

The Increasingly Connected Consumer: Connected Devices

A look behind the growing popularity of iPads, Kindles and other devices

October 2010

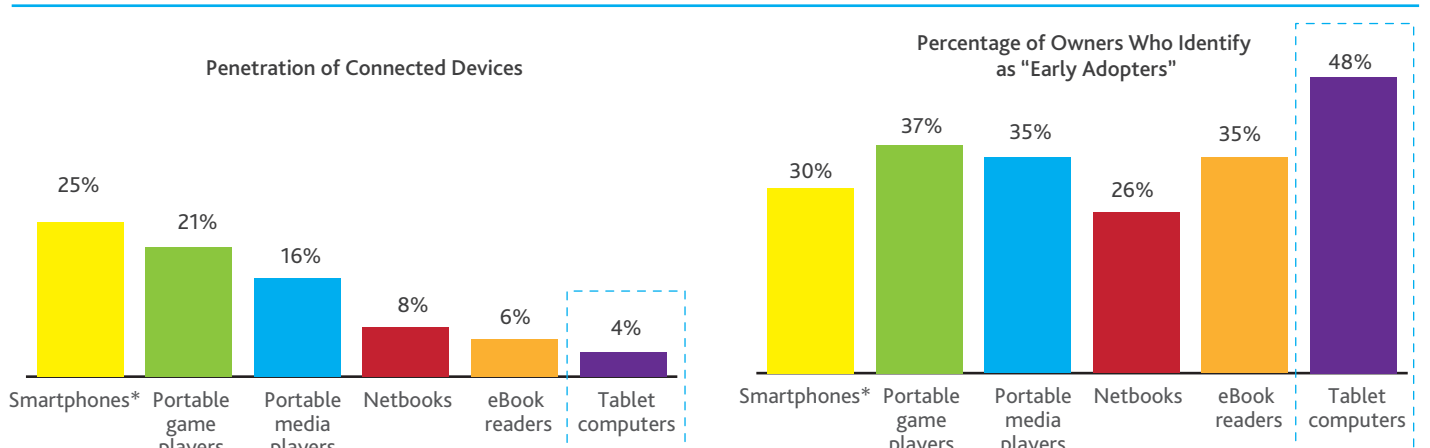
Connected devices such as tablets, eReaders and smartphones are seemingly everywhere and already are changing how some people consume media. Whether it's watching a video or accessing an app on an iPad on the train to work, sitting at home reading a book on a Kindle or playing the latest games on a Sony PSP, the devices have only added to consumption of the more "traditional" forms of media delivery such as the home computer, books and game consoles. The Nielsen Company recently released its inaugural Connected Devices Playbook to get a better idea of the consumers purchasing Apple iPads, Amazon Kindles and other similar gadgets and how they are using them.



Who Uses Connected Devices

- Early adopters of technology favor tablets, and tablet owners own more connected devices

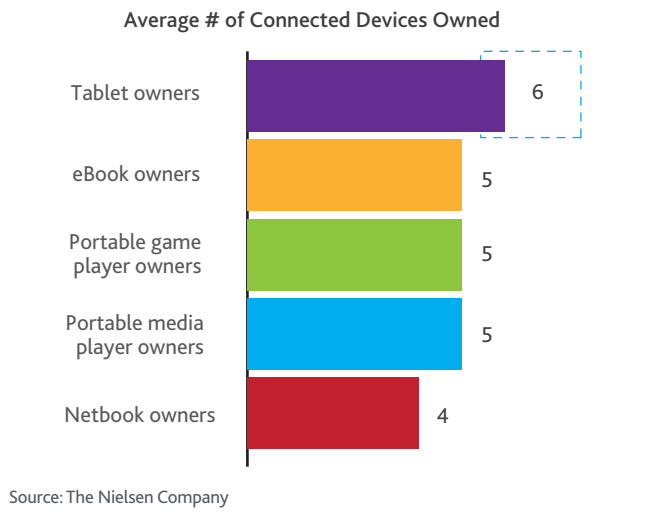
Chart 1. Tablets are still a nascent market favored by early adopters



* Smartphone penetration is derived from Nielsen's Q2 2010 Mobile Insights study and represents individual penetration. Connected devices figures represent household penetration
Source: The Nielsen Company

The Increasingly Connected Consumer: Connected Devices

Chart 2. Many of whom own multiple devices

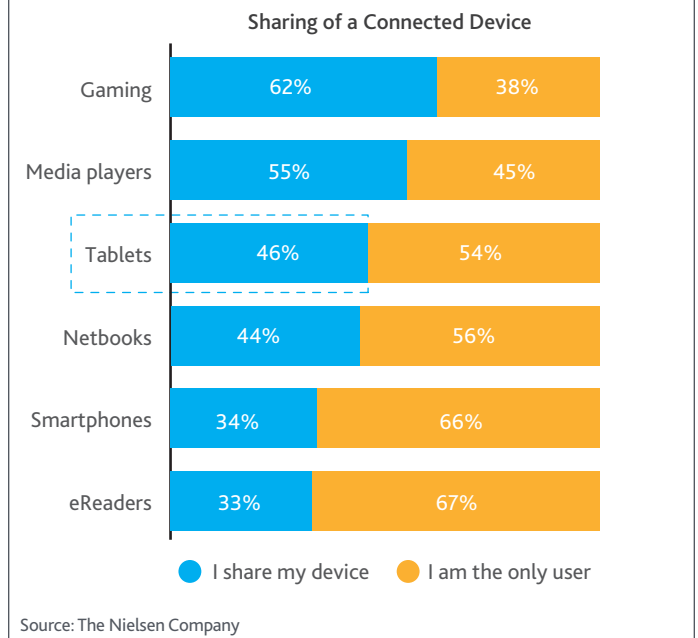


- Apple iPad users are younger and more of them are male than those of other connected devices
 - 65% are male, 63% are under the age of 35
 - Kindle users: 52% male, 47% under the age of 35
- Amazon Kindle users are slightly wealthier, better educated
 - 28% have incomes of \$100k or more, 57% have a bachelors degree or higher
 - Pad users: 25% have incomes of \$100k or more, 51% have a bachelors degree or higher

How connected devices are being used

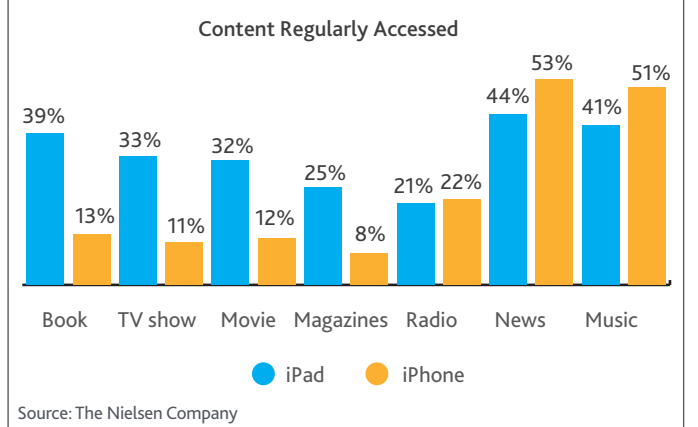
- Tablets are shared more than eReaders or smartphones
 - 46% of tablet users allow others to use their devices, while only about one-third of smartphone and eReader users do the same (34% smartphone users, 33% eReader users)

Chart 3. Tablets are less personal than smartphones



- The iPad trumps the iPhone for "print" and video viewing...

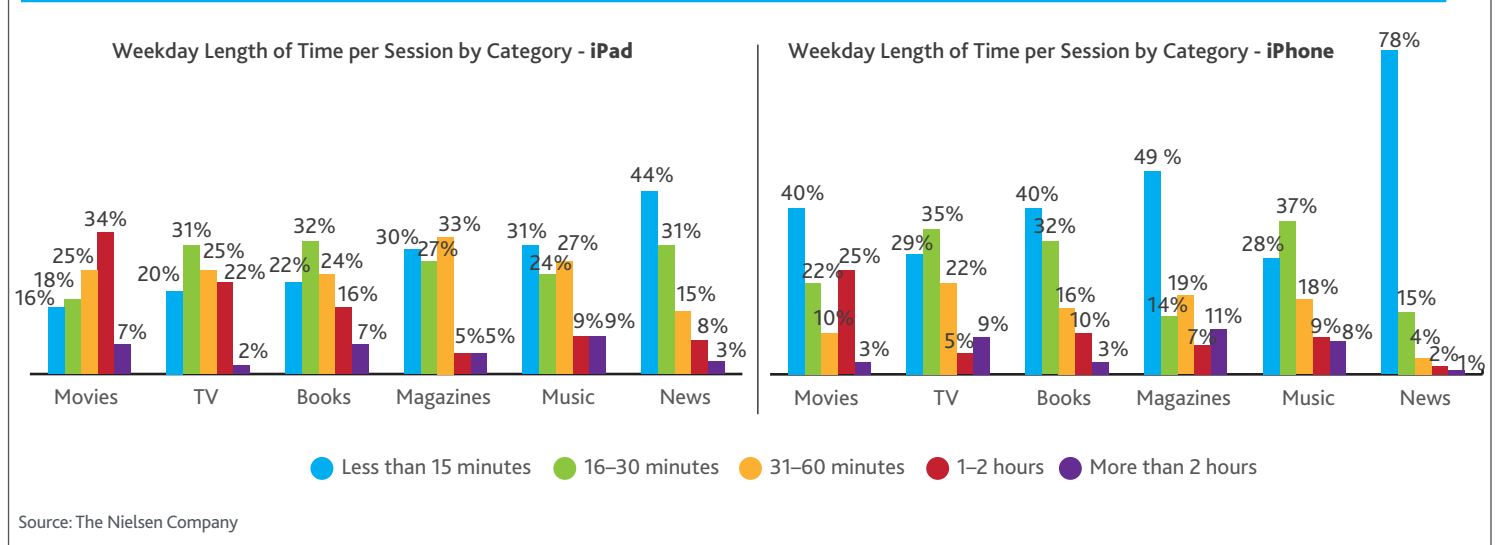
Chart 4. Print and video benefit from the iPad's larger screen size



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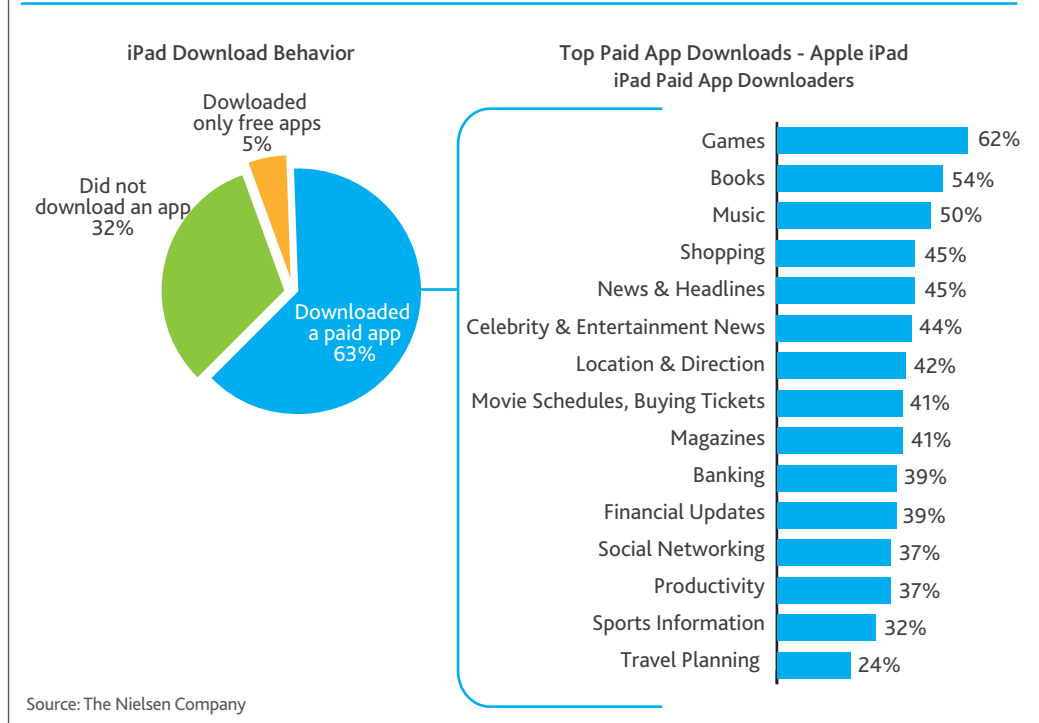
- ...which leads to greater engagement:

Chart 5. iPad owners spend a longer amount of time with their content



- Almost two-thirds of iPad owners have already downloaded a paid app:

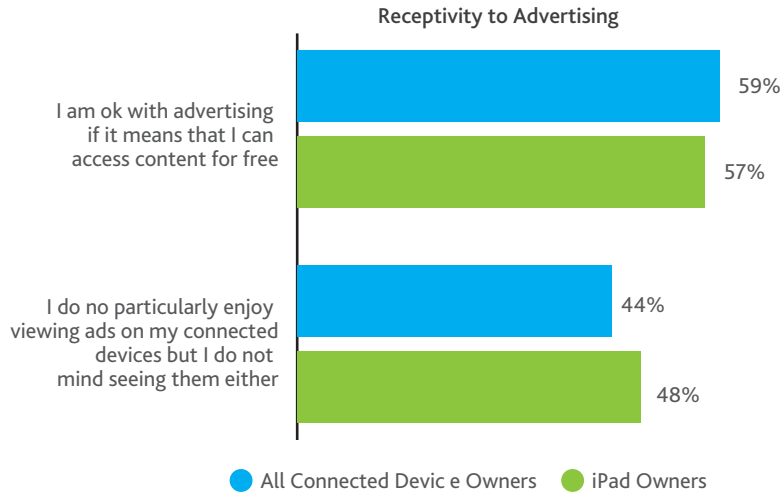
Chart 6. A majority of iPad owners have already paid for content



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- Connected devices owners as a group are comfortable with mobile advertising...

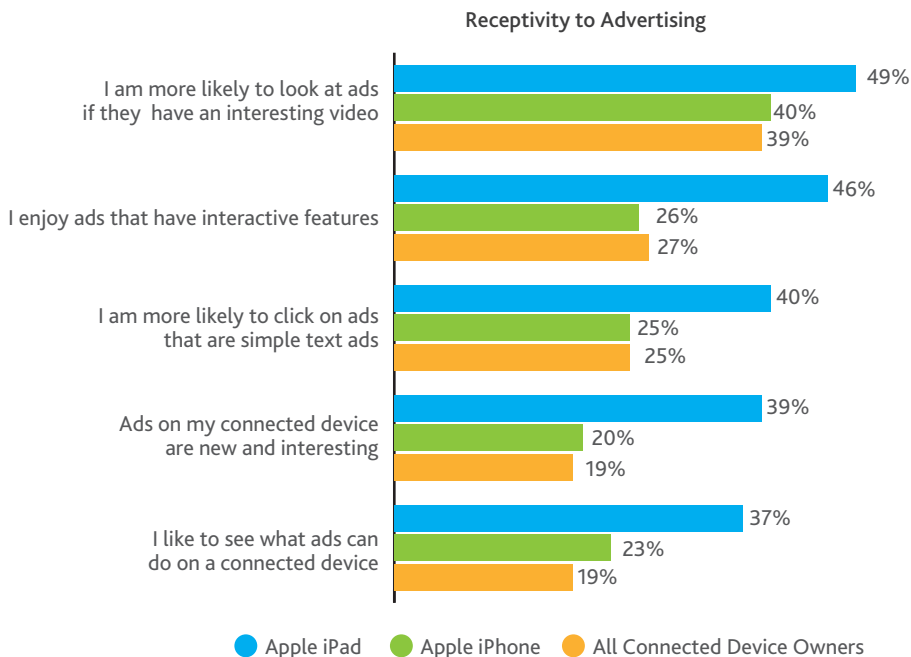
Chart 7. Connected device owners are comfortable with mobile advertising



Source: The Nielsen Company

- ...but iPad users are much more receptive and are more likely to make a purchase:

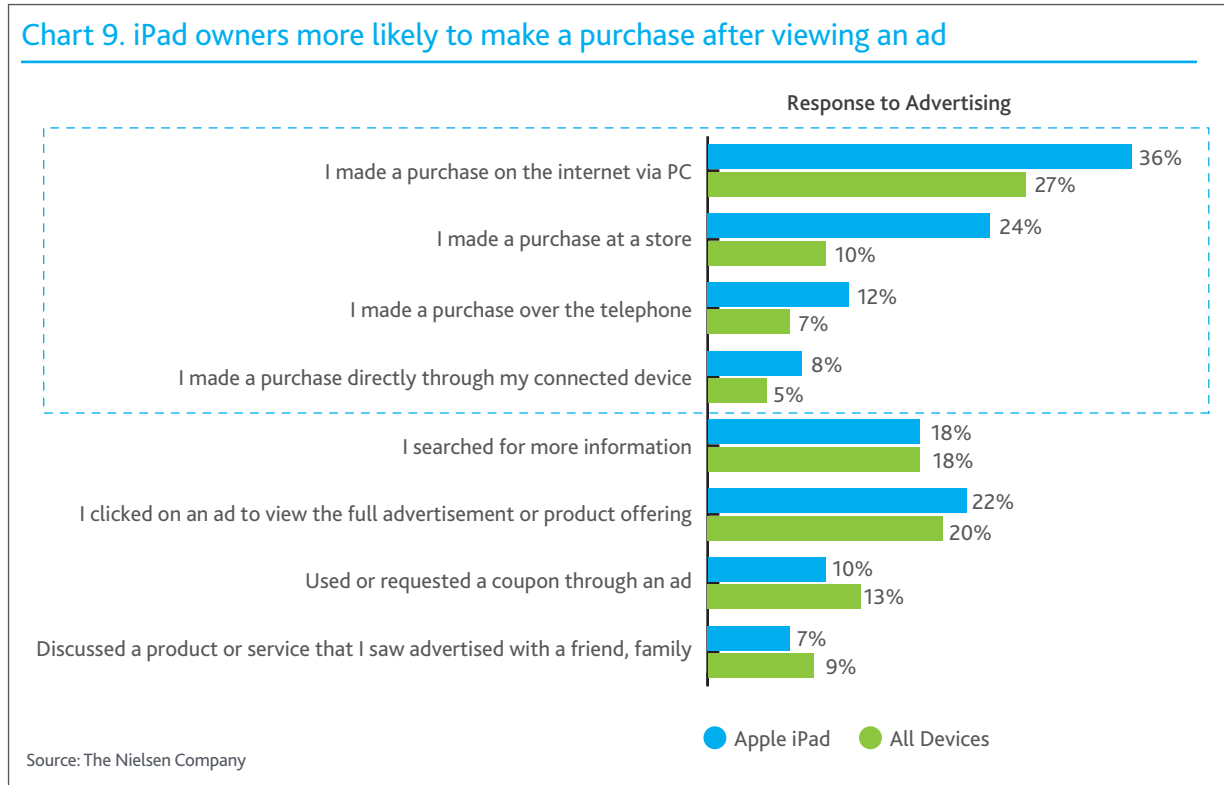
Chart 8. iPad users are far more receptive to advertising



Source: The Nielsen Company

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Chart 9. iPad owners more likely to make a purchase after viewing an ad



Methodology

The Connected Devices Playbook surveyed more than 5,000 connected device owners who completed an online, self-administered survey in August 2010. The study tracked 54 different devices.

For more information, contact your Nielsen representative at 800-988-4226 or visit www.nielsen.com

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