reason | Total |
|---|---|---|---|---|
| **More convenient on this device** | 49% | 20% | 10% | **79%** |
| **Bingeing (watch multiple episodes)** | 13% | 17% | 11% | **41%** |
| **Fewer ads** | 5% | 9% | 12% | **26%** |
| **Watch other show during TV commercials** | 8% | 10% | 7% | **25%** |
| **More personal viewing experience** | 4% | 9% | 10% | **23%** |
| **Enjoy viewing experience better** | 4% | 6% | 8% | **18%** |
| **Inappropriate content for others** | 4% | 8% | 5% | **17%** |
| **Program looks better** | 2% | 2% | 3% | **7%** |

**Ad Avoidance Not A Primary Motivator**

🟧 Top Reason ⬜ Second Reason ⬛ Third Reason

Base: Those who watched on device other than TV set (Group 3 Mobile Viewers). QADQ10: Why did you choose to watch television programming on a [DEVICE] instead of on a TV set?

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# Convenience Drivers
# Out-Of-Home Versus In-Home

- **Out-Of-Home**
  - TV set not available.
  - To fill down time.

- **In-Home**
  - TV set is being used by someone else.
  - Want to be with household member watching TV set but want to watch something else.
  - Would like a "close-up" experience.
  - Too lazy to get up and turn on TV set when mobile device is at hand.
  - Portability to move from room to room.

# Binge Viewing

# Bingeing Is The Second Most Common Driver For Mobile Viewing

**Why Choose to Watch Program on Device Other Than TV Set**
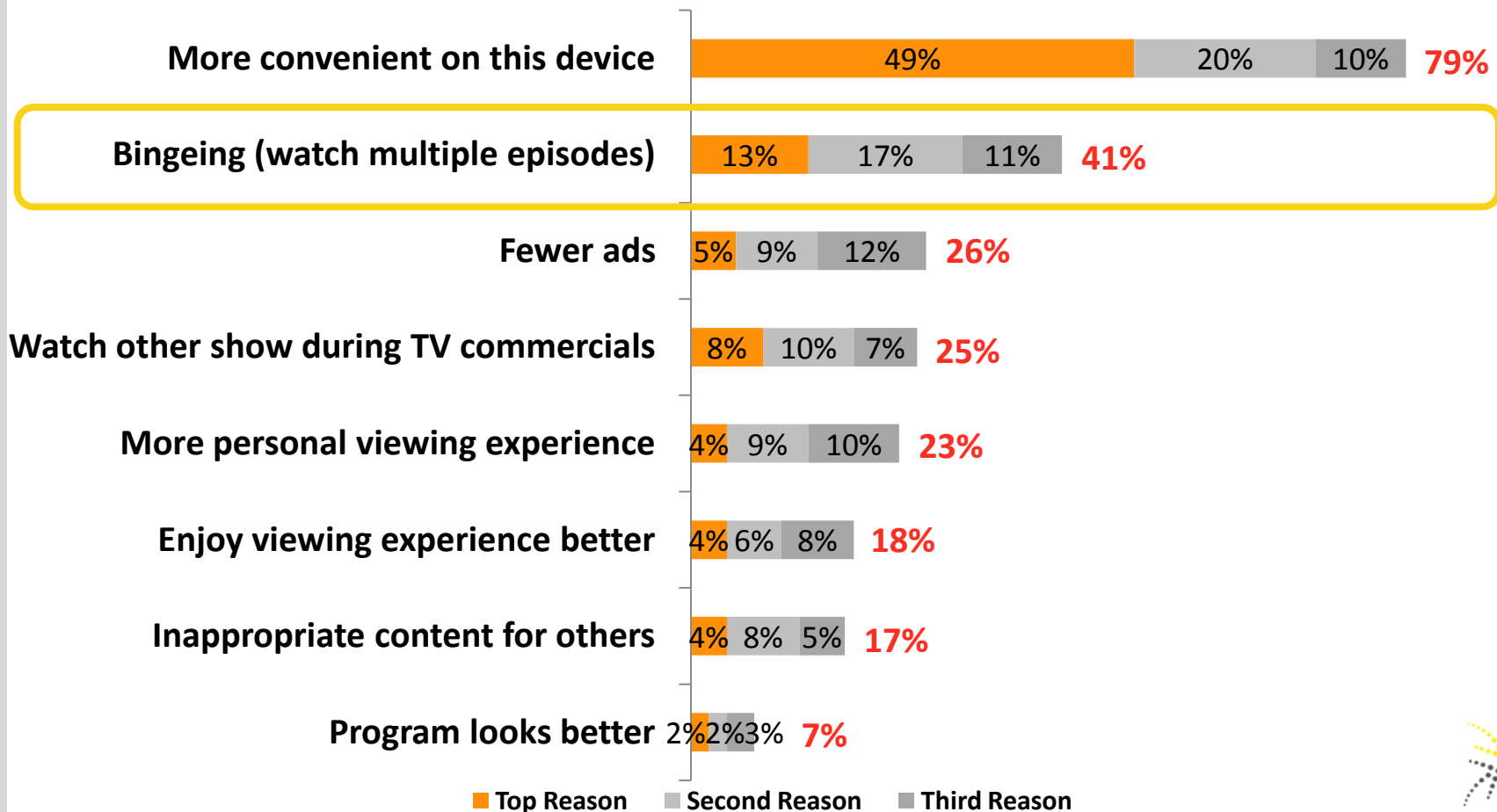
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■ Top Reason   ■ Second Reason   ■ Third Reason

Base: Those who watched on device other than TV set (Group 3 Mobile Viewers).  QADQ10: Why did you  choose to watch television programming on a [DEVICE] instead of on a TV set?

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# Bingeing Offers Additive Benefits To Total Viewing

**Almost all participants noted binge viewing at least once.**

- Behaviors that lead to Binge Viewing
  - **Word of mouth** from family, friends or the media.
  - **Sample** a current episode and like it.
  - **Catch up** on current or past seasons.

*"Breaking Bad has been on for what; three or four seasons now? Last year, they saw an episode and went crazy on it. They've gone back and watched every episode, and they're completely caught up. It's all been on Netflix on the iPad. "*

**George, 53, Atlanta, Smartphone (1 hrs/wk); Tablet (5 hrs/wk)**

# Mobile Facilitates Binge Viewing

- **Binge viewing is a time and space "filler."**
  - Some will fill any available time to satisfy their binge viewing fix.
    *(out of the home on their phone, or in-home when the TV is occupied)*

- **Binge viewing has moved from DVD box sets to Mobile.**
  - Netflix is the most common source, with Hulu/Hulu Plus, on-demand and pirate sites also used with regularity.
  - Marathon weekends still drive some linear TV viewing.

# Ad Avoidance

# Ad Avoidance Is *Not* A Primary Motivator For Mobile TV Viewing

**Why Choose to Watch Program on Device Other Than TV Set**
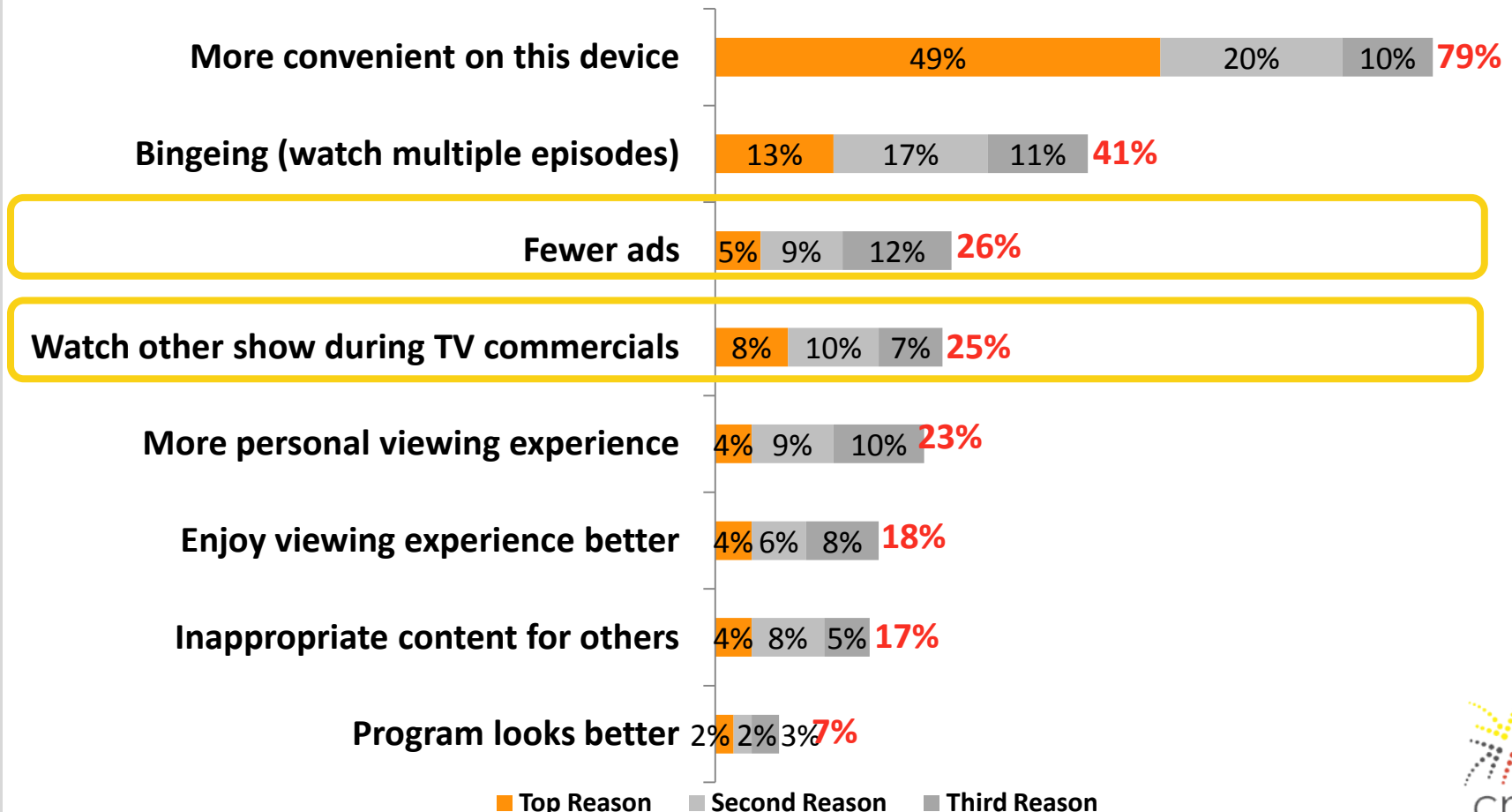
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■ **Top Reason**  ■ **Second Reason**  ■ **Third Reason**

Base: Those who watched on device other than TV set (Group 3 Mobile Viewers). QADQ10: Why did you choose to watch television programming on a [DEVICE] instead of on a TV set?

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# Ad Avoidance Is More Of A Benefit Than A Trigger Of Mobile Viewing

- **Few cited ad avoidance as a reason for watching on a mobile device , rather as an added benefit.**
  - Not even the benefit was universally acknowledged.
    Among Hulu / Hulu+ viewers few complained about ads.
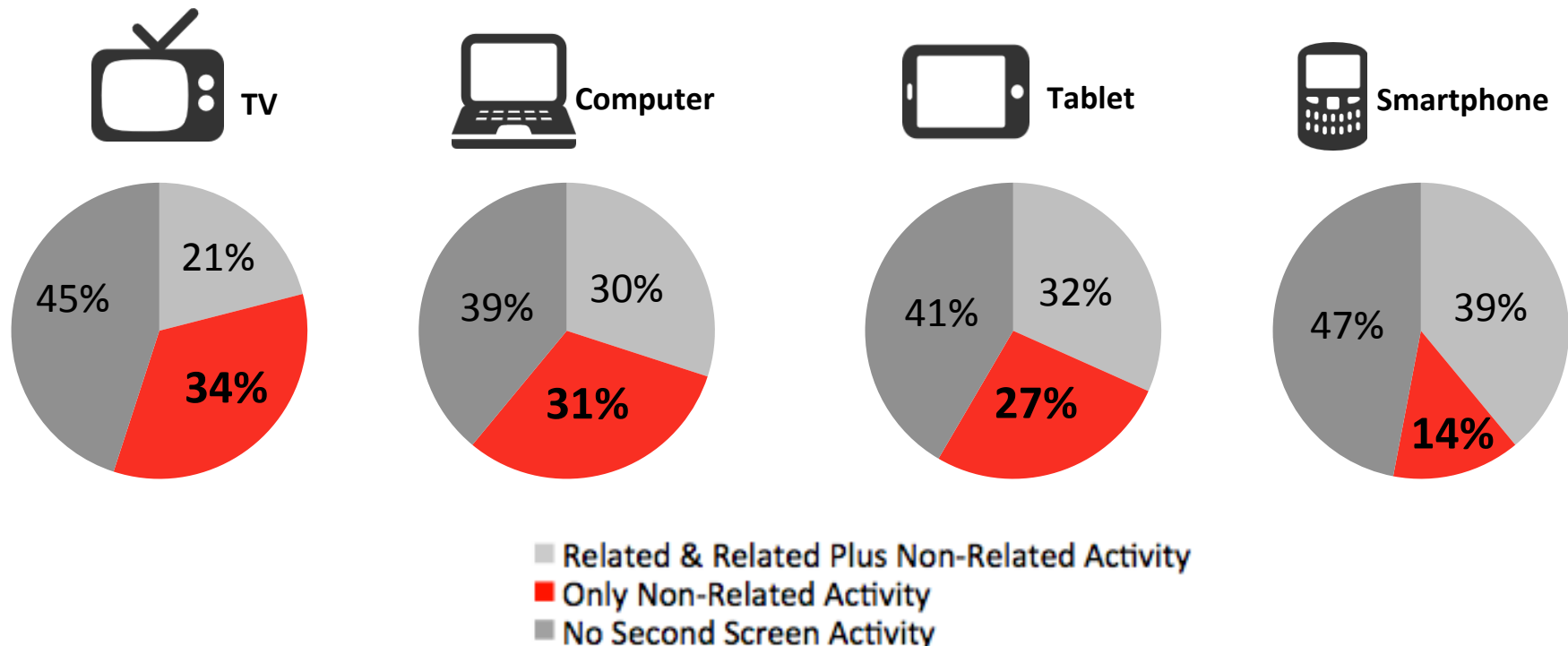
# Viewer Testimony On Mobile TV Viewing

| In Home | Out of the Home |
|---|---|
| Content availability | |
| Device availability | |
| Family dynamics | Downtime |
| Device preference | |
| Inertia | |

# Multi-Screen Activity

# The Smaller The Device
# The Less Non-Related Multi-Screen Activity

**TV**

**Computer**

**Tablet**

**Smartphone**

TV pie chart:
- 21%
- 45%
- **34%**

Computer pie chart:
- 30%
- 39%
- **31%**

Tablet pie chart:
- 32%
- 41%
- **27%**

Smartphone pie chart:
- 39%
- 47%
- **14%**

Legend:
- Related & Related Plus Non-Related Activity
- Only Non-Related Activity
- No Second Screen Activity

Base. Total positive TV viewing occasions. JOURNAL Q19: What activities did you do at the same time on these devices while you were watching TV?
JOURNAL Q18: During this period of TV viewing, did you ever use multiple electronic devices at the same time?
All data is *within Group 3*.

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# Impact of Mobile on Total TV Watching

# Mobile Viewing Adds To Total TV Viewing Hours For Most Viewers

**View Current Programs** →

Would probably not have been done on linear.

Too difficult to find reruns of current programs, and on-demand is not top-of-mind.

**View Older Programs** →

Would definitely not have been done on linear.

Next-to-impossible to find that content.

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# Mobile TV Viewing Correlates To An Increase In Overall TV Consumption

**Confirmed in both quantitative and qualitative research**

- **Mobile devices make TV viewing:**
    - More convenient.
    - Accessible during more occasions.
    - Adds a new dimension to Co-Viewing.

- **Key driver analysis modeling showed same results even with constant factors known to influence TV viewing time:**
    - "Early adopter" of new TV shows *(Introduced more viewers to new shows)*.
    - Age *(Younger viewers who typically watch less ... watched more)*.
    - Ethnicity *(Caucasians typically watch less ... watched more)*.
    - Education level *(College educated generally watch less. ... watched more)*.
    - Time spent outside the household *(Provided new access to viewing)*.

# TreeNet Research

# Predictive Modeling Through TreeNet

TreeNet is more flexible than more conventional regression techniques. It can accommodate non-linear, missing and miscoded data.

It can identify interaction effects among different independent variables.

TreeNet is a hybrid between Neural Networks and Classification and Regression Trees (CART) models used for predictive modeling of consumer behavior and market outcomes.

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# All Mobile Is Associated With More Total Viewing Only Smartphones Relate To More TV Set Viewing

- The portability of mobile devices provide greater exposure to TV content and can be associated with more *total viewing* hours.

- Smartphones are the only mobile device associated more *TV set viewing*.

| | Impact on *Total* Viewing Hours | Impact on *Television Set* Viewing Hours |
|---|---|---|
| **Smartphone** | ⬆⬆⬆⬆⬆ | ⬆⬆⬆ |
| **Tablet** | ⬆⬆⬆ | ⬇ |
| **Computer** | ⬆⬆⬆⬆ | ⬇⬇⬇ |

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# Summary Of Findings

1) **Total volume of mobile TV viewing is still limited**

   – Current users are influencers and desirable to advertisers.

   – Mobile can contribute to added TV exposure and total viewing.

   – Most mobile TV viewing occurs through online subscription services.

2) **Convenience is the most common motivation for mobile TV viewing**

   – "Screen Shifting" varies by daypart based on viewer location, screen availability and convenience.

   – New "Co-Viewing" by enabling multiple household members to watch different shows at the same time.

   – TV content availability and ease of access sometimes drives consumers to watch on mobile.

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# Summary Of Findings

3)  **Binge Viewing is the second most common driver of mobile TV viewing**

    –   Moved from "DVD box sets" to mobile.

    –   Induces additive viewing via "sampling" and "catch up."

4)  **Mobile viewing is more focused on TV content**

    –   The smaller the mobile device the less non-related screen activity takes place.

# Measurement Implications

**Current implications**

- Underrepresentation  presents certain skews.

  - Daypart (Daytime and Late Fringe).

  - Crediting (Time-delayed viewing).

  - Demographics (Younger, Asian, Hispanic, African American).

**Future implications**

- Need to measure TV content sources

  - Subscription streaming (Hulu, Netflix).

  - Apps.

  - Program related content.

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# Measurement Implications

**Potential best practices for mobile journaling research**

- Recruitment techniques, incentive structures and alert notifications.

- Journaling design and mobile app interface.

- Data QC, integration and analytics for occasion-based journaling.

**Thank You!**